ANTEVENIO S.A., AND SUBSIDIARY COMPANIES

Interim Consolidated Financial Statements at 30 June 2014

ANTEVENIO, S.A., AND SUBSIDIARY COMPANIES

Interim Consolidated Financial Statements at 30 June 2014

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2014:

ANTEVENIO S.A. AND SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2014

ANTEVENIO, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL SITUATION AT 30 JUNE 2014 AND AT 30 JUNE 2013

(Stated in euro)

ASSETS	Note	30/06/2014	31/12/2013	30/06/2013
Property, plant and equipment	(Note 8)	297,906	341,953	441,244
Goodwill	(Note 5)	6,313,920	6,313,920	7,872,358
Other intangible assets	(Note 9)	384,245	123,929	2,260,106
Non-current financial assets	(Note 11)	678,660	662,168	97,539
HOLDINGS CONSOLIDATED USING THE EQUITY METHOD	(Note 7)	425,00	425,00	-
Deferred tax assets	(Note 18)	768,490	608,862	811,407
NON-CURRENT ASSETS		8,443,645	8,051,257	11,482,653
Trade and other receivables	(Note 11)	6,486,043	6,173,973	6,818,094
Other current financial assets	(Note 11)	63,860	102,703	7,370
Other current assets	(Note 11)	709,222	441,540	774,236
Cash and cash equivalents	(Note 11)	4,476,646	5,405,106	4,541,665
CURRENT ASSETS		11,735,771	12,123,322	12,141,365
TOTAL ASSETS		20,179,416	20,174,579	23,624,018

The Group's Consolidated Interim Financial Statements, which form a single unit, include the Consolidated Statements of Financial Situation, the Consolidated Statements of Income and Comprehensive Income, the Consolidated Cash Flow Statements, the Consolidated Statements of Changes in Net Equity and Notes 1 to 28 to the Consolidated Interim Financial Statements.

ANTEVENIO, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL SITUATION AT 30 JUNE 2014 AND AT 30 JUNE 2013

(Stated in euro)

EQUITY AND LIABILITIES	Note	30/06/2014	31/12/2013	30/06/2013
Capital	(Note 14)	231,412	231,412	231,412
Share premium	(Note 14)	8,189,787	8,189,787	8,189,787
Reserves	(Note 14)	2,931,451	8,419,534	7,945,294
Profit (loss) for the reporting period attributed to the parent company	(Note 14)	(352,046)	(5,468,059)	-
Other own equity instruments	(Note 14)	-	-	
Own securities	(Note 14)	(43,870)	(43,870)	(43,870)
Translation differences	(Note 15)	2,951	(8,310)	914,00
Equity attributable to the parent company		**10,959,684**	**11,320,493**	**16,323,537**
Equity attributable to minority interests	(Note 16)	-	-	(177,797)
Equity		**10,959,684**	**11,320,493**	**16,145,740**
Deferred income	(Note 17)	-	-	138,536
Other non-current liabilities	(Note 12)	1,845,073	1,909,119	741,710
Provisions	(Note 21)	404,899	320,640	55,132
Non-current liabilities		**2,249,973**	**2,229,759**	**935,378**
Debt with financial institutions	(Note 12)	109,710	92,774	32,222
Trade and other payables	(Note 12)	5,703,971	5,594,967	5,224,285
Other current liabilities	(Note 12)	1,156,078	936,585	1,286,394
Current liabilities		**6,969,759**	**6,624,327**	**6,542,901**
TOTAL EQUITY AND LIABILITIES		**20,179,416**	**20,174,579**	**23,624,018**

The Group's Consolidated Interim Financial Statements, which form a single unit, include the Consolidated Statements of Financial Situation, the Consolidated Statements of Income and Comprehensive Income, the Consolidated Cash Flow Statements, the Consolidated Statements of Changes in Net Equity and Notes 1 to 28 to the Consolidated Interim Financial Statements.

ANTEVENIO, S.A. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENTS FOR THE FIRST SEMESTER OF 2014 AND 2013

(Stated in euro)

INCOME STATEMENT	Note	30/06/2014	31/12/2013	30/06/2013
Net turnover	**(Notes 19 & 26)**	**9,635,033**	**20,062,363**	**10,715,671**
Turnover		10,006,370	20,986,322	11,130,989
Rebates on sales		(371,336)	(923,960)	(415,318)
Work carried out by the Company for its assets		-	-	-
Other income		**258,513**	**177,835**	**36,795**
TOTAL OPERATING INCOME		**9,893,546**	**20,240,198**	**10,752,466**
Supplies	**(Note 19)**	**(4,705,998)**	**(9,613,004)**	**(4,982,853)**
Personnel expenses	**(Note 19)**	**(3,751,583)**	**(7,029,214)**	**(3,957,259)**
Salaries, wages and similar		(2,895,478)	(5,553,632)	(3,244,778)
Social Security charges		(856,105)	(1,475,582)	(712,481)
Depreciation and amortization charge		**(99,403)**	**(1,378,123)**	**(837,038)**
Depreciation of property, plant and equipment	**(Note 8)**	(63,288)	(163,834)	(80,469)
Amortization of intangible assets	**(Note 9)**	(36,115)	(1,214,289)	(756,570)
Other operating expenses		**(1,585,164)**	**(7,184,348)**	**(1,350,727)**
External services	**(Note 19)**	(1,434,849)	(2,719,287)	(1,172,314)
Impairment losses on current assets		(150,315)	(97,245)	(154,750)
Taxes and others		-	(23,947)	(23,663)
Impairment losses on other assets	**Notes 8 & 9**	-	(4,343,869)	
Provisions surplus		**-**	**8,871**	**10,601**
TOTAL OPERATING EXPENSES		**(10,142,148)**	**(25,195,819)**	**(11,117,277)**
RESULTS FROM OPERATING ACTIVITIES		**(248,602)**	**(4,955,621)**	**(364,811)**
Finance income	**(Note 19)**	45,761	230,538	54,880
Exchange differences		71,598	130,244	56,702
Dividends from own shares		-	-	
TOTAL FINANCE INCOME		**117,359**	**360,782**	**111,582**
Finance expense	**(Note 19)**	(36,879)	(149,963)	(58,730)
Exchange differences		(91,953)	(144,040)	(84,850)
Losses from companies consolidated using the equity method	**(Note 7)**	(1,733)	(301,835)	-
TOTAL FINANCE EXPENSE		**(130,565)**	**(595,837)**	**(143,580)**
NET FINANCE INCOME (EXPENSE)		**(13,206)**	**(235,055)**	**(31,998)**
PROFIT (LOSS) FROM CONTINUING OPERATIONS		**(261,807)**	**(5,190,676)**	**(396,809)**
CONSOLIDATED PROFIT (LOSS) BEFORE TAX		**(261,807)**	**(5,190,676)**	**(396,809)**
Income tax	**(Note 18)**	(75,291)	(208,534)	(36,419)
Other taxes		(14,948)	(91,652)	
CONSOLIDATED PROFIT (LOSS) FOR THE REPORTING PERIOD		**(352,046)**	**(5,490,862)**	**(433,228)**
Profit (Loss) attributed to minority interests	**(Note 16)**	-	22,803	22,803
CONSOLIDATED PROFIT (LOSS) FOR THE REPORTING PERIOD ATTRIBUTED TO THE PARENT COMPANY		**(352,046)**	**(5,468,059)**	**(410,425)**
Earnings per share:	**(Note 3)**			
Basic		(0.08)	(1.30)	(0.10)
Diluted		(0.08)	(1.30)	(0.10)

The Group's Consolidated Interim Financial Statements, which form a single unit, include the Consolidated Statements of Financial Situation, the Consolidated Statements of Income and Comprehensive Income, the Consolidated Cash Flow Statements, the Consolidated Statements of Changes in Net Equity and Notes 1 to 28 to the Consolidated Interim Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FIRST SEMESTER OF 2014 AND 2013

(Stated in euro)

	Note	30/06/2014	31/12/2013	30/06/2013
RESULT FROM THE PROFIT AND LOSS ACCOUNT		**(352,046)**	**(5,468,059)**	**(410,425)**
Income and expenses recognized directly in equity:		**-**	**-**	**-**
Translation differences		11,261	6,612	15,836
Minority interests				
Subsidies, donations and bequests		-	-	-
Tax effect		-	-	-
TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY		**11,261**	**6,612**	**15,836**
Transfers to profit and loss:		**-**	**-**	**-**
Valuation adjustments				
Subsidies, donations and bequests				
Tax effect				
TOTAL TRANSFERS TO PROFIT AND LOSS		**-**	**-**	**-**
TOTAL INCOME AND EXPENSES RECOGNIZED		**(340,785)**	**(5,461,448)**	**(394,589)**
Attributed to the Parent Company		**(340,785)**	**(5,461,448)**	**(394,589)**
Attributed to minority interests		**-**	**-**	**-**

ANTEVENIO S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FIRST SEMESTER OF 2014 AND 2013
(Stated in euro)

	Subscribed capital	Share premium	Reserves and profit (loss) for the reporting period	(Parent Company shares)	Minority interests	Other own equity instruments	Translation differences	Total
Balance at 31/12/2012	**231,412**	**8,189,787**	**8,424,731**	**(43,870)**	**(200,723)**	**-**	**(14,922)**	**16,586,415**
Balance at 01/01/2013	**231,412**	**8,189,787**	**8,424,731**	**(43,870)**	**(200,723)**	**-**	**(14,922)**	**16,586,415**
Recognized income and expense			**(5,468,059)**	**-**	**200,723**	**-**	**6,612**	**(5,260,725)**
Other Operations	-	-	41,943	-	-		-	41,943
Acquisition of higher percentage holding	-	-	-	-		-	-	-
Changes in percentage holdings			(47,141)					(47,141)
Transactions with Parent Company shares	-	-	-	-	-	-	-	-
Dividends	-	-	-	-		-	-	-
Balance at 31/12/2013	**231,412**	**8,189,787**	**2,951,474**	**(43,870)**	**-**	**-**	**(8,310)**	**11,320,493**
Adjustments for errors 2013 (note 2.g)	**-**	**-**	**(19,221)**	**-**	**-**	**-**	**-**	(19,221)
Balance at 01/01/2014	**231,412**	**8,189,787**	**2,932,253**	**(43,870)**	**-**	**-**	**(8,310)**	**11,301,272**
Recognized income and expense			**(352,046)**	**-**	-	**-**	**11,261**	**(340,785)**
Other Operations	-	-	(803)	-	-		-	(803)
Acquisition of higher percentage holding	-	-	-	-	-	-	-	-
Changes in percentage holdings			-				-	-
Transactions with Parent Company shares	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Balance at 30/06/2014	**231,412**	**8,189,787**	**2,579,404**	**(43,870)**	**-**	**-**	**2,951**	**10,959,684**

The Group's Consolidated Interim Financial Statements, which form a single unit, include the Consolidated Statements of Changes in Net Equity, the Consolidated Statements of Financial Situation, the Consolidated Statements of Income and Comprehensive Income, the Consolidated Cash Flow Statements, and Notes 1 to 28 to the Consolidated Interim Financial Statements.

ANTEVENIO, S.A. AND SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENTS FOR THE FIRST SEMESTER OF 2014 AND 2013

(Stated in euro)

	Note	30/06/2014	31/12/2013	30/06/2013
CASH FLOWS FROM OPERATING ACTIVITIES (A)		**(954,188)**	**1,789,133**	**734,658**
Profit (loss) for the reporting period before tax		(261,808)	(5,190,676)	(396,809)
Adjustment for:				
+ Depreciation	**Notes 8 & 9**	99,403	1,378,123	837,038
+/- Impairment losses	**Notes 5, 8, 9 & 11.2**	150,315	4,441,114	-
+/- Provisions		-	(8,871)	-
+/-Grants recognized in income statement	**Note 17**	-	(176,318)	(37,782)
+/- Share in profit (loss) from companies consolidated using the equity method	**Note 7**	1,733	301,835	-
- Finance income	**Note 19.e**	(45,761)	(230,538)	-
+ Finance expense	**Note 19.f**	36,879	149,963	-
+/- Exchange rate differences		91,953	13,796	-
- Income Tax			-	(36,419)
+/- Other income and expense		(251,314)	-	-
Changes in operating assets and liabilities:				
Trade and other receivables	**Note 11**	(462,386)	1,453,266	922,225
Trade and other payables	**Note 12**	109,003	(210,314)	(1,053,631)
Other current assets		(258,903)	419,707	121,887
Changes in other current financial assets		38,843	(60,458)	378,149
- Income tax expense		(201,446)	(463,771)	
Minority interests		-	-	-
Interest paid (-)		(36,879)	(149,963)	
Interest received (+)		36,180	122,238	
CASH FLOWS FROM INVESTMENT ACTIVITIES (B)		**(259,699)**	**(2,253,428)**	**(512,456)**
Payments for intangible fixed assets	**Note 9**	(64,338)	(49,400)	(237,811)
Payments for property, plant and equipment	**Note 8**	(19,241)	(69,150)	(26,427)
Payments for financial investments	**(Notes 11 & 12)**	(16,492)	-	(45,700)
Increase in goodwill	**Note 5**	-	(1,547,730)	-
Deferred assets		(159,627)	(610,303)	(202,518)
Other non-current assets		-	23,155	-
Sales of property, plant and equipment				
CASH FLOWS FROM FINANCING ACTIVITIES (C)		**366,118**	**1,492,268**	**(71,466)**
Changes in other non-current liabilities		18,481	1,413,859	(60,982)
Changes in debts with financial institutions		16,936	50,068	(10,484)
Transactions with own shares		-	-	-
Operations with equity instruments		-	-	-
Changes in other current liabilities		330,700	28,340	-
Grants received	**Note 17**	-	-	-
EFFECT OF EXCHANGE RATE FLUCTUATIONS (D)		**(80,692)**	**(13,796)**	**-**
Net increase/decrease in cash and cash equivalents (E=A+B+C+D)		**(928,459)**	**1,014,177**	**150,736**
Cash and cash equivalents at the beginning of period (F)		**5,405,106**	**4,390,929**	**4,390,929**
Cash and cash equivalents at the end of period (G=E+F)		**4,476,646**	**5,405,106**	**4,541,665**

The Group's Consolidated Interim Financial Statements, which form a single unit, include the Consolidated Cash Flow Statements, the Consolidated Statements of Financial Situation, the Consolidated Statements of Income and Comprehensive Income, the Consolidated Statements of Changes in Net Equity, and Notes 1 to 28 to the Consolidated Interim Financial Statements.

ANTEVENIO, S.A. AND SUBSIDIARIES

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST SEMESTER OF 2014

NOTE 1. GROUP COMPANIES

1.1) Parent Company

a) Incorporation and Registered Office

Antevenio, S.A. (hereinafter the Company) was incorporated on 20 November 1997 under the name "Interactive Network, S.L."; later, on 22 January 2001, the Company converted into a public limited company and changed its corporate name to "I-Network Publicidad, S.A.". On 7 April 2005 the General Meeting of Shareholders passed a resolution changing the Company's name to its current name.

The Company's registered office is currently located at no. 11 Marqués de Riscal, 2nd floor, Madrid.

Antevenio Group's interim consolidated financial statements for the first semester of 2013 have been prepared by the Company's Directors in compliance with the International Financial Reporting Standards (hereinafter IFRS) as adopted by the European Union in Regulation (EC) no. 1606/2002 of the European Parliament and of the Council.

b) Corporate purpose

The Company's corporate purpose consists of the activities that, as per current legal provisions on advertising, are proper of General Advertising Agencies; accordingly, the Company may execute any kind of acts, contracts and transactions and may, generally, adopt any measures directly or indirectly leading to, or that are deemed necessary for or expedient to the fulfilment of the aforementioned corporate purpose. The activities that make up the Company's corporate purpose may be totally or partially carried out by the Parent Company, either directly or indirectly, through holdings in other companies with an identical or analogous purpose.

Antevenio, S.A. shares are traded on the French alternative exchange Alternext.

c) Legal Regime

The Company is governed by its articles of association and by the existing Spanish Corporations Act.
The Parent Company has a financial year that commences on 1 January and ends on 31 December each year.

1.2) Subsidiaries

The Parent Company has direct or indirect holdings in several companies and directly or indirectly controls several companies. The Company has consolidated as of 30 June 2014 the companies making up the Group.

a) Subsidiary Companies included in the consolidation scope

The detail of the companies included in the consolidation scope for the first semester of 2014 and 2013 is as follows:

Company	Percentage stake as of 30/06/2014	Percentage stake as of 31/12/2013	Percentage stake as of 30/06/2013	Degree of Control	Consolidation Method
Mamvo Performance, S.L.U.	100	100	100	High	Full consolidation
Marketing Manager Servicios de Marketing, S.L.U	100	100	100	High	Full consolidation
Antevenio S.R.L.	100	100	100	High	Full consolidation
Antevenio España, S.L.U. (*)	100	100	100	High	Full consolidation
Antevenio France S.R.L.	100	100	100	High	Full consolidation
Código Barras Networks S.L.	100	100	100	High	Full consolidation
Antevenio Argentina S.R.L.	100	100	60	High	Full consolidation
Antevenio México	100	100	60	High	Full consolidation
Antevenio Rich & Reach S.L.U.	100	100	0	High	Full consolidation
Antevenio Services, S.r.l.	100	100	100	High	Full consolidation
Antevenio Publicité, S.A.R.L.	100	100	100	High	Full consolidation

(*)Antevenio España, S.L. (single-member company), formerly Diálogo Media, S.L. (single-member company). The company changed its name on January 2014.

Below is a brief description of the companies included in the consolidation scope for the first semester of 2014 and 2013.

Company	Year of Incorporation	Registered Office	Corporate Purpose
Mamvo Performance, S.L.U.	1996	C/ Marqués de Riscal, 11	On-line advertising and direct marketing aiming at the generation of useful leads
Marketing Manager Servicios de Marketing, S.L.U	2005	C/ Marqués de Riscal, 11	Advisory services for companies related to commercial communication.
Antevenio S.R.L.	2004	Viale Abruzzi 13/A 20131 Milano	On-line advertising and marketing
Antevenio España S.L.U.	2009	C/ Marqués de Riscal, 11	Advertising and online advertising services, and e-commerce through telematic means services.
Antevenio Rich & Reach S.L.U.	2013	C/ Marqués de Riscal, 11	Internet services, particularly on-line advertising.
Antevenio France, S.R.L.	2009	120, Av. du General LECLERC, 75014, Paris, France.	Provision of advertising and promotional services over the Internet; study, dissemination and provision of services in the Internet advertising and marketing sector.
Código Barras Networks S.L.	2010	Av. Pedralbes, 36 - 08034 – Barcelona, España	Sale of advertisement spaces in product search engines, price comparative sites and contextual showcases implemented, managed and maintained on the Internet by the Company.
Antevenio Argentina S.R.L.	2010	La Av. Presidente Figueroa Alcorta 3351, oficina 220, Ciudad de Buenos Aires, Argentina.	Commercial brokering, marketing and advertising services.
Antevenio Limited	2010	271273 King Street, Hammersmith, LONDON W69LZ united Kingdom	Provision of advertising and promotional services over the Internet; study, dissemination and provision of services in the Internet advertising and marketing sector.
Antevenio México, S.A. de CV	2007	Calle Galileo 20 403 Polanco Chapultepec Distrito Federal 11560	Other advertising services
Antevenio Publicité, S.A.R.L.	2008	32 Rue de Londres, 75009 Paris.	Provision of advertising and promotional services over the Internet; study, dissemination and provision of services in the Internet advertising and marketing sector.
Antevenio Services, S.r.l.	2012	Viale Abruzzi 13/A 20131 Milano	Other advertising services
Europermission, S.L.	2003	C/ Marqués de Riscal, 11	Inactive

The subsidiary companies have financial years that commence on 1 January and end on 31 December each year.

1.3) <u>Associates and jointly-controlled companies</u>

The breakdown of “Associates and Jointly-controlled entities” in the attached consolidated annual accounts is as follows:

Company	Percentage stake as of 30/06/2014	Percentage stake as of 31/12/2013	Percentage stake as of 30/06/2013	Carrying amount
Antevenio Limited	50,00	50,00	51,00	243,470
Europermission, S.L.	49,68	49,68	49,68	1,520

In 2013 Antevenio Limited increased capital, as a result the Company’s stake was reduced from 51% to 50%.

The stakes in associates and jointly-controlled companies are held by the Parent Company.

Associates and jointly-controlled companies are consolidated using the equity method as a result of the presumption of the Company’s joint control over those companies. Financial year also ends for these companies on 31 December each year.

<u>NOTE 2. BASIS OF PRESENTATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS</u>

a) <u>Application of the International Financial Reporting Standards (IFRS)</u>

These interim consolidated financial statements have been prepared in accordance with the currently applicable International Financial Reporting Standards (hereinafter, "IFRS") as adopted by the European Union as per Regulation no. 1606/2002 of the European Parliament and Council, taking into consideration all mandatory accounting policies and standards and valuation criteria that have a material effect, as well as any alternatives thereto afforded in the relevant regulations.

Note 4 contains a summary of the most significant accounting policies and valuation criteria applied by the Directors in the preparation of these Interim Financial Statements.

In compliance with IFRSs, these Interim Financial Statements include the following Consolidated Statements for the first semester of 2014 and 2013:

- Consolidated Statement of Financial Situation
- Consolidated Income Statements
- Consolidated Statements of Changes in Equity
- Consolidated Cash Flow Statements
- Notes to the Interim Financial Statements

In 2013 the following Standards and Interpretations came into force; accordingly, insofar as they are applicable, these Standards and Interpretations have been considered in the preparation of these Financial Statements:

		Effective date (financial years beginning on or after):
IAS 1 (Revised)	Presentation of Financial Statements	1 July 2012
IAS 19 (Revised)	Employee Benefits	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IFRS 7 (Revised)	Financial Instruments	1 January 2013
IAS 12	Recovery of Underlying Assets	1 January 2013
IFRS 10	Consolidated Financial Statements	1 January 2014
IFRS 11	Joint Arrangements	1 January 2014
IFRS 12	Disclosure of Interests in Other Entities	1 January 2014
IAS 28 (revised)	Investment in Associates and Joint Ventures	1 January 2014

b) <u>True and fair view</u>

The attached Interim Consolidated Financial Statements for the semester ending 30 June 2014 have been prepared from the accounting records of the different companies that make up the Group, the respective Interim Financial Statements of which have been prepared in accordance with the existing regulations: in the case of the Spanish companies, the standards set out in the General Accounting Plan approved by Royal Decree 1514/2007 of 16 November and, in the case of Group Companies located in other countries, in accordance with the relevant applicable regulations. These Interim Consolidated Financial Statements are presented in accordance with IFRS, all relevant adjustments or reclassifications have been made so as to offer a true and fair view of the equity and financial situation as of 30 June 2014, and of the results of its operations and cash flows for the first semester of 2014 and 2013.

The different items in the individual Interim Financial Statements of each company have been subject to the appropriate measurement harmonization, by adapting the criteria applied to those used by the Parent Company for its own financial statements.

c) Functional currency

In accordance with the existing legal regulations on accounting, the Interim Consolidated Financial Statements are stated in euro, as this is the currency in most of main economic environment where the Group operates. Foreign operations are accounted for in compliance with the policies described in note 4.

d) Responsibility for the information and estimates

The information contained in these Interim Financial Statements is the responsibility of the Parent Company's directors.

In preparing the Interim Consolidated Financial Statements for the first semester of 2014 and 2013, the Directors of the parent Company have made certain accounting estimates for the measurement of the assets, liabilities, revenues, expenses and commitments therein recorded. Basically, these estimates refer to:

- The assessment of eventual impairment losses.
- The useful lives of intangible fixed assets and of items of property, plant and equipment.
- The fair value of assets and goodwill acquired in business combinations.
- The amount for certain provisions.
- The fair value of certain unlisted assets.
- Evaluation of possible contingencies for tax risks.
- Evaluation of the recoverability of Deferred Tax Assets.

e) Comparative Information

The balances corresponding to the financial year 2013, included for comparative purposes, have also been prepared in accordance with the IFRS adopted by the European Union so as to ensure consistency with the accounting standards applied in the first semester of 2014 and 2013. Accordingly, the items for both financial years are comparable and homogenous.

f) Changes to accounting criteria

No changes were made to the Company's accounting criteria, nor were there any changes originating in the adaptation of accounting records to the New General Accounting Plan.

g) Correction of errors

As of 1 January 2014 the Group registered errors against reserves amounting to 19,221 euro, resulting from the correction of certain personal expenses that are not deductible from Income Tax. The Group has not restated the figures for 2013 because it considers that the amount of the error corrected is not material.

NOTE 3. EARNINGS (LOSS) PER SHARE

Basic earnings per share

The basic earnings per share are determined by dividing the consolidated result for the year attributable to the Parent Company by the weighed average number of outstanding shares during the year, excluding the average number of treasury shares held during the year.

Diluted earnings per share

The diluted earnings per share are determined in a similar manner to the one applied the measurement of basic earnings per share, but increasing the weighed average number of outstanding shares with options on shares, warrants and convertible debt.

Calculation of the earnings per share corresponding to the first half of 2014 and 2013 is shown below:

	30/06/2014	31/12/2013	30/06/2013
Net result for the year	(352,046)	(5,468,059)	(410,425)
Weighed average number of outstanding shares	4,199,147	4,199.147	4,199,147
Basic earnings per weighed average number of shares	**(0,08)**	**(1,30)**	**(0,10)**

During the first half of financial years 2014 and 2013, the Group did not carry out any transaction that could lead to dilution, accordingly basic earnings per share coincide with diluted earnings per share.

NOTE 4. ACCOUNTING AND MEASUREMENT POLICIES

The main measurement policies applied by the Group in the preparation of the Interim Consolidated Financial Statements for the first semester of 2014 and 2013 are as follows:

a) Consolidation policies

Subsidiaries

Subsidiaries are considered to be those over which the Parent Company has the capacity to exercise control, a capacity that is demonstrated when the Parent Company has the power to direct the financial and operating policies of an investee with the aim of obtaining results from its activities. Control is presumed when the Parent Company owns, directly or indirectly, more than 50% of the voting rights in the investees or, otherwise, when there are arrangements with other shareholders of the entity that grant control to the Parent Company.

The consolidation of Antevenio, S.A. interim Financial Statements with the interim financial statements investees mentioned in Note 2 has been carried out applying the following methods:

Full consolidation method for those companies over which there is effective control or for which arrangements with the other shareholders are in place.

Consolidation of Antevenio, S.A. operations with the aforementioned subsidiaries has been carried out in accordance with the following basic principles:

- The criteria used in the preparation of the individual Balance Sheet and Statement of Profit and Loss of each of the consolidated companies are, in general and in their basic aspects, homogenous.

- The consolidated statement of financial situation and statement of profit and loss include the relevant adjustments and eliminations for the consolidation process, as well as the relevant measurement harmonization for reconciling balances and transactions between the companies subject to consolidation.

- The Consolidated Statement of Profit and Loss contains the revenues and expenses of companies that have ceased to form part of the Group up until the date on which the holding was sold or the company liquidated and, in the case of companies being brought into the Group, as from the date on which the holding was acquired or the company incorporated up until the end of the financial year.

- The balances and transactions between consolidated entities have been eliminated in the consolidation process. Receivables from and payables to group, associate and related companies that have been excluded from consolidation are shown in the corresponding asset and liability headings in the Consolidated Statement of Financial Position.

- The investment-equity elimination for subsidiary companies has been carried out by compensating the Parent Company's holding with the proportional part of the subsidiaries' equity represented by this holding as of the date of initial consolidation. Differences on first consolidation have been treated in the following manner:

  a) Negative differences are recorded in the statement of profit and loss.

  b) Positive differences that could not be attributed to the relevant subsidiary's assets and liabilities, have been included under the caption 'Goodwill on Consolidation' as an asset in the Consolidated Statement of Financial Position.

- The consolidated result for the period is the part attributable to the Parent Company and comprises its own result plus the part of the subsidiaries' results corresponding to the parent Company's stake in the relevant investee.

- The value of minority interests in the equity and attributed results of consolidated subsidiaries is shown under the caption 'Minority Interests' heading as a liability in the Consolidated Statement of Financial Situation. A breakdown of the value of these holdings is shown in Note 16.

<u>Associates and jointly-controlled companies</u>

Joint ventures are contractual arrangements whereby two or more entities carry out operations, hold assets or participate in an entity in such a way that any strategic decision of a financial or operational nature that affects them requires the unanimous consent of all of the participants.

The financial statements of joint ventures and associates are consolidated with those of the Parent Company using the equity consolidation method. The only two companies consolidated under this method are Europermission S.L. and Antevenio Limited.

When applying this method:

The carrying amount of the investor's stake is increased in the amount of the profits/decreased in the amounts of the losses registered by the investee as from the date of the investment.

The accounting item representing the investment includes the difference on consolidation (difference between the price paid and the proportion of equity represented by the stake).

b) <u>Accounting policies and principles and measurement criteria applied</u>

<u>Intangible assets</u>

The assets included under intangible assets are valued at cost, whether acquisition price or cost of production, as reduced by the corresponding accumulated amortization (calculated according to their useful life) and any impairment losses registered, where applicable, thereon.

Assets with a finite useful life are measured at their acquisition price less the accumulated amortization and less the accumulated amount of any impairment losses thereon.

The amortizable amount of intangible fixed assets with a finite useful life is distributed systematically over its useful life. The amortization expense for each period is recognized in the result for the year.

Industrial property

This corresponds to the capitalization of development costs for which the corresponding patent or similar has been obtained and includes the costs of registering and formalizing the industrial property, as well as the costs of acquiring the corresponding rights from third parties.

They are amortized on a straight-line basis over their useful life at an annual rate of 20.00 % and are subject to valuation corrections for impairment.

Computer applications

Licenses for computer applications acquired from third parties or internally developed programs are capitalized on the basis of the costs incurred for purchasing or developing these and preparing them for use.

Computer applications are amortized on a straight-line basis over their useful life at a rate of 25.00 % per annum.

Maintenance costs for computer applications incurred during the year are charged against the Consolidated Statement of Profit and Loss.

Other intangible fixed assets (research and development costs)

Development costs are included and capitalized when they meet the requirements of identifiability, reliable evaluation of the cost and a high probability of generating future economic benefits. The amortization is on a straight line basis over the asset's useful life.

Consequently, an intangible asset arising from development (or from the development phase in an internal project) is recognized as such if, and only if, the Group can demonstrate all of the following points:

(a) It is technically feasible to complete the production of the intangible asset so that it will be available for use or sale.

(b) Its intention complete the intangible asset in question for its use or sale.

(c) Its ability to use or sell the intangible asset.

(d) How the intangible asset will generate probable future economic benefits. The Group may prove, inter alia, the existence of a market for the production originating in the intangible asset or for the asset itself, or when the asset is to be internally used, the utility thereof for the Group.

(e) The availability of the appropriate technical, financial or otherwise resources for completing the development thereof, or for using or selling the intangible asset.

(f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent to the initial recognition thereof, an intangible asset arising from development is accounted for at cost less the accumulated amortization and the accumulated amount of any impairments losses thereon. Any capitalized cost is amortised over the estimated period for the generation of future sales from the project, estimated at 5 years.

The Group makes an annual check on the impairment of each asset included under this category.

Research and development costs are recognized as expenses in the year in which they are incurred.

Should there be any reasonable doubts as to the technical success and economic and commercial profitability of a project, the amounts recorded as an asset for this are carried directly as losses for the year.

Property, plant and equipment

Items of property, plant and equipment are measured at acquisition price or cost of production, net of the corresponding accumulated depreciation and, where applicable, the accumulated amount of any impairment adjustments thereon.

The cost of production for items of property, plant and equipment manufactured or constructed by the Group is the result of by aggregating the acquisition price of raw materials and other consumables attributable to such assets, as well as the other costs that can reasonably be attributed indirectly to the assets to the extent that said costs correspond to the period of manufacture or construction and are necessary for putting the asset into operational condition.

Upkeep and maintenance costs incurred during the year are charged against the Consolidated Statement of Profit and Loss. The costs of renewing, expanding or improving items of property, plant and equipment that represent an increase in capacity, productivity or an extension to the useful life are capitalized as the higher value of the relevant asset after write-off of the carrying amount of the items replaced.

The cost of the different items that make up property, plant and equipment, where applicable net of their residual value, is depreciated on a straight-line basis over the estimated years of useful life over which the Group expects to use said items and in line with the following table:

	30/06/2014		31/12/2013		30/06/2013	
	Annual Percentage	Estimated Years of Useful Life	Annual Percentage	Estimated Years of Useful Life	Annual Percentage	Estimated Years of Useful Life
Other installations	20	5	20	5	20	5
Furniture	10	10	10	10	10	10
Data processing equipment	18	5,71	18	5,71	18	5,71
Motor Vehicles	25	4	25	4	25	4
Machinery	20	5	20	5	20	5
Other tangible fixed assets	20	5	20	5	20	5

Investments made by the Group in leased premises (or those assigned for use), which are not separable from the leased asset (or asset assigned for use), are depreciated according to the useful life thereof, this being the lower of the duration of the lease period (or assignment period) including the renewal period, when there is evidence to support that this will occur, and the economic life of the asset.

The carrying amount for an item of property, plant or equipment is derecognized in the accounts when the item is disposed of or withdrawn by other means; or when no further future profits or future economic returns are expected to be obtained from its use, disposal or withdrawal by other means.

The loss or gain resulting from de-recognition of an item of property, plant or equipment is determined as the difference between the proceeds , where applicable net of selling costs, from the disposal or withdrawal by other means, if any, and the carrying amount of the asset, and is carried to the Consolidated Statement of Profit and Loss in the year in which this arises.

At year-end the Group assesses whether there are indications of impairment in any item of property, plant or equipment or cash-generating unit, in which case the relevant recoverable amount is estimated and the required impairment adjustment is made.

An item of property, plant or equipment is deemed to be impaired when its carrying amount exceeds its recoverable value, understood as the higher of its fair value less costs to sale and its value in use.

A cash-generating unit is the smallest identifiable unit of assets that generate cash flows that are, to a great extent, independent of those derived from other assets or groups of assets.

Impairment adjustments to items of property, plant and equipment, as well as the reversal thereof when the circumstances leading thereto cease to exist, are recognized as an expense or revenue, respectively, in the Consolidated Statement of Profit and Loss. Reversals of impairment losses are limited to the carrying amount of the asset that would be recognized on the reversal date if the value impairment had not been recorded.

As of the date of formulation of these Interim Consolidated Financial Statements, the Board of Directors is considering the convenience of submitting to the General Meeting of Shareholders a proposal for the individual Spanish companies to revalue their balance sheets as provided for in Chapter III of Law 16/2012, of 27 December, approving various tax measures aiming at the consolidation of public finances and the promotion of economic activity. Under the provisions of the aforementioned Law, should this decision finally be adopted, it would have retroactive accounting and tax effects, without interruption as from 1 January 2013.

Goodwill

If the acquisition cost of an investment in a company is higher than the acquired net carrying value, the difference is allocated to certain assets or liabilities at the time of their consolidation.

This allocation is made as follows:

1º If it can be assigned to specific assets or liabilities of the company acquired, by increasing the value of the assets acquired or by reducing that of the liabilities acquired.

2º If it can be assigned to specific intangible assets, by recognising these explicitly in the consolidated balance sheet.

3. Any remainder is accounted for under the ‘Goodwill’ heading as an asset in the consolidated balance sheet.

Annually, at year-end the Company assess whether, as a consequence of some impairment, the value of goodwill is below its carrying amount. If this is the case the difference is eliminated by charging it against the consolidated statement of profit and loss.

Goodwill impairment losses cannot be subsequently reversed.

Goodwill generated in the acquisition of foreign companies is converted using the rate of exchange in force at the year end.

The following are the assumptions on which Management has based its cash flow projections for supporting goodwill are:

- Cash flows were projected for 5 years, based on Company Management's forecast business plans.

- The rate of growth used for the following years depends on each company and each geographical market.

The discount rate applied was approximately 15.5%.

Leases and other operations of a similar nature

The Group classifies a lease as financial when from the economic conditions of the lease agreement it follows that all risks and benefits inherent to the ownership of the asset that is the subject-matter of the contract have been substantially transferred. Otherwise, leases are considered as operating.

Operating lease expenses incurred during the year are charged to the Consolidated Profit and Loss Account.

In lease agreements with a purchase option a substantial transfer of all of the risks and benefits inherent to ownership is presumed when there are no reasonable doubts that this option is going to be exercised. This transfer is also presumed, barring evidence to the contrary, even when there is no option, in the following cases, inter alia:

a) Lease contracts whereby ownership of the asset is transferred, or where contractual terms imply transfer of ownership to the lessee upon completion of the lease period.

b) Lease contracts where the lease period coincides with, or covers most of the asset's economic life, provided contractual terms imply the economic rationality of maintaining the assignment for use.

   Lease period is the irrevocable period for which the lessee has contracted the asset lease, along with any additional period during which the lessee is entitled to continue with the lease, with or without additional payments, provided that there is reasonable certainty at the start of the lease that the lessee is going to exercise said option.

c) In those cases where, at the start of the lease, the present value of the agreed minimum payments for the lease represent practically all of the fair value of the leased asset.

d) When the special characteristics of the assets being leased are such that utility thereof is restricted to the lessee.

e) The lessee may cancel the lease contract and the losses suffered by the lessor because of the cancellation are assumed by the lessee.

f) The results derived from the fluctuations in the fair value of the residual amount are to be borne by the lessee.

g) The lessee has the possibility of extending the lease for a second period, with payments that are substantially below market rates.

As of the effective date of finance lease contracts, the Group records an asset in accordance with its nature, depending on whether it is an item of property, plant or equipment or an intangible asset, and a financial liability for the same amount, which is the lower of the fair value for the leased asset and the present value of the agreed minimum payments at the start of the lease. The contract's implicit interest rate is used for calculating the present value of the minimum lease payments and, if this cannot be determined, the lessee's interest rate for similar operations is used.

The total financial charge is distributed over the lease period and is charged to the Consolidated Profit and Loss Account for the financial year when it accrues, applying the effective interest method. Instalments of a contingent nature are recognized as charges for the year in which they are incurred.

The assets recognized in the consolidated balance sheet as a result of finance leases are subject to the criteria for depreciation, impairment and withdrawal applicable to assets of a similar nature.

Financial instruments

The Group only recognizes a financial instrument in its balance sheet when it becomes an obligated party in the relevant contract or legal transaction, as per the provisions thereof.

The Group determines the classification of its financial assets at the time of their initial recognition and, where allowed and appropriate, re-assesses the classification at the closing-date of the consolidated balance sheet.

For the purposes of measurement, financial instruments are to be classified into one of the following categories:

1. Loans and receivables and debts and payables.

Loans and receivables and debts and payables

Loans and receivables

This category includes:

a) Credits for trade operations: financial assets originating in the sale of goods and the provision of services for trade operations, and

b) Credits for non-trade operations: financial assets, other than equity or derivatives instruments, that do not have a commercial origin, the collections on which are of a determined or determinable amount, and that are not traded on an active market. Thus category does not include financial assets for which the Group cannot make substantial recovery of the entire initial investment due to circumstances other than credit impairment. The latter are classified as available for sale.

Debts and payables

This category includes:

a) Debts for trade operations: financial liabilities originating in the purchase of goods and services for trade operations, and

b) Debts for non-trade operations: financial liabilities, other than derivative instruments, that do not have a trade origin.

Financial assets and liabilities included in this category are initially measured at fair value, which is the transaction price and which is equivalent to the fair value of the consideration paid plus any directly attributable transaction costs.

Notwithstanding paragraph above, receivables and payables on trade operations with maturity date within one year and which do not have a contractual rate of interest, as well as, where applicable, advances and loans to personnel, dividends receivable and payments called on equity instruments, receipt of which is expected in the short term, and third-party capital calls, payment of which is expected in the short-term, are measured at their nominal value when the effect of updating the cash flows is not material.

In subsequent valuations both assets and liabilities are measured at their amortized cost. Accrued interest is accounted for in the Profit and Loss Account by applying the effective interest method. Notwithstanding the above, receivables and payables maturing within a year that were initially measured at their nominal value shall continue being measured at this amount except if, in the case of impaired credits.

Any necessary valuation adjustments are made at year-end when there is objective evidence that the value of a credit has been impaired, i.e. if there is evidence of a reduction or delay in the future estimated cash flows corresponding to that asset.

The value of the impairment loss on loans and receivables is the difference between their carrying value and the present value of the estimated future cash flows that would be generated once discounted at the effective interest calculated at the time of their initial recognition.

During the first semester of 2014 and 2013, impairment adjustments on receivables were estimated on the basis of the analysis of each individual balance pending collection as of the relevant closing date and according to the industry delinquency rates.

De-recognition of financial assets

Financial assets, or any part thereof, are de-recognized when the contractual rights over the relevant financial asset's cash flows expire or are assigned, and the risks and benefits inherent to its ownership have been substantially transferred.

Upon de-recognition of a financial asset, the difference between the consideration received net of the attributable transactions costs, considering any new asset obtained less any liability assumed, and the carrying amount of the financial asset, plus any accumulated amount directly recognized in equity, determines the gain or loss arising on de-recognition of the asset and forms part of the result for the year in which this occurs.

De-recognition of financial liabilities

Financial liabilities are de-recognized upon extinction of the relevant obligation.

The difference between the carrying amount of the financial liability, or any part thereof, that has been de-recognized and the consideration paid, including any attributable transaction costs as well as any asset transferred other than cash or any assumed liability, is recognized in the Profit and Loss Account for the financial year in which this takes place.

Interest and dividends received on financial assets

Interest and dividends accruing on financial assets subsequently to the time of acquisition thereof are recognized as revenues in the Profit and Loss Account.

On the contrary, any dividends received unequivocally originating from results generated prior to the date of acquisition are recorded as a reduction in the carrying amount of the investment.

Interest on financial assets shall be recognized using the effective interest method whereas dividends shall be recognized upon declaration of the shareholder's entitlement. For these purposes, in the initial measurement of financial assets the amount of any explicit accrued interest and not due at that date, as well as the amount of the dividends agreed by the competent body at the acquisition date are separately recorded.

Own equity instruments

Own equity instruments are recorded in as a change in equity; under no circumstance may own equity instruments be recognized as financial assets nor any result may be recorded in the Profit and Loss Account as a consequence of the operations carried out with them.

The costs of these transactions, including the expenses of issue thereof such as lawyers', notaries' and registrars' fees; printing of reports, bulletins and title deeds; taxes; advertisement; commissions and other placement costs, are recorded directly against Equity as a reduction of Reserves.

Securities supplied and received

In the case of securities supplied and received in operating leases and in the provision of services, the difference between their fair value and the amount paid over is recorded as an advance payment or collection for the lease or service provision. In the case of short-term securities supplied and received, these are measured at the amount paid over.

Foreign currency

The items included in Interim Financial Statements of each Group company are measured in their respective functional currencies.

The Consolidated Interim Financial Statements are stated in euro, which is the functional and presentation currency of the Parent Company.

The companies making up the Group record in their individual financial statements:

- Transactions executed in a currency other than their functional one during the financial year at the exchange rates in force at the dates of the operations.

- Balances of monetary assets and liabilities in a currency other than the functional one (cash and items without value impairment when made liquid) are converted at the exchange rates applicable at year-end.

- Balances of non-monetary assets and liabilities in a currency other than the functional one are converted at historic exchange rates.

The profits and losses from these items are included in the consolidated profit and loss account.

In the consolidation process, the balances from the Interim Financial Statements of consolidated entities with a functional currency other than the euro are converted to euro as follows:

- Assets and liabilities at exchange rate existing at the end of the reporting period.

- Revenue and expense items at the average exchange rate during the reporting period, unless significant fluctuations therein, in which case they are converted at the rate existing at the end of the reporting period.

- Equity is converted at historic exchange rates.

Exchange rates arising from the process for consolidating companies with a functional currency other than the euro are classified in the consolidated balance sheet as exchange differences under the ‘Net equity’ heading.

Income tax

Income Tax is recorded in the Profit and Loss Account or directly against Equity, depending on where the profits or losses giving rise to the tax are recorded. Income tax for each year includes both the current tax and, where applicable, any deferred tax.

The current tax charge is the amount to be settled by the Group as a consequence of the tax return filed.

The differences between the carrying amounts of assets and liabilities and their tax base, give rise to the deferred tax asset and liability balances, calculated using the foreseeable rate of tax at the time of reversal and in accordance with the manner in which it is rationally foreseen that the asset or liability is to be recovered or paid.

Variations arising in the year in respect of deferred tax assets or liabilities are recorded in the Profit and Loss Account or directly in Equity, as applicable.

Deferred tax assets are only recognized to the extent to which the company has future taxable profits that allow these assets to be applied.

The carrying amounts of any recorded deferred tax assets are assessed at balance sheet closing date and the necessary adjustments are made to the extent that there exist doubts as to their future tax recoverability. Likewise, at closing date an assessment is made of any deferred tax assets not recorded in the balance sheet, deferred tax assets are recognized if their recovery against future tax profits has become probable.

Income and charges

Revenues and expenses are accounted for on the accruals basis, i.e. when the actual flow of goods and services they represent takes place, independently of the moment at which the monetary or financial flow derived from these occurs.

Revenues from the provision of services are recognized when the result of the transaction can reliably be estimated, considering for this the percentage of completion of the service at year-end. Consequently, revenues from the provision of services are only accounted for when they meet with each and every one of the following requirements:

a) The amount of the revenues can be reliably measured.

b) It is probable that the economic benefits or returns derived from the transaction will flow to the Group.

c) The degree of completion of the transaction at the year-end can be reliably assessed, and

d) The costs already incurred in the provision of services, as well as those that remain to be incurred to completion, may be reliably measured in a reliable manner.

The Company reviews and, if necessary, modifies the estimates for revenues receivable, as the service is being provided.

When the results of a transaction implying the provision of services cannot be reliably measured, revenues are recognized only in the amount of any recognized expenses deemed to be recoverable.

Provisions and contingent liabilities

Obligations existing at closing date of the reporting period, arising from past events that may imply losses for the Group the settlement amount and timing thereof are uncertain, are registered as provisions in the consolidated balance sheet and are measured at the best estimate of the expenditure required to settle, or to transfer to a third party the obligation.

Where applicable, the Group also reports contingent liabilities that do not rise to provisions.

Deferred revenues

Non-refundable capital grants, as well as donations and bequests, are valued at fair value of the amount granted or of the good received. Non-refundable capital grants are initially recorded as a liability under 'Deferred revenues' in the consolidated balance sheet and are recognized in the Profit and Loss Account as the proportion of depreciation registered during the reporting period by the assets financed by those grants, except in the case of non-depreciable assets which shall be carried through profit and loss on the reporting period when those assets are disposed of or witten-off.

Refundable capital grants are registered as non-current or current debts (according to their respective repayment terms) convertible into grants until they become non-refundable.

Operating subsidies are credited to the reporting period results at the time of their accrual.

Related party transactions

As a general rule, items that are the object of a transaction with related parties are initially measured at fair value. Their subsequent measurement is carried out in accordance with the provisions set out in the corresponding accounting rules.

Cash flow statements

The following terms are used in cash flow statements with the specified meaning:

Cash or cash equivalents: cash comprises both cash on hand and demand deposits. Cash equivalents are financial instruments, used in the normal cash management of the Group, readily convertible into cash with original maturities of three months or less that are subject to an insignificant risk of changes in their value.

Cash flows: inflows and outflows of cash or cash equivalents, understood to be short-term highly liquid investments with a low risk of changes in their value.

Operating activities: are the principal revenue-producing activities of the Group and other activities that not investing or financing activities.

Investment activities: are the acquisition, sale or disposal by other means of long-term assets and other investments not included in cash or cash equivalents.

Financing activities: are activities that result in changes in the size and composition of the contributed equity and borrowings of the Group.

Business combinations

At the date of acquisition of a business combination through a merger, split or acquisition of all or part of the net assets of a company, the Group records all of the assets acquired and liabilities assumed as well as, where applicable, any difference in value between these assets and liabilities and the cost of the business combination.

In the case of business combinations between Group companies the asset acquired are measured at the relevant amount reported in the Group's Interim Consolidated Financial Statements.

The date of acquisition is the date when the acquiring company takes control of the acquired business or businesses.

The cost of a business combination is the aggregate of:

a) The fair value, at the acquisition date, of the assets handed over, the liabilities incurred or assumed and the equity instruments issued in exchange for the businesses acquired. However, when fair value of the acquired business is more reliable, the latter is used for estimating the fair value of the consideration provided.

b) The fair value of any additional consideration dependent on future events or compliance with certain conditions, unless said consideration were to give rise to the recognition of a contingent asset resulting in a revenue being registered the profit and loss account, in which case said asset is measured by deducting the negative difference, as initially calculated, from the fair value of the asset. If the amount of this difference were to be higher than the total value of the intangible fixed asset, then this asset is not to be recorded.

Expenses related with the issue of equity instruments or of financial liabilities delivered in exchange for assets acquired do not form part of the cost of a business combination.

The fees paid to legal advisers or to other professionals involved in the operation are accounted for as an expense in the profit and loss account.

NOTE 5. GOODWILL ON CONSOLIDATION

The breakdown of this heading by companies, according to the above criteria is as follows:

	30/06/2013	Additions	Impairment write-downs	31/12/2013	Additions	Impairment write-downs	30/06/2014
Mamvo Performance, S.L.U.	1,347,905	-	(1,347,905)	-	-	-	-
Marketing Manager Servicios de Marketing, S.L.	276,462	-	-	276,462	-	-	276,462
Antevenio S.R.L.	3,686,847	-	-	3,686,847	-	-	3,686,847
Código Barras Networks S.L.	1,532,116	-	(1,532,116)	-	-	-	-
Antevenio Argentina S.R.L.	226,147	-	(226,147)	-	-	-	-
Antevenio España, S.L.U.	81,027	-	-	81,027	-	-	81,027
Antevenio Publicité S.A.R.L.	721,855	1,547,730	-	2,269,585	-	-	2,269,585
Total cost	**7,872,358**	**1,547,730**	**(3,106,168)**	**6,313,920**		**-**	**6,313,920**

The assumptions used to calculate the recoverable amount of goodwill have been established according to value in use according to cash flow projections based on the financial budget approved by the Group's management covering a five-year period. The discount rate applied in cash flow projections was 15.5%.

In 2013 goodwill was de-recognized as the result of the impairment of holdings in Group companies, said impairment was measured applying the above stated criteria.

In 2013 goodwill was recognized from the company Antevenio Publicité, S.A.R.L (see Note 6).

NOTE 6: BUSINESS COMBINATIONS

In 2013 the Group included within the scope of consolidation the following holdings:

	Cost of the holding	Percentage Holding
Cost:		
Antevenio Publicité S.A.R.L(*)	1,547,730	100,00%
Antevenio Rich & Reach	3,000	100,00%
Antevenio Services SRL	10,000	100,00%
Total cost	**1,560,730**	**100,00%**

(*) Investment increase.

On 1 August 2012, the Company acquired 100% of the holding in the share capital of Antevenio Publicité SARL, formerly Clash Media SARL, a company with registered office in France.The Company also acquired software called 'swordtail' owned by the latter.

As prior condition to the execution of the 'Master Agreement' (for the purchase of Clash Media by Antevenio S.A.) an agreement was signed between Antevenio and the management team on 31st July 2012, thereafter amended by a further agreement executed on 31 October 2013.

Under this 'Agreement' with the Management Team, the Managers receive certain rights that Antevenio S.A. is obliged to execute, subject to the Management Team remaining in Clash Media during the financial years 2013 to 2017, whereby the Management Team is to receive 12% of the company's value in shares or equivalent securities indexed to the value of the holdings under the terms described below.

In June 2016 the Management Team is to receive in shares or in equivalent securities 30% of the value resulting from multiplying by 10 the net result for 2015 as part of the previously fixed 12%.

Similarly, in June 2017 the Management Team is to receive in shares or equivalent securities the remaining 70% of the value resulting from multiplying by 10 the net result for 2016 as part of the previously fixed 12%.

The maximum payable amount will be limited to 1,500,000 euro.

As of 31 December 2013 the Company registered the maximum limit for future payment commitments as an increase in the investment costs, considering that all the requirements set forth in the agreement will be met (see Note 12).

On 19 June 2014 Antevenio Publicité increased and subsequently reduced its capital, as a result of this operation Antevenio S.A. stake in Antevenio Publicité increased in €1,603,582.12 from the capitalization of the loans and current debt that Antevenio S.A. had granted Antevenio Publicité SARL.

NOTE 7. HOLDINGS IN COMPANIES CONSOLIDATED USING THE EQUITY METHOD

The breakdown of holdings in companies consolidated using the equity method is as follows:

	30/06/2013	Additions	31/12/2013	30/06/2014
Antevenio Limited	-	-	-	-
Europermission	-	425	425	425
Total	**-**	**425**	**425**	**425**

Below is a summary of the financial position of these companies:

	Assets	Liabilities	Revenue	Profit (Loss) for the year
Antevenio Limited	384,218.73	384,218.73	781,086.73	(3,465.16)
Europermission	138,135.02	138,135.02	-	-
Total	**522,353.75**	**522,353.75**	**781,086.73**	**(3,465.16)**

NOTE 8. PROPERTY, PLANT AND EQUIPMENT

The composition of and changes registered in this heading between 30 June 2013 and 30 June 2014 are as shown below in euro:

	30/06/2013	Additions	Write-offs	31/12/2013	Additions	Write-offs	30/06/2014
Cost:							
Machinery	32,446	-	-	32,446	15,622	-	48,068
Other installations	7,324	1,326	(668)	7,982	73	(199)	7,855
Furniture	284,840	6,761	(1,852)	289,750	-	(3,219)	286,531
Data processing equipment	1,212,345	28,475	(3,528)	1,237,292	-	(167,813)	1,069,478
Motor Vehicles	30,205	-	(835)	29,370	-	-	29,370
Other property, plant and equipment	225,959	5,256	-	231,216	3,546	(3,546)	231,216
	1,793,118	**41,818**	**(6,882)**	**1,828,054**	**19,241**	**(174,778)**	**1,672,518**
Accumulated Depreciation:							
Accumulated Depreciation machinery	(15,504)	(2,210)	-	(17,714)	(4,009)	-	(21,723)
Accumulated Depreciation Other installations	(3,762)	(2,640)	1,867	(4,536)	(776)	199	(5,112)
Accumulated Depreciation Furniture	(146,690)	(17,709)	646	(163,753)	(12,661)	2,621	(173,793)
Accumulated depreciation Data processing equipment	(983,622)	(45,762)	2,030	(1,027,355)	(34,400)	131,221	(930,533)
Accumulated Depreciation Motor Vehicles	(24,050)	(1,255)	-	(25,306)	(1,272)	-	(26,578)
Accumulated Depreciation Other property, plant and equipment	(178,246)	(17,731)	-	(195,977)	(10,170)	-	(206,148)
	(1,351,875)	**(87,308)**	**4,542**	**(1,434,641)**	**(63,288)**	**134,041**	**(1,363,887)**
Impairment:							
Impairment Furniture:	-	(598)	-	(598)	-	598	-
Impairment Data processing equipment	-	(47,317)	-	(47,317)	-	36,592	(10,725)
Impairment Other property, plant and equipment	-	(3,546)	-	(3,546)	-	3,546	-
	-	**(51,461)**	**-**	**(51,461)**	**-**	**40,736**	**(10,725)**
Property, plant and equipment, net	**441,244**	**(96,951)**	**(2,340)**	**341,953**	**(44,047)**	**-**	**297,906**

Totally depreciated items in use

The composition of and changes registered in this heading between 30 June 2013 and 30 June 2014 are as shown below in euro:

	30/06/2014	31/12/2013	30/06/2013
Other installations	2,241	7,324	2,241
Data processing equipment	762,352	765,015	682,360
Other property, plant and equipment	127,099	201,140	81,833
Motor Vehicles	19,103	31,423	-
Machinery	4,240	7,425	-
Furniture	80,544	96,780	68,918
	995,579	**1,109,107**	**835,352**

Property, plant and equipment subject to securities

None of the Group's property, plant and equipment is subject to encumbrance.

Finance leases

The Group had no assets under finance leases between 30 June 2013 and 30 June 2014.

Other information

All items of the Group's property, plant and equipment are assigned to the operations and all are duly insured and not subject to any kind of charge.

The carrying amount of items of property, plant and equipment located abroad totaled to €164,277 at 30 June 2014 (€177,379 in 2013).

Between 30 June 2013 and 30 June 2014 the Company has entered no firm commitments for the purchase of property, plant and equipment.

NOTE 9. OTHER INTANGIBLE ASSETS

The composition of and changes registered in this heading between 30 June 2013 and 30 June 2014 are as shown below in euro:

	30/06/2013	Additions	Write-downs	Additions to consolidation perimeter	Write-downs for changes in consolidation method	31/12/2013	Additions	Write-downs	30/06/2014
Cost:									
Industrial property	296,406	-	-	3,391	-	299,797	-	(80,994)	218,803
Computer applications	6,816,578	-	(537,819)	-	(664,136)	5,614,623	296,431	(740,793)	5,170,261
	7,112,985	**-**	**(537,819)**	**3,391**	**(664,136)**	**5,914,420**	**296,431**	**(821,787)**	**5,389,064**
Accumulated Amortization:									
Industrial property	(263,186)	(12,974)	-	-	-	(276,159)	(6,317)	71,067	(211,410)
Computer applications	(4,589,693)	(444,746)	425,099	-	281,247	(4,328,092)	(29,798)	346,570	(4,011,321)
	(4,852,879)	**(457,720)**	**425,099**	**-**	**281,247**	**(4,604,252)**	**(36,115)**	**417,637**	**(4,222,730)**
Impairment:									
Industrial property	-	(9,927)	-	-	-	(9,927)	-	9,927	-
Computer applications	-	(1,176,313)	-	-	-	(1,176,313)	-	394,224	(782,089)
	-	**(1,186,240)**	**-**	**-**	**-**	**(1,186,240)**	**-**	**404,151**	**(782,089)**
Intangible fixed assets, net	**2,260,106**	**(1,643,959)**	**(112,720)**	**3,391**	**(382,889)**	**123,929**	**260,316**	**-**	**384,245**

De-recognitions in the first semester of 2014 relate all to assets entirely depreciated or to impaired assets.

The carrying amount of assets located abroad amounted to €68,968 euros in the first half of 2014 (€773,491.32 in 2013).

Totally depreciated items in use

The composition of and changes registered in this heading between 30 June 2013 and 30 June 2014 are as shown below in euro:

	30/06/2014	31/12/2013	30/06/2013
Industrial property	214,895	181,480	167,682
Computer applications	2,374,834	2,561,603	999,594
	2,589,729	**2,743,083**	**1,167,277**

NOTE 10. LEASES AND OTHER OPERATIONS OF A SIMILAR NATURE

10.1) Finance leases (the Company as lessee)

At 30 June 2014 the Group does not hold any assets under finance lease. The Group had no financial lease contracts at 30 June 2013.

10.2) Operating leases

Operating leases charged to income between 30 June 2013 and 30 June 2014 amounted to €394,645 and €338,366, respectively (see note 19 d).

There are no commitments for minimum future payments corresponding to non-cancellable operating leases.

The main rentals relate to the offices located at Calle Marqués de Riscal 11, Madrid.

NOTE 11. FINANCIAL ASSETS

The detail of long-term financial assets, excluding holdings in non-consolidated companies, at 30 June 2014, 31 December 2013 and 30 June 2013 is as follows, in euro:

	Equity instruments			Loans, Derivatives and others			Total		
	30/06/2014	31/12/2013	30/06/2013	30/06/2014	31/12/2013	30/06/2013	30/06/2014	31/12/2013	30/06/2013
Loans and receivables (Note 11.2)	-	662,168	-	678,660	-	-	678,660	662,168	-
Total	**-**	**662,168**	**-**	**678,660**	**-**	**-**	**678,660**	**662,168**	**-**

The detail of short-term financial assets at 30 June 2014, 31 December 2013 and 30 June 2013, is as follows, in euro:

	Loans, Derivatives and others			Total		
	30/06/2014	31/12/2013	30/06/2013	30/06/2014	31/12/2013	30/06/2013
Cash and cash equivalents (note 11.1)	4,476,646	5,405,106	4,541,665	4,476,646	5,405,106	4,541,665
Loans and receivables (Note 11.2)	6,549,903	6,276,676	6,825,464	6,549,903	6,276,676	6,825,464
Total	**11,026,550**	**11,681,782**	**11,367,129**	**11,026,550**	**11,681,782**	**11,367,129**

11.1) <u>Cash and other equivalent liquid assets</u>

This heading contains the fully liquid part of the Group's assets and comprises the effective cash and bank balances, as well as the short-term bank deposits with an initial due date of three months or less. These balances have no restrictions as to their availability and neither are they subject to risks of variations in their value.

The detail of these assets at 30 June 2014 and 30 June 2013, is as follows, in euro:

	Balance at 30/06/2014	Balance at 31/12/2013	Balance at 30/06/2013
Current accounts	2,363,698	1,847,124	2,408,779
Cash	2,766	3,297	8,641
Highly liquid deposits (a)	2,110,182	3,554,685	2,124,246
Total	**4,476,646**	**5,405,106**	**4,541,665**

(a) These relate to bank deposits with Banca March amounting to €921,000, with Bankinter amounting to €1,089,182 and with La Caixa amounting to €100,000. These deposits are available and realisable with a one day margin as from cancellation.

The amount accrued during the first half of 2014 for bank deposits and bank accounts amounted to €45,761 (see note 19 e).

Cash and bank balances from foreign companies amounted to €1,961,249 at 30.06.2014.

11.2) Loans and receivables

Below is a breakdown in euro of this heading as of 30 June 2014 31 December 2013 and 30 June 2013:

	Balance at 30/06/2014		Balance at 31/12/2013		Balance at 30/06/2013	
	Non-current	Current	Non-current	Current	Non-current	Current
Receivables on trade operations						
Third party customers	-	6,467,581	-	6,148,277	-	6,784,902
Total receivables for trade operations	**-**	**6,467,581**	**-**	**6,148,277**	**-**	**6,784,902**
Receivables for non-trade operations						
Personnel	-	18,463	-	25,696	-	33,192
Sureties and deposits	48,668	53,250	38,608	71,092	97,539	-
Other assets	629,991	10,610	623,560	31,612	-	7,370
Total receivables for non-trade operations	**678,660**	**82,322**	**662,168**	**128,400**	**97,539**	**40,561**
Total	**678,660**	**6,549,903**	**662,168**	**6,276,677**	**97,539**	**6,825,464**

At 30 June 2014, the item “Other Assets” registered as payables from non-commercial operations included €629,991 of a loan granted to Antevenio Limited (€623,560 as of 31 December 2013) that cannot be de-recognized as Antevenio Limited is consolidated using the equity method. See Note 27.

The average term for collecting clients’ payments is 105 days.

Below is a breakdown of this item between 30 June 2013 and 30 June 2014:

Description	**Balance at 30/06/2014**	**Balance at 31/12/2013**	**Balance at 30/06/2013**
Trade receivables			
a) Trade balances	7,259,646	7,283,206	7,755,188
b) Rebates pending settlement	(1,279,473)	(1,544,450)	(970,286)
c) Trade balances pending issue	487,408	409,521	-
Total	**6,467,581**	**6,148,277**	**6,784,902**

Comparative information for 2013 is as follows:

Impairment	Balance at 30/06/2013	Impairment adjustments	Balance at 31/12/2013	Impairment adjustments	Impairment reversals	Balance at 30/06/2014
Receivables on trade operations						
Third party customers	(1,411,611)	(67,201)	(1,478,812)	(50,557)	220,602	(1,308,767)

The Company records the changes resulting from these corrections under the heading 'Impairment of current assets' in the profit and loss account.

11.3) <u>Other information relating to financial assets</u>

a) <u>Reclassifications</u>

No financial instruments were reclassified during the year.

b) <u>Classification by maturity date</u>

The maturity of loans and receivables at the end of the first half of 2014 is as follows, in euro:

	Maturity (years)						
	1	**2**	**3**	**4**	**5**	**Over 5**	**Total**
Financial investments	**63,860**	**-**	**-**	**-**	-	**678,660**	**742,520**
Other financial assets	63,860	-	-	-	-	678,660	742,520
		-	-	-	-		
Trade and other receivables	**6,486,043**	-	-	-			**7,724,483**
Trade receivables	6,467,581				-		7,681,684
Personnel	18,463	-	-	-	-		42,799
Other receivables		-	-	-	-		
Total (euro thousand)	**6,549,903**	**-**	**-**	**-**	**-**		**8,467,003**

The maturity of loans and receivables at the end of the first half of 2013 is as follows, in euro:

	Maturity (years)						
	1	2	3	4	5	Over 5	Total
Financial investments	**7,370**	-	-	-	-	**97,539**	**104,909**
Other financial assets	7,370	-	-	-	-	97,539	104,909
		-	-	-	-		
Trade and other receivables	**6,818,094**	-	-	-			**6,818,094**
Trade receivables	6,784,902				-		6,784,902
Personnel	33,192	-	-	-	-		33,192
Other receivables		-	-	-	-		
		-	-	-	-		
Total (euro thousand)	**6,825,464**	-	-	-	-		**6,923,003**

As most of the financial assets are short-term, the operations carried out with these operations do not have interest rates associated with them, with the exception of the bank deposits.

Likewise and for the same reason, there are no differences between the present value of these financial assets and their nominal value.
There are no important operations in the respect of long-term security deposits and sureties. (Fianzas de las oficinas).

NOTE 12. FINANCIAL LIABILITIES

The detail for long-term financial liabilities is as follows, in euro:

	Financial institutions			Derivatives and others			Total		
	30/06/2014	31/12/2013	30/06/2013	30/06/2014	31/12/2013	30/06/2013	30/06/2014	31/12/2013	30/06/2013
Debts and payables (Note 12.1.1)	-	-	741,710	(1,845,073)	(1,909,119)	-	(1,845,073)	(1,909,119)	741,710
Total	-	-	741,710	(1,845,073)	(1,909,119)	-	(1,845,073)	(1,909,119)	741,710

The detail of short-term financial liabilities is as follows, in euro:

	Financial institutions			Derivatives and others			Total		
	30/06/2014	31/12/2013	30/06/2013	30/06/2014	31/12/2013		30/06/2014	31/12/2013	30/06/2013
Debts and payables (Note 12.1.1)	109,710.39	92,774	32,222	5,703,970.61	5,594,967	5,224,285.35	5,813,681	5,687,741	5,256,507
Total	109,710	92,774	32,222	5,703,971	5,594,967	5,224,285	5,813,681	5,687,741	5,256,507

12.1) Debts and payables

The following is the detail at 30 June 2014 and 30 June 2013, in euro:

	Balance at 30/06/2014		Balance at 31/12/2013		Balance at 30/06/2013	
	Non-current	Current	Non-current	Current	Non-current	Current
Trade operations						
Suppliers		4,587,470		4,870,292		4,293,684
Creditor		487,093		399,720		392,878
Trade operations	**-**	**5,074,563**	**-**	**5,270,012**	**-**	**4,686,561**
Non-trade operations						
Debts with financial institutions		11,103		26,192		32,222
Other debt	453,373	325,653	517,419	133,268	451,413	
Loans from third parties (2)	1,391,700		1,391,700		290,297	
Loans and other debts						
Personnel (accrued wages and salaries)		402,363		258,269		537,724
Securities received						
Trade operations	**1,845,073**	**739,118**	**1,909,119**	**417,729**	**741,710**	**569,946**
Debts and payables	**1,845,073**	**5,813,681**	**1,909,119**	**5,687,741**	**741,710**	**5,256,507**

(1) The item “Other debt” relates to the outstanding amount of a loan granted by CDTI to Código de Barras Network, S.L. This loan is registered at amortized cost.

(2) At 30 June 2014 and 31 December 2013 the amount of long-term payables related to debt arising from the agreement entered into with Antevenio Publicité's management team, financially adjusted to the expected date of payment of the registered obligations.

12.2) Other information relating to financial liabilities

a) Debt with financial entities

The summary of liabilities with credit institutions at 30 June 2014 is as follows, in euro:

	Current debts	Non-current debts	Total
Bank cards	11,103	-	11,103
	11,103	**-**	**11,103**

The summary of liabilities with credit institutions at 30 June 2013 is indicated as follows, in euro:

	Current debts	Non-current debts	Total
Bank cards	32,222	-	32,222
	32,222	**-**	**32,222**

Classification by maturity date

The breakdown of maturities of financial instruments liabilities at 30 June 2014 is as follows:

	Maturity (years)						
	1	**2**	**3**	**4**	**5**	**Over 5**	**Total**
Debts	**336,755**	**314,854**	**1,213,706**	**78,640**	**86,504**	**151,369**	**2,181,829**
Debts with financial institutions	11,103	-	-	-	-	-	11,103
Loans from third parties	-	-	-	-	-	-	-
Other debt	325,653	314,854	1,213,706	78,640	86,504	151,369	2,170,726
Trade and other payables	**5,476,926**	-	-	-	-	-	**5,476,926**
Suppliers	4,587,470	-	-	-	-	-	4,587,470
Sundry payables	487,093	-	-	-	-	-	487,093
Personnel	402,363	-	-	-	-	-	402,363
Total	**5,813,681**	**314,854**	**1,213,706**	**78,640**	**86,504**	**151,369**	**7,658,754**

The breakdown of maturities of financial instruments liabilities at 30 June 2013 is as follows:

Debts	**32,222**	**56,334**	**61,968**	**68,164**	**74,981**	**480,263**	**773,931**
Debts with financial institutions	32,222						32,222
Loans from third parties						290,297	290,297
Other debt		56,334	61,968	68,164	74,981	189,966	451,413
Trade and other payables	**5,224,285**	-	-	-	-	-	**5,224,285**
Suppliers	4,293,684						4,293,684
Sundry payables	392,878						392,878
Personnel	537,724						537,724
Total	**5,256,507**	**56,334**	**61,968**	**68,164**	**74,981**	**480,263**	**5,998,217**

b) Breach of contractual obligations

There has been no breach in compliance with the obligations relating to agreements for loans received from third parties.

NOTE 13. INFORMATION ON THE NATURE OF AND LEVEL OF RISK FROM FINANCIAL INSTRUMENTS

The Group's activities are exposed to different types of financial risks, notably credit and liquidity risks and market risks (exchange rate, interest rate and other price risks).

Interest rate risk

The subsidiary company Código Barras Networks, S.L.U. has obtained a loan from the Centro para el Desarrollo Tecnológico Industrial (CDTI) with a zero rate of interest as collaboration in the development of the Research and Development project called "Automatic data extractor and classifier for virtual stores on the web".

Exchange rate risk

For non-current assets expressed in currencies other than euro, the Company seeks to secure financing in the currency in which the relevant non-current asset is expressed. This is particularly the case of acquisition of companies with assets expressed in currencies other than euro.

The Company recorded net losses from exchange differences amounting to €20,355 in the first half of 2014 and to €28,148 in 2013.

Liquidity risk

Over the past few months the general situation of the financial markets, especially the banking market, has been particularly unfavorable to those seeking credit. The Group is permanently attentive to the evolution of different factors that might help it to resolve liquidity crises and, especially, financing sources and their characteristics.

Although the general situation for financial markets, especially the banking market, over recent years has not been particularly favorable to those seeking credit, permanent attention is paid in the Group to the evolution of the different factors that can be of help in the future for resolving liquidity crises, with special attention on sources of finance and their characteristics.

Particularly, the points to which most attention is paid are summarized as follows:

- Liquidity of monetary assets: cash surpluses are always invested on very short-term and readily available instruments. At 30 June 2014 the amount of cash and cash equivalents is €2,112,949 (€2,417,419 at 30 June 2013)

- Working capital is positive at 30 June 2014 amounting to €4,766,012 (€5,598,464 in 2013).

Credit risk

The Group does not have a significant credit risk concentration, exposure is distributed amongst a large number of counterparts and customers.

The Group's main financial assets are bank and cash balances, trade and other receivables, and investments, representing the Group's maximum exposure to the credit risk in respect of the financial assets.

The Group's credit risk is mainly attributable to its trade receivables. The amounts are reflected in the balance sheet net of the provisions for bad debts, estimated by Group management on the basis of prior years' experience and their evaluation of the current economic environment.

The Group does not have a significant credit risk concentration, exposure is distributed amongst a large number of counterparts and customers.

Competition Risk

In a market that is in constant evolution and with high rates of growth we cannot exclude the possibility of new actors entering the Spanish and Italian markets, the principal markets where Antevenio operates.However, given the Company's over ten years experience in this market, along with Antevenio's position and fame and the quality of its services, the Company expects to retain its leading position.

Customers and Suppliers Dependency Risk

The risk of dependency on customers and suppliers is limited, as none of these entities has a significant weighting within the turnover of Antevenio, S.A.

Included among customers are media agencies that work at the same time with numerous advertisers, diluting the risk of customer dependency even further.

As for technology suppliers the risk is small, as the services offered by these companies are also offered by other actors in competition with them and so the latter can offer Antevenio the same services.

Key Person Risk

One of Antevenio's main assets is having been able to bring together a team of key persons and managers in the company's strategic positions.

Risk from the processing of data of a personal nature

The Antevenio Group processes data of a personal nature in order to provide direct market services to its customers, as well the ordinary data processing that corresponds to any company: employees, suppliers, customers, etc.

The Company is, therefore, subject to the following legislation:

(1) Spanish Law 34/2002 on Services for the Information Society and Electronic Commerce.

(2) Article 4 of Spanish Law 56/2007, of 28 December, on Measures for the Promotion of Measures for the Information Society, amending Law 34/2002, of 11 July, on Services for the Information Society and Electronic Commerce.

(3) Spanish Organic Law 15/1999, of 13 December, on the Protection of Data of a Personal Nature.

(4) Spanish Law 2/2011, of 4 March, on Sustainable Economy. Amendment to LOPD (Organic Law on Data Protection). Fifty-sixth final provision.

(5) Spanish Royal Decree 1720/2007, of 21 December, approving the Regulations developing Organic Law 15/1999, of 13 December, on the protection of data of a personal nature.

(6) Final first provision of the Spanish General Telecommunications Law 32/2003, of 3 November, amending Law 34/2002. Spanish General Telecommunications Law 32/2003.

(7) Spanish Law 47/2002, of 19 December, on the reform of Law 7/1996, of 15 January, on the Regulation of Retail Trade for the transposition of Directive EC/97/7 to the Spanish legal system of distance selling and for the adaptation of various Community Directives to the Law.

(8) Spanish Law 7/1998, of 13 April, on General Contracting Terms.

(9) Spanish Law 7/1996, of 15 January, on Retail Commerce Regulations.

(10) Spanish Law 29/2009, of 30 December, modifying the legal regime on unfair competition and on publicity for the improvement of consumer and user protection.

(11) Spanish Law 44/2006, of 29 December, on the improvement of consumer and user protection.

(12) Spanish Law 34/1988, of 11 November, General Publicity Law.

(13) Spanish Law 26/1984, of 19 July, general law on Consumer and User Protection.

(14) Spanish Royal Decree 424/2005, of 15 April, approving the Regulations on the conditions for the provision of electronic communications services, universal service and user protection.

(15) Directive 2000/31/EC of the European Parliament and of the Council of 8 June on certain legal aspects of information society services, in particular electronic commerce in the Internal Market (Directive on electronic commerce).

(16) Directive 2002/58/EC of the European Parliament and of the Council of 12 July concerning the processing of personal data and the protection of privacy in the electronic communications sector (Directive on privacy and electronic communications).

Processing data of a personal nature in order to provide direct marketing services is an activity that is not exempt from risk and so Antevenio has a contract with the company INT55 to supply permanent monitoring of developments in the legislation and their application by Antevenio.

NOTE 14. EQUITY

At 30 June 2014 and 2013 consolidated equity amounts to €16,545,506 and €11,107,821, respectively, according to the following summary:

	30/06/2014	31/12/2013	30/06/2013
Subscribed Capital of the Parent Company:	**231,412**	**231,412**	**231,412**
Reserves:	**11,121,237**	**16,609,321**	**16,545,506**
Of the Parent Company	11,505,965	11,551,795	11,551,795
Of fully consolidated companies and Proportionately consolidated companies	(384,728)	5,057,526	4,993,711
(Own securities)	**(43,870)**	**(43,870)**	**(43,870)**
Other equity instruments			
Result for the reporting period attributable to the Parent Company	**(352,046)**	**(5,468,059)**	**(410,425)**
Translation differences	**2,951**	**(8,310)**	**914**
	10,959,684	**11,320,494**	**16,323,537**

14.1) Share Capital

At 30 June 2014 and 2013, the share capital of the parent company is represented by 4,207,495 shares of €0.055 each, fully subscribed and paid. These shares have equal political and economic rights.

The Company is listed on the alternative French market, Alternext Paris since 2007. At 30 June 2014 the share price was 2.96 euro per share (at 31 December 2013 share price was 3.45 euro per share).

The shareholding structure of the Parent Company at 30 June 2014 is as follows:

	No. of Shares	% Holding
Aliada Investment BV	848,976	20.18%
Alba Participaciones, S.A:	741,690	17.63%
Nextstage	648,256	15.41%
Joshua David Novick	500,166	11.89%
Inversiones y Servicios Publicitarios, S.A.	432,006	10.27%
Lazard	213,000	5.06%
Others	1,074,092	25.53%
Total	**4,207,495**	**100.00%**

The shareholding structure of the Parent Company at 30 June 2013 was as follows:

	No. of Shares	% Holding
Alba Participaciones, S.A:	864,012	20.54%
Aliada Investment BV	848,976	20.18%
Joshua David Novick	500,166	11.89%
Inversiones y Servicios Publicitarios, S.A.	432,006	10.27%
Nextstage	488,243	11.60%
Others	1,074,092	25.53%
Total	**4,207,495**	**100.00%**

14.2) <u>Parent Company Reserves</u>

The breakdown of Reserves is as follows:

	30/06/2013	31/12/2012	30/06/2013
Legal reserve	46,282	46,282	46,282
Voluntary reserves	3,269,896	3,315,726	3,315,726
Share premium	8,189,787	8,189,787	8,189,787
Total	**11,505,965**	**11,551,795**	**11,551,795**

a) <u>Legal Reserve</u>

The Legal Reserve is restricted as to its use, which is subject to various legal provisions. Under the provisions of the Corporation Law, companies incorporated under whichever legal form are obliged, if they make profits, to transfer 10% of those profits to a reserve until such reserve equals one fifth of the share capital subscribed. The purposes for which the legal reserve may be used are to offset losses, or to increase capital, in respect of the portion of the reserve that exceeds 10% of the increased capital as well as its distribution to partners in case of liquidation. At 30 June 2014, the legal reserve was fully funded.

14.3) Reserves in Consolidated Companies

The breakdown of these headings in the Consolidated Statement of Financial Position, from 30 June 2013 to 30 June 2014, is as follows:

	30/06/2014	31/12/2013	30/06/2013
Of fully consolidated Companies			
Mamvo Performance, S.L.U.	129,744	1,714,851	1,714,851
Marketing Manager, S.L.	200,498	97,123	97,123
Antevenio S.R.L.	3,937,501	3,694,533	3,694,533
Antevenio España, S.L.U.	(393,945)	227,953	227,953
Código Barras Networks, S.L.	(1,863,986)	419,498	419,498
Antevenio Rich & Reach S.L.U.	(26,240)	-	-
Antevenio Argentina S.R.L.	(452,282)	(67,560)	(129,041)
Antevenio France, S.R.L.	(700,098)	(600,114)	(600,114)
Antevenio Limited	-	-	(167,660)
Antevenio México	(127,298)	(72,364)	(72,364)
Antevenio Antevenio Publicité S.A.R.L.	(580,098)	(192,415)	(192,415)
Antevenio Services, S.r.l.	(14,342)	2,442	2,442
Total fully consolidated Companies	**109,453**	**5,223,948**	**4,994,806**
Of proportionately consolidated Companies			
Europermission S.L.	-	-	(1,095)
Total proportionately consolidated Companies	**-**	**-**	**(1,095)**
Of companies consolidated using the equity method			
Europermission S.L.	(1,095)	(1,095)	(1,095)
Antevenio Limited	(493,085)	(165,327)	-
Total companies consolidated using the equity method	**(494,180)**	**(166,422)**	**(1,095)**
Total	**(384,728)**	**5,057,526**	**4,993,711**

Share issue premium

The Spanish Corporation Law expressly allows for the balance on the share premium account to be used for increasing capital and does not establish any specific restriction with regard to the availability of this balance.

Voluntary Reserves

These are freely available reserves generated by the Parent Company from undistributed prior year results.

Treasury Shares

The Parent Company's Extraordinary General Meeting of Shareholders agreed on June 26 2013 to authorize the acquisition of a maximum of 10% of capital treasury stock at a minimum price of 3 euros per share and a maximum price of 15 euros per share; the authorization was granted for a period of 18 months from the date of the relevant resolution.

Under this agreement the Parent Company holds 8,348 shares representing 0.19% of the share capital.
During financial year 2012 this compensation plan was met by giving two strategic directors of this company 37,500 shares of the Company.

The changes from 30 June 2013 to 30 June 2014 were as follows;

	Balance at 06/30/2013		Balance at 12/31/2013		Balance at 06/30/2014	
Company	No. of Shares	Average Cost:	No. of Shares	Average Cost:	No. of Shares	Average Cost:
Antevenio S.A.	8.348,00	43.869,93	8.348,00	43.869,93	8.348,00	43,869.93
	8.348,00	**43.869,93**	**8,348.00**	**43.869,93**	**8.348,00**	**43,869.93**

Capital management

The Group's objective with regard to capital management is that of maintaining an optimum financial structure that will allow it to reduce the cost of capital whilst continuing to manage its operations, always with the objective of achieving growth and value creation. This Group objective has not been officially formalized and neither have any parameters been set for this by the Board of Directors.

The main sources used by the Group for financing its growth are:

- The cash-flow generated by the group.
- The treasury available at year end.
- The existence of positive working capital.

The capital structure is controlled through the leverage ratio, calculated as net financial debt on net equity. The Company has no bank debt at the end of June 2014.

NOTE 15. TRANSLATION DIFFERENCES

The movements in the balance of this heading from 31 December 2013 until 30 June 2014 is as follows:

	30/06/2014	30/06/2013
Opening balance	**(8,310)**	**(14,922)**
Net change during the reporting period	11,261	6,612
Closing balance	**2,951**	**(8,310)**

These translation differences are generated by Companies domiciled abroad with a functional currency other than the euro. Specifically these currencies are the Argentine peso, the British pound and the Mexican peso.

NOTE 16. MINORITY INTERESTS

The balance of this heading in the consolidated balance sheet reflects the value of minority shareholders stakes in fully consolidated companies. Also, the balance shown in the consolidated income statement under "Minority interests" represents the share of those minority shareholders in the income statement.

Third-party shareholders movement during the first half of 2014 and 2013, is as follows, in euro:

Subsidiary Company	Balance at 30/06/2013	Increased stake in the investee	Profit (Loss) attributed to minority interests	Balance at 31/12/2013	Increased stake in the investee	Profit (Loss) attributed to minority interests	Balance at 30/06/2014
Antevenio Limited	(177,797)	177,797	-	-	-	-	-
	(177,797)	**177,797**	**-**	**-**	**-**	**-**	**-**

NOTE 17. DEFERRED INCOME

Below is a breakdown of this item between 30 June 2013 and 30 June 2014:

	30/06/2013	31/12/2013	30/06/2014
Capital grants	39,005	-	-
Zero interest rate subsidy	99,531	-	-
Total	**138,536**	**-**	**-**

Capital grants were all awarded to Código de Barras Network, S.L.U.

The subsidiary company Código Barras Networks, S.L.U. was granted a loan from Centro para el Desarrollo Tecnológico Industrial (CDTI) on zero interest (0%) as collaboration in the development of the Research and Development project called "Automatic data extractor and classifier for virtual stores on the web".

To these purposes, the Company received €242,409.38 in 2010; €306,241.32 in 2011 y €395,642.87 in 2012.

In 2013 the Company registered the impairment of intangible assets associated with this 0% interest loan due to their technological obsolescence, and adjusted accordingly the amounts still pending to be taken to income both from the capital grant itself and from the interest rate subsidy.

NOTE 18. TAXATION

The breakdown of balances tax payables and receivables at 30 June 2014 is as follows:

	Receivable	Payable
Current		
Added Value Tax	481,039	(589,810)
Recoverable taxes	90,411	-
Withholdings and payments on account of Income Tax	3,025	-
Assets for deductible temporary differences	294,164	-
Credit losses carry forwards for fiscal year	474,326	-
Income tax	-	(306,081)
Other debts with Public Administration Bodies	-	(5,973)
Corporate Income Tax	-	(47,220)
Social Security Agencies	-	(207,867)
	743,326	**(1,156,951)**

The breakdown of balances tax payables and receivables at 30 June 2013 is as follows:

	Receivable	Payable
Current		
Added Value Tax	288,726	221,446
Recoverable taxes	445,901	-
Withholdings and payments on account of Income Tax	8,700	-
Withholdings for Personal Income Tax	-	317,573
Income tax	-	162,837
Social Security Agencies	-	163,066
	743,326	**864,922**

Taxation

Tax returns cannot be considered to be final until approved by tax authorities or until completion of the statute of limitations, four tax periods.

Recognition

The consolidated tax expense is the aggregate of the individual tax expense of each company in the Group.

Tax bases are established upon the profit (loss) for the period and adjusted according to temporary differences, timing differences and negative tax bases from prior taxation periods.

Temporary differences, resulting from differences in the criteria applied for the recognition and taxation of certain transactions, create deferred tax assets that may be recovered in the future and deferred tax liabilities that may have to be paid in the future.

Deferred tax assets and liabilities are recognized at the effective tax rates at which the Group foresees the offset or settlement thereof.

Deferred tax assets can only be recognized when there are no doubts about future tax benefits against which to offset the relevant temporary difference.

At year-end, tax deferred balances are assessed in order to ensure their applicability and eventually corrected to reflect any changes in the Group's taxation.

Income Tax and tax rates:

Income Tax is calculated the relevant tax rates in force in any of the countries where the Group operates. The principal tax rates are:

	2014
Spain	30%
Italy(*)	31,4%
France	33,3%
Mexico	30%
Argentina	35%

(*) Average rate of taxes paid in Italy

Negative Tax Bases pending to be offset

As per the existing regulations, negative tax bases may be offset with positive tax bases from the following eighteen tax periods. At 30 June 2014 the Group has the following negative tax bases pending to be offset:

Origination year	Last year for deduction	Euro
2004 (2)	2019	999
2006 (2)	2021	1,205
2008 (1)	2023	72,977
2009 (1)	2024	6,229
2010 (6)	2028	204,964
2010 (10)	2028	32,329
2011 (3)	2026	588,048
2011 (6)	2029	307,703
2011 (9)	2029	91,920
2011 (10)	2029	147,124
2012 (3)	2027	592,820
2012 (4)	2027	23,129
2012 (5)	2030	283,776
2012 (6)	2030	133,564
2012 (7)	2030	721
2013 (5)	2031	389,070
2013 (6)	2031	99,984
2013 (9)	2031	54,935
2013 (10)	2031	158,575
2013 (11)	2031	569,872
		3,759,945

At 30 June 2013 the Group has the following negative tax bases pending to be offset:

Origination year	Last year for deduction	Euro
2004 (2)	2019	999
2006 (2)	2021	1,205
2008 (1)	2023	72,977
2009 (1)	2024	6,229
2010 (6)	2028	204,964
2010 (8)	2028	30,391
2010 (10)	2028	32,329
2011 (3)	2026	588,048
2011 (6)	2029	307,703
2011 (8)	2029	132,133
2011 (9)	2029	91,920
2011 (10)	2029	147,124
2012 (3)	2027	592,820
2012 (4)	2027	23,129
2012 (5)	2030	283,776
2012 (6)	2030	133,564
2012 (7)	2027	721
2012 (8)	2030	207,776
		2,857,809

(1) Negative tax bases from Marketing Manager Servicios de Marketing, S.L.
(2) Negative tax bases from Europermission, S.L.
(3) Negative tax bases from Mamvo Performance, S.L.
(4) Negative tax bases from Diálogo Media, S.L.U.
(5) Negative tax bases from Antevenio Publicité SARL
(6) Negative tax bases from Antevenio France
(7) Negative tax bases from Código de Barras Network, S.L.U.
(8) Negative tax bases from Antevenio Ltd.
(9) Negative tax bases from Antevenio Mexico
(10) Negative tax bases from Antevenio Argentina
(11) Negative tax bases from Antevenio Group (*)

Deferred tax assets

Between 30 June 2013 and 30 June 2014 the following changes were recorded in deferred tax assets:

	30/06/2014
Balance at 30 June 2013	**811,407**
Increase	132,185
Decrease	(334,729)
Balance at 31 December 2013	**608,862**
Increase	155,513
Decrease	4,114
Balance at 30 June 2014	**768,490**

The breakdown of deferred tax assets is as follows:

	Balance at 06/30/2013	Charge / credit to income	Balance at 31/12/2013	Charge / credit to income	Balance at 06/30/2014
Tax credits	804,941	(334,729)	470,212	4,114	474,326
Temporary differences	6,466	132,185	138,651	155,513	294,164
Total deferred tax assets	**811,407**	**(202,544)**	**608,862**	**159,627**	**768,490**

From 1 January 2013, Group companies with registered address in Spain are consolidated for Income Tax purposes.

Other information

On 27 February 2012, the Spanish Tax Authorities initiated an audit of the taxation benefits for export applied in by the parent Company in the 2007 Income Tax return.

On 26 February 2013, the Spanish Tax Authorities notified to the Parent Company the settlement resolutions referred to the tax audit initiated on 8 February 2012 on the Company's 2007 Income Tax return and thereafter partially extended on 28 August 2012 to tax deductions for exports applied in 2008 through to 2011 tax returns.

The final tax settlements resulted in a tax liability for the Company amounting to €39,068 and €6,985 in interests for late payment. Regarding 2007 income tax return, the final settlement resulted in a tax asset for the Company amounting to €3,150. The Company has lodged an appeal before the Economic and Administrative Court.

NOTE 19. INCOME AND EXPENSES

a) Net turnover

The Group's net turnover between December 2013 and June 2014 was €9,635,033 (€10,715,671 in the first semester of 2013), according to the following distribution:

	30/06/2014	31/12/2013	30/06/2013
On-line advertising	7,838,638	19,722,292	10,325,805
Emailing and SMS-sending services	393,462	340,071	389,866
Provision of services	1,402,933	-	-
Total net turnover	**9,635,033**	**20,062,363**	**10,715,671**

Clients (30/06/2014)	Private	Public
On-line advertising	9,216,387	25,184
Emailing and SMS-sending services	386,832	6,630
Total net turnover	**9,603,219**	**31,814**

b) Supplies

Breakdown in euro of this heading in the attached Consolidated Income Statement is as follows:

	30/06/2014	31/12/2013	30/06/2013
Merchandise purchased			
Operating purchases	(4,705,998)	(9,613,004)	(4,982,853)
Total purchases	**(4,705,998)**	**(9,613,004)**	**(4,982,853)**

c) Personnel expenses

Breakdown in euro of this heading in the attached Consolidated Income Statement is as follows:

	30/06/2014	31/12/2013	30/06/2013
Salaries, wages and similar	(2,863,086)	(5,270,640)	(2,919,056)
Termination benefits	(32,392)	(282,992)	(268,125)
Social Security payable by the Company	(774,281)	(1,364,464)	(712,481)
Other	(81,824)	(111,119)	(57,598)
Total personnel expenses	**(3,751,583)**	**(7,029,214)**	**(3,957,259)**

d) External services

Breakdown in euro of this heading in the attached Consolidated Income Statement is as follows:

	30/06/2014	31/12/2013	30/06/2013
Leases and royalties	(209,393)	(354,364)	(176,331)
Repairs and maintenance	(19,657)	(24,788)	(15,065)
Independent professional services	(754,114)	(1,341,650)	(333,810)
Transport	(22,246)	(3,232)	(1,340)
Insurance premiums	(25,508)	(31,363)	(16,148)
Banking and similar services	(24,330)	(40,077)	(22,681)
Advertising, publicity and public relations	(119,645)	(77,493)	(33,890)
Utilities	(106,080)	(188,122)	(146,389)
Other services	(153,033)	(571,859)	(390,338)
Other operating expenses	(845)	(86,339)	(36,323)
	(1,434,849)	**(2,719,287)**	**(1,172,314)**

e) Financial income and expenses

Breakdown of this heading in the attached Consolidated Income Statement is as follows:

	30/06/2014	31/12/2013	30/06/2013
Finance income	45,761	230,538	54,880
Positive exchange differences	71,598	130,244	56,702
Finance income	**117,359**	**360,782**	**111,582**
Finance expense	(36,879)	(149,963)	(58,730)
Negative exchange differences	(91,953)	(144,040)	(84,850)
Losses from companies consolidated using the equity method	(1,733)	(301,835)	-
Finance expense	**(130,565)**	**(595,838)**	**(143,580)**
	(13,206)	**(235,056)**	**(31,998)**

NOTE 20. CONSOLIDATED PROFIT (LOSS) FOR THE YEAR

Breakdown in euro of the Consolidated Profit (Loss) as of 30 June 2014 is as follows:

30 June 2014	Individual profit (Loss) for the reporting period	Minority interests	Parent Company
Spanish companies	903,003	-	903,003
European companies (excl. Spain)	(621,598)	-	(621,598)
Non-European companies	70,642	-	70,642
	352,046	**-**	**352,046**

Breakdown in euro of the Consolidated Profit (Loss) as of 30 June 2013 is as follows:

30 June 2013	Individual profit (Loss) for the reporting period	Minority interests	Parent Company
Spanish companies	(348,185)	-	(348,185)
European companies (excl. Spain)	36,952	(22,803)	59,755
Non-European companies	(121,995)	-	(121,995)
	(433,228)	**(22,803)**	**(410,425)**

NOTE 21. PROVISIONS AND CONTINGENT LIABILITIES

Below is a breakdown of the changes registered in the Group's provisions between 30 June 2013 and 30 June 2014:

	30/06/2013	Allowance	Application	31/12/2013	Allowance	Application	30/06/2014
Allowance for other liabilities	55,132	276,640	(11,132)	320,640	128,259	(44,000)	404,899
	55,132	**276,640**	**(11,132)**	**320,640**	**128,259**	**(44,000)**	**404,899**

As of 31 December 2013 a provision of €249,615 was made for the excess loss over the investment in Antevenio Limited; additionally, during 2013 a provision of €27,025 was made for other liabilities in Antevenio Publicité.

During the first semester of 2014, Antevenio SRL and Antevenio Service, SRL made provisions of €79,551 and €46,976, respectively, for other liabilities to personnel.

These provisions have not been adjusted as the effect of the adjustment thereof is immaterial.

Between 30 June 2013 and 30 June 2014 the Group has supplied securities to banks and public entities, according to the following breakdown:

Sureties and guarantees	30/06/2014	31/12/2013	30/06/2012
Lessor of Headquarters	43,860	43,860	23,964
Total	**43,860**	**43,860**	**23,964**

NOTE 22. ENVIRONMENTAL INFORMATION

The Group does neither have assets nor has incurred in expenses intended to minimize environmental impact and environmental protection and improvement. Similarly, the Group does neither have provisions for environmental risks and expenses nor contingent liabilities related to environmental protection and improvement.

NOTE 23. Events after the reporting period

No events have taken place after the reporting period that may affect these interim consolidated financial statements.

NOTE 24.REMUNERATION, HOLDINGS AND BALANCES WITH DIRECTORS OF THE PARENT COMPANY

24.1 Balances and transactions with Directors and Senior Management

During the first semester of 2014 and 2013 the amounts received by Directors were as follows:

	30/06/2014	31/12/2013	31/06/2013
Salaries, allowances and other remuneration	141,200	281,400	142,200
Total	**141,200**	**281,400**	**142,200**

Between 30 June 2013 and 30 June 2014 the Company has not registered commitments for supplements to pensions granted or securities supplied to Directors.

Other disclosures concerning the Board of Directors

In compliance with the provisions of Section 229.3 of the existing Spanish Corporation Law, approved by Royal Legislative Decree 1/2010, of 2 July, the Group hereby informs that the Administration Body and related parties referred to in Section 231 of the above mentioned Law hold stakes in other companies with a corporate purpose similar, analogous or supplementary to the Company's corporate purpose.

Holder	Investee	% Stake	Position
Joshua David Novick	Antevenio S.R.L.	-	Director
	Antevenio México S.A. de C.V.	-	Director
	Código Barras Networks S.L.	-	Sole Manager
	Antevenio S.R.L. (it)	-	Director
	Europermission S.L.	-	Director
Pablo Pérez García Villoslada	Antevenio Services, S.R.L.	-	Director
	Europermission S.L.	-	Director
	Antevenio S.R.L.(fr)	-	Manager
	Antevenio S.R.L.(It)	-	Director
David Rodés	Digital Spain S.L.	-	Sole Manager
	Dglt SA de CV	-	Sole Manager
	Digilant Marketing	-	Sole Manager
	ISP	-	General Manager

In compliance with the above mentioned Spanish Corporations Law, the Company hereby informs that the members of the Administration Body have not executed, either on their own behalf or on behalf of third parties, transactions with the Parent Company that might be considered outside the Company’s normal business or that had not been executed under normal market conditions.

NOTE 25. OTHER DISCLOSURES

The average number of employees of the Group between 30 June 2013 and 30 June 2014, broken down by professional categories, is the following:

	30/06/2014			31/12/2013			31/06/13		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Management	9.00	0.81	9.81	10.75	1.17	11.92	9.87	4.17	14.04
Administration	6.00	15.08	21.08	5.92	14.33	20.25	5.77	14.83	20.6
Sales	21.79	27.05	48.85	29.25	18.83	48.08	35.96	20.29	56.25
Production	17.51	27.56	45.07	15.33	26.67	42	17.04	34.12	51.16
Technicians	20.83	3.89	24.73	18.67	4.58	23.25	18.63	10.36	28.99
Marketing and communication	1.0	0.1	1.12	-	-	-	-	-	-
	76.14	**74.52**	**150.66**	**79.92**	**65.58**	**145.50**	**87.27**	**83.77**	**171.04**

The average number of employees of the Group as of 30 June 2014, 31 December 2013 and 30 June 2013, broken down by professional categories, is the following:

	30/06/2014	**31/12/2013**	**30/06/2013**
	Total	**Total**	**Total**
Management	10	10	11
Administration	20	20	21
Sales	47	48	51
Production	48	46	47
Technicians	26	23	24
Marketing and communication	2		
	153	**147**	**154**

NOTE 26. SEGMENT INFORMATION

Below is the distribution, by business lines and geographical markets, of the net turnover from the Group's normal business during the first semester of 2014:

Activity	30/06/2014
On-line advertising	9,241,571
Emailing and SMS-sending services	393,462
Total net turnover	**9,635,033**

Clients	Private	Public
On-line advertising	9,216,387	25,184
Emailing and SMS-sending services	386,832	6,630
Total net turnover	**9,603,219**	**31,814**

Distribution, Sales and Cost of Sales by Region

Distribution of Sales	Consolidated amount 2014
Spain and Latin America	6,050,879
Europe	3,584,154
Total Distribution of Sales	**9,635,033**

Distribution Cost of Sales	Consolidated amount 2014
Spain and Latin America	2,963,613
Europe	1,953,763
Total Distribution Cost of Sales	**4,917,376**
Total net turnover	

NOTE 27. RELATED PARTIES TRANSACTIONS

During the first semester of 2014 the following transactions with related parties have taken place:

Company	Relation
Antevenio Limited	Associate company

The breakdown of transactions with related parties during the first semester of 2014 is as follows:

	Income / (Expense)	
Description	Services rendered	Interests charged
Antevenio Limited (associate company)	5,070	9,581
	5,070	**9,581**

The breakdown of related party transactions balances in the balance sheet as of 30 June 2014 is as follows:

Description	Debit balances			Credit balances
	Services	Credits	Interests	Services
Antevenio Limited (associate company)	31,905	629,991	9,581	(880)
Europermission (associate company)	29,495	2,147	-	(60,931)
	31,905	**629,991**	**9,581**	**(61,811)**

NOTE 28. DISCLOSURES ON DEFERRAL OF PAYMENTS TO SUPPLIERS THIRD ADDITIONAL PROVISION, "DISCLOSURE OBLIGATION", OF LAW 15/2010, OF 5 JULY

As per the terms of the third additional provision, "Disclosure obligation", of Law 15/2010, of 5 July, modifying law 3/2004, of 29 December, establishing measures to prevent delinquency in commercial transactions, the Group hereby discloses the following information referred to the Spanish companies in the Group:

	Payments made and outstanding at closing date 30/06/2014	
	Amount	**%**
Within the maximum legal term	3,440,999	100%
Other		
Total payments during the reporting period	3,440,999	100%
Weighted average payment terms (exceeded days)	-	-
Payment deferrals exceeding the maximum legal term as of closing date	-	-

	Payments made and outstanding at closing date year 2013	
	Amount	**%**
Within the maximum legal term	8,299,448	100%
Other		
Total payments during the reporting period	8,299,448	100%
Weighted average payment terms (exceeded days)	-	-
Payment deferrals exceeding the maximum legal term as of closing date	-	-