



Report on the CNMV's review of the annual financial reports and main enforcement priorities for the following financial year

2016

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financial reports and main enforcement priorities
for the following financial year**

2016

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Introduction

The purpose of this report is to analyse the most relevant issues included in the oversight activities performed by the CNMV (National Securities Market Commission) in relation to the annual accounts for 2016 of listed companies¹ (hereinafter, issuers or entities), of securitisation funds and FABs (Bank Asset Funds), as well as: (i) to identify some aspects that could be improved upon which were identified in the review process during 2017, and which the issuers are to take into account to enhance the quality of the financial information they provide to the market; and (ii) to establish the enforcement priorities of the financial statement review that will be performed in 2018, with the purpose of increasing the transparency of their performance.

The annual accounts², together with the management report, are deemed regulated information. The CNMV must verify that this information has been prepared in accordance with the applicable regulations and, if not, require compliance therewith. The aim of this function is to strengthen confidence in the reliability and relevance of the financial information published by listed entities.

Since 2012 European oversight agencies set out, in coordination with the European Securities and Markets Authority (ESMA), common enforcement priorities for annual financial statements, with a view to promoting the consistent application of the International Financial Reporting Standards (IFRS) throughout the European Union. The CNMV has also incorporated other critical review areas into its work plan which supplement the priorities set out by ESMA and draw attention to certain issues that may have a significant impact on the financial statements for 2017 and subsequent years.

Furthermore, statistical data are included regarding the firms that audit issuers, securitisation funds and FABs, as well as the period within which the annual accounts are received.

1 For the purposes of this report, listed entities shall mean the issuers of securities admitted to trading on an official secondary market or other regulated market domiciled in the European Union where Spain is the home Member State.

2 Article 118 of the recast text of the Securities Market Act 24/1988, of 28 July, approved by Royal Legislative Decree 4/2015 of 23 October, requires the annual accounts of issuers of securities admitted to trading on an official secondary market or other regulated market domiciled in the European Union to be submitted to an audit. The audit report will be published together with the annual accounts.

I Audited annual accounts

Number of annual accounts received

The annual accounts and the management report of the listed entities, along with the corresponding audit report, are published in the official CNMV records, pursuant to Article 238 of the Recast Text of the Securities Market Act, approved by Royal Decree-Law 4/2015, of 23 October, and can be consulted on the CNMV website.

The CNMV received 309 audit reports³ – including both individual and consolidated accounts – for 2016 from 165 issuers of securities.

The number of reports received fell by 2.5% on the previous year, principally as a result of: (i) the delisting of several companies, mainly as they were subject to a takeover bid; and (ii) the amortisation of various fixed-income instruments, which meant that their issuers were no longer required to provide reports. This effect was partially offset by newly listed non-financial companies.

Audit reports filed with the CNMV

TABLE 1

	2014	2015	2016*
Individual audit reports	189	170	165
Consolidated audit reports	151	147	144
Total audit reports filed	340	317	309
Special reports Art. 14 R.D. 1362/2007	11	9	7

Source: CNMV

(*) Audit reports and annual accounts and special reports filed with the CNMV up to 31/12/2017.

The special audit reports filed during 2017, which are available to the public on the CNMV's website, belong to four issuers⁴. These special reports update, at the closing of the first half of 2017, the circumstances giving rise to the auditor's qualifications in its opinion regarding the 2015 annual accounts.

In two⁵ special reports – 28.6% of the total, compared with 22 % in 2015 – the auditor declared that the qualifications included in the audit report had been fully rectified in the financial statements of the first half of 2017. For one other entity⁶,

3 Audit reports on asset securitisation funds or FABs are not included.

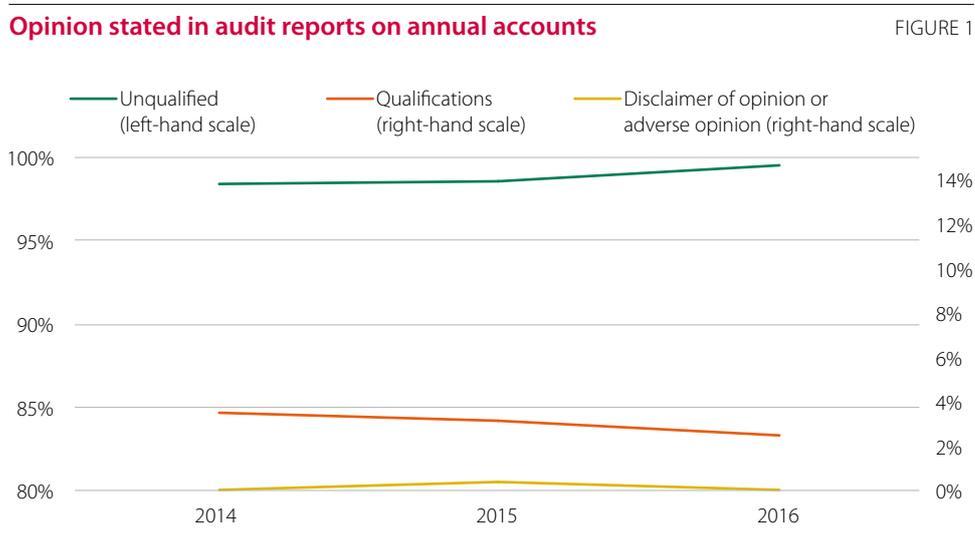
4 Individual and consolidated reports of Compañía Levantina de Edificación y Obras Públicas, S.A. (CLEOP), Dogi International Fabrics, S.A. and Mobiliaria Monesa, S.A.; individual report of Pescanova S.A.

5 Dogi International Fabrics, S.A. (Individual) and Pescanova, S.A. (Individual).

6 CLEOP (Individual and Consolidated).

their special reports maintained the qualifications included in the opinion of the audit report. Lastly, in three special reports⁷ some of the qualifications included in the audit report were rectified, while the rest were maintained.

Figure 1 shows the changes over the past three years of the audit reports on annual accounts with unqualified or qualified audits:



Source: CNMV

The percentage of unqualified audit reports on 2016 annual accounts increased slightly compared to 2015 (up 0.9%).

In 2016, no audit report contained a disclaimer of opinion. In 2015, one audit report contained a disclaimer of opinion due to the importance of the scope limitation. This report belonged to an entity whose shares were suspended from trading between March 2013 and June 2017⁸. In July 2016, it reissued its 2015 annual accounts and obtained an unqualified opinion.

Audit reports by market

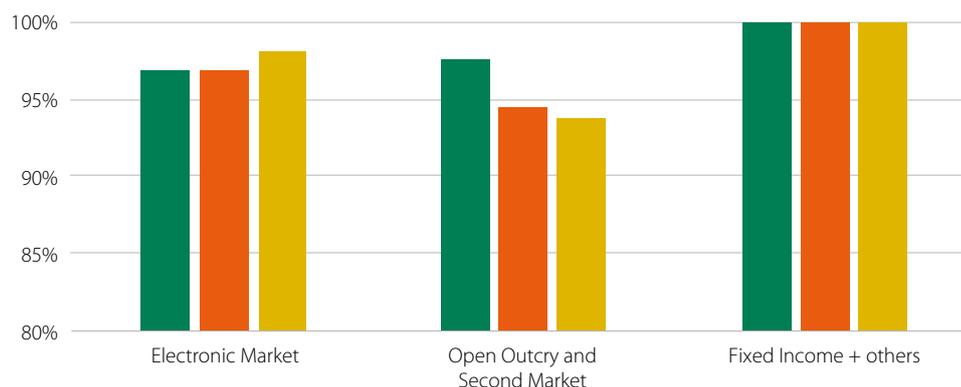
Figure 2 classifies the unqualified audit reports on the annual accounts of issuers based on the markets in which their securities are traded.

7 Dogi International Fabrics, S.A. (Consolidated) and Mobiliaria Monesa, S.A. (Individual and Consolidated).

8 Pescanova, S.A.

Percentage of unqualified audit report by market

FIGURE 2



Source: CNMV

The year-on-year change depending on the trading market is analysed below:

- In companies on the Electronic Market, the percentage of unqualified audit opinions increased slightly on the previous year, 98.1% in 2016 compared with 96.8% in 2015.

It is worth noting that in 2016 only one issuer on the electronic market had an audit report with a disclaimer of opinion (one in 2015).

For the ninth consecutive year, all audit reports of Ibex companies contained an unqualified opinion.

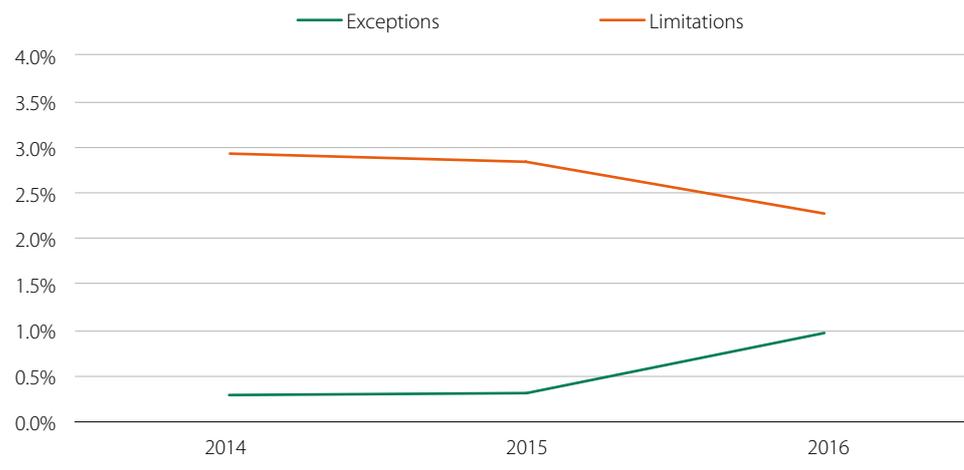
- The unqualified opinions on audit reports on the annual accounts of issuers of shares traded on the Open Outcry and Electronic Market fell slightly (93.8% compared with 94.4% in 2015), due to the reduction in the number of entities subject to audit that trade on this market and to the increase in the number of qualified reports⁹ – increase from one to two in 2016.
- The percentage of unqualified audit reports of fixed-income issuers and others remains at 100%, the same as in 2014 and 2015.

Types of qualifications

Figure 3 reflects the changes in qualifications included in audit reports for the 2014-2016 period, broken down by type:

Type of qualification

FIGURE 3



Source: CNMV

The most relevant conclusions that can be drawn from analysing the data in Figure 3 are as follows:

- The number of audit reports with scope limitations fell from nine in 2015 (corresponding to five issuers) to seven in 2016 (corresponding to four issuers)¹⁰.

Scope limitations are significant qualifications since they denote that the auditor was unable to apply the procedures required by the Technical Auditing Standards as it did not have sufficient information to arrive at an opinion. A written request issued by the CNMV requires the scope limitations arising from the issuer itself to be immediately redressed.

As a result of the requests sent by the CNMV, and once the procedures set out in the Technical Auditing Standards had been applied, specific auditor statements were received through the special audit report removing the scope limitations included in four audit reports related to three entity¹¹.

As regards the three remaining audit reports with scope limitations, the following should be noted:

- (i) In one report corresponding to an issuer¹², the auditor stated in its special audit report that the grounds giving rise to the limitation persisted. However, this fact had no effect on the consolidated net equity at 31 December 2016 or at 30 June 2017, since this only affected the figures for 2015, included for comparative purposes in the 2016 annual accounts.

10 Compañía Levantina de Edificación y Obras Públicas, S.A. (individual and consolidated); Dogi International Fabrics, S.A. (individual and consolidated); Mobiliaria Monesa, S.A. (individual and consolidated); and Pescanova, S.A. (individual).

11 Dogi International Fabrics, S.A. (consolidated), Pescanova, S.A. (individual) and Mobiliaria Monesa, S.A. (individual and consolidated);

12 Dogi International Fabrics, S.A. (consolidated),

- (ii) In two reports corresponding to one entity¹³, the auditor stated in the special audit report that the limitations, maintained at the date of issue, arose due to circumstances beyond the control of the entity.
- The number of qualifications as a result of a failure to comply with accounting standards increased: one report in 2015 and three reports in 2016¹⁴, corresponding to two issuers.

As a result of the requests made by the CNMV, and following application of the Technical Auditing Standards, specific auditor statements were received through the special audit report, removing the breach included in the individual audit report corresponding to one entity¹⁵, due to a qualification for a lack of information.

In the special audit report of the other two entities, the auditor maintained that the causes giving rise to the qualification persisted.

Emphasis of matter paragraphs

In 2016, 70 audit reports (belonging to 42 issuers) included some kind of emphasis of matter paragraph (76 reports and 45 issuers in 2015), of which 45 reports (related to 24 issuers) indicated one or more uncertainty (52 reports and 27 issuers in 2015).

- The reduction in the number of audit reports with emphasis of matter paragraphs in which the auditor expresses doubts regarding the going concern of business continued to decline, from 36 reports to 19 issuers in 2015 to 34 reports and 18 issuers in 2016¹⁶.
- The number of reports with emphasis of matter paragraphs over uncertainties regarding the recoverable amount of assets fell from the previous year, to stand at 10 reports related to five issuers in 2016 (15 reports from eight issuers in 2015)¹⁷.
- Those affecting other types of issues – such as effects from tax contingencies, ongoing litigation, debt refinancing processes, etc. – fell from 14 to seven (seven issuers in 2015 and four issuers in 2016)¹⁸.

13 Compañía Levantina de Edificación y Obras Públicas, S.A. (individual and consolidated).

14 Mobiliaría Monesa, S.A. (individual and consolidated) and Pescanova, S.A.

15 Pescanova, S.A.

16 Individual and consolidated statements of the following issuers: Abengoa S.A.; Adveo Group International, S.A.; Alza Real Estate, S.A.; Compañía Levantina de Edificación y Obras Públicas, S.A.; Corporación Empresarial de Materiales de Construcción, S.A. (formerly, Uralita, S.A.); Dogi International Fabrics, S.A.; Duro Felguera, S.A.; Mobiliaría Monesa, S.A.; Nyesa Valores Corporación, S.A.; Obrascón Huarte Lain, S.A.; Reyal Urbis, S.A.; Sniace, S.A.; Tubos Reunidos, S.A.; Urbar Ingenieros, S.A.; Urbas Grupo Financiero, S.A.; and Vertice Trescientos Sesenta Grados, S.A.; and individual statements of Banco de Caja España de Inversiones, Salamanca y Soria, S.A.; and Pescanova, S.A.

17 Individual and consolidated statements of the following issuers: Funespaña, S.A.; Libertas 7, S.A.; Montebalito, S.A.; Nyesa Valores Corporación, S.A. and Urbas Grupo Financiero, S.A.

18 Individual and consolidated statements of the following issuers: Bankia, S.A.; Inypsa Informes y Proyectos, S.A.; Nyesa Valores Corporación, S.A.; and consolidated of Realía Business, S.A.

Audit reports and limited reviews of interim reporting

A total of 54.8% of issuers (55.6% in the same period of the previous year) submitted their abridged financial statements for the first half of 2017¹⁹ to some type of review by auditors. This percentage rises to 94.1% if we only consider Ibex-listed companies (91.4% in the same period of 2016).

When full audits are performed (10 companies), the auditor provides reasonable assurance regarding the reliability of the interim financial statements, while in limited reviews (76 companies) the assurance offered by the auditor is moderate. It is noteworthy that none of the opinions issued by the auditors contained qualifications.

As a result of the supervisory work on half-yearly financial information, one issuer²⁰ undertook to reissue their individual financial statements for the first half of 2017, in order to correct the accounting of financial re-structuring. Although this correction has no impact on the total net equity, it leads to a significant reduction in the profit for the period.

It should be noted that, if the half-yearly financial report is voluntarily audited, the audit report will be published in full, including the qualifications that the auditor would have determined, as the case may be. Otherwise, the half-yearly financial report will contain a statement from the issuer that it has not been audited or reviewed by the auditors.

Furthermore, in the event that entities decide to voluntarily submit their quarterly financial report to some type of revision by their auditor – whether complete or limited – this audit report should be sent to the CNMV, together with the aforesaid quarterly financial report.

19 In the case of entities where the year-end does not coincide with the end of the calendar year, the last half-yearly financial reporting presented on 31/12/2017 has been taken into account.

20 Abengoa, S.A.

II Review of annual accounts

Review of issuers' annual accounts

The Securities Market Act entrusts the CNMV with the duty of verifying that the regulated periodic information has been prepared in accordance with applicable regulations. To exercise this function, the CNMV is empowered to require listed entities to publish additional information, supplementing the disclosures provided by the issuer or including the identified corrections, generally accompanied by commitments to restate the accounts or, as the case may be, reissue the periodic financial information.

In this process, the CNMV addresses issuers requesting clarifications or data on specific matters in writing. Oral requests are also sometimes made whether by telephone or through meetings in order to collect additional information. The answers to the requests are published and can be consulted on the CNMV's website.

It is important to remember that these requests are tools to investigate possible breaches, but that not all requests mean a breach of accounting rules, and consequently, some responses given by entities do not lead to any corrective action by the CNMV.

The CNMV's supervisory work on annual financial reports involves two levels of review, namely: a formal and a substantive level. In accordance with the ESMA Guidelines on Enforcement²¹, the substantive reviews may, in turn, be full or partial, with the latter type only covering certain specific matters of the financial information²².

All of the reports received are subjected to a formal review regarding compliance with legal requirements. The scope of this review also entails other issues deriving from specific changes in the applicable regulations.

Furthermore, a substantive review is carried out on a certain number of audited annual accounts. A mixed model of selection has been used to identify which entities should be subjected to this review. It is based on risk and random rotation, in accordance with the ESMA Guidelines on Enforcement.

The concept of risk used in the model combines two factors:

- the likelihood that the financial statements contain a material error; and

21 *ESMA Guidelines on enforcement of financial information* (28/10/2014).

22 In general, the priorities defined by ESMA and by the CNMV, as well as those transactions which have had a significant impact during the year, among others.

- The potential impact of any material errors on market confidence and investor protection.

The risk-based selection is complemented by random rotation criteria to ensure that the financial information from all the issuers is reviewed at least once in every 10 years.

In relation to the 2016 annual financial report, the CNMV served requests on seven entities (eight in the previous year) due to late submission.

Furthermore, two entities were served requests for not sending the special audit report within the term established (one entity the previous year).

Formal review

The formal review on annual accounts and the management reports for 2016 entailed, at the very least, verification of the following:

- (i) That the statement of responsibility for the content of the annual financial reports has been signed by all of the directors (Article 8 of Royal Decree 1362/2007). If a signature is missing and there is no reason appropriately justifying this, an express statement is requested from the board secretary on whether the disagreement of the director who has failed to sign is on record.
- (ii) The Annual Corporate Governance Report is included as part of the management report.
- (iii) That there are no significant differences between the annual accounts and the financial information of the second half of the year sent beforehand and, in the event that there are differences, that such differences have been reported within the period of 10 business days following issuance of the accounts in accordance with Article 16.3 of Royal Decree 1362/2007.
- (iv) The compulsory auditor rotation has taken place, as the case may be (Article 19 of the recast text of the Account Auditing Act).

The content of the qualifications and the emphasis of matter paragraphs in the audit report was also analysed and the matters identified in the reviews of previous years were followed up on.

In addition, in relation to the 2016 accounts, a review was undertaken of the suitability of the application of Royal Decree 602/2016, of 2 December, which amended the General Chart of Accounts, establishing, among other things, that intangible assets, including goodwill, are finite useful life assets. This included supervising that entities reliably determined the useful life of their intangible assets, and took into account the presumption of amortization in 10 years in those cases in which this could not be reliably estimated. Given that the regulatory change was not in line with IFRS, the consistency of the consideration of intangible assets as having “an indefinite useful life” in the individual and consolidated financial statements was reviewed.

A total of nine entities subjected to a formal review – excluding asset securitisation funds and the FABs – received requests for one or several of the following reasons: (i) qualifications in their audit reports (one entity); (ii) formal aspects indicated previously (two entities); (iii) additional information to be provided on matters regarding accounting policies on recognition or measurement (three entities); and (iv) for an extension of the disclosures provided in the annual report (six entities).

Furthermore, seven entities were contacted by phone to rectify breaches in certain formal aspects.

It is important to highlight the requests made as a result of significant differences between the financial information for the second half of the year and that included in the audited annual accounts. In this regard, the CNMV wants to emphasise the responsibility of the directors with regard to said discrepancies. Warning letters on this matter were sent to three issuers in 2017.

Substantive review

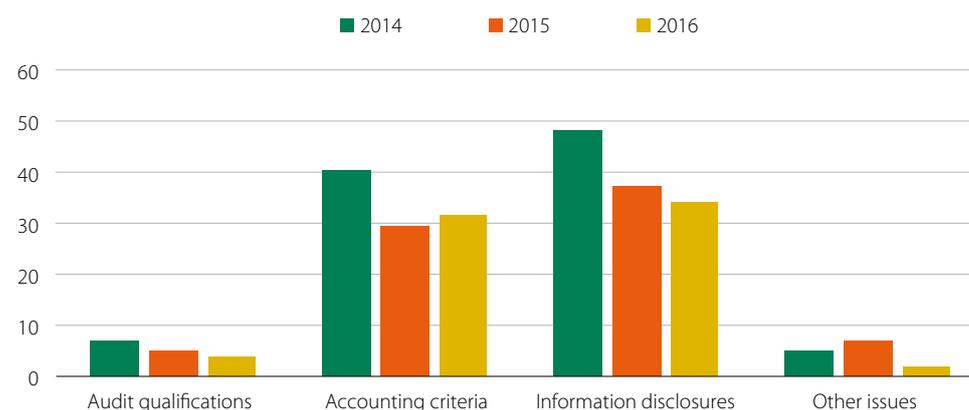
In 2017, requests were sent to 31 entities subject to substantive review for one or several of the following reasons: (i) qualifications in their audit reports (three entities); (ii) for additional information to be provided on matters regarding recognition or measurement accounting policies (29 entities); and (iii) for an extension of the disclosures of the information provided in the annual financial report (29 entities).

In addition, three entities were contacted by phone to rectify breaches in the formal aspects mentioned above.

Furthermore, different recommendations were made to numerous entities, to be taken into consideration in future annual accounts. In 22 cases, the recommendations were included with the requests for additional information, and in three other cases, a document containing the recommendations was sent out specifically. In addition, various telephone calls were made in order to make recommendations.

The oversight measures may involve sending requests in writing, and also through meetings either in person or through conference calls and clarifications with the issuer made over the telephone. Figure 4 shows the main reasons why requests were sent to the listed entities – excluding securitisation funds and FABs – during the period between 2014 and 2016.

Reasons for requests to issuers (excluding securitisation funds and FABs)* FIGURE 4



* The requests include those sent to issuers subject to a formal and substantive review.

Source: CNMV

In relation to the scope of the requests, it should be remembered that the report on the oversight of the 2015 annual accounts published in 2017 included a breakdown of the areas on which the CNMV would focus its review of the 2016 annual financial reports.

Table 2 includes the list of the main aspects with regard to which listed entities were served with requests the most number of times, separately breaking down the requests regarding enforcement priority areas for review in 2016 from the rest of the aspects that were detected.

Information requested on accounting policies and information disclosures

TABLE 2

Nature of the requests	Standard	No. of entities served with requests	
		Accounting criteria	Information disclosures
1. Priority areas for review			
Presentation of financial performance	IAS 1, IFRS 8,	7	14
i. Presentation of line items, headings and additional sub-totals	IAS 33		
ii. Segmented disclosures			
ii. Movements in "Other global results"			
iv. Earnings per share			
Classification of financial instruments as liability or equity	IAS 32, IFRS 7	1	1
Breakdown of impact of new standards issued	IFRS 9, IFRS 15, IFRS 16	–	6
Breakdown of impact of 'Brexit'	IAS 1	–	2
Impairment of non-financial assets	IAS 36	13	18
Application of guidelines on APM	–	4	11
Amendments to Corporate Income Tax Act	IAS 12	3	6
2. Other requested issues			
Emphasis of matter paragraphs (continuity and others)		–	6

Nature of the requests	Standard	No. of entities served with requests	
		Accounting criteria	Information disclosures
Financial instruments	IAS 32, IAS		
– Impairment in value of financial assets	39 IFRS 7,	6	9
– Breakdown of risks	CIIFRS 19,	2	7
– Debt re-negotiation	IFRS 9	6	7
– Other issues		6	8
Provisions and contingencies	IAS 37	5	14
Measurement of fair value	IFRS 13	5	10
Business combinations	IFRS 3	3	7
Tangible and intangible assets	IAS 16, IAS 17, IAS 38	7	6
Revenue	IAS 18, IAS 11, CIIFRS 12	6	6
Recognition of deferred tax assets	IAS 12	5	8
Revision of consolidation package	IFRS 10, IFRS 11, IFRS 12	3	6

Source: CNMV

In most cases, the issuer justifies the accounting policy adopted in its answer to the CNMV's request. In others, the adjustment that would result from having applied a method in keeping with the effective standard, or the lack of a certain disclosure of information, would not have had a material effect on the fair presentation of the financial statements considered as a whole. However, in those situations in which the method used by the entity was not consistent with the standard and the adjustment was material, the CNMV requested the reissuance or restatement of their financial statements or, if there was a substantial inaccuracy regarding one or several specific matters included in the published financial information, the issue of a corrective note.

In three cases²³, the review actions of the 2016 annual accounts gave rise to a commitment to restate the financial information in 2017 by modifying the comparative information. These restatements meant making the following changes to the 2016 figures:

- (i) Recording an impairment of the assets available for sale.
- (ii) Adjustment of the year's result by changing the description of a commercial swap to a non-commercial swap.
- (iii) Recognition of a financial liability deriving from the obligation to re-purchase own equity instruments to minority instruments.

In these cases, in their replies to the request, the issuers disclosed, for informative purposes, and published on the CNMV website, the effect of making the correction

23 Laboratorios Farmaceuticos Rovi, S.A., Liberbank, S.A. and Fomento de Construcciones y Contratas, S.A.

in the 2016 financial statements, and undertook to change the accounting treatment in the first financial report of 2016 that they are required to publish, pursuant to the provisions of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

Similarly, 18 issuers included a corrective note²⁴ in their response to the request, also published on the website, mainly related to: (i) impairment testing of non-financial assets, highlighting aspects such as the qualification of key assumptions or evaluation of the differences between past and current forecasts and external disclosure sources; (ii) segment information, requesting information on the methodology used by the entity to identify segments or to distribute significant corporate items among segments; (iii) amortisation criteria of intangible assets and justifying changes in estimates on useful life; (iv) significant disclosures on alternative performance measurements (APM); and (v) impairment of financial assets in credit institutions.

Lastly, as part of the supervisory process, work meetings were held with 52 entities (six of them as part of their possible flotation), with the Bank of Spain and with the four main audit firms from the point of view of the number of audited issuers, which prepare 96.2% of the reports received by the CNMV.

Most relevant actions in 2017

Below is an explanation of the main actions taken by the CNMV regarding the enforcement priority areas that were identified in last year's annual report and regarding other areas that have brought about the issuance of more requests to entities.

Follow-up of the enforcement priorities for 2016 annual accounts defined in the annual oversight report for 2015

For the purposes of reviewing the 2016 annual accounts, ESMA put forward the following common enforcement priorities:

- (i) Presentation of financial performance (IAS 1, IFRS 8 and IAS 33).
- (ii) Classification of financial instruments as liability or equity (IAS 32 and IFRS 7).
- (iii) Disclosure of the impact on financial statements of new standards issued that are not yet mandatory (IFRS 9, IFRS 15 and IFRS 16).

Other relevant aspects identified by ESMA that were analysed, although they were not explicitly classified as constituting common priorities, including disclosure of the associated risks and their expected impact on financial statements as a result of the withdrawal of the United Kingdom from the European Union (henceforth Brexit).

The CNMV, in turn, included the following enforcement priorities for the review of the annual financial reports for 2016:

²⁴ Issuance by a supervisor or issuer, initiated or required by a supervisor, of a note publishing a substantial inaccuracy regarding one or several specific matters included in the financial information published previously and, unless unfeasible, the amended information.

- (i) The impairment of non-financial assets (IAS 36).
- (ii) The revision of the guidelines of the European authority on APM. Since 2017 was the first full year of application, affecting periodic financial information, prospectuses and supplements published, as well as significant events, the CNMV considered it appropriate to extend the scope of the priority set by the European authority.
- (iii) The accounting impact of the amendments to the Corporate Income Tax Act (IAS 12).

Presentation of financial performance

A total of 15 issuers received requests regarding the criteria and the quality of the breakdowns included in the financial statements related to the entity's performance.

Some of the main aspects with regard to which requests were sent for further information on the presentation in the financial statements of line items not specifically required by IFRS were as follows: (i) The presentation of income or expense items as exceptional or non-recurring, even though they affected past periods and are expected to affect future periods, or (ii) the justification of the presentation of expenses by function instead of by nature.

The requests sent relating to segment information included aspects concerning accounting policies, particularly the judgements applied for aggregating segments (paragraph 12 of IFRS 8) or the methodology followed in order to determine the material items for reconciliation between segments in the financial statements (paragraph 28 of IFRS 8). However, the bulk of the requests were for additional information disclosures, such as total assets and liabilities by segment (paragraph 23 of IFRS 8) or revenue from external customers (paragraph 33 of IFRS 8).

Finally, with regard to earnings per share, the information requested from issuers was related to the calculation of the weighted average number of shares taken into consideration (paragraphs 19-29 of IAS 33).

Classification of financial instruments as liability or equity

One issuer was sent a request relating to the classification of financial instruments as equity instrument or financial liability. The main aspects for which additional information was requested were:

- Judgements applied on assessing the existence of an unconditional right to avoid delivering cash or another financial asset (paragraphs 15 and 16 of IAS 32).
- Reasons why the liability component was estimated as not material.

Disclosures of the impact of the new standards on IFRS financial statements

As a result of the review of the 2015 annual accounts, the CNMV noted that the information provided on the impact of application of the new IFRS 9, IFRS 15 and IFRS 16 had, in general, been fairly limited and was limited in most cases to indicating that the impact was being analysed by the entity. Even in the cases in which the impact was expected to be material, the disclosures revealed that the entity had insufficient information at that time in order to reliably quantify the amount.

This information remained a priority for ESMA, which prepared a study²⁵ on a sample of entities (including seven Spanish issuers) with regard to their disclosures in the 2016 annual accounts and the 2017 half-yearly interim financial statements.

The CNMV issued requests to six entities for an extension of the disclosures on the implementation and expected impact of the new standards as their financial statements included generic information even though in some cases the entities belong to sectors that are particularly affected by one or more of the new standards.

The requests mainly related to IFRS 15 and the new framework that it establishes for determining and recognising revenue. This was particularly relevant in the case of two entities with significant revenue based on long-term contracts. They were requested to provide information on the choice of accounting policies in the first application and, as far as possible, a reasonable quantitative estimate of the impact on the financial information corresponding to the first half of 2017.

With regard to IFRS 9, requests were sent to two financial institutions, whose sector is that which is most affected by the changes that the standard will bring about compared with the previous IAS 39.

The requests were for specific information on the implementation process being conducted by the entity, particularly at the level of portfolio classification and the valuation method used for the financial instruments, especially in the models for calculating the impairment of financial assets using expected loss models. In this regard, information was requested on the transactions for which there had been a significant increase in credit risk, as well as the most significant differences with regard to the current models. Additional qualitative information was also requested in order to aid understanding of the magnitude of the expected impact on the financial position of the financial statements and, where relevant, on the management of capital requirements.

ESMA has decided to maintain the impact of these new accounting standards as a priority area for 2017, as IFRS 9 and IFRS 15 are mandatory as from 1 January 2018 and IFRS 16 as from 1 January 2019, with early adoption allowed.

Assessment and disclosure of the risks and impact of Brexit

Several issuers selected for the substantive review were significantly exposed to risks resulting from the United Kingdom leaving the European Union, with disclo-

25 <https://www.esma.europa.eu/press-news/esma-news/listed-issuers-must-focus-new-ifs-standards-in-2017-annual-financial-reports>

asures in the annual accounts relating to the expected impacts, significant uncertainties and appropriate plans to mitigate such risks.

However, requests were sent to two issuers for additional information concerning this matter, particularly issues related with the relationship between the perpetual growth rate considered in the impairment tests of operations in the United Kingdom, the evolution of results in the UK and the consistency of the assumptions used by the entity with external sources of information.

Impairment of non-financial assets

Requests were sent out to 19 issuers regarding the impairment test conducted to assess the recoverability of their non-financial assets. This analysis focused on compliance with the disclosures and accounting policies set out in IAS 36 *Impairment of Assets*, which provides guidance on how to disclose the impairment test performed by issuers.

In addition, it is important to bear in mind that paragraphs 122 and 125 of IAS 1 establish the need to disclose in the annual accounts the judgements and assumptions that management has made, as well as the sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts.

Among other issues, entities were asked to provide well-founded reasons and additional information disclosures on:

- The sensitivity analyses and judgements made by management in order to conclude what changes are reasonably possible.
- The main events and circumstances that led to the recording of material impairment losses in the year, in particular, explanations on the changes to the key assumptions used for drawing up the cash flow forecasts that led to material falls in the value in use.
- Discount rates: (i) changes compared with the previous year; (ii) the method used to set the rates, including the significant judgements applied; and (iii) express statement about whether it was a rate before or after taxes.
- Reversals of impairment in non-financial assets, details relating to: (i) the criteria and judgements made to determine the recovery of their carrying amount; (ii) the estimated recoverable value; and (iii) an analysis with respect to the CGU.
- How the carrying amount of the CGU is determined.
- The approach used to set the value of the key assumptions, whether these are in line with external sources and consistent with past experience. As the case may be, the entity should indicate whether the deviations have been taken into account in the forecast for the coming years.

- Identification of CGUs and the assessment of the indications of impairment, particularly in those cases in which they have no goodwill assigned and the group has recurring losses.

The extent to which ESMA Guidelines on Alternative Performance Measures (APM) have been followed and complied with.

ESMA Guidelines on Alternative Performance Measures, which aim to improve the comparability, reliability or comprehensibility of APM, entered into force on 3 July 2016.

These guidelines are not applicable to the APM included in financial statements, but to the APM included in management reports, press releases, significant events and prospectuses and they aim to ensure greater consistency with the information included in the financial statements.

The CNMV considered this a priority area and ESMA included it in its priority on the presentation of financial performance. The CNMV therefore conducted an analysis of the quality of the information on APM and the level of compliance with the Guidelines, both in the 2016 management reports (for 39 entities subject to substantive review) and in the interim financial information published in 2017 (analysis performed on the interim management statement for the first quarter of 2017 for a sample of 106 companies).

Most issuers used APM: specifically, 90% of the entities subject to a substantive review in the 2016 management reports and 92% of issuers of the sample in the interim management statement for the first quarter of 2017. However, only 37% and 25%, respectively, identified them as such in a specific section in their report.

The most commonly used APM were EBITDA - sometimes adjusted for non-recurring or unusual line items -, figures relating to debt and the net financial position, adjusted profit margins and ratios relating to sales.

Existen There are certain sectors that presented specific APM. These include credit institutions, which presented ratios relating to non-performing loans, efficiency, customer resources or the proportion between deposits and lending (ROA, ROE, CET1, net interest income and NPL ratio, used by approximately 90% of financial institutions in the sample). For their part, entities that operate in the real estate market incorporated a variety of figures relating to the market value of assets net of debt, as well as occupation rates and annualised rents (50% of real estate companies in the sample use one of the GAV, NAV, FFO or like-for-like ratios).

Although the information provided on APM showed an improvement – 36% of issuers subject to a substantive review improved compared with the 2015 management report and 41% of the sample of the information contained in the interim statement for the first quarter of 2016 – there is ample room for improvement. The percentage of entities that complied with all or almost all of the principles defined stands at 38% of issuers subject to the substantive review in the 2016 management report and 53% of the sample relating to the interim management statement for the first quarter of 2017.

The areas where the greatest need for improvement was detected corresponded to:

- Reconciliation of the APM with the most directly reconcilable line item, subtotal or total presented in the financial statements, identifying and explaining the material reconciliation items separately (74% of the issuers subject to a substantive review provided only a partial reconciliation or none at all).
- Explanation of their use in order to demonstrate their relevance and reliability (77% provided only a partial explanation or none at all). In this regard, it should be pointed out that some issuers referred to the APM with greater prominence than the measures resulting directly from the financial statements, therefore infringing the ESMA guidelines.
- Definition of the APM used and their components (49% provided only a partial definition or none at all). Definition of the basis of calculation for the APM used and indication about whether the APM or any of their components are related to the (expected) performance of the past and future reporting period.

As a result of the CNMV's supervisory work, requests were sent to 13 issuers and a further nine companies were sent documents with recommendations for improvements for the following year. In addition, eight entities were given these recommendations by means of a telephone call.

In most cases, information was requested as a result of omissions in the disclosed information, with the main disclosures leading to requests being those mentioned as areas for improvement.

The APM used in the interim statement for the first quarter of 2017 was consistent with the information included in the 2016 management report in 96% of the entities in the sample.

Finally, 19% of the issuers in the sample of the interim management statement of the first quarter of 2017 made use of the possibility set out in the guidelines to replace all or part of this information with a direct reference to other documents that are easily accessible to investors.

Amendments to the Corporate Income Tax Act

In the context of the amendments introduced by Royal Decree-Law 3/2016, six issuers were sent requests relating to the accounting treatment applied for the reversal of impairment losses of securities representing holdings in the share capital of entities that had been tax deductible for corporate income tax in tax periods prior to 1 January 2013. The adjustment should be included, as a minimum, in equal parts in the taxable income of each one of the five first tax periods starting as from 1 January 2016.

In relation to corporate income tax rules, a total of nine issuers were sent requests for issues relating to the recognition of deferred tax assets and liabilities.

Other requested issues

Emphasis of matter paragraphs

The number of entities with audit reports containing emphasis of matter paragraphs regarding the going concern of the business has fallen over recent years, partly as a result of the progressive improvement in the economic environment²⁶.

Of the 18 entities (19 in 2015) that had an emphasis of matter paragraph in the audit report regarding the uncertainty about business as a going concern, four of them (ten in 2015) were required to furnish additional information.

The information on the aspects leading to and mitigating the doubt relating to going concern was, in general, sufficiently disclosed, and the requested information essentially related to: (i) a situation update on debt re-negotiation proceedings, insolvency proceedings in progress or restructuring plans and corporate mergers and acquisitions aimed at returning the entity to financial stability; (ii) details on viability plans and updated information on their degree of compliance; (iii) the alternative measures planned in the event that the expectations of their business plan are not met, and (iv) additional information on the recoverability of the recognised deferred tax assets.

In addition, two entities were sent requests regarding other emphasis of matter paragraphs relating to compliance with financing plans and the valuation of an associate with forfeited guarantees.

Provisions and contingencies

The CNMV sent requests to 15 entities regarding provisions and contingencies. In most cases, the information requested related to information disclosures (14 entities), although in some cases the entities were requested to justify their accounting criteria (five entities). The main aspects on which the entities were requested to provide information were as follows:

- Disclosures related to the nature of each type of provision and contingent liability and criteria for their measurement (paragraphs 85 and 86 of IAS 37).
- Explanation of the link between provisions and contingent liabilities that arise from the same set of circumstances or result from a business combination (paragraph 88 of IAS 37).
- Update of the current situation of certain lawsuits and justification why the entity believes the corresponding provision does not need to be recorded.
- Explanation of the criteria used to determine the risk resulting from a tax contingency (IAS 37).
- Nature of the risk assumed as a result of the sureties and guarantees given in favour of third parties.

A total of 12 issuers received requests relating to fair value measurements and associated disclosures. Specifically, the CNMV sent requests to five entities on the estimates made to determine fair value and to 10 entities to extend their disclosures.

The actions taken by the CNMV in 2017 show that, although fewer requests were sent for this aspect than in previous years, there still remains room for improvement, both for financial instruments and for non-financial assets and liabilities measured at fair value. The requests focused on the following aspects:

- Hierarchy level (1, 2 and 3) within which the fair value measurements are classified and, for those classified within levels 2 and 3, a description of the valuation technique and the variables used in determining the fair value.

In addition, for measurements classified within level 3, the entities were requested to provide quantitative information on the significant unobservable inputs used (paragraph 93B and D and paragraph 97 of IFRS 13).

- For recurring fair value measurements classified within level 3, a sensitivity analysis of the main inputs (paragraph 93H of IFRS 13).
- Justification of the use of a valuation method classified within level 2 or 3 when there is a price quoted in an active market (level 1).
- Methodology used to consider the entity's own credit risk and counterparty credit risk (paragraphs 42 and 69 of IFRS 13).

Issues regarding financial instruments

A total of 20 issuers received requests in relation to the areas indicated below.

Impairment of financial assets

A total of nine entities received requests in relation to impairment of financial assets, including three financial institutions. The main aspects about which they were asked to provide additional information are as follows:

- With regard to equity instruments classified as available for sale, the impairment analysis performed.

In the specific case of listed instruments, the references based on which they consider there is a prolonged or significant decrease in fair value to conclude that there is objective evidence of impairment (paragraph 31 of IAS 39).

In this regard, the passing of the normally considered thresholds in one entity²⁷ in the second half of 2017 was analysed for possible impairment of a shareholding classified and recognised as an available-for-sale asset. Following discussions

27 Banco Bilbao Vizcaya Argentaria, S.A.

with the entity as part of the pre-clearance actions²⁸, the entity decided to record an impairment for its shareholding at year-end 2017, which it reported as a significant event on 9 January 2018.

- Judgements used to determine the existence of objective evidence of impairment of loans and receivables.

Financial institutions were requested to provide information on the bases for calculation and the methodology of the internal models used to calculate the impairment losses of their debt instruments, explaining how they differ from the methodologies used in the previous year.

- In the case of changes in impairment losses, an explanation of the reasons for such changes and a justification of their recoverability.

Furthermore, in relation to individual accounts, additional information was requested on the impairment analysis performed on “investments in group companies and associates” – especially in those cases in which there was significant impairment or impairment reversals – as well as its consistency with the calculations performed at a consolidated level.

Disclosures of the risks of financial instruments

Disclosures relating to the nature of risks, the extent of exposure, the degree of concentration and the criteria used to measure and manage the different risks arising from financial instruments remain an area for improvement, particularly in the case of credit institutions. In this regard, seven entities, including two financial institutions, received requests in 2016.

With regard to **credit risk** and with the aim of investors assessing its effects on the entity's financial position and its results, requests were sent relating to the following issues:

- Disclosure of an analysis of the age of financial assets that are past-due as at the end of the reporting period but not impaired, and of those that are individually determined to be impaired (paragraph 37 of IFRS 7).
- Credit quality of financial assets that are neither past-due nor impaired (paragraph 36 of IFRS 7).
- Explanation of changes in the average collection period over recent years.

The following disclosures were requested with regard to liquidity risk:

- Description of how the entity manages the liquidity risk inherent to the maturities of financial liabilities.

²⁸ Consolidated system used by some supervisors consisting of prior authorisation that allows supervisory decisions to be taken *a priori*, i.e., before publication of the financial information in question.

- Maturity analysis for liabilities, bearing in mind that this must refer to the remaining non-discounted contractual flows.
- Quantitative information relating to the allocation of liabilities to particular periods (paragraph B11(c) of IFRS 7).

Lastly, in relation to **market risk**, information was requested on the sensitivity analysis relating to the reasonably probable changes in the relevant risk variable (impact on the entity's equity and profit, methods and assumptions used, etc.), asking particularly about exposure to interest-rate risk.

Other issues regarding financial instruments

Among other issues regarding financial instruments for which requests were sent to issuers (13), we can highlight:

- Issues relating to debt refinancing (seven issuers) and whether there has been a substantial modification to the previous conditions in line with paragraphs 40-42 and AG 62 of IAS 39.
- Tax treatment of reverse factoring agreements, indicating whether they are classified as commercial debt or financial debt.
- Measurement and disclosure of financial assets and liabilities.

Claims and reports relating to annual accounts

The claims and reports filed by third parties have allowed the CNMV to carry out additional measures, including the request to publish more information on the audited annual accounts with the purpose of clarifying the matters raised in the writs filed.

The most relevant aspects stated in such claims and reports received were concerned with the following aspects of the financial statements: (i) information provided in the notes with regard to litigation with the Tax Agency; (ii) information on risks associated with the management of certain assets; (iii) classification of certain lease agreements; (iv) valuation of a group of plots of land contributed in a non-monetary capital increase; and (v) related-party transactions. In addition, two written documents were sent relating to the CNMV's responsibility in the supervisory work relating to one entity.

Information related to application processes for the lifting of share listing suspensions

In 2017, the CNMV, within the scope of its powers, requested additional information from two issuers²⁹ who submitted an application for the lifting of the suspension of the listing of their shares after having successfully addressed the insolvency

²⁹ Pescanova, S.A. and Vértice Trescientos Sesenta Grados, S.A.

situation which they were subject to, following approval by means of a judicial judgement of the corresponding composition agreements.

Noteworthy among the requested information were the following disclosures:

- (i) The entity's financial and equity position and, as the case may be, that of its consolidated group, as well as the forecasts for the coming two years.
- (ii) Main circumstances arising since the company's insolvency situation was declared up to approval of the composition agreement.
- (iii) Risks faced by the entity.

In 2017, the CNMV adopted the resolution to lift the precautionary suspension of trading of the shares of two entities³⁰ after they successfully addressed their insolvency proceedings.

III Main areas for enforcement in 2017 annual accounts

ESMA published the common enforcement priorities for financial information in order to promote consistent application of IFRS in Europe³¹. ESMA, together with European national enforcers, identified a series of topics which listed companies and their auditors should particularly consider when preparing and auditing their 2017 financial statements.

The ESMA statement also highlights other considerations related to the preparation of the 2017 annual financial reports to which national enforcers will pay particular attention.

The priority areas on which enforcement will be focused relate to:

- (i) Disclosure of the expected impact of implementation of major new standards in the period of their initial application (IFRS 9 *Financial Instruments*, IFRS 15 *Revenue from Contracts with Customers* and IFRS 16 *Leases*).
- (ii) Specific recognition, measurement and disclosure issues of IFRS 3 *Business Combinations*.
- (iii) Specific issues of IAS 7 *Statement of Cash Flows*.

ESMA and enforcers will continue to assess relevant issues monitored in previous years, including the presentation of financial performance and disclosures on the impact of the decision of the United Kingdom to leave the European Union (Brexit).

The ESMA statement also highlights its Guidelines on APM and the new requirements relating to the non-financial information statement, whose content was identified by the CNMV as one of the priorities for the 2017 financial statements.

In addition, the CNMV has decided to include within its plan for the review of the 2017 annual financial reports (i) the impairment of investments in associates and (ii) recognition of variations and claims in construction contracts as revenue.

The CNMV will also review other specific matters that may be relevant for the purposes of each entity.

31 https://www.esma.europa.eu/sites/default/files/library/esma32-63-340_esma_european_common_enforcement_priorities_2017.pdf

Finally, in accordance with ESMA Guidelines on enforcement of financial information³², national authorities shall inform ESMA about the actions performed over 2018 and measures adopted where infringements are discovered. For its part, ESMA will provide the market with information on these actions in its Activity Report, which is expected to be published in 2019.

Disclosure of the expected impact of implementation of major new standards in the period of their initial application

ESMA highlights the need for high-quality implementation of the new standards issued, but not yet mandatorily applicable, and communication of their expected impact. This is particularly relevant for IFRS 9 and IFRS 15, which become applicable as of 1 January 2018, and for IFRS 16, which will be applicable as from 1 January 2019, with early application allowed.

ESMA published separate statements on the implementation of IFRS 9³³ and IFRS 15³⁴ in 2016, which should be taken into account for 2017 financial statements. In 2017, ESMA published the findings of a fact-finding exercise³⁵ on the 2016 annual financial statements and 2017 interim financial statements to assess the information issuers provided to users concerning the implementation of IFRS 9 and IFRS 15.

The data gathered in the fact-finding exercise showed that only a limited proportion of issuers provided both qualitative and quantitative disclosure and that the quality of disclosure varied across the European Economic Area. While more than half of the issuers in the sample provided progressively more disclosures, the extent of the information provided remains limited and boilerplate disclosures remain an area of concern. While this might reflect different progress in implementation of the standards, it might also indicate a low level of transparency on implementation and expected impact of the standards.

ESMA expects that entity-specific quantitative and qualitative disclosures about the application of the new standards will be provided in the 2017 annual financial statements in accordance with paragraph 30 of IAS 8. As the 2017 annual financial statements will be published after the requirements in IFRS 9 and IFRS 15 (and IFRS 16, if adopted early) will have become effective, ESMA expects that issuers will have substantially completed their implementation analyses. Therefore, ESMA expects that the impacts of the initial application of the new standards will be known or reasonably estimable at the time of the preparation of the 2017 accounts.

In ESMA's view, such disclosure should include sufficiently disaggregated information on:

- The accounting policy choices expected to be applied, including those relating to the transition approach and the use of practical expedients.

32 ESMA Guidelines on enforcement of financial information (28/10/2014).

33 <https://www.esma.europa.eu/document/issues-consideration-in-implementing-ifs-9-financial-instruments>

34 <https://www.esma.europa.eu/press-news/esma-news/esma-issues-public-statement-ifs-15>

35 <https://www.esma.europa.eu/press-news/esma-news/listed-issuers-must-focus-new-ifs-standards-in-2017-annual-financial-reports>

- The amount and nature of the expected impacts compared with previously recognised amounts.

The statement on enforcement priorities includes an annex setting out detailed recommendations for each standard, specifically different considerations for IFRS 9 depending on the type of entity (corporates, credit institutions and insurance undertakings).

Specific measurement and disclosure issues stemming from IFRS 3 Business Combinations

In 2014, ESMA published its report³⁶ on the review of the application of IFRS 3, which highlighted some issues that remain relevant. Among other issues, ESMA wants to highlight the following:

- Issuers must ensure consistency between the assumptions used to measure intangible assets at fair value for the purpose of a purchase price allocation (PPA) in a business combination and the assumptions applied for any impairment testing as well as for determining their useful life.
- The importance of performing the analysis provided for in paragraph B33 of IFRS 3 in order to reach a conclusion on the need for separation of intangible assets and the need to disclose the significant judgements used.
- When the initial accounting for a business combination is incomplete at the end of the reporting period, paragraph B67 of IFRS 3 requires issuers: (i) to disclose that fact; (ii) provide the provisional amounts of assets, liabilities, non-controlling interests or items of the consideration paid; (iii) the reasons why the business combination accounting is incomplete and (iv) the nature and amount of any measurement period adjustments recognised during the reporting period.
- Issuers are expected to provide the disclosures required by paragraph B64(n) of IFRS 3, including information on the rationale for the transaction resulting in a gain, in the case of bargain purchases which, although IFRS 3 deems such situations as occasional, are in practice seen relatively frequently.
- The treatment applied to arrangements for contingent payments to employees or selling shareholders, identifying whether they are contingent consideration in the business combination or separate transactions, taking as reference paragraphs B54 and B55 of IFRS 3.
- Finally, with regard to the accounting of mandatory purchases of non-controlling interests and to business combinations under common control, in which the company can choose the accounting policy to be applied, ESMA expects that issuers should consistently apply the accounting policy selected and disclose it in accordance with paragraphs 117 and 121-122 of IAS 1. In particular, they should disclose the reasons why they have not registered a liability against equity where there is the obligation to acquire ownership instruments.

36 <https://www.esma.europa.eu/document/review-application-accounting-requirements-business-combinations-in-ifsr-financial>

Without prejudice to the fact that the disclosures required by IFRS 13 Fair Value Measurement (non-recurring fair value measurements) address any measurements subsequent to initial recognition of the asset, ESMA considers that the information on the assumptions and measurement techniques used in the valuation of material assets, liabilities and non-controlling interests acquired in a business combination is relevant for investors and therefore such disclosures should be provided in light of the requirements of paragraphs 125 to 129 of IAS 1.

ESMA once again notes that mere reference to the reliance on external valuations does not provide sufficient transparency on the methodologies and inputs used.

Specific issues of IAS 7 Statement of Cash Flows

Paragraph 44A of IAS 7, applicable for the reporting periods starting on or after 1 January 2017, requires disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Although there are various ways to provide the required information, ESMA encourages issuers to use the tabular format of reconciliation as shown in the Illustrative Example E to IAS 7, detailing the source of the non-cash changes (changes in exchange rates, acquisitions, changes in fair value, etc.).

In addition, the statement on enforcement priorities mentions another series of disclosures relating to IAS 7, such as the entity-specific policy on whether an instrument meets the definition of cash and cash equivalents, and disclosures relating to balances not available for use in accordance with paragraph 48 of IAS 7 and paragraphs 13 and 22 of IFRS 12 *Disclosure of Interests in Other Entities*.

Other considerations for the 2017 annual financial reports

Non-financial statement

ESMA reminds issuers that the 2017 year-end will be the first time for application of the requirements of the Accounting Directive, as set out in Directive 2014/95/EU, of 22 October 2014, as regards the reporting of the non-financial statement.

Royal Decree-Law 18/2017, transposing to Spanish law the obligations introduced by the aforementioned Accounting Directive, was recently published. It should be noted, as a particular feature of the transposition in Spain, that it specifies that if an entity decides to comply with the obligation by publishing a separate report, it must be expressly indicated that said information forms part of the management report (incorporation by reference) and it must be subject to the same criteria of approval, filing and publication as the management report.

Information relating to imminent events or issues that are subject to negotiation when disclosure may seriously damage the group's commercial position may only be omitted in extreme exceptional cases.

The CNMV has deemed it appropriate to identify the review of the content of the aforementioned non-financial report as an independent priority area. In particular, it will review that:

- The specific issues and significant information of the company are fair, balanced and comprehensive.
- The reference legislative framework being used is indicated.
- The key performance indicators are useful and consistent with the parameters used in internal procedures.

Management report

ESMA also reminds all issuers that the Accounting and Transparency Directive 2013/34 require that the management report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties that it faces. ESMA reminds issuers of the importance of providing entity-specific disclosure and of including references to, and additional explanations of, amounts reported in the financial statements.

In this regard, the CNMV would like to remind issuers of the work performed in Spain by the group of experts that drew up the Guide for the preparation of management reports of listed companies published in 2013, which contains recommendations that listed companies may follow for preparing management reports so they may offer a fair review of the development of the business and the position of the issuer, together with a description of the principal risks and uncertainties that it faces.

ESMA Guidelines on Alternative Performance Measures

Furthermore, ESMA urges issuers to meet the principles in the Guidelines on Alternative Performance Measures (APM) when including APM in the annual financial reports. ESMA reminds issuers to evaluate whether the APM they use in the annual financial report contribute to a fair review of the development and performance of the business. ESMA also invites issuers to monitor developments in this area as ESMA published a number of Questions and Answers³⁷ on this topic.

In addition, the CNMV requires issuers to make every effort necessary to meet the principles established in the aforementioned Guidelines, particularly relating to (i) definition of the APM used and their components, (ii) basis of calculation and (iii) reconciliation of the APM with the most directly reconcilable line item, subtotal or total presented in the financial statements or, in the event that it cannot be reconciled, they should explain how it has been calculated and how it is in line with the accounting policies applied. The CNMV also reminds issuers that APM should not be given more prominence than measures directly stemming from financial statements.

37 <https://www.esma.europa.eu/press-news/esma-news/esma-publishes-new-qa-alternative-performance-measures-guidelines>

Disclosure of the risks and impact of Brexit

As in the previous year, issuers that may be affected by the decision of the United Kingdom to leave the European Union are reminded to assess and disclose the associated risks and expected impacts on their business strategy and activities, where appropriate, in the financial statements or the management report.

Impairment of investments in associates

IAS 28 *Investments in Associates and Joint Ventures* refers to IAS 39 *Financial Instruments: Recognition and Measurement* to identify possible indications of impairment of investments in associates and joint ventures and to IAS 36 *Impairment of Assets* regarding preparation of the impairment test.

The circumstances that must be identified as indications of impairment include:

- (i) Financial difficulty of the associate or joint venture;
- (ii) A breach of contract, such as a default or delinquency in the payment of financial liabilities, as well as processes of financial reorganisation;
- (iii) Worsening of the economic environment in which the associate operates: regulatory changes, increase in country risk, significant changes in the price of commodities incorporated into the production process, etc.; and
- (iv) In the case of associates and joint ventures whose shares are listed on stock markets, a fall in the share price below the cost price.

For those investments in which entities identify indications that the carrying amount may not be recoverable, they must estimate the value in use of the investment as:

- (a) its share of the present value of the estimated future cash flows expected to be generated by the associate or joint venture, including the cash flows from the operations of the associate or joint venture and the proceeds on the ultimate disposal of the investment; or
- (b) the present value of the estimated future cash flows expected to arise from dividends to be received from the investment and from its ultimate disposal.

This situation should be adequately disclosed in the annual accounts, providing information on:

- The main assumptions taken into consideration to forecast future cash flows. Management should apply a high level of professional scepticism when estimating said key assumptions, ensuring that they are consistent with past actual outcomes except in the event of new circumstances (paragraph 34 of IAS 36), and examining the causes of differences with forecasts made in previous years. The assumptions must therefore be realistic and consistent with the current economic environment.

- The sensitivity of the recoverable value to reasonably possible changes in the key assumptions, especially when the difference with regard to the carrying amount is low.

In addition, the interest of listed entities in bringing forward the issue date of their annual accounts has meant that there is sometimes no up-to-date information on the companies over which they exercise significant influence and they have to be valued based on financial statements corresponding to periods other than that of the annual accounts.

In these situations, issuers should take into account the description in paragraph 34 of IAS 28, which indicates that the difference between the end of the reporting period of the associate or joint venture and that of the entity shall be no more than three months and the pertinent adjustments must be made to reflect the effects of significant transactions or events that occurred between the two aforementioned dates.

Recognition of variations and claims in construction contracts as revenue

As a result of the actions conducted over recent years, the recognition of variations and claims as revenue in construction contracts is one of the issues to which the CNMV wished to draw attention in its *Report on the CNMV's review of the annual financial reports and main enforcement priorities for the following financial year, 2015*. It has therefore continued working in this area in the context of the reviews of the 2016 annual financial reports.

As indicated previously, IFRS 15 will enter into force on 1 January 2018. This standard is expected to have a significant impact on companies that apply IAS 11 Construction Contracts as the accounting treatment to be applied is not exactly the same. Paragraph 18 of IFRS 15 establishes that in order to recognise as revenue a contract modification, which either creates new or changes existing enforceable rights and obligations, it must be approved in writing, by oral agreement or implied by customary business practices. However, paragraphs 13 and 14 of IAS 11 allow variations and claims to be recognised as revenue when they can be reliably measured and it is probable that the customer will approve the variation or, in the case of claims, negotiations have reached an advanced stage.

Consequently, the CNMV requires issuers to:

- Describe the judgements applied, in accordance with the entity's business model, to define what is a variation bearing in mind the provisions of paragraph 13 of IAS 11 and what is a claim, bearing in mind the provisions of paragraph 14 of IAS 11.
- Detail the judgements made to support their estimates of the probability of the client accepting the variations and the circumstances in which negotiations will be deemed to have reached an advanced stage.
- Explain the analysis that they perform on the recoverability of the variations and claims that have been recognised as revenue, and the accounting treatment applied in case of the risk of non-collection.

As indicated in the previous year's report, the CNMV believes that, once the conditions for recognition of the revenue in the case of claims and variations have been met, the corresponding receivable recorded will be analysed and, as the case may be, the balance reduced as a result of impairment in the event of a risk of non-collection.

2016

- Disclose the judgements and estimates made to reach conclusions about the impact that IFRS 15 will have on the accounting treatment of claims and variations in construction contracts and, as far as possible, to quantify said impact.

IV Other issues to consider

In this section, the CNMV wishes to highlight certain relevant issues resulting from legislative changes or its supervisory work.

Review of application of the disclosures required by IFRS 13

In July 2017, ESMA published a review to assess the level of compliance and comparability in application of IFRS 13 *Fair Value Measurement* by European issuers. The main conclusions of the review were:

- The description of inputs and methodologies used, reasoning for transfers between Level 1 and 2 fair values and the description of sensitivities are too generic.
- The information on the unit of account used to make the measurements was limited and it was not indicated whether or not any premiums or discounts were included.
- Issuers must perform additional analyses before concluding that the quoted or transaction price does not reflect the fair value and, in the event of this exceptional circumstance, disclose the process followed to reach their conclusion.
- The information on inputs and methodology used to calculate the Credit Valuation Adjustment (CVA), the Debit Valuation Adjustment (DVA) and Funding Valuation Adjustment (FVA) was very limited.
- ESMA reiterates the importance of expanding the scope of IFRS 13 disclosures to the initial measurement of non-recurring fair value, as it indicated in its statement on enforcement priorities for 2017.

The CNMV believes that issuers should improve the disclosures required by IFRS 13 and, as indicated previously, it reminds them that mere reference to the existence of a report by an independent third party does not provide a sufficient level of transparency on the methodology and inputs used in the measurement.

Closing exchange rate in Venezuela

In accordance with IAS 29, Venezuela is considered a hyperinflationary economy. Over recent years, the Venezuelan *bolívar fuerte* has been subject to strong exchange restrictions that significantly restrict free exchange and, furthermore, the exchange regime has undergone constant changes. As a result of these circumstances, the official exchange rate in Venezuela is not reflecting movements in the price index.

Taking into account that Venezuelan is a hyperinflationary economy, lack of correlation between the exchange rate and the price index may lead to an artificial increase in the weighting of investments in Venezuela with respect to the issuer's other assets.

The CNMV believes that, given this specific situation, it is possible to estimate an exchange rate that reflects the underlying economic situation, for example, through movements in the price index between Venezuela and a relatively stable country or another generally accepted methodology. Although this accounting treatment is not expressly set out either in IAS 29 *Financial Reporting in Hyperinflationary Economies* or in IAS 21 *The Effects of Changes in Foreign Exchange Rates*, it should be noted that paragraph 17 of IAS 29 allows a general price index to be calculated indirectly through movements in the exchange rate, and it would therefore seem to be the case that this can be carried out in the opposite direction (estimating an exchange rate based on movements in the general price index).

In the absence of an explicit accounting treatment that addresses this type of circumstance, in application of paragraphs 10 and 11 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, this seems appropriate and entities may use their professional judgement to develop and apply a consistent accounting policy to estimate an exchange rate that reflects the country's economic development.

Consolidation of the holding in a Collective Investment Scheme (CIS) managed by a manager of the issuer

The issuer must take into account the percentage interest in the CIS and analyse whether, in accordance with IFRS 10 *Consolidated Financial Statements* and either directly or indirectly through its manager, it has: (i) power; (ii) exposure, or rights, to variable returns; and (iii) the ability to use its power.

The CNMV believes that as from a percentage of 20%, there are potential indications of the existence of control and, if confirmed, the interest in the CIS should be consolidated, without prejudice to the other factors and circumstances that might imply the need to consolidate the CIS with interests lower than said percentage. The main aspects to be analysed are as follows:

- Existence of power and the ability to use it. To the extent that the issuer controls the manager and that, in accordance with Article 3 of Law 35/2003, the managers exercise the powers of control over the fund and are responsible for determining what investments they make, it is easy for this requirement to be met.

However, the CNMV believes that there are other factors to be taken into consideration, for example: (i) the possibility that other investors may have rights to dismiss the fund's manager; (ii) that there are agreements between the company and its manager that establish restrictions on management, in which case these will need to be analysed in detail.

- Exposure to variable returns, on receiving a part of the returns obtained by the CIS from its investments.

The factors that should be considered when performing the analysis include determining whether the fee set for the manager is higher than the market fee.

Other issues to consider

Entry into force of the new audit report

Particularly important for market transparency is the additional information that will be included in audit reports, particularly, as established by Regulation EU 537/2014 on specific requirements regarding statutory audit of public-interest entities, (i) a description of the most significant assessed risks of material misstatement, (ii) a summary of the auditor's response to those risks and, where relevant, (iii) key observations arising with respect to those risks. In this regard, the CNMV expects auditors to be specific with regard to the circumstances of each issuer, to include essential observations relating to each assessed significant risk and to avoid the use of generic or boilerplate paragraphs.

International Standard on Auditing (ES) 701 *Communicating key audit matters in the independent auditor's report* indicates that auditors will make a description of each key audit matter in the Key Audit Matters section and they will include a reference to the related disclosure(s), if any, in the financial statements and shall address (i) why the matter was considered to be one of most significance in the audit and therefore determined to be a key audit matter, and (ii) how the matter was addressed in the audit.

In this regard, it should be pointed out that key audit matters go beyond the requirements set out in Article 10.2.c) of Regulation EU 537/2014 as they also include (i) significant auditor judgments relating to areas in the financial statements that involved significant management judgment, including accounting estimates that have been identified as having high estimation uncertainty, and (ii) the effect on the audit of significant events or transactions that occurred during the period.

Finally, it is important to highlight the relevance of the additional report that the auditor must submit to the Audit Committee (Article 11 of Regulation 537/2014), which the CNMV may request from the auditor as part of the supervisory work.

Impact of the tax reform in the United States

A tax reform introducing significant regulatory changes in the United States was signed into law on 22 December 2017 and will take effect on 1 January 2018.

Some issuers affected by the change have expressed their concern about the tight deadlines available for estimating the accounting impact under IFRS of the reform.

Therefore, in order to avoid inconsistencies among the tax treatment of different European issuers, ESMA published³⁸ a document indicating that in accordance with paragraphs 46 and 47 of IAS 12, current and deferred tax assets and liabilities shall be measured based on tax rates and tax laws that have been enacted or substantive-

38 https://www.esma.europa.eu/sites/default/files/library/public_statement_on_accounting_for_income_tax_consequences_of_the_us_tax_reform_under_ifrs_2.pdf

ly enacted by the end of the reporting period. ESMA highlights that under IFRS there is no relief from these requirements.

Although a complete understanding of the implications of the Act may take some time, ESMA expects issuers to be able to make a reasonable estimate of the impact of the material aspects of the Act on their 2017 financial statements. Given that the reported amounts may be subject to a high degree of uncertainty, entities must disclose clear information on the judgements used and the level of uncertainty or variability in the estimates.

Furthermore, taking into account the fact that new information on application of the Act may become available in future periods, ESMA expects that, in line with paragraph 5 of IAS 8, issuers will analyse in detail whether subsequent adjustments should be treated as a change in estimate or correction of an error.

The CNMV will review entities' level of transparency in the 2017 annual accounts, as well as possible impacts that may be recognised in future periods.

Financial reporting in English

In 2017, the CNMV emphasised that entities should submit interim financial information in both English and Spanish versions.

In this regard, the CNMV reviewed the financial information reported by issuers in English in 2017, particularly the 2016 annual accounts and the first half-yearly report for 2017 and noted that in general, the English version (i) is submitted later than the Spanish version, (ii) does not always include all the documents in the Spanish version – for example, only the consolidated half-yearly accounts are submitted – and (iii) the English translation is not submitted for all the periods in which information in Spanish is published and submitted – for example, entities only submit the interim management statement in the first and third quarter, but not for the half-yearly reports.

Without forgetting that the submission of information in English is voluntary, the CNMV considers that it is necessary to establish certain minimum criteria, bearing in mind that the aim is that, as soon as possible, the English version should offer a true reflection of all the relevant aspects of the Spanish version, with regard to (i) what information may be sent in English and what requirements it must contain, (ii) how it must be sent and (iii) when it must be submitted:

- Issuers submitting financial information in English should file it in all cases, i.e., on publication of the annual financial report, the half-yearly financial reports and the interim management statement.
- The English-language document should be sent simultaneously with the Spanish version.

In the event that this is not possible, subsequent submission of the English version of the half-yearly financial reports and interim management statements will be made through the Cifradoc electronic procedure - *Envío de un documento con formato libre* (Sending of a document with free format).

- The English version must contain the same documents as the Spanish version.

If this is not the case, the English version shall contain a detailed list of all the information available in the Spanish version that has not been translated.

Other issues to consider

It should be pointed out that in the event that not all the documents are translated, the translated documents must be understandable in themselves, i.e., it would not be appropriate for the English version to include only the notes to the interim financial statements without the corresponding interim financial statements, or vice versa. However, it will be possible to include only the interim statement of the first half of the year in the English version.

Importance of individual interim financial information

Over recent years material errors were detected in the individual financial statements that were sent as part of the half-yearly financial information.

The CNMV wants to emphasise the responsibility of the directors with regard to said discrepancies as in accordance with Article 11 of Royal Decree-Law 1362/2007, the financial statements – both individual and consolidated half-yearly statements – include a statement of responsibility on their content, which must be signed by all the directors of the issuer in which they state that, as far as they are aware, they provide a fair presentation of the net worth, the financial position and the results of the issuer.

Furthermore, entities that prepare individual and consolidated financial statements are reminded that the preparation of consolidated notes to the statements does not exempt them from the obligation to submit notes to the individual financial statements and to include all the individual information that is relevant and sufficient for adequate understanding of the interim financial reports.

V Securitisation funds and bank asset funds

Securitisation funds

The audited annual accounts of securitisation funds and management report are published and can be consulted on the CNMV's website.

The number of audited annual accounts of securitisation funds for 2016 received by the CNMV totals 362 (400 in 2015), including accounts of funds in liquidation and the accounts of private funds.

Of the audit reports, 175 included some sort of emphasis of matter paragraph related mainly to the disposal of credit enhancements (reserve fund, line of credit, etc.), the repercussion of losses on liabilities, early liquidation of the fund or the valuation of assets held for sale.

Review of annual accounts and half-yearly financial reports

Pursuant to Act 5/2015, regulating securitisation funds and managers of securitisation funds, the funds are subjected to oversight, inspection and, as appropriate, penalisation by the CNMV.

The CNMV's oversight duty regarding the financial information of the funds has been divided into two review levels: formal and substantive.

First of all, a formal review of the information is conducted, which involves controlling the deadlines and other formal presentation requirements applicable to the financial statements, including the review of the audit report.

A substantive review is also performed of the financial information of a set number of funds. To identify those funds, the CNMV considers the likelihood of the financial statements containing a material error, which is determined by using variables related to the fund's risks, such as: the carrying amount of non-performing assets, real estate exposure, the effect of losses absorbed by liabilities, default on bonds, negative net interest margin and liquidations of the brokerage margin. The risk-based selection will be supplemented with rotation criteria to ensure that - with regard to each one of the six managers that send financial information - a representative sample of funds (securitisation funds and bank asset funds) are reviewed at least every three years. Accordingly, the selected sample, which also considers the number of errors and incidents identified in previous reviews, includes those funds with the greatest risk that have not been subject to a substantive review in prior years.

The financial reporting on the fourth quarter of 2016 was the first prepared in accordance with the information requirements under CNMV Circular 2/2016, of 20 April.

Formal review

All 2016 annual financial reports of securitisation funds were filed with the CNMV in a timely manner and made available to the public shortly thereafter.

The formal review of those annual financial reports has involved verifying at least that: (i) all documents (audit report, annual accounts and management report) have been included; (ii) the annual accounts include the balance sheet, the income statement, a statement of cash flows, a statement of recognised income and expense and the notes to the annual financial reports; (iii) the certificate of the board secretary or equivalent position, with the approval of the chairman, has been included; (iv) the form for sending documents electronically through Cifradoc has been correctly processed by the fund managers; (v) the S.05 statements³⁹ are included in the annual financial report notes or in the management report; and (vi) the annual accounts are consistent with the information for the second half of the year.

Substantive review

In the substantive review of the annual accounts and of the half-yearly financial reporting for the second half of 2016 and the first half of 2017, which was based on a sample of funds, it was found that the recording, valuation and disclosure requirements provided in CNMV Circular 2/2016 were properly applied.

As a result of this review, securitisation funds managers were contacted to

- (i) Expand the information disclosure provided in the annual financial reports notes.
- (ii) Correct recognition and presentation errors in future reporting periods which, due to their materiality, have not required the restatement of the annual accounts, or the correction of the quarterly financial reports.

In addition, the supervisory actions on the 2016 annual accounts of one securitisation fund⁴⁰ led to a commitment to restate their financial reporting during the course of 2017, through the modification of the comparative information, derecognising certain securitised assets after detecting irregularities in their accuracy.

Aspects to take into account in future financial reports

In addition, following the review of the 2016 annual accounts, the CNMV identified omissions in the disclosures in the notes required by applicable legislation, which

³⁹ These include information relating to the securitised assets, the bonds and other securities issued, commissions, report on compliance with rules of operation and other information on the Funds.

⁴⁰ M Auriga Pymes Eur 1, F.T.A.

should be taken into account when preparing the 2017 annual accounts. The most significant omissions of disclosures related to the following issues:

- Analysis of movements of securitised assets classified for accounting purposes as non-performing and/or uncollectible, as well as the provisions for impairment.
- Intermediate settlement of liabilities carried out during the year.
- Disclosures related to hedge accounting transactions.
- The nature and level of risk arising from financial instruments.
- Quantitative information on the exposure to each type of fund risk.
- Assessment of non-current assets held for sale.
- Reserve fund below legal limit established.

Furthermore, it was recommended to adopt the opportune measures to improve internal control of fund managers of financial reporting on securitisation funds in order to avoid significant irregularities or inconsistencies in reporting in future years.

Bank asset funds (FABs)

The annual accounts of FABs, along with the audit report and management report, are published and can be consulted on the CNMV's website.

In 2016, the CNMV received the audited annual accounts at 31 December 2016 of three FABs (five in 2015), and the interim financial statements for the period between 1 January and 30 June 2016 of two FABs, that were terminated on 30 June 2016. These last two FABs include matter of emphasis paragraphs in relation to their termination.

The CNMV's oversight duty regarding the financial information of the FABs is the same as that which it performs on securitisation funds and is divided into two review levels: formal and substantive

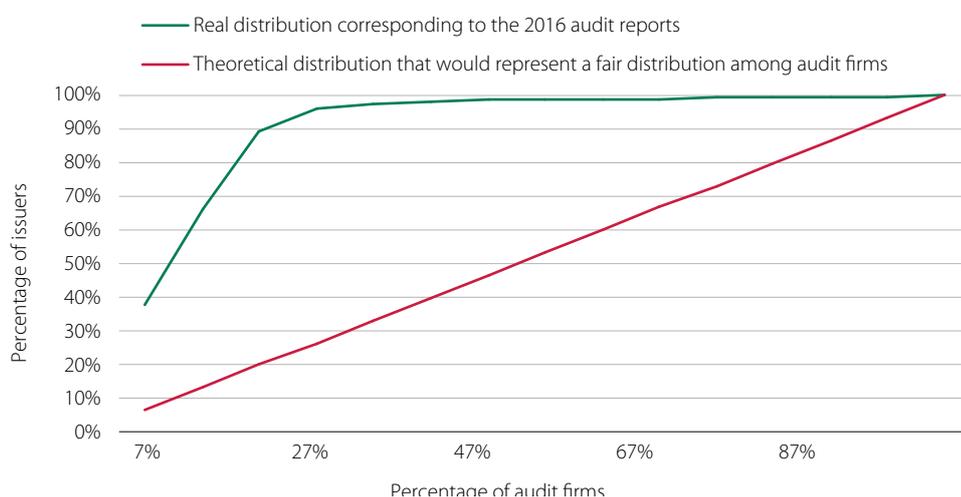
Said formal review did not result in any actions taken by the CNMV. No annual accounts were subject to a substantial review in 2017.

VI Audit firms and submission date of audit reports

A total of 96.2% (96.9% in 2015) of the audit reports received by the CNMV on the 2016 annual accounts were audited by the four main firms, which in order of business volume in Spain are: Deloitte, EY, PWC and KPMG. Figure 5 shows the degree of concentration indicated:

Concentration of audits by firm

FIGURE 5

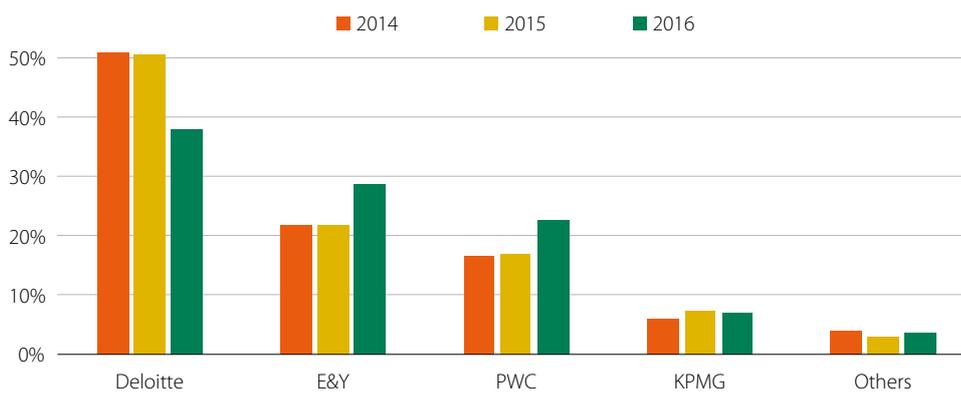


Source: CNMV

Figure 6 shows the breakdown of the audit reports prepared by the four main firms in the last three years:

Distribution of audits by firm

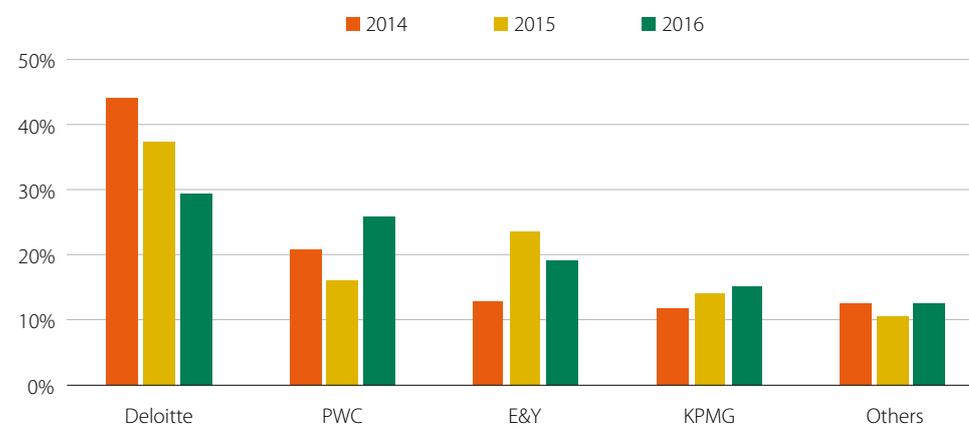
FIGURE 6



Source: CNMV.

Excluding securitisation funds and FABs, the four main firms issued 87.9% (89.5% in 2015) of the audit reports received by the CNMV:

Distribution of audits by firm (excluding securitisation funds and FABs) FIGURE 7

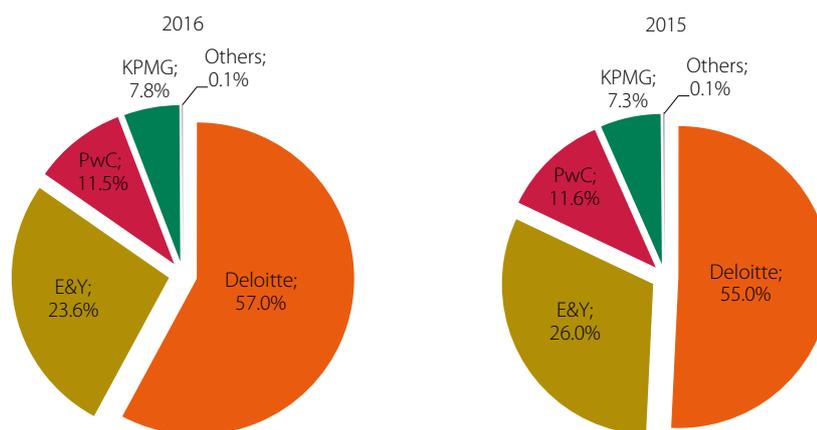


Source: CNMV

All 2016 annual accounts of Ibox 35 companies were audited by the four main audit firms – Deloitte 12 (15 in the previous year), EY nine (eight in the previous year), PWC eight (five in the previous year), and KPMG five (six in the previous year).

Figure 8 shows the distribution of the audit reports amongst the different firms based on the stock capitalisation of issuers of shares audited as at 31 December 2016:

Distribution of audits by firm based on capitalisation FIGURE 8



The average time taken for audit reports to be issued in 2016 was 97 days, the same as in 2015. The average time taken for annual financial reports to be sent to the CNMV was 106 days, compared with 108 days for reports in the previous year. However, if we exclude securitisation funds and FABs from the sample, these periods fall to 77 days (76 in 2015) in the case of the average time taken for audit reports to be issued, and 83 days (the same as in 2015) in the case of the average time taken for annual financial reports to be sent to the CNMV.

Tables 3.1 and 3.2 analyse the timeframes for issuing audit reports on annual accounts and the term of delivery to the CNMV for filing and public disclosure purposes.

The number of entities that published their audited 2016 annual financial report in the two months following year-end totalled 91 (17% of the total), an increase on the previous year (15% of the total).

This percentage rises to 62% taking into account only those entities whose shares are traded.

Since 2011, we offer issuers the possibility of sending their annual financial report electronically through Cifradoc, using the “CAA – *Cuentas Anuales Auditadas de Entidades Cotizadas*” procedure (Audited Annual Accounts of Listed Entities), thus avoiding the need to send them in paper form and making it faster and easier to publish them.

In its sixth year of implementation, 140 listed entities (85% of the total without including securitisation funds or FABs) sent their 2016 annual accounts through this procedure, compared with 137 entities (81% of the total) in the previous year. The remaining 25 entities submitted them in paper form.

All of the securitisation funds and FABs sent their annual account via the electronic procedure.

**Plazo de emisión del informe de auditoría y su remisión a la CNMV
(Including SFs and FABs)**

TABLE 3.1

Days	No. of days between the closing date of the annual accounts and the submission of the audit report		No. of days between the closing date of the annual accounts and the filing with the CNMV	
	No. of issuers	%	No. of issuers	%
From 0 to 30	1	0.2%	0	0.0%
From 31 to 60	116	21.8%	91	17.1%
From 61 to 90	28	5.3%	37	6.9%
From 91 to 121	380	71.5%	329	61.7%
From 122 to 180	4	0.8%	72	13.7%
Over 181	3	0.6%	3	0.6%
TOTAL	532	100%	532	100%
Average days	98		106	

Source: CNMV.

CNMV

Report on the CNMV's review of the annual financial reports and main enforcement priorities for the following financial year

2016

Timeframe for issuing the audit report and submission to the CNMV (excluding SFs and FABs)

TABLE 3.2

Days	No. of days between the closing date of the annual accounts and the submission of the audit report		No. of days between the closing date of the annual accounts and the filing with the CNMV	
	No. of issuers	%	No. of issuers	%
From 0 to 30	1	0.6%	0	0.0%
From 31 to 60	96	58.2%	91	55.2%
From 61 to 90	20	12.1%	17	10.3%
From 91 to 121	42	25.5%	41	24.8%
From 122 to 180	4	2.4%	14	8.5%
Over 181	2	1.2%	2	1.2%
TOTAL	165	100%	165	100%
Average days	77		83	

Source: CNMV.

VII Annexes

Summary of audits from issuers filed with the CNMV⁽¹⁾

ANNEX 1

	Financial year 2014		Financial year 2015		Financial year 2016 ⁽²⁾	
	Number	%	Number	%	Number	%
1. AUDITS FILED WITH THE CNMV						
- Individual financial statements	189	55.6%	170	53.6%	165	53.4%
- Consolidated financial statements	151	44.4%	147	46.4%	144	46.6%
- Total audits received	340	100%	317	100%	309	100%
- Special reports under Art. 14 Royal Decree 1362/2007	11		9		7	
2. AUDITOR'S OPINION						
- Unqualified opinion	329	96.8%	307	96.8%	302	97.7%
- Qualified opinion	11	3.2%	9	2.8%	7	2.3%
- Disclaimer of opinion or adverse opinion	0	0.0%	1	0.3%	0	0.0%
3. TYPES OF QUALIFICATIONS NOT INCLUDING CONSISTENCY EXCEPTIONS						
- No. of audits with quantified qualifications and other non-compliances	1	0.3%	1	0.3%	3	1.0%
- No. of audits with uncertainties and other items	-		-		-	
- No. of audits with scope limitations	10	2.9%	9	2.8%	7	2.3%
4. EFFECTS OF THE QUANTIFIED QUALIFICATIONS						
4.1. Effects on profit (loss)						
- No. of audits with positive effects	0	0.0%	0	0.0%	2	0.0%
- No. of audits with negative effects	0	0.0%	1	0.3%	0	0.0%
4.2. Effects on equity						
- No. of audits with positive effects	0	0.0%	0	0.0%	2	0.0%
- No. of audits with negative effects	0	0.0%	1	0.3%	0	0.0%
5. NATURE OF EMPHASIS OF MATTER PARAGRAPHS⁽³⁾						
- On going concern	46	13.5%	36	11.4%	34	11.0%
- On recovery of assets	16	4.7%	15	4.7%	10	3.2%
- On other circumstances	27	7.9%	14	4.4%	7	2.3%

(1) The auditor's reports included in this Annex do not encompass those relating to securitisation funds and FABs, the information of which is broken down in section IV of the report.

(2) Auditor's Reports on Annual Accounts and Special Reports filed with the CNMV until 31 December 2017 // Percentages have been calculated in relation to the number of audits filed.

(3) Emphasis of matter paragraphs implying an uncertainty pursuant to legislation in force before 2010 have been included.

Source: CNMV.

Summary of audits by trading market⁽¹⁾

ANNEX 2

	Electronic market		IBEX ⁽²⁾		Open Outcry Market		Second market		Fixed Income + others ⁽³⁾	
	Number	%	Number	%	Number	%	Number	%	Number	%
1. AUDITS FILED WITH THE CNMV										
- Individual financial statements	132	50.8%	34	50.0%	15	60.0%	4	57.1%	14	82.4%
- Consolidated financial statements	128	49.2%	34	50.0%	10	40.0%	3	42.9%	3	17.6%
- Total audits received	260	100%	68	100%	25	100%	7	100%	17	100%
- Special reports under Art. 14 Royal Decree 1362/2007	5		0		2		0		0	
2. AUDITOR'S OPINION										
- Unqualified opinion	255	98.1%	68	100.0%	23	92.0%	7	100.0%	17	100.0%
- Qualified opinion	5	1.9%	0	0.0%	2	8.0%	0	0.0%	0	0.0%
- Disclaimer of opinion or adverse opinion	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
3. TYPES OF QUALIFICATIONS NOT INCLUDING CONSISTENCY EXCEPTIONS										
- No. of audits with quantified qualifications and other non-compliances	1	0.4%	0	0.0%	2	8.0%	0	0.0%	0	0.0%
- No. of audits with scope limitations	5	1.9%	0	0.0%	2	8.0%	0	0.0%	0	0.0%
4. EFFECTS OF THE QUANTIFIED QUALIFICATIONS										
4.1. Effects on profit (loss)										
- No. of audits with positive effects	0	0.0%	0	0.0%	2	0.0%	0	0.0%	0	0.0%
- No. of audits with negative effects	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
4.2. Effects on equity										
- No. of audits with positive effects	0	0.0%	0	0.0%	2	0.0%	0	0.0%	0	0.0%
- No. of audits with negative effects	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
5. NATURE OF EMPHASIS OF MATTER PARAGRAPHS										
- On going concern	27	10.4%	0	0.0%	4	16.0%	2	28.6%	1	5.9%
- On recovery of assets	8	3.1%	0	0.0%	2	8.0%	0	0.0%	0	0.0%
- On other circumstances	5	1.9%	2	2.9%	0	0.0%	0	0.0%	0	0.0%

(1) Auditor's Reports of Annual Accounts and Special Reports received by the CNMV until 31 December 2017. The market used was the one in which the issuers' securities had been admitted to trading as at 31 December 2016, except for the issuers that began listing their securities as from that date, which were included in the market in which they had requested their securities to be admitted to trading.

(2) Auditor's Reports on Annual Accounts and Special Reports of IBEX-35 listed companies are also included in the Electronic Market.

(3) Issuers of fixed revenue securities that are either unlisted or listed outside Spain.

Fuente: CNMV.

Summary of audits by sector⁽¹⁾

ANNEX 3

	Energy		Industry		Retail and services		Construction and real estate		Financial institutions	
	Number	%	Number	%	Number	%	Number	%	Number	%
1. AUDITS FILED WITH THE CNMV										
- Individual financial statements	10	50.0%	52	51.5%	43	52.4%	34	54.0%	26	60.5%
- Consolidated financial statements	10	50.0%	49	48.5%	39	47.6%	29	46.0%	17	39.5%
- Total Audits Received	20	100%	101	100%	82	100%	63	100%	43	100%
- Special reports under Art. 14 Royal Decree 1362/2007	0		3		2		2		0	
2. AUDITOR'S OPINION										
- Unqualified opinion	20	100.0%	98	97.0%	80	97.6%	61	96.8%	43	100.0%
- Qualified opinion	0	0.0%	3	3.0%	2	2.4%	2	3.2%	0	0.0%
- Disclaimer of opinion or adverse opinion	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
3. TYPES OF QUALIFICATIONS NOT INCLUDING CONSISTENCY EXCEPTIONS										
- No. of audits with quantified qualifications and other non-compliances	0	0.0%	1	1.0%	2	2.4%	0	0.0%	0	0.0%
- No. of audits with scope limitations	0	0.0%	3	3.0%	2	2.4%	2	3.2%	0	0.0%
4. EFFECTS OF THE QUANTIFIED QUALIFICATIONS										
4.1. Effects on profit (loss)										
- No. of audits with positive effects	0	0.0%	0	0.0%	2	0.0%	0	0.0%	0	0.0%
- No. of audits with negative effects	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
4.2. Effects on equity										
- No. of audits with positive effects	0	0.0%	0	0.0%	2	0.0%	0	0.0%	0	0.0%
- No. of audits with negative effects	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
5. NATURE OF EMPHASIS OF MATTER PARAGRAPHS										
- On going concern	0	0.0%	13	12.9%	8	9.8%	12	19.0%	1	2.3%
- On recovery of assets	0	0.0%	0	0.0%	2	2.4%	8	12.7%	0	0.0%
- On other circumstances	0	0.0%	0	0.0%	2	2.4%	3	4.8%	2	4.7%

(1) Auditor's Reports of Annual Accounts and Special Reports received by the CNMV until 31 December 2017.

Source: CNMV.

List of 2016 audits recorded with the CNMV ⁽¹⁾

ANNEX 4

Company	Audit	
	Individual of the company	Consolidated group
ABENGOA, S.A.	O/F	O/F
ABERTIS INFRAESTRUCTURAS, S.A.	O/F	O/F
ACCIONA, S.A.	O/F	O/F
ACERINOX, S.A.	O/F	O/F
ACS, ACTIVIDADES DE CONSTRUCCION Y SERVICIOS, S.A.	O/F	O/F
ADOLFO DOMINGUEZ, S.A.	O/F	O/F
ADVEO GROUP INTERNATIONAL, S.A.	O/F	O/F
AEDAS HOMES, S.A.	O/F	O/F
AENA, S.M.E., S.A.	O/F	O/F
ALANTRA PARTNERS, S.A.	O/F	O/F
ALMIRALL, S.A.	O/F	O/F
ALZA REAL ESTATE, S.A.	O/F	O/F
AMADEUS IT GROUP, S.A.	O/F	O/F
AMPER, S.A.	O/F	O/F
APPLUS SERVICES, S.A.	O/F	O/F
ATRESMEDIA CORPORACION DE MEDIOS DE COMUNICACION, S.A.	O/F	O/F
AUDAX RENOVABLES, S.A.	O/F	O/F
AUTOPISTA CONCESIONARIA ASTUR-LEONESA, S.A.U.	O/F	
AUTOPISTAS DEL ATLANTICO, CONCESIONARIA ESPAÑOLA, S.A.U.	O/F	
AXIARE PATRIMONIO SOCIMI, S.A.	O/F	O/F
AYCO GRUPO INMOBILIARIO, S.A.	O/F	O/F
AZKOYEN, S.A.	O/F	O/F
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	O/F	O/F
BANCO DE CAJA ESPAÑA DE INVERSIONES, SALAMANCA Y SORIA, S.A.	O/F	
BANCO DE SABADELL, S.A.	O/F	O/F
BANCO POPULAR ESPAÑOL, S.A.	O/F	O/F
BANCO SANTANDER, S.A.	O/F	O/F
BANKIA, S.A.	O/F	O/F
BANKINTER SOCIEDAD DE FINANCIACION, S.A.	O/F	
BANKINTER, S.A.	O/F	O/F
BARON DE LEY, S.A.	O/F	O/F
BIOSEARCH, S.A.	O/F	
BODEGAS BILBAINAS, S.A.	O/F	
BODEGAS RIOJANAS, S.A.	O/F	O/F
BOLSAS Y MERCADOS ESPAÑOLES, SDAD HOLDING DE MDOS Y STMAS FIN., S.A.	O/F	O/F
BORGES AGRICULTURAL & INDUSTRIAL NUTS, S.A.	O/F	O/F
CAIXABANK, S.A.	O/F	O/F
CARTERA INDUSTRIAL REA, S.A.	O/F	

Company	Audit	
	Individual of the company	Consolidated group
CELLNEX TELECOM, S.A.	O/F	O/F
CEMENTOS MOLINS, S.A.	O/F	O/F
CIE AUTOMOTIVE, S.A.	O/F	O/F
CLINICA BAVIERA, S.A.	O/F	O/F
CODERE, S.A.	O/F	O/F
COMPAÑIA DE DISTRIBUCION INTEGRAL LOGISTA HOLDINGS, S.A.	O/F	O/F
COMPAÑIA ESPAÑOLA DE VIVIENDAS EN ALQUILER, S.A.	O/F	O/F
COMPAÑIA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.	C/S	C/S
CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A	O/F	O/F
CORPORACION EMPRESARIAL DE MATERIALES DE CONSTRUCCION, S.A.	O/F	O/F
CORPORACION FINANCIERA ALBA, S.A.	O/F	O/F
DEOLEO, S.A.	O/F	O/F
DESARROLLOS ESPECIALES DE SISTEMAS DE ANCLAJES, S.A.	O/F	O/F
DEUTSCHE BANK, SOCIEDAD ANONIMA ESPAÑOLA	O/F	O/F
DISTRIBUIDORA INTERNACIONAL DE ALIMENTACION, S.A.	O/F	O/F
DOGI INTERNATIONAL FABRICS, S.A. (3)	C/S	C/S
DURO FELGUERA, S.A.	O/F	O/F
EBRO FOODS, S.A.	O/F	O/F
ECOLUMBER, S.A.	O/F	O/F
EDP RENOVAVEIS, S.A.	O/F	O/F
ELECNOR, S.A.	O/F	O/F
EMISORA SANTANDER ESPAÑA S.A.U.	O/F	
ENAGAS, S.A.	O/F	O/F
ENCE ENERGIA Y CELULOSA, S.A.	O/F	O/F
ENDESA, S.A.	O/F	O/F
ERCROS, S.A.	O/F	O/F
EROSKI SOCIEDAD COOPERATIVA	O/F	O/F
EUSKALTEL, S.A.	O/F	O/F
FAES FARMA, S.A.	O/F	O/F
FERROVIAL, S.A.	O/F	O/F
FINANZAS E INVERSIONES VALENCIANAS, S.A.	O/F	
FLUIDRA, S.A.	O/F	O/F
FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.	O/F	O/F
FUNESPAÑA, S.A.	O/F	O/F
GAS NATURAL SDG, S.A.	O/F	O/F
GENERAL DE ALQUILER DE MAQUINARIA, S.A.	O/F	O/F
GESTAMP AUTOMOCION, S.A.	O/F	O/F
GLOBAL DOMINION ACCESS, S.A.	O/F	O/F

List of 2016 audits recorded with the CNMV ⁽¹⁾ (continued)

ANNEX 4

Company	Audit	
	Individual of the company	Consolidated group
GRIFOLS, S.A.	O/F	O/F
GRUPO CATALANA OCCIDENTE, S.A.	O/F	O/F
GRUPO EMPRESARIAL SAN JOSE, S.A.	O/F	O/F
GRUPO EZENTIS, S.A.	O/F	O/F
HISPANIA ACTIVOS INMOBILIARIOS SOCIMI, S.A.	O/F	O/F
IBERCAJA BANCO, S.A.	O/F	O/F
IBERDROLA, S.A.	O/F	O/F
IBERPAPEL GESTION, S.A.	O/F	O/F
INDRA SISTEMAS, S.A.	O/F	O/F
INDUSTRIA DE DISEÑO TEXTIL, S.A.	O/F	O/F
INMOBILIARIA COLONIAL, SOCIMI, S.A.	O/F	O/F
INMOBILIARIA DEL SUR, S.A.	O/F	O/F
INSTITUTO DE CREDITO OFICIAL	O/F	O/F
INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.	O/F	O/F
INYPSA INFORMES Y PROYECTOS, S.A.	O/F	O/F
KUTXABANK EMPRESTITOS, S.A.	O/F	
KUTXABANK, S.A.	O/F	O/F
LABORATORIO REIG JOFRE, S.A.	O/F	O/F
LABORATORIOS FARMACEUTICOS ROVI, S.A.	O/F	O/F
LAR ESPAÑA REAL ESTATE SOCIMI, S.A.	O/F	O/F
LIBERBANK, S.A.	O/F	O/F
LIBERTAS 7, S.A.	O/F	O/F
LINGOTES ESPECIALES, S.A.	O/F	O/F
LIWE ESPAÑOLA, S.A.	O/F	O/F
MAPFRE, S.A.	O/F	O/F
MASMOVIL IBERCOM, S.A.	O/F	O/F
MEDIASET ESPAÑA COMUNICACION, S.A.	O/F	O/F
MELIA HOTELS INTERNATIONAL S.A.	O/F	O/F
MERLIN PROPERTIES, SOCIMI, S.A.	O/F	O/F
MINERALES Y PRODUCTOS DERIVADOS, S.A.	O/F	O/F
MIQUEL Y COSTAS & MIQUEL, S.A.	O/F	O/F
MOBILIARIA MONESA, S.A. ⁽²⁾	C/S	C/S
MONTEBALITO, S.A.	O/F	O/F
NATRA, S.A.	O/F	O/F
NATURHOUSE HEALTH, S.A.	O/F	O/F
NEINOR HOMES, S.A.	O/F	O/F
NH HOTEL GROUP, S.A.	O/F	O/F
NICOLAS CORREA, S.A.	O/F	O/F

Company	Audit	
	Individual of the company	Consolidated group
NYESA VALORES CORPORACION, S.A.	O/F	O/F
OBRASCON HUARTE LAIN, S.A.	O/F	O/F
ORYZON GENOMICS, S.A.	O/F	
PAPELES Y CARTONES DE EUROPA, S.A.	O/F	O/F
PARQUES REUNIDOS SERVICIOS CENTRALES, S.A.	O/F	O/F
PASTOR PARTICIPACIONES PREFERENTES, S.A. SOCIEDAD UNPERSONAL	O/F	
PESCANOVA, S.A. ⁽²⁾	C/S	
PHARMA MAR, S.A.	O/F	O/F
POPULAR CAPITAL, S.A.	O/F	
PRIM, S.A.	O/F	O/F
PROMOTORA DE INFORMACIONES, S.A.	O/F	O/F
PROSEGUR CASH, S.A.	O/F	O/F
PROSEGUR, COMPAÑIA DE SEGURIDAD, S.A.	O/F	O/F
QUABIT INMOBILIARIA, S.A.	O/F	O/F
REALIA BUSINESS, S.A.	O/F	O/F
RED ELECTRICA CORPORACION, S.A.	O/F	O/F
RENTA 4 BANCO, S.A.	O/F	O/F
RENTA CORPORACION REAL ESTATE, S.A.	O/F	O/F
REPSOL, S.A.	O/F	O/F
REYAL URBIS, S.A. (EN LIQUIDACIÓN)	O/F	O/F
S.A. RONSA	O/F	
SACYR, S.A.	O/F	O/F
SAETA YIELD, S.A.	O/F	O/F
SAINT CROIX HOLDING IMMOBILIER, SOCIMI, S.A.	O/F	
SANTANDER CONSUMER FINANCE, S.A.	O/F	O/F
SANTANDER FINANCE CAPITAL, S.A. UNIPERSONAL	O/F	
SANTANDER FINANCE PREFERRED, S.A. UNIPERSONAL	O/F	
SANTANDER INTERNATIONAL PREFERRED S.A. UNIPERSONAL	O/F	
SERVICE POINT SOLUTIONS, S.A.	O/F	O/F
SIEMENS GAMESA RENEWABLE ENERGY, S.A.	O/F	O/F
SNIACE, S.A.	O/F	O/F
SOLARIA ENERGIA Y MEDIOAMBIENTE, S.A.	O/F	O/F
SOTOGRADE, S.A.	O/F	O/F
TALGO, S.A.	O/F	O/F
TECNICAS REUNIDAS, S.A.	O/F	O/F
TECNOCOM, TELECOMUNICACIONES Y ENERGIA, S.A.	O/F	O/F
TELEFONICA, S.A.	O/F	O/F
TELEPIZZA GROUP, S.A.	O/F	O/F

List of 2016 audits recorded with the CNMV ⁽¹⁾ (continued)

ANNEX 4

Company	Audit	
	Individual of the company	Consolidated group
TR HOTEL JARDIN DEL MAR, S.A.	O/F	
TUBACEX, S.A.	O/F	O/F
TUBOS REUNIDOS, S.A.	O/F	O/F
UNICAJA BANCO, S.A.	O/F	O/F
UNION CATALANA DE VALORES, S.A.	O/F	O/F
UNION EUROPEA DE INVERSIONES, S.A. (EN LIQUIDACIÓN)	O/F	
URBAR INGENIEROS, S.A.	O/F	O/F
URBAS GRUPO FINANCIERO, S.A.	O/F	O/F
VERTICE TRESCIENTOS SESENTA GRADOS, S.A.	O/F	O/F
VIDRALA, S.A.	O/F	O/F
VISCOFAN, S.A.	O/F	O/F
VOCENTO, S.A.	O/F	O/F
ZARDOYA OTIS, S.A.	O/F	O/F

(1) Does not include audit reports on asset securitisation funds or bank asset funds.

(2) These audit reports included limitations of the scope of the audit work, although subsequently the auditor has declared that, as a result of the information obtained and its analysis, some of the limitations have been removed.

(3) The annual financial reports sent contained an audit with limitations on the scope of the audit work, although subsequently the auditor has declared that, as a result of the information obtained and its analysis, some of the limitations have been removed.

(O/F) Favourable Opinion

(C/S) Opinion with Qualifications

(O/A) Unfavourable Opinion

(O/D) Disclaimer of Opinion

Source: CNMV.

Company	Audit	
	Individual of the company	Consolidated group
ALPHA 3 - IM, FONDO DE TITULIZACION DE ACTIVOS	O/F	
ASSET-BACKED EUROPEAN SECURITISATION TRANSACTION THIRTEEN, FONDO DE TITULIZACION	O/F	
AUTO ABS 2012-3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AUTO ABS SPANISH LOANS 2016, FONDO DE TITULIZACION	O/F	
AYT ADMINISTRACIONES I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CAIXA SABADELL HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CAJA INGENIEROS 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CAJA MURCIA HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CAJAGRANADA HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CAJAMURCIA HIPOTECARIO II, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CEDULAS CAJAS GLOBAL FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CEDULAS CAJAS IX, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CEDULAS CAJAS V, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CEDULAS CAJAS VIII, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT CEDULAS CAJAS X, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT COLATERALES GLOBAL EMPRESAS, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT COLATERALES GLOBAL HIPOTECARIO, F.T.A.	O/F	
AYT DEUDA SUBORDINADA I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT FONDO EOLICO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT FTPYME II, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT GENOVA HIPOTECARIO II, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO III, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO IV, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO IX, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO VI, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO VII, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO VIII, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO X, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO XI, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GENOVA HIPOTECARIO XII, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT GOYA HIPOTECARIO III, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT GOYA HIPOTECARIO IV, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT GOYA HIPOTECARIO V, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT HIPOTECARIO BBK I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT HIPOTECARIO BBK II, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT HIPOTECARIO III, FONDO DE TITULIZACION HIPOTECARIA	O/F	

List of audits for 2016 filed with the CNMV (continued)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
AYT HIPOTECARIO IV, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT HIPOTECARIO MIXTO II, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT HIPOTECARIO MIXTO III, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT HIPOTECARIO MIXTO IV, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT HIPOTECARIO MIXTO V, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT HIPOTECARIO MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT ICO-FTVPO CAJA MURCIA, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT ICO-FTVPO CAJA VITAL KUTXA, FTA	O/F	
AYT ICO-FTVPO I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT ICO-FTVPO III, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT KUTXA HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT KUTXA HIPOTECARIO II, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT PROMOCIONES INMOBILIARIAS III, FONDO DE TITULIZACION DE ACTIVOS	O/F	
AYT.1, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT.11, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT.2, FONDO DE TITULIZACION HIPOTECARIA	O/F	
AYT.7, PROMOCIONES INMOBILIARIAS I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA - BVA VPO 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 10, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 11, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 13, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 4, FONDO DE TITULIZACION HIPOTECARIA	O/F	
BANCAJA 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 8, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANCAJA 9, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANKIA PYME I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANKINTER 10, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANKINTER 11, FONDO DE TITULIZACION HIPOTECARIA	O/F	
BANKINTER 13 FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANKINTER 2 PYME FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANKINTER 3 FTPYME FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANKINTER 3, FONDO DE TITULIZACION HIPOTECARIA	O/F	
BANKINTER 4, FONDO DE TITULIZACION HIPOTECARIA	O/F	
BANKINTER 5, FONDO DE TITULIZACION HIPOTECARIA	O/F	

Company	Audit	
	Individual of the company	Consolidated group
BANKINTER 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANKINTER 7, FONDO DE TITULIZACION HIPOTECARIA	O/F	
BANKINTER 8, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BANKINTER 9, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA CONSUMO 3 FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA CONSUMO 4 FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA CONSUMO 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA CONSUMO 7 FONDO DE TITULIZACION	O/F	
BBVA CONSUMO 8 FONDO DE TITULIZACION	O/F	
BBVA EMPRESAS 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA FINANZIA AUTOS 1 FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA HIPOTECARIO 3, FONDO DE TITULIZACION DE ACTIVO	O/F	
BBVA LEASING 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 10, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 11, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 12, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 13, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 14, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 15, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 16 FONDO DE TITULIZACION	O/F	
BBVA RMBS 17 FONDO DE TITULIZACION	O/F	
BBVA RMBS 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 5 FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 6 FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 9, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA SECURITISED FUNDING 1 FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA-10 PYME FONDO DE TITULIZACION	O/F	
BBVA-5 FTPYME, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA-6 FTPYME FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA-8 FTPYME FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA-9 PYME FONDO DE TITULIZACION DE ACTIVOS	O/F	
CAIXA PENEDES 1 TDA, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CAIXA PENEDES 2 TDA, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CAIXA PENEDES FT GENCAT 1 TDA, FONDO DE TITULIZACION DE ACTIVOS	O/F	

List of audits for 2016 filed with the CNMV (continued)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
CAIXA PENEDES PYMES 1 TDA, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CAIXABANK CONSUMO 2, FONDO DE TITULIZACIÓN	O/F	
CAIXABANK PYMES 8, FONDO DE TITULIZACION	O/F	
CAIXABANK RMBS 1, FONDO DE TITULIZACION	O/F	
CAJA INGENIEROS TDA 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CAP-TDA 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CEDULAS GRUPO BANCO POPULAR 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CEDULAS TDA 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CEDULAS TDA 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CEDULAS TDA 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CEDULAS TDA 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CM BANCAJA 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CONSUMO BANCAJA 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
DRIVER ESPAÑA THREE, FONDO DE TITULIZACIÓN	O/F	
DRIVER ESPAÑA TWO, FONDO DE TITULIZACIÓN	O/F	
EDT FTPYME PASTOR 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
EMPRESAS BANESTO 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
EMPRESAS HIPOTECARIO TDA CAM 3, FONDO DE TITULIZACION DE ACTI	O/F	
F.T.A. PROGRAMA INDEPENDIENTE DE TITULIZ. DE CED. HIPOTECARIA	O/F	
FONCAIXA CONSUMO 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
FONCAIXA FTGENCAT 3, FTA	O/F	
FONCAIXA FTGENCAT 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
FONCAIXA FTGENCAT 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
FONCAIXA FTGENCAT 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
FONCAIXA LEASINGS 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
FONCAIXA PYMES 6, FONDO DE TITULIZACION	O/F	
FONCAIXA PYMES 7, FONDO DE TITULIZACION	O/F	
FONDO DE TITULIZACION DE ACTIVOS FTPYME SANTANDER 2	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES BANESTO 3	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 10	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 11	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 3	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 4	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 5	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 6	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 7	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 8	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 9	O/F	

Company	Audit	
	Individual of the company	Consolidated group
FONDO DE TITULIZACION DE ACTIVOS RMBS PRADO 1	O/F	
FONDO DE TITULIZACION DE ACTIVOS RMBS SANTANDER 2	O/F	
FONDO DE TITULIZACION DE ACTIVOS RMBS SANTANDER 3	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER 2	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER CONSUMER SPAIN AUTO 2011-1	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER CONSUMER SPAIN AUTO 2012-1	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER CONSUMER SPAIN AUTO 2014-1	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER EMPRESAS 2	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER FINANCIACION 1	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 2	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 3	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 7	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 8	O/F	
FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 9	O/F	
FONDO DE TITULIZACION DE ACTIVOS UCI 11	O/F	
FONDO DE TITULIZACION DE ACTIVOS UCI 14	O/F	
FONDO DE TITULIZACION DE ACTIVOS UCI 16	O/F	
FONDO DE TITULIZACION DE ACTIVOS UCI 18	O/F	
FONDO DE TITULIZACION DE ACTIVOS UCI 6	O/F	
FONDO DE TITULIZACION DE ACTIVOS UCI 7	O/F	
FONDO DE TITULIZACION DE ACTIVOS UCI 8	O/F	
FONDO DE TITULIZACION DE ACTIVOS UCI 9	O/F	
FONDO DE TITULIZACION DE ACTIVOS, HIPOTEBANSA 11	O/F	
FONDO DE TITULIZACION DE ACTIVOS, HIPOTEBANSA X	O/F	
FONDO DE TITULIZACION DE ACTIVOS, RMBS SANTANDER 1	O/F	
FONDO DE TITULIZACION DE ACTIVOS, SANTANDER CONSUMER SPAIN AUTO 2013-1	O/F	
FONDO DE TITULIZACION DE ACTIVOS, SANTANDER EMPRESAS 1	O/F	
FONDO DE TITULIZACION DE ACTIVOS, SANTANDER EMPRESAS 3	O/F	
FONDO DE TITULIZACION DE ACTIVOS, UCI 15	O/F	
FONDO DE TITULIZACION DE ACTIVOS, UCI 17	O/F	
FONDO DE TITULIZACION DEL DEFICIT DEL SISTEMA ELECTRICO, FTA	O/F	
FONDO DE TITULIZACION HIPOTECARIA UCI 10	O/F	
FONDO DE TITULIZACION HIPOTECARIA UCI 12	O/F	
FONDO DE TITULIZACION HIPOTECARIA UCI 5	O/F	
FONDO DE TITULIZACION PYMES SANTANDER 12	O/F	
FONDO DE TITULIZACION SANTANDER CONSUMER SPAIN AUTO 2016-1	O/F	

List of audits for 2016 filed with the CNMV (continued)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
FONDO DE TITULIZACION SANTANDER CONSUMER SPAIN AUTO 2016-2	O/F	
FONDO DE TITULIZACION SANTANDER CONSUMO 2	O/F	
FONDO DE TITULIZACION, RMBS SANTANDER 4	O/F	
FONDO DE TITULIZACIÓN, RMBS SANTANDER 5	O/F	
FT RMBS PRADO II	O/F	
FTA2015, FONDO DE TITULIZACION DE ACTIVOS	O/F	
FTPYME BANCAJA 2 FONDO DE TITULIZACION DE ACTIVOS	O/F	
FTPYME BANCAJA 3 FONDO DE TITULIZACION DE ACTIVOS	O/F	
FTPYME BANCAJA 6 FONDO DE TITULIZACION DE ACTIVOS	O/F	
FTPYME TDA CAM 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
FTPYME TDA CAM 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
FTPYME TDA CAM 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GAT FTGENCAT 2005, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GAT FTGENCAT 2006, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GAT FTGENCAT 2007, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GAT FTGENCAT 2008, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GAT FTGENCAT 2009, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GAT ICO-FTVPO 1, FONDO DE TITULIZACION HIPOTECARIA	O/F	
GC FTGENCAT CAIXA TARRAGONA 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GC FTPYME PASTOR 4, FTA	O/F	
GC FTPYME SABADELL 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
GC SABADELL 1, FONDO DE TITULIZACION HIPOTECARIA	O/F	
HIPOCAT 10, F.T.A.	O/F	
HIPOCAT 11, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 12, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 14, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 15, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 16, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 17, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 18, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 19, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 20, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 8, FONDO DE TITULIZACION DE ACTIVOS	O/F	

Company	Audit	
	Individual of the company	Consolidated group
HIPOCAT 9, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HT ABANCA RMBS I, FONDO DE TITULIZACION	O/F	
IM AURIGA PYMES EUR 1, F.T.A.	O/F	
IM BANCO POPULAR MBS 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM BCC CAJAMAR 1, FONDO DE TITULIZACION	O/F	
IM BCC CAJAMAR PYME 1, FONDO DE TITULIZACION	O/F	
IM BCG RMBS 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJA LABORAL 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJA LABORAL 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJA LABORAL EMPRESAS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJAMAR 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJAMAR 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJAMAR 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJAMAR 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJAMAR 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJAMAR EMPRESAS 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJAMAR EMPRESAS 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJAMAR EMPRESAS 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CAJASTUR MBS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CEDULAS 10, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CEDULAS 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CEDULAS 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM CEDULAS 9, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM EVO RMBS 1, FONDO DE TITULIZACION	O/F	
IM FORTIA 1, FONDO DE TITULIZACION	O/F	
IM FTGENCAT SABADELL 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM FTPYME SABADELL 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM GEDESCO TRADE FINANCE, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM GRUPO BANCO POPULAR EMPRESAS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM GRUPO BANCO POPULAR EMPRESAS V, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM GRUPO BANCO POPULAR EMPRESAS VI, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM GRUPO BANCO POPULAR EMPRESAS VII, FONDO DE TITULIZACION	O/F	
IM GRUPO BANCO POPULAR FTPYME I FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM GRUPO BANCO POPULAR MBS 3, FONDO DE TITULIZACION	O/F	
IM LICO DIVISION, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM MARLAN 1, FONDO DE TITULIZACION	O/F	

List of audits for 2016 filed with the CNMV (continued)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
IM PASTOR 2, FONDO DE TITULIZACION HIPOTECARIA	O/F	
IM PASTOR 3, FONDO DE TITULIZACION HIPOTECARIA	O/F	
IM PASTOR 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM PRESTAMOS FONDOS CEDULAS, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM SABADELL PYME 10, FONDO DE TITULIZACION	O/F	
IM SABADELL RMBS 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM SABADELL RMBS 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM TARJETAS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM TERRASSA MBS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
INTERMONEY MASTER CEDULAS, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MADRID ICO-FTVPO I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MADRID RESIDENCIAL I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MADRID RESIDENCIAL II, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MADRID RMBS I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MADRID RMBS II, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MADRID RMBS III FONDO DE TITULIZACION DE ACTIVOS	O/F	
MADRID RMBS IV, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBS BANCAJA 1 FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBS BANCAJA 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBS BANCAJA 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBS BANCAJA 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBS BANCAJA 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBS BANCAJA 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBS BANCAJA 8, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBSCAT 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
MBSCAT 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
PRIVATE DRIVER ESPAÑA 2013-1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
PROGRAMA CEDULAS TDA, FONDO DE TITULIZACION DE ACTIVOS	O/F	
PYME BANCAJA 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
PYME VALENCIA 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
PYMECAT 2 FTPYME, FONDO DE TITULIZACION DE ACTIVOS	O/F	
PYMECAT 3 FTPYME, FONDO DE TITULIZACION DE ACTIVOS	O/F	
PYMES BANESTO 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RMBS PRADO III, FONDO DE TITULIZACION	O/F	
RURAL HIPOTECARIO GLOBAL I, FTA	O/F	
RURAL HIPOTECARIO III FONDO DE TITULIZACION HIPOTECARIA	O/F	
RURAL HIPOTECARIO IV FONDO DE TITULIZACION HIPOTECARIA	O/F	
RURAL HIPOTECARIO IX, FONDO DE TITULIZACION DE ACTIVOS	O/F	

Company	Audit	
	Individual of the company	Consolidated group
RURAL HIPOTECARIO V FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO VI, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO VII, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO VIII, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO X, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO XI, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO XII, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO XIV, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO XV, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO XVI, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURAL HIPOTECARIO XVII, FONDO DE TITULIZACION DE ACTIVOS	O/F	
RURALPYME 2 FTPYME FONDO DE TITULIZACION DE ACTIVOS	O/F	
SANTANDER HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS	O/F	
SOL-LION, FONDO DE TITULIZACION DE ACTIVOS	O/F	
SRF 2016-1, FONDO DE TITULIZACION	O/F	
TDA 13 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 14 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 15 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 16 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 17 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 18 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 19 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 20 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 2015-1, FONDO DE TITULIZACION	O/F	
TDA 22 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 23, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 24, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 25, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 26 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 27, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 28, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 29, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 30, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA 31, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAJAMAR 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 11, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 12, FONDO DE TITULIZACION DE ACTIVOS	O/F	

List of audits for 2016 filed with the CNMV (continued)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
TDA CAM 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 8, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA CAM 9, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA IBERCAJA 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA IBERCAJA 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA IBERCAJA 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA IBERCAJA 4, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA IBERCAJA 5, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA IBERCAJA 6, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA IBERCAJA 7, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA IBERCAJA ICO-FTVPO, FONDO DE TITULIZACION HIPOTECARIA	O/F	
TDA PASTOR 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA PASTOR CONSUMO 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA RENOVABLES ESPAÑA I, FONDO DE TITULIZACION	O/F	
TDA SA NOSTRA EMPRESAS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA SA NOSTRA EMPRESAS 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TDA TARRAGONA 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TIBER SPAIN, FONDO DE TITULIZACION DE ACTIVOS	O/F	
VAL BANCAJA 1, F.T.A.	O/F	
VALENCIA HIPOTECARIO 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
VALENCIA HIPOTECARIO 2, FONDO DE TITULIZACION HIPOTECARIA	O/F	
VALENCIA HIPOTECARIO 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	

(O/F) Unqualified Opinion.

(C/S) Qualified Opinion

(O/A) Adverse Opinion

(O/D) Disclaimer of Opinion.

Source: CNMV.

Qualified audits for 2016 filed with the CNMV

ANNEX 5

Company	Audits		Quantified qualifications and other non-compliances ⁽²⁾					
	Individual	Consolidated group	Scope limitations ⁽¹⁾	Nº	Qualifications affecting profit and loss ⁽³⁾		Qualifications affecting shareholders' equity ⁽⁴⁾	
					Amounts	%	Amounts	%
	Figures in thousands of Euros							
COMPAÑIA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.	YES		1	0	0		0	
	Scope limitations		Given the existing uncertainty regarding the situation and development of the insolvency proceedings of Inversiones Mebru S.A., the absence of formal information on the terms of approval of the composition agreement of Urbem and the litigation and lawsuits in progress, it has not been possible to conclude, as a result of circumstances outside the control of the group and its directors, about the recovery of the investment, receivables and other risks of the Company in Inversiones Mebru at 31 December 2016.					
COMPAÑIA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.		YES	1	0	0		0	
	Scope limitations		Given the existing uncertainty regarding the situation and development of the insolvency proceedings of Inversiones Mebru S.A., the absence of formal information on the terms of approval of the composition agreement of Urbem and the litigation and lawsuits in progress, it has not been possible to conclude, as a result of circumstances outside the control of the group and its directors, about the recovery of the investment, receivables and other risks of the Group in Inversiones Mebru at 31 December 2016.					
DOGI INTERNATIONAL FABRICS, S.A.	YES		1	0	0		0	
	Scope limitations		With regard to the indications of impairment of the cash generating unit corresponding to the El Masnou production unit that the Company held until 2015, the Company performed an impairment test at year-end 2015 on the net assets attached to said production unit based on an independent expert report for 2013, 2014 and 2015, which resulted in an impairment loss at 31 December 2015 of EUR 4,517,000. In this regard, as a result of the characteristics of the company's production unit and the market in which it operates, a large part of the assumptions used by the independent experts in the valuations corresponding to year-ends 2013 and 2014 could not be compared with public sources of information. Similarly, during our audit work on the previous 2015 consolidated annual accounts, we were unable to perform verification procedures on the aforementioned assumptions and variables considering the information that would have been available at said dates as the annual accounts for said years were audited by other auditors. Consequently, we did not have appropriate and sufficient evidence to conclude on the reasonableness of the aforementioned valuations of the Company's production unit at 1 January 2014 and at 31 December 2014, and, therefore, to conclude whether the impairment recorded in the 2015 income statement should have been fully or partially recorded in previous years. The auditor's opinion on the 2015 annual accounts included a qualification for this issue. The opinion on the annual accounts of the current period is also a qualified opinion due to the possible effect of this fact on the comparability between the figures for the current period and those of the previous period.					

Company	Audits		Scope limitations ⁽¹⁾	Nº	Quantified qualifications and other non-compliances ⁽²⁾			
	Individual	Consolidated group			Qualifications affecting profit and loss ⁽³⁾		Qualifications affecting shareholders' equity ⁽⁴⁾	
					Amounts	%	Amounts	%
DOGI INTERNATIONAL FABRICS, S.A.		YES	2	0	0		0	

Scope limitations

"Based on the information provided by the tax advisers of the subsidiaries Penn Philipinnes Inc., Penn Philipines Export, Inc. and Laguna Realty Corporation (inactive since 2008), at 31 December 2015, proceedings had been initiated by the tax authorities of the Republic of the Philippines which, without considering any penalties or interest, amounted to approximately EUR 9,755,000. With regard to these contingencies, the consolidated annual accounts did not include any provision at 31 December 2015 as the aforementioned companies had left the Group's consolidation scope as they were transferred to a third party on 27 September 2016.

As the auditor has not been provided with a reasoned assessment of which risks resulting from the aforementioned situation might require the corresponding provision based on the applicable accounting standards up to the transfer date of the aforementioned companies, the auditor does not know what impact this situation, as the case may be, may have on the consolidated annual accounts. Nevertheless, this fact has no effect on the consolidated equity of the group of companies at 31 December 2016 after having disposed of the aforementioned entities. The auditor's opinion on the 2015 annual accounts included a qualification for this issue."

"At year-end 2015, the parent company performed an impairment test on the net assets of its production unit in El Masnou based on an independent expert report for 2013, 2014 and 2015, which led to the recording of an impairment loss at 31 December 2015 of EUR 4,517,000. In this regard, as a result of the characteristics of the company's production unit and the market in which it operates, a large part of the assumptions used by the independent experts in the valuations corresponding to year-ends 2013 and 2014 could not be compared with public sources of information.

Similarly, during our audit work on the previous 2015 consolidated annual accounts, we were unable to perform verification procedures on the aforementioned assumptions and variables considering the information that would have been available at said dates as the annual accounts for said years were audited by other auditors. Consequently, we did not have appropriate and sufficient evidence to conclude on the reasonableness of the aforementioned valuations of the production unit at 1 January 2014 and at 31 December 2014, and, therefore, to conclude whether the impairment recorded in the 2015 income statement should have been fully or partially recorded in previous years. The auditor's opinion on the consolidated 2015 annual accounts included a qualification for this issue. The opinion on the consolidated annual accounts of the current period is also a qualified opinion due to the possible effect of this fact on the comparability between the figures for the current period and those of the previous period."

Qualified audits for 2016 filed with the CNMV (continued)

ANNEX 5

Company	Audits		Quantified qualifications and other non-compliances ⁽²⁾					
	Individual	Consolidated group	Scope limitations ⁽¹⁾	Nº	Qualifications affecting profit and loss ⁽³⁾		Qualifications affecting shareholders' equity ⁽⁴⁾	
					Amounts	%	Amounts	%
MOBILIARIA MONESA, S.A.	YES		1	1	1.307	105,66	0	
Scope limitations								
With regard to the investment held by Delforca 2008, S.A. in GVC Gaesco Holding, S.L., on the current date, and although the auditor has that entity's annual accounts, the corresponding auditor's report has not been obtained. Similarly, the auditor was unable to apply limited review procedures or similar procedures. The auditor was not therefore able to obtain evidence of the reasonableness of the carrying amount of the investee, and therefore whether or not an accounting impairment should be recorded for the financial instruments in the investee Delforca 2008, S.A., and therefore in the Company.								
Quantified qualifications and other non-compliances								
The balance of the account of non-current equity instruments in group companies and associates at 31/12/2016 in an amount of EUR 11,146,000 corresponds to the 100% interest in Delforca 2008, S.A. Taking into account the effects of the qualification included in the auditor's report issued on the annual accounts of Delforca 2008, S.L. relating to the investment that the latter has in GVC Gaesco Holding, S.L., the value of the interest in Delforca 2008, S.A. and the profit for the year before tax are undervalued by EUR 1,307,000.								
MOBILIARIA MONESA, S.A.		YES	1	1	7.542	-703,54	0	
Scope limitations								
With regard to the investment held by the Group in GVC Gaesco Holding, S.L., on the current date, and although the auditor has that entity's annual accounts, the corresponding auditor's report has not been obtained. Similarly, the auditor was unable to apply limited review procedures or similar procedures. The auditor was not therefore able to obtain evidence of the reasonableness of the carrying amount of the investee in the accompanying consolidated annual accounts, and therefore whether or not an accounting impairment should be recorded in the interest held by the Group in said Company.								
Quantified qualifications and other non-compliances								
The balance under "investments accounted for using the equity method" in the consolidated statement of financial position at 31/12/2016 in an amount of EUR 6,381,000 corresponds to the 17.66% interest that the Group held in GVC Gaesco Holding, S.L. In 2016, the Group sold 5.52% and at year-end, it no longer holds significant influence and it may not therefore be considered an associate. If the sales transaction price is considered, its fair value at the end of the reporting period amounts to EUR 13,923,000 and therefore the value of the interest that the Group holds in said company and the profit for the year before tax are undervalued by EUR 7,542,000.								

Company	Audits		Scope limitations ⁽¹⁾	Nº	Figures in thousands of Euros			
	Individual	Consolidated group			Quantified qualifications and other non-compliances ⁽²⁾			
					Qualifications affecting profit and loss ⁽³⁾		Qualifications affecting shareholders' equity ⁽⁴⁾	
				Amounts	%	Amounts	%	
PESCANOVA, S.A.	YES		1	1	0		0	
	Scope limitations							
	The auditor has not had access to the 2016 consolidated annual accounts of the investee Nueva Pescanova, S.L. or other information about said investee providing an evidence of a sufficient and appropriate audit in order to be able to conclude about the impairment loss recorded in 2016 for EUR 3 million.							
	Quantified qualifications and other non-compliances							
	The accompanying notes to the financial statements do not include information relating to the investee Nueva Pescanova, S.L., on reserves, other equity items and the profit (loss) of the last year.							

The purpose of this table is solely to provide concise information on the audits available at the CNMV for public consultation, as well as to provide an informative synopsis on the qualifications that may be included in those reports. However, the full understanding of the auditor's opinion can be obtained only by fully reading the relevant auditor's report.

- (1) These auditor's reports include scope limitations on the work performed by the auditor. To remove such limitations, the CNMV has requested the company to provide the auditor with the documentation necessary for the auditor to be able to complete the audit. The auditor's additional conclusions will be added to the CNMV public audit register, together with the original.
- (2) Includes cases of non-compliance with accounting principles and methods, including omissions of necessary information, contained in the applicable regulatory framework of financial information.
- (3) The column of qualifications affecting profit and loss includes the amounts of quantified qualifications on profit and loss for the year as represented by the auditors.

Except in those cases in which the auditor has explicitly represented in its report that such qualifications refer to profit (loss) before taxes, as a general rule the figure showing the effect of the auditor's quantified qualifications expressed as a percentage of the profit (loss) for the year has been calculated using the profit (loss) amount after taxes that has been included in the audited company's equity (individual and/or consolidated, as the case may be) at the end of the year.

"The column showing qualifications affecting equity only includes the amounts that the auditor explicitly represents in its opinion that directly affect the audited company's equity. Consequently, this column of qualifications on equity does not include the indirect effect on that equity of the quantified qualifications in the previous column of qualifications affecting profit (loss).

Pursuant to the presentation system herein described, the theoretical total impact on equity as at year-end resulting from the set of quantified qualifications reflected by the auditor in its opinion would be the sum total of the amount reflected in the columns showing qualifications on profit (loss) (assuming that these qualifications comply with the general rule of pertaining to the profit (loss) included in equity) and the amount reflected in the column of qualifications affecting equity."

Source: CNMV.

List of the special audit reports for 2016 filed with the CNMV

ANNEX 6

Company	SAR	Individual opinion	SAR	Consolidated opinion
COMPAÑIA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.	X	Maintained	X	Maintained
DOGI INTERNATIONAL FABRICS, S.A.	X	Fully corrected	X	Partially corrected
MOBILIARIA MONESA, S.A.	X	Partially corrected	X	Partially corrected
PESCANOVA, S.A.	X	Fully corrected		

Source: CNMV.

**List of audit firms that have issued reports on the annual
accounts of companies issuing and/or with securities listed
for trading on official secondary markets in 2016**

Auditor	Company
AGUSTI & SANCHEZ AUDITORES SL	TR HOTEL JARDIN DEL MAR, S.A.
BAILEN 20, S.A.P.	S.A. RONSA
BAKER TILLY FMAC	URBAS GRUPO FINANCIERO, S.A.
BDO AUDITORES, S.L.	MOBILIARIA MONESA, S.A.
	NYESA VALORES CORPORACION, S.A.
	SNIACE, S.A.
	UNION EUROPEA DE INVERSIONES, S.A. (EN LIQUIDACIÓN)
	URBAR INGENIEROS, S.A.
DELOITTE, S.L.	ABENGOA, S.A.
	ABERTIS INFRAESTRUCTURAS, S.A.
	ACCIONA, S.A.
	ACS, ACTIVIDADES DE CONSTRUCCION Y SERVICIOS, S.A.
	ADOLFO DOMINGUEZ, S.A.
	ALANTRA PARTNERS, S.A.
	AMADEUS IT GROUP, S.A.
	APPLUS SERVICES, S.A.
	AUDAX RENOVABLES, S.A.
	AYCO GRUPO INMOBILIARIO, S.A.
	BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
	BODEGAS BILBAINAS, S.A.
	CAIXABANK, S.A.
	CARTERA INDUSTRIAL REA, S.A.
	CELLNEX TELECOM, S.A.
	CEMENTOS MOLINS, S.A.
	COMPAÑIA DE DISTRIBUCION INTEGRAL LOGISTA HOLDINGS, S.A.
	CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A.
	CORPORACION EMPRESARIAL DE MATERIALES DE CONSTRUCCION, S.A.
	DEOLEO, S.A.
	FERROVIAL, S.A.
	FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.
	GRUPO CATALANA OCCIDENTE, S.A.
	GRUPO EMPRESARIAL SAN JOSE, S.A.
	INDRA SISTEMAS, S.A.
	INDUSTRIA DE DISEÑO TEXTIL, S.A.
	INMOBILIARIA COLONIAL, SOCIMI, S.A.
	INMOBILIARIA DEL SUR, S.A.
	INYPSA INFORMES Y PROYECTOS, S.A.
	KUTXABANK EMPRESTITOS, S.A.
	KUTXABANK, S.A.
	LAR ESPAÑA REAL ESTATE SOCIMI, S.A.
	LIBERBANK, S.A.
	MERLIN PROPERTIES, SOCIMI, S.A.

List of audit firms that have issued reports on the annual accounts of companies issuing and/or with securities listed for trading on official secondary markets in 2016 (continued)

ANNEX 7

Annexes

Auditor	Company
DELOITTE, S.L. (CONT.)	NATURHOUSE HEALTH, S.A.
	NEINOR HOMES, S.A.
	NH HOTEL GROUP, S.A.
	OBRASCON HUARTE LAIN, S.A.
	PROMOTORA DE INFORMACIONES, S.A.
	REALIA BUSINESS, S.A.
	REPSOL, S.A.
	REYAL URBIS, S.A. (EN LIQUIDACIÓN)
	SAETA YIELD, S.A.
	SAINT CROIX HOLDING IMMOBILIER, SOCIMI, S.A.
	SOTOGRADE, S.A.
	TALGO, S.A.
	TECNOCOM, TELECOMUNICACIONES Y ENERGIA, S.A.
	TUBACEX, S.A.
ERNST & YOUNG, S.L.	ADVEO GROUP INTERNATIONAL, S.A.
	AEDAS HOMES, S.A.
	AMPER, S.A.
	AZKOYEN, S.A.
	BANKIA, S.A.
	BIOSEARCH, S.A.
	CODERE, S.A.
	CORPORACION FINANCIERA ALBA, S.A.
	DESARROLLOS ESPECIALES DE SISTEMAS DE ANCLAJES, S.A.
	DURO FELGUERA, S.A.
	EBRO FOODS, S.A.
	ENAGAS, S.A.
	ENDESA, S.A.
	ERCROS, S.A.
	FLUIDRA, S.A.
	GESTAMP AUTOMOCION, S.A.
	HISPANIA ACTIVOS INMOBILIARIOS SOCIMI, S.A.
	IBERDROLA, S.A.
	INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.
	MEDIASET ESPAÑA COMUNICACION, S.A.
	PAPELES Y CARTONES DE EUROPA, S.A.
	PESCANOVA, S.A.
	PRIM, S.A.
	QUABIT INMOBILIARIA, S.A.
	RENTA 4 BANCO, S.A.
	SACYR, S.A.
	SERVICE POINT SOLUTIONS, S.A.
	SIEMENS GAMESA RENEWABLE ENERGY, S.A.

**List of audit firms that have issued reports on the annual
accounts of companies issuing and/or with securities listed
for trading on official secondary markets in 2016 (continued)**

Auditor	Company
ERNST & YOUNG, S.L. (CONT.)	SOLARIA ENERGIA Y MEDIOAMBIENTE, S.A.
	TELEFONICA, S.A.
	VISCOFAN, S.A.
GRANT THORNTON, S.L.P.	ALZA REAL ESTATE, S.A.
	ECOLUMBER, S.A.
	ORYZON GENOMICS, S.A.
	UNION CATALANA DE VALORES, S.A.
HORWATH AUDITORES ESPAÑA, S.L.	VERTICE TRESCIENTOS SESENTA GRADOS, S.A.
HORWATH PLM AUDITORES, S.L.P.	MINERALES Y PRODUCTOS DERIVADOS, S.A.
INTERVENCION GENERAL DE LA ADMN. ESTADO	INSTITUTO DE CREDITO OFICIAL
KPMG AUDITORES,S.L.	ACERINOX, S.A.
	ATRESMEDIA CORPORACION DE MEDIOS DE COMUNICACION, S.A.
	AUTOPISTA CONCESIONARIA ASTUR-LEONESA, S.A.U.
	AUTOPISTAS DEL ATLANTICO, CONCESIONARIA ESPAÑOLA, S.A.U.
	DEUTSCHE BANK, SOCIEDAD ANONIMA ESPAÑOLA
	DISTRIBUIDORA INTERNACIONAL DE ALIMENTACION, S.A.
	EDP RENOVAVEIS, S.A.
	ELECNOR, S.A.
	EROSKI SOCIEDAD COOPERATIVA
	EUSKALTEL, S.A.
	FAES FARMA, S.A.
	FUNESPAÑA, S.A.
	GRIFOLS, S.A.
	LABORATORIO REIG JOFRE, S.A.
	LINGOTES ESPECIALES, S.A.
	MAPFRE, S.A.
	MASMOVIL IBERCOM, S.A.
	NICOLAS CORREA, S.A.
	PARQUES REUNIDOS SERVICIOS CENTRALES, S.A.
	PROSEGUR CASH, S.A.
PROSEGUR, COMPAÑIA DE SEGURIDAD, S.A.	
RED ELECTRICA CORPORACION, S.A.	
TELEPIZZA GROUP, S.A.	
VIDRALA, S.A.	
LUIS CARUANA & ASOCIADOS, S.L.	COMPAÑIA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.
	FINANZAS E INVERSIONES VALENCIANAS, S.A.
	LIBERTAS 7, S.A.
PKF ATTEST	MONTEBALITO, S.A.
PRICEWATERHOUSECOOPERS AUDITORES, S.L.	AENA, S.M.E., S.A.
	ALMIRALL, S.A.
	AXIARE PATRIMONIO SOCIMI, S.A.

List of audit firms that have issued reports on the annual accounts of companies issuing and/or with securities listed for trading on official secondary markets in 2016 (continued)

ANNEX 7

Annexes

Auditor	Company	
PRICEWATERHOUSECOOPERS AUDITORES, S.L. (CONT.)	BANCO DE CAJA ESPAÑA DE INVERSIONES, SALAMANCA Y SORIA, S.A.	
	BANCO DE SABADELL, S.A.	
	BANCO POPULAR ESPAÑOL, S.A.	
	BANCO SANTANDER, S.A.	
	BANKINTER SOCIEDAD DE FINANCIACION, S.A.	
	BANKINTER, S.A.	
	BARON DE LEY, S.A.	
	BODEGAS RIOJANAS, S.A.	
	BOLSAS Y MERCADOS ESPAÑOLES, SDAD HOLDING DE MDOS Y STMAS FIN., S.A.	
	BORGES AGRICULTURAL & INDUSTRIAL NUTS, S.A.	
	CIE AUTOMOTIVE, S.A.	
	CLINICA BAVIERA, S.A.	
	COMPañIA ESPAÑOLA DE VIVIENDAS EN ALQUILER, S.A.	
	DOGI INTERNATIONAL FABRICS, S.A.	
	EMISORA SANTANDER ESPAÑA S.A.U.	
	ENCE ENERGIA Y CELULOSA, S.A.	
	GAS NATURAL SDG, S.A.	
	GENERAL DE ALQUILER DE MAQUINARIA, S.A.	
	GLOBAL DOMINION ACCESS, S.A.	
	GRUPO EZENTIS, S.A.	
	IBERCAJA BANCO, S.A.	
	IBERPAPEL GESTION, S.A.	
	LABORATORIOS FARMACEUTICOS ROVI, S.A.	
	MELIA HOTELS INTERNATIONAL S.A.	
	MIQUEL Y COSTAS & MIQUEL, S.A.	
	NATRA, S.A.	
	PASTOR PARTICIPACIONES PREFERENTES, S.A. SOCIEDAD UNPERSONAL	
	PHARMA MAR, S.A.	
	POPULAR CAPITAL, S.A.	
	RENTA CORPORACION REAL ESTATE, S.A.	
	SANTANDER CONSUMER FINANCE, S.A.	
	SANTANDER FINANCE CAPITAL, S.A. UNIPERSONAL	
	SANTANDER FINANCE PREFERRED, S.A. UNIPERSONAL	
	SANTANDER INTERNATIONAL PREFERRED S.A. UNIPERSONAL	
	TECNICAS REUNIDAS, S.A.	
	TUBOS REUNIDOS, S.A.	
	UNICAJA BANCO, S.A.	
	VOCENTO, S.A.	
	ZARDOYA OTIS, S.A.	
	SICET SERVICIOS INTEGRALES, S.L.	LIWE ESPAÑOLA, S.A.

Source: CNMV.

