



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

2017



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2017

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Layout: Composiciones Rali, S.A.

ISSN: 1989-659-X

Contents

Introduction	9
I Audited annual accounts	11
Number of annual accounts received	11
Audit reports by market	12
Types of qualifications	13
Emphasis of matter paragraphs	15
Audit reports and limited reviews about interim reporting	15
II Review of annual accounts	17
Review of issuers' annual accounts	17
Most relevant actions in 2018	23
Claims and reports relating to annual accounts	34
Information related to application processes for the lifting of share listing suspensions	35
Information related to the insolvency proceedings of listed companies 2018	35
III Special analyses carried out in 2018	37
Impact of entry into force of the new IFRS 9 and IFRS 15 standards in the reporting for the first half of 2018	37
Review of the non-financial statement in the 2017 financial reports	40
IV Main areas for enforcement in 2018 annual accounts	43
Specific issues related to the application of IFRS 15 <i>Revenue from Contracts with Customers</i>	44
Specific issues related to the application of IFRS 9 <i>Financial Instruments</i>	45
Disclosure of the expected impact of implementation of IFRS 16 <i>Leases</i>	47
Non-Financial Statement	48
Calculation of earnings per share	50
V Other issues to consider	53
New Circular on Periodic Reporting (Circular 3/2018)	53
Presentation of information corresponding to the <i>current interim period</i> in interim financial statements	54
Recognition of assets for called guarantees	54
Consolidation adjustments in companies accounted for using the equity method	55

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

2017

	Re-statement of the previous year when an investee ceases to be classified as a non-current asset held for sale	56
	Including in the cost of inventories the changes in the fair value of interest rate hedging derivatives associated with financing assets that meet the requirements of IAS 23 <i>Borrowing costs</i> for their capitalisation	56
	Recognition of non-refundable upfront fees under IFRS 15	56
	Hyperinflationary economies	57
	Disclosures relating to taxable temporary differences	57
	Liquidity matrix	58
	Judgement of the High Court of the United Kingdom on the right to equal pensions	58
	Differences between the Spanish General Chart of Accounts (Spanish acronym: PGC) and EU IFRS Provision for impairment of receivables	59
VI	Securitisation funds and Bank asset funds	61
	Securitisation funds	61
	Bank asset funds	63
VII	Audit firms and submission date of audit reports	65
VIII	Annexes	69
Annex 1	Summary of audits from issuers filed with the CNMV	71
Annex 2	Summary of audits by trading market	72
Annex 3	Summary of audits by sector	73
Annex 4	List of audits for 2017 filed with the CNMV	74
Annex 5	Qualified audits for 2017 filed with the CNMV	87
Annex 6	List of the special audit reports for 2017 filed with the CNMV in relation to the first half of 2018	90
Annex 7	List of auditors who have prepared a report on annual accounts of issuers and/or companies with securities admitted to trading on official secondary markets in 2017	91

Tables

Table 1	Audit reports filed with the CNMV	11
Table 2	Information requested on accounting policies and information disclosures	21
Table 3	Information on IFRS 9 by sector	38
Table 4	Information on IFRS 15 by sector	39
Table 5.1	Timeframe for issuing the audit report and submission to the CNMV (including securitisation funds and bank asset funds)	68
Table 5.2	Timeframe for issuing the audit report and submission to the CNMV (excluding securitisation funds and bank asset funds)	68

Graphs

Figure 1	Opinion on annual accounts	12
Figure 2	Percentage of issuers with unqualified audit reports by market	13
Figure 3	Types of qualifications	14
Figure 4	Reasons for request to issuers (excluding securitisation funds and FABs)	20
Figure 5	Concentration of audits by firm	65
Figure 6	Distribution of audits by firm	65
Figure 7	Distribution of audits by firm (excluding securitisation funds and FABs)	66
Figure 8	Distribution of audits by firm based on capitalisation	66

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 2017 of listed companies¹ (hereinafter, issuers or entities), of securitisation funds and FABs (Bank Asset Funds), as well as to identify some aspects that could be improved upon which were identified in the review process, and which the issuers are to take into account to enhance the quality of the financial information they provide to the market;

The annual accounts², together with the management report and the audit report, are deemed regulated periodic information. The CNMV must verify that this information, particularly the annual accounts and the management report, has been prepared in accordance with the applicable regulations and, if not, request compliance therewith, in accordance with the powers assigned to it by law. The aim of the above is to strengthen confidence in the reliability of the financial information published by listed entities.

Similarly, as in previous years and with the aim of enhancing the transparency of the CNMV's work, this report establishes the critical areas of the review of the financial statements and includes some issues with regard to which the CNMV will intensify, over 2019, its reviews of the financial statements for 2018 and for the first half of 2019.

In this regard, it should be noted that since 2012 European oversight agencies set out annually, 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 2018 and subsequent years.

Finally, 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 on the CNMV website and added to the official register, pursuant to Article 238 of the Recast Text of the Securities Market Act, approved by Royal Decree-Law 4/2015, of 23 October.

A total of 155 securities issuers submitted individual and, where appropriate, consolidated, audited annual reports³.

The number of issuers fell by 6% on the previous year, as a result of: (i) the delisting of several companies, in some cases because they were subject to a delisting takeover bid or because they were absorbed by or merged with other entities; and (ii) the amortisation of various fixed-income instruments, which meant that their issuers were no longer required to file financial information. The reduction in issuers for the above reasons was partially offset by newly listed non-financial companies.

Audit reports filed with the CNMV

TABLE 1

	2015	2016	2017*
Individual audit reports	170	165	155
Consolidated audit reports	147	144	142
Total audit reports filed	317	309	297
Special reports Art. 14 R.D. 1362/2007	9	7	5

Source: CNMV.

(*) Audit reports and annual accounts and special reports filed with the CNMV up to 17/12/2018.

The special audit reports filed during 2018, which are available to the public on the CNMV's website, belong to three issuers⁴. These special reports update, at the closing of the first half of 2018, the circumstances giving rise to the auditor's qualifications in its opinion regarding the 2017 annual accounts.

In the case of one issuer⁵, the auditor declared in the special report that the qualifications included in the audit report had been fully rectified in the financial state-

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

4 Compañía Levantina de Edificación y Obras Públicas, S.A. (CLEOP) and Mobiliaria Monesa S.A. with qualifications in the individual and consolidated audit reports and Nueva Expresión Textil, S.A. (formerly, Dogi) with qualifications in the consolidated audit report.

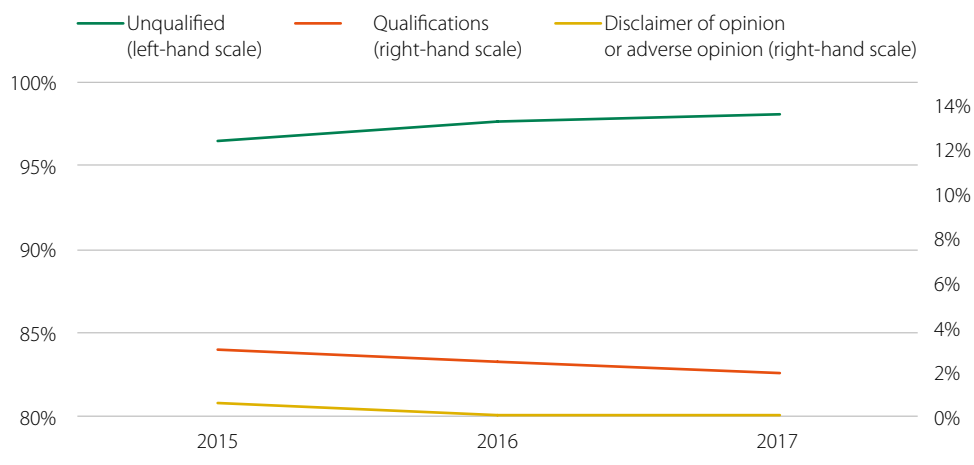
5 Nueva Expresión Textil, S.A. (formerly, Dogi).

ments of the first half of 2018. For one other entity⁶, their special reports maintained the qualifications included in the opinion of the audit report. Lastly, in the case of the third issuer⁷, 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 in the percentage of issuers which file unqualified or qualified audit reports:

Opinion stated in audit reports on annual accounts

FIGURE 1



Source: CNMV.

The percentage of issuers with unqualified audit reports remained in line with the figure recorded in 2016.

As in 2016, no company filed a disclaimer of opinion or adverse opinion in 2017.

Audit reports by market

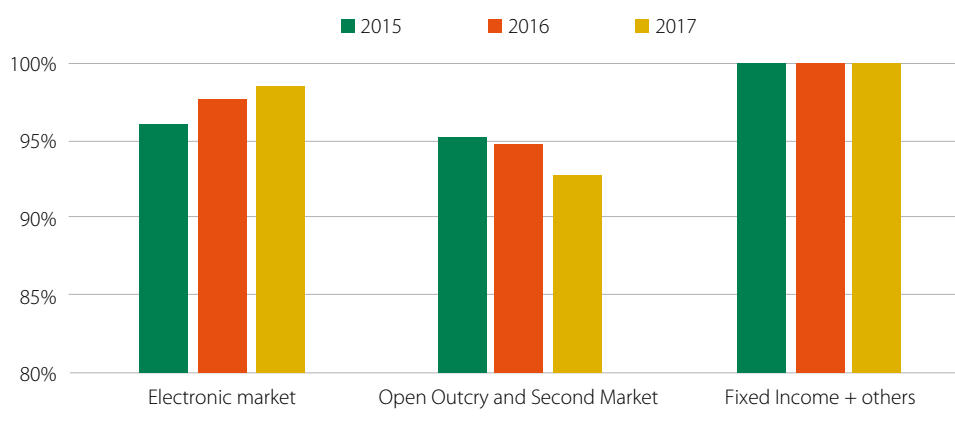
Figure 2 classifies the issuers that filed unqualified audit reports, based on the markets in which their securities are traded.

6 Compañía Levantina de Edificación y Obras Públicas, S.A. (CLEOP)

7 Mobiliaria Monesa, S.A.

Percentage of issuers with unqualified audit reports 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 issuers that filed unqualified audit opinions increased slightly on the previous year, rising from 97.7% in 2016 to 98.5% in 2017. This was due to the reduction in the number of issuers with qualified reports from three in 2016 to two in 2017⁸.

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

- The unqualified audit reports on the annual accounts of issuers of shares traded on the Open Outcry and Electronic Market fell from 94.7% in 2016 to 92.9% in 2017. This fall was the result of the reduction in the number of entities subject to audit that trade on this market, with the number of issuers with a qualified report remaining at one⁹.
- The percentage of unqualified audit reports of fixed-income issuers and others remains at 100%, the same as in previous years.

Types of qualifications

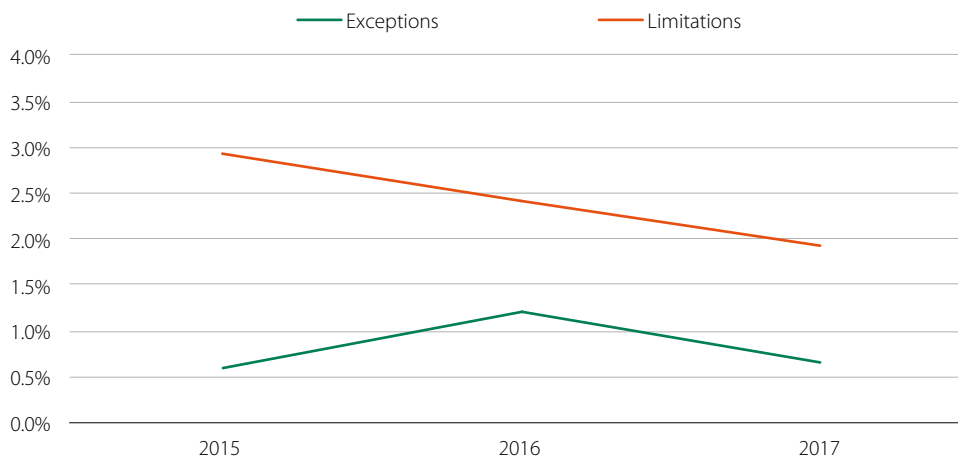
Figure 3 reflects the changes in the number of issuers with qualifications in their audit reports for the 2015-2017 period, broken down by type:

8 Compañía Levantina de Edificación y Obras Públicas, S.A. (CLEOP) and Nueva Expresión Textil, S.A. (formerly Dogi).

9 Mobiliaria Monesa, S.A.

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 issuers whose audit reports have scope limitations continues to fall, with a total of three in 2017 compared with four in 2016¹⁰.

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 of two of the issuers¹¹.

As regards the other issuer¹² that filed a report with scope limitations, it should be noted that the auditor stated in a special audit report that the grounds giving rise to the limitation persisted and arose as a result of circumstances which were outside the company's control as they related to several ongoing legal proceedings.

- The number of issuers with qualifications as a result of a failure to comply with accounting standards fell from two issuers in 2016 to one in 2017¹³.

In the special audit report received, the auditor stated that the grounds giving rise to the qualification persisted.

10 Compañía Levantina de Edificación y Obras Públicas, S.A. (CLEOP), Mobiliaria Monesa, S.A., and Nueva Expresión Textil, S.A. (formerly, Dogi)

11 Mobiliaria Monesa, S.A. and Nueva Expresión Textil, S.A.

12 Compañía Levantina de Edificación and Obras Públicas, S.A. (CLEOP)

13 Mobiliaria Monesa, S.A.

In 2017, 19 issuers included some kind of emphasis of matter paragraph (42 issuers in 2016), of which 13 issuers indicated one or more uncertainty (24 issuers in 2016).

- The number of issuers whose audit reports include emphasis of matter paragraphs in which the auditor expresses doubts regarding the going concern of business continue to fall, decreasing from 18 issuers in 2016 to 13 in 2017¹⁴.
- In 2017, there were no audit reports with emphasis of matter paragraphs on the uncertainties regarding the recoverable amount of the issuer's assets, compared with five reports with such paragraphs in 2016.
- The number of issuers with audit reports with emphasis of matter paragraphs affecting other types of matters – such as effects from tax contingencies, ongoing litigation, debt refinancing processes, etc., fell from four in 2016 to one in 2017¹⁵.

Audit reports and limited reviews of interim reporting

A total of 53.1% of issuers¹⁶ (54.8% in the same period of the previous year) submitted their abridged financial statements for the first half of 2018¹⁷ to some type of review by auditors. This percentage rises to 96.9% if we only consider IBEX-listed companies (94.1% in the same period of the previous year).

When full audits are performed (8 companies), the auditor provides reasonable assurance regarding the reliability of the interim financial statements, while in limited reviews (68 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 issuer¹⁸ has reissued their individual and consolidated financial statements for the first half of 2018 in order to reclassify a profit participating loan with a capitalisation commitment pending approval from equity to liabilities.

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

14 Individual and consolidated statements of the following issuers: Abengoa S.A.; Compañía Levantina de Edificación y Obras Públicas, S.A. (CLEOP); Corporación Empresarial de Materiales de Construcción, S.A.; Duro Felguera, S.A.; Mobiliaria Monesa, S.A.; Nueva Expresión Textil, S.A. (antes Dogi); Nyesa Valores Corporación, S.A.; Obrascón Huarte Lain, S.A.; Tubos Reunidos, S.A.; Urbar Ingenieros, S.A.; Urbas Grupo Financiero, S.A.; and Vértice Trescientos Sesenta Grados, S.A. Individual de Pescanova, S.A.

15 Pescanova, S.A.

16 Does not include certain issuers whose year-end does not coincide with the end of the calendar year.

17 I In the case of companies in which the fiscal year does not correspond to the calendar year, the latest financial information of the first half filed by 31.12.2018 has been considered.

18 Nueva Expresión Textil, S.A. (formally, Dogi)

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.

One company¹⁹ published as significant event the audit report on its condensed consolidated interim financial statements to 31 July 2018 prepared in the context of its financial restructuring. The auditor's opinion did not include any qualifications or emphasis of matter paragraphs.

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.

It is important to remember that these requests are tools to investigate possible breaches, but that not all requests are related to a possible 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 Enforcement²⁰, the substantive reviews may, in turn, be full or partial, with the latter type only covering certain specific matters of the financial information²¹.

All of the reports received are subjected to a formal review regarding compliance with legal requirements. 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

²⁰ ESMA Guidelines on enforcement of financial information (28/10/2014).

²¹ 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 rotation cycle.

In relation to the submission of the 2017 annual financial report, the CNMV served a request on one entity (seven in the previous year) due to late submission.

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

Formal review

The formal review on annual accounts and the management reports for 2017 entailed, at the very least, verification 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.
- The Annual Corporate Governance Report is included as part of the management report and includes the description of the SCIIF (System of Internal Control for Financial Reporting).
- 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.
- The compulsory auditor rotation has taken place as appropriate (Article 40 of the Account Auditing Act 22/2015, of 20 July).
- The content of the qualifications and the emphasis of matter paragraphs in the audit reports was also analysed and the matters identified in the reviews of previous years were followed up on.

In addition, the 2017 annual accounts were the first to be subject to the requirements of Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups, transposed to Spanish law by means of Royal Decree 18/2017²². Particularly noteworthy in this regard is the obligation of entities that meet certain requirements to submit a non-financial statement as part of the management report. The report must contain information relating to at least environmental matters, social and employee-related mat-

ters, respect for human rights, anti-corruption and bribery matters. The CNMV has verified that the aforementioned non-financial report has been included by the issuers subject to the requirement.

The CNMV has also reviewed issuers' level of transparency in the 2017 annual accounts with regard to the information on the possible impact of the US tax reform approved on 22 December 2017, with effect as from 1 January 2018.

A total of two 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) additional information to be provided on matters regarding accounting policies on recognition or measurement (two entities); and (iii) for an extension of the disclosures provided in the annual report (two entities).

Furthermore, ten entities were contacted by phone to rectify breaches in certain formal aspects or to provide additional clarifications on the aforementioned issues.

Finally, it is important to highlight that in 2018 a warning letter was sent to one entity with regard to the requirements established in the Capital Companies Act for purchasing treasury shares.

Substantive review

In 2018, requests were sent to 27 entities subject to substantive review for one or several of the following reasons: (i) for additional information to be provided on matters regarding recognition or measurement accounting policies (24 entities); and (ii) for an extension of the disclosures of the information provided in the annual financial report (27 entities).

In 2018, no request was sent to any entity subject to a substantive review as a result of submitting a qualified audit report, although one entity was sent a request after receiving a document from its auditor with regard to compliance with Article 38 of Account Auditing Act 22/2015, of 20 July, giving advance notice of a possible qualification that was eventually resolved, without it being necessary to include it in the report.

In addition, one entity was 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 25 cases, 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, several **recommendations** were issued to be taken into consideration in future annual accounts. In 25 cases, recommendations were included in the request for additional information and in three cases, a document containing the recommendations was sent out specifically. In these three entities, with a very significant proportion of their total consolidated assets made up of property, plant and equipment, the CNMV recommended expanding the disclosures corresponding to the indicators that the Group analyses in order to determine any impairment, the crite-

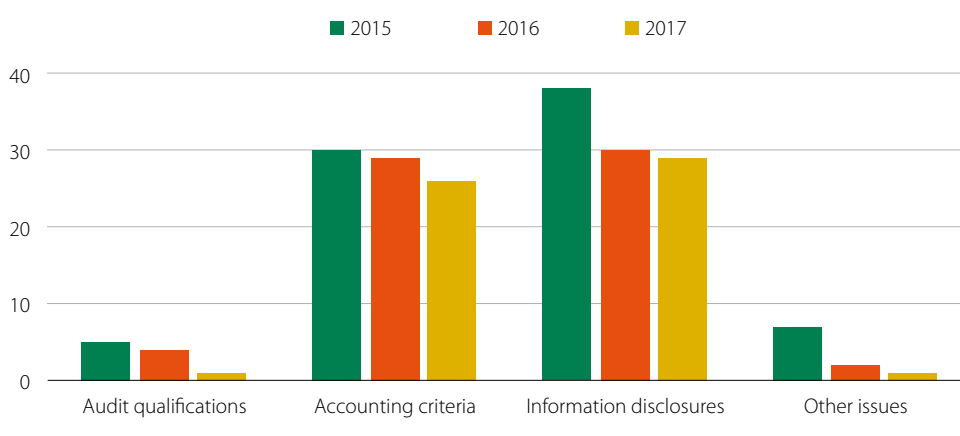
ria followed to identify cash generating units (CGUs) and the approach for determining the value assigned to each key assumption, as well as their consistency with actual historical data. One entity was recommended to include the amount of temporary differences relating to investments for which no deferred tax liabilities were recognised in the balance sheet and to expand the disclosures corresponding to the evaluation made at each reporting date to conclude whether or not the two conditions established in paragraph 39 of IAS 12 *Income Taxes* (hereinafter, IAS 12) had been met.

In addition, the CNMV emphasised **aspects considered to be priorities** in the review of the 2017 accounts, such as the impact of the new IFRS 9 *Financial Instruments* (hereinafter, IFRS 9) and IFRS 15 *Revenue from Contracts with Customers* (hereinafter, IFRS 15) standards in specific aspects of entities (such as infrequent hedging relationships or the application of the simplified approach for the impairment of certain types of receivables, among others), as well as certain disclosures required by the standard for associates and joint ventures.

In addition, various telephone calls were made in order to make recommendations.

Figure 4 shows the main reasons why requests were sent to the listed entities – excluding securitisation funds and FABs – during the period between 2015 and 2017:

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



Source: CNMV.

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

In relation to the scope of the requests, it should be remembered that the report on the oversight of the 2016 annual accounts published at the start of 2018 included a breakdown of the areas on which the CNMV would focus its review of the 2017 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 2017 from the rest of the aspects that were detected:

Nature of the requests	Standard	No. of entities served with requests		
		Accounting criteria	Information disclosures	Recommendations
1. Priority areas for review				
Breakdown of impact of new standards	IFRS 9, IFRS 15, IFRS 16	9	18	6
Specific issues about business combinations	IFRS 3	3	7	2
Specific issues about the statement of cash flows	IAS 7	–	4	5
Presentation of financial performance	IAS 1, IFRS 8, IAS 33	5	10	13
Breakdown of impact of 'Brexit'	IAS 1	–	4	–
Application of guidelines on APM	–	–	10	8
Non-financial statement	–	–	3	12
Impairment of investments in associates	IAS 28, IAS 39, IAS 36	3	6	–
Recognition of variations and claims in construction contracts	IAS 11	3	4	–
2. Other requested issues				
Emphasis of matter paragraphs (continuity and others)		–	2	–
Property, plant and equipment and intangible assets	IAS 16, IAS 17, IAS 38	4	6	1
Impairment of non-financial assets	IAS 36	10	13	5
Revision of the consolidation package	IFRS 10, IFRS 11, IFRS 12	7	14	4
Fair value measurement	IFRS 13	5	14	8
Recognition of deferred tax assets and impact of the US tax reform	IAS 12	3	7	3
Financial instruments				
– Impairment in value of financial assets	IAS 32, IAS 39	4	6	–
– Breakdown of risks	IFRS 7,	3	9	4
– Debt re-negotiation	CIIFRS 19,	–	1	–
– Hedging	IFRS 9	3	5	–
– Other issues		7	6	1
Provisions and contingencies	IAS 37	4	6	3

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. Similarly, in the event of material inaccuracies regarding one or several specific matters included in the financial information published by the entities, a corrective note or a future correction commitment was issued.

In 11 cases, the review actions of the 2017 annual accounts gave rise to a commitment to correct the financial information in the future, with the main issues being as follows:

- (i) Disclosures required by paragraph 44A of IAS 7 *Statement of Cash Flows* (hereinafter, IAS 7), which make it possible to evaluate changes in financial liabilities corresponding to cash flows.
- (ii) Modification of the statement of income and expense to present separately the amounts corresponding to the changes in the value of financial instruments designated as hedging instruments and the amounts transferred to profit or loss.
- (iii) Disclosures on the level of progress of long-term projects.
- (iv) The impact of entry into force of IFRS 9.
- (v) The calculation of earnings per share.
- (vi) Information relating to the impairment test for non-current assets.
- (vii) Maturity analysis of financial liabilities, in accordance with paragraph 39 of IFRS 7 *Financial Instruments: Disclosures* (hereinafter, IFRS 7).

In these cases, in their replies to the request, the issuers disclosed the effect of making the correction in the 2017 financial statements, and undertook to change the accounting treatment in the first financial report of 2018 that they are required to publish, pursuant to the provisions of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (hereinafter, IAS 8).

Similarly, five issuers included a corrective note²³ in their response to the request, published on the website, related to: (i) additional disclosures with regard to a provisional business combination whose consideration included contingent payments; (ii) significant information on the internal investigations being carried out in different countries on possible infringements of anti-corruption laws and the possible accounting impact; (iii) clarifications on the accounting treatment applied to significant incremental costs of obtaining contracts before and after entry into force of IFRS 15; (iv) justification of the capitalisation as greater value of a licence, acquired in previous years, of the financial compensation to be paid by the entity as a result of a ruling; and (v) financial information corresponding to a material investment.

In addition, following the CNMV's review, one issuer restated the figures for 2017 included for comparative purposes and the financial information for the first half of 2018 in order to correct the value of a financial liability in order to adapt it to the financing agreement subject to conditions precedent.

Lastly, as part of the supervisory process, work meetings were held with 44 entities (nine of them as part of their possible flotation or becoming listed once again), with

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

the Bank of Spain and with the four main audit firms, which prepare 95.6% of the reports received by the CNMV.

Most relevant actions in 2018

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 with regard to the 2017 annual accounts, and regarding other areas that have brought about the issuance of more requests to entities.

Follow-up of the enforcement priorities for 2017 annual accounts

For the purposes of reviewing the 2017 annual accounts, ESMA put forward the following common enforcement priorities:

- (i) Disclosure of the expected impact of the implementation of new standards in the period of their initial application (IFRS 9, IFRS 15 and IFRS 16).
- (ii) Specific recognition, measurement and disclosure issues of IFRS 3 *Business Combinations*.
- (iii) Specific issues of IAS 7.

Other relevant areas identified by ESMA, although not explicitly classified as common enforcement priorities, were certain aspects already identified in previous years, such as the presentation of financial performance (IAS 1 *Presentation of Financial Statements* – hereinafter, IAS 1 –, IFRS 8 *Operating Segments* – hereinafter IFRS 8 – and IAS 33 *Earnings per Share* – hereinafter IAS 33) and disclosures on the impact of the decision of the United Kingdom to leave the European Union (hereinafter, Brexit). ESMA indicated that the information to be included in the management report should follow the requirements established in the Guidelines on Alternative Performance Measures as well as the disclosures on non-financial information.

The CNMV, in turn, included the following enforcement priorities for the review of the annual financial reports for 2017:

- (i) Impairment of investments in associates (IAS 28 *Investments in Associates and Joint Ventures* – hereinafter, IAS 28 –, IAS 36 *Impairment of Assets* – hereinafter, IAS 36 – and IAS 39 *Financial Instruments: Recognition and Measurement* – hereinafter IAS 39).
- (ii) Recognition of variations and claims in construction contracts as revenue (IAS 11).

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

This was already an enforcement priority for ESMA in the review of the 2015 and 2016 annual financial reports and has been maintained as an especially relevant aspect in the 2017 annual financial reports. As the annual financial reports were published once IFRS 9 and IFRS 15 (and IFRS 16 *Leases* if early application was chosen)

were mandatory as from 1 January 2018, entities should have been able to substantially complete the analysis of the implementation of the new standards and to know, or to reasonably estimate, the impact of their first application when preparing the 2017 annual financial report.

The CNMV issued requests to 18 entities to expand on the disclosures in the 2017 annual accounts, generally as their financial statements included generic information without including entity-specific aspects or because the entity stated that they did not expect a material impact on their financial statements even though they belong to sectors particularly affected by one or more of the new standards.

In these cases, the entities were asked to submit specific quantitative and qualitative information on the first application of the accounting standards, with the requirement to include sufficiently disaggregated information about the impact and, specifically, to provide disclosures corresponding to: (i) the accounting policy options that the entity expected to apply, including those relating to transition and the use of practical solutions; and (ii) the amount and nature of the expected impact compared with the amounts previously recognised.

With regard to **IFRS 15**, requests were issued to 16 entities. The requests focused primarily on the new framework for determining and recognising revenue. It is important to highlight the requests relating to construction contracts, in which entities were asked to provide information on the following aspects: (i) main projects that have been adjusted as a result of the entry into force of IFRS 15, indicating their status and the reasons why they have been adjusted as a result of the new standard; (ii) in the case of material revenue recognised in 2017 for variations and claims, clarifications about whether they were subject to an adjustment under IFRS 15 on the transition date; and (iii) explanations of the increase in non-current liability provisions as a result of the entry into force of the standard.

Additional information was also requested on the changes in the accounting treatment applied to certain incremental costs of obtaining a contract before and after application of IFRS 15, as well as the judgements used by the Management to conclude that they now act as agent and not as principal for the purposes of the new standard.

With respect to **IFRS 9**, requests were issued to 13 entities. The issues for which most requests were sent related to the specific information on the process for implementing the standard, especially with regard to the expected credit loss model for calculating the impairment of financial assets, both at the level of transactions for which there had been a significant increase in credit risk and in those cases in which the entity indicated that the change from the incurred loss model to the expected loss model did not have any impact for the issuer. Information was also requested on the new classification of financial assets based on the entity's business model.

Finally, three entities were issued requests relating to **IFRS 16**, which is mandatory as from 1 January 2019, although early application is permitted. The issues for which a request was sent related to: (i) clarifications on the expected impact on the date of first application, including quantitative and qualitative information, primarily on entities whose main activity is linked to the leasing of real estate; and (ii) aspects relating to changes in the classification and measurement of rights-of-use assets under administrative concessions.

Business combinations are usually subject to a request as they typically have a significant impact. In addition, ESMA considered that it was an enforcement priority in the 2017 annual accounts following publication in 2014 of a report highlighting various aspects that might still be improved in these combinations.

In this regard, the CNMV issued requests to seven entities in 2018, which mostly related to the following issues:

- (i) In the initial accounting for a business combination, clarifications on whether it is incomplete at the end of the reporting period and, if so, disclosures of the reasons why the amounts have been determined on a provisional basis, and identification of the assets, liabilities, non-controlling interests or items of the consideration paid in such situation.
- (ii) Qualitative description of the factors justifying the recognised goodwill, such as expected synergies, intangible assets that do not meet the conditions for separate recognition or other factors.
- (iii) Additional disclosures on the arrangements for contingent consideration, indicating the accounting treatment applied, as part of the combination or as a separate transaction, or in the event of deviations in the liability for the contingent price compared with the initially recognised liability.
- (iv) Information on the methodology and key assumptions used to measure assets, liabilities and non-controlling interests acquired in the business combination, indicating whether these measurements were made internally or by an independent expert

In this regard, entities are reminded that mere reference to the reliance on external valuations does not provide sufficient transparency on the methodologies and inputs used. Entities should therefore disclose information on the measurement techniques and key assumptions used, as well as data on the report (name of the expert, report issuance date and whether it included any warning or scope limitation).

In some cases, entities have been asked about revaluations with regard to the pre-existing carrying amount and the recognition of the corresponding deferred tax liability.

- (v) Analysis of the consistency between the assumptions used to measure the fair value of certain assets acquired in business combinations and the assumptions used in the impairment tests of similar assets, as well as consistency between the economic lives and forecast periods used in the initial measurements and the accounting useful lives considered for such assets in relation to their depreciation/amortisation.

Specific issues about the statement of cash flows

In its enforcement priorities, ESMA included certain disclosures of IAS 7, highlighting those set out in paragraph 44A, applicable as from 1 January 2017, that enable

users of financial statements to evaluate changes in liabilities from financing activities that have not affected the entity's cash flows, such as changes in exchange rates, acquisitions as a result of business combinations or changes in fair value, among other aspects.

In this regard, CNMV issued requests to entities as they had not provided any information. In another two cases, although the entities provided reconciliations in table format between the balances of the different financial liability headings at the start and at the end of the year, additional clarifications were requested in order to reconcile the movements with the amounts registered in the statement of cash flows, as well as the nature of certain unexplained material movements.

Another disclosure of IAS 7 included in ESMA's enforcement priorities for the 2017 financial statements is the disclosure of any material amount of the cash and cash equivalents balance that is not available for use. The CNMV issued a request to one entity with regard to this aspect.

Presentation of financial performance

ESMA insists on the importance of the quality of the disclosures included in the financial statements, particularly relating to the entity's performance.

A total of ten issuers received requests, with most of these relating to the presentation of certain items of the financial statements, such as (i) net presentation of material items of income and expense, such as impairment of assets and sales of non-assets, or (ii) not including as operating profit or loss the changes in the fair value of real estate assets under IAS 40 *Investment Property*.

With regard to segmented information, two entities were requested to provide disclosures relating to: (i) the reasons for not disclosing revenue by product and service; or (ii) the separate disclosure of revenue and/or non-current assets when they are material and correspond to a particular foreign country.

Finally, with regard to earnings per share, four entities were requested to provide additional information relating to the consideration of instruments with potentially dilutive effects, as well as in one case in which there had been a bonus issue and it had not been considered in all the periods presented.

Disclosures on the impact of Brexit

Requests were sent to four issuers to provide specific additional information for the entity or the group concerning the risks associated with the United Kingdom leaving the European Union, as well as the expected impact on their business strategy and activities the result of which depend on the results of the Brexit negotiations, particularly with regard to the following issues:

- The impact that it may have on the recognition and measurement of deferred taxes.
- Within the macroeconomic assumptions used for the impairment of goodwill corresponding to operations performed the United Kingdom, clarifications on

the relationship between the perpetual growth rate considered in the impairment tests and the evolution of results in the UK and the consistency with external information sources.

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

For the 2017 reporting period, ESMA once again urged issuers to comply with the principles of the guidelines on APMs included in the management report. Although the Guidelines entered into force for regulated information published as from 3 July 2016, we note that there is still room for improvement in a significant number of entities.

The CNMV has conducted an analysis of the quality of the information on the APMs and the level of compliance with the Guidelines in the management reports corresponding to the 2017 annual accounts for a sample of entities that were subject to a substantive review. It was noted that 74% of the issuers used some kind of APM, although only 54% of the issuers identified them as such in the specific section in their report. The areas where the greatest need for improvement was detected corresponded to:

- Reconciliation of the APMs with the most directly reconcilable line item, subtotal or total presented in the financial statements, identifying and explaining the material reconciliation items separately (62% 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 (65% provided only a partial explanation or none at all).
- Definition of the APMs used and their components (38% provided only a partial definition or none at all).

As a result of the CNMV's aforementioned supervisory work, requests were sent to ten issuers and a further nine companies were sent documents with recommendations for improvements for the following years.

The issues for which requests were sent mainly related to the APMs that were included in the management report but without providing any of the information required by the guidelines, with the following information missing: (i) definitions of the APMs used and their components; (ii) basis of calculation; (iii) reconciliation with the most directly reconcilable item, subtotal or total presented in the financial statements or, if it cannot be reconciled, an explanation of how it has been calculated and its consistency with the accounting policies applied; (iv) explanation of the use so as to know its relevance and reliability; or (v) comparative data.

Among the recommendations, apart from the above issues, several issuers were reminded that, according to the ESMA Guidelines: (i) items that affected past periods and will affect future periods will rarely be considered as non-recurring, infrequent or unusual; and (ii) APMs should not be displayed with more prominence than measures directly stemming from financial statements.

Non-financial statement

2017 was the first reporting period for which it was mandatory to include non-financial information in the management report under Royal Decree Law 18/2017, of 24 November, amending the Code of Commerce, the recast text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Account Auditing, in the matter of non-financial information and diversity.

As Chapter III Special Analyses Carried Out in 2018 of this review report includes a section on the review of the non-financial statement in the 2017 financial reports, it has been decided that this section should show the results obtained in the reviews of the 2017 management reports.

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.

In this regard, a total of six entities were requested to provide additional information.

With regard to the possible existence of indications of impairment of investments in associates, entities were requested to provide clarifications when, even where there were circumstances that demonstrated the associate's financial difficulties, they did not indicate that they had performed an impairment test. This was the case of entities with interests in associates that did not comply with debt to capital ratios or associates whose shares were listed on stock markets and which had suffered a fall in share price to below cost.

In the case of entities that had identified indications of impairment in their investments and had performed an impairment test, additional information was requested corresponding to the recoverable value of the interest in relation to:

- (a) Description of the approach used to establish the values assigned to the key assumptions used to determine the cash flows of the value in use, as well as disclosure of those values.
- (b) The period over which the cash flows have been forecast, and in the case of periods longer than five years, justification of why they are deemed to be reliable estimates.
- (c) Approach used to determine the normalised cash flow used to determine the perpetual income.
- (d) Justification of the most significant variations in the values of the key assumptions, as well as consistency of such evolution with external sources of information and with the actual results obtained by the investee in the past or in 2018 to date.
- (e) Indication of whether the measurements have been performed internally or are based on the opinion of an independent expert, in which case details of the

report should be provided (name of the expert, report issue date, and whether it included any warning or limitation to the scope).

- (f) In the case of associates that have been granted profit participating loans, additional clarifications on the determination of their recoverable amount, indicating whether a portion of those loans had been reduced as a result of allocation of losses recognised by the equity method above the investment in the associate.

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 aimed to draw attention in previous years. In 2016, the CNMV decided to include it as one of the priority enforcement areas in the review of the 2017 accounts, bearing in mind, furthermore, that IFRS 15 establishes stricter criteria for recognising variations in contracts as revenue.

A total of four issuers received requests regarding the criteria and the quality of the disclosures included in the 2017 annual financial statements relating to recognition of variations and claims as revenue.

The requests sent included aspects relating to accounting policies, particularly: (i) the judgements applied to support estimates of the probability that the customer will accept the variations and in what circumstances it is considered that the negotiations of the claims have reached an advanced stage (paragraphs 13 and 14 of IAS 11); and (ii) the explanation of the analysis of the recoverability of receivables recorded for variations and claims recognised as revenue.

In addition, requests were sent for disclosures of the quantification of the amount of the variations and claims recognised as revenue; and, on the judgements, estimates and impact of entry into force of IFRS 15 in their accounting treatment.

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, which might be the result of the progressive improvement in the economic environment²⁴.

Of the 13 entities (18 in 2016) that had an emphasis of matter paragraph in the audit report regarding the uncertainty about business as a going concern, two of them (four in 2016) were requested 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) an update on the situation of debt re-negotiation proceedings; (ii)

²⁴ See Annex 1 (2015: 36 reports; 2016: 34 reports; 2017: 25 reports).

details on viability plans and conditions precedent governing the effectiveness of the refinancing (capital increases, restructuring plans, divestments, etc.), and up-to-date information on their level of compliance; and (iii) the alternative measures planned in the event that the expectations of their business plan are not met.

Property, plant and equipment and intangible assets and impairment of non-financial assets

The CNMV sent requests to seven entities for matters relating to property, plant and equipment, intangible assets and leases relating to these assets.

The aspects referred to in the requests included issues relating to the estimation of the useful life of the assets, among others:

- Additional information on the initial estimate and subsequent re-estimation of the useful life, indicating the sources of information used and whether, as the case may be, an analysis has been performed by independent experts and, should this be the case, details about the report (name of the expert, report issuance date and whether it included any warning or scope limitation).
- Justification of the differences between the estimated useful life for amortising rights of use and the contractually established period.

As in previous years, the impairment of non-financial assets remains a significant area that requires improvement. This year, requests were sent out to 13 issuers regarding the impairment test conducted to assess the recoverability of their non-financial assets.

The analysis focused on compliance with the disclosures and accounting policies set out in IAS 36. Among other issues, entities were asked to provide well-founded reasons and additional information disclosures on:

- Discount rates: (i) changes compared with the previous year; (ii) method used to set the rates, including the significant judgements applied; and (iii) express statement about whether it was a rate before or after tax.
- The sensitivity analyses and judgements made by management in order to conclude what changes are reasonably possible.
- The approach used to set the value of the key assumptions and whether these are consistent with external sources and with past experience. Entities were also asked to provide justification of the growth rates of the forecasts.
- How the carrying amount of the cash generating unit (CGU) is determined, as well as additional questions on the key assumptions for each CGU or group of CGUs with material goodwill or intangible assets with indefinite useful lives.
- With regard to reversals of impairment in non-financial assets, details were requested relating to the criteria and judgements made to determine the recovery of their carrying amount.

Proper implementation of the so-called “consolidation package”²⁵ is usually one of the most common areas for which entities receive requests. With regard to the 2017 annual accounts, the CNMV sent request to 14 issuers, particularly with regard to the following issues:

- Judgements and assumptions used to determine whether control is held over another entity, particularly in the case of complex situations, such as when the transaction is subject to various subsequent authorisations or where there are certain clauses in the agreement that are activated under certain conditions.
- Significant judgements and assumptions considered by the entity to determine that it exercises significant influence, despite holding less than 20% of the voting rights, in particular in the case of interests in listed companies.
- With regard to non-controlling interests, the CNMV requested that entities provide disclosures to make it possible to understand the relevance of the non-controlling interests in the group’s activities and cash flows.

In addition, in 2017 this area was expanded to include analysis of the consolidation of units in collective investment schemes (CIS) managed through a management company of the issuer. The CNMV believes that when the interests of the management companies reach 20%, there are potential indications of the existence of control. In this regard, the CNMV has requested further disclosures of the judgements and estimates used by the Management, as well as the aspects that define control under IFRS 10 *Consolidated Financial Statements* to conclude whether the CIS should be consolidated. Should this be the case, entities were requested to provide disclosures on the impact that the consolidation of such investment funds would have on the consolidated financial statements.

Fair value measurement

The actions performed by the CNMV in 2018 focused on disclosures provided with regard to the measurement of real estate assets and other non-financial assets acquired in business combinations, in line with the conclusions of a study published by ESMA in July 2017 on the level of compliance and comparability in the application of IFRS 13 *Fair Value Measurement* by European issuers, which reminded issuers that simply referring to the existence of a report by an independent third party does not provide a sufficient level of transparency in the methodology and inputs used in the measurement.

In the context of these actions, a total of 15 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 14 entities to extend their disclosures. This shows that, despite being a priority area in recent years, there still remains certain room for improvement in the measurement of

25 Made up of IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosures of Interests in Other Entities, and the amendments to IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures.

financial instruments and non-financial assets and liabilities measured at fair value or in those for which disclosures are required. 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.

- Reasons supporting the reclassification of the hierarchy level of the measurement of financial instruments.
- For recurring fair value measurements classified within level 3, a sensitivity analysis of the main inputs.
- Reasons that justify, in the absence of a quoted price, the carrying amount being deemed the best estimate of the fair value of financial investments.

Recognition of deferred tax assets and impact of the US tax reform

A total of five entities received requests relating to the recognition of deferred tax assets and their recoverability.

In addition, requests were sent to two entities with regard to the impact on the measurement of current and deferred tax assets and liabilities resulting from entry into force of the United States Tax Cuts and Jobs Act on 22 December 2017, which introduce significant changes to US tax laws.

Issues regarding financial instruments

A total of 21 issuers received requests in relation to the areas indicated below.

Impairment of financial assets

- 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.

- Judgements used to determine the existence of objective evidence in impairment of loans and receivables.
- In the case of changes in impairment losses, an explanation of the reasons for such changes and a justification of their recoverability.

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. In this regard, nine entities, including one financial institution, received requests in 2018.

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 aspects:

- 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.
- Description of the collateral and other credit enhancements that mitigate the credit risk of commercial transactions.
- Criteria applied by entities to record impairment of trade receivables.
- Update of the recoverability analysis of financial assets with a high credit risk.

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.
- Update of the liquidity position, impact on the group's activity and proposed measures for improving it over the short and medium term, in entities with a high liquidity risk.
- Maturity analysis for derivative and non-derivative financial liabilities, bearing in mind that this must refer to the remaining non-discounted contractual flows.

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 about exposure to interest-rate risk, exchange rate risk and, in certain cases, other variables such as stock market indices.

Renegotiations, hedging and other issues regarding financial instruments

Among other issues regarding financial instruments for which requests were sent to issuers (15), we can highlight:

- Accounting treatment applied in the recognition of hedging derivative financial instruments and disclosures of related information, in particular, with the recognition of profit or loss in the statement of comprehensive income and in the income statement (six issuers).
- Issues relating to debt refinancing (two issuers) indicating whether there has been a substantial modification to the previous conditions in line with para-

graphs 40-42 and AG 62 of IAS 39 and, for one entity, updating the status of certain conditions precedent that conditioned the effectiveness of the refinancing.

- Description of the conditions and the tax treatment applied to reverse factoring agreements, indicating whether they are classified as commercial debt or financial debt.
- Measurement and disclosure of financial assets and liabilities and justification of their classification and the categories defined by IAS 39.

Provisions and contingencies

The CNMV sent requests to seven entities regarding provisions and contingencies, requesting expanded disclosures (six entities) and a justification for the accounting criteria applied (four entities). The main aspects on which the entities were requested to provide information were as follows:

- Disclosures relating to the nature of each type of provision and contingent liability and criteria for their measurement.
- Disclosures on contingent liabilities recognised in business combinations.
- Update of the current situation of certain lawsuits and claims.
- Judgements and estimates to consider an outflow of resources as not probable and it not being necessary to record the corresponding provision.
- Explanation of the criteria used to determine the risk resulting from a tax contingency.
- Nature of the risk assumed as a result of the sureties and guarantees given in favour of third parties.
- Justification for recording payments made in the context of ongoing litigations as assets.
- Disclosures relating to technical provisions made by insurance companies.

Claims and complaints relating to annual accounts

The claims and complaints filed by third parties have allowed the CNMV to carry out additional measures, with the purpose of clarifying the matters raised in the complaints filed.

The most relevant aspects stated in such claims and complaints received relate to the following aspects of the financial statements: (i) absence of information in the report regarding litigation with the Tax Agency and tax credits; (ii) absence of information in the annual accounts on the measurement of certain land; (iii) qualifications included in the audit report of a subsidiary and possible failure to comply with occupational health and safety regulations; (iv) alleged accounting irregularities that

would affect the annual accounts; (v) the risks and uncertainties described in an entity's interim reporting that might have affected the price of its shares; and (vi) suspicions of corruption and potential market abuse.

In addition, several official letters were received from courts requesting, in general, information contained in the CNMV's registers.

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

In 2018, the CNMV analysed the response provided by one issuer²⁶ to the request issued as a result of an application for the lifting of the suspension of the listing of their shares after having successfully addressed the insolvency situation which they were subject to, following approval by means of a judicial judgement of the corresponding composition agreement.

Noteworthy among the analysed 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 in the entity since the insolvency situation was declared up to approval of the composition agreement.
- (iii) Risks faced by the entity.

Once such analysis had been completed, the CNMV adopted the resolution to lift the precautionary suspension of trading of the shares.

Information related to the insolvency proceedings of listed companies 2018

In 2018, the CNMV proposed the appointment, in accordance with the provisions of Article 27 of the Insolvency Act, of the insolvency practitioner of a listed company²⁷, after having received and analysed the 24 candidacies submitted.

26 Vértice Trescientos Sesenta Grados, S.A.

27 Adveo Group International, S.A.

III Special analyses carried out in 2018

Impact of entry into force of the new IFRS 9 and IFRS 15 standards in the reporting for the first half of 2018

As indicated above, IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* entered into force on 1 January 2018. IFRS 9 establishes the criteria for recognition, classification and measurement of financial assets, financial liabilities and contracts to buy or sell a non-financial item. IFRS 15 establishes a new model for recognising revenue from contracts with customers.

In addition to the supervisory work performed over the year, the CNMV has conducted a study of the impact that entry into force of the standards has had on issuers based on the interim financial reporting for the first half of 2018.

The analysis focused on the 130 issuers that have been affected by entry into force of the new standards. Entities that do not prepare consolidated financial statements and, therefore, do not apply the IFRS, were excluded from the study. 56.2% of the companies included in the analysis submitted their consolidated financial reporting for the first half of 2018 to a limited review or full audit by their auditor.

The entities had two alternatives when preparing the financial statements following entry into force of the aforementioned standards: (i) re-stating the previous periods; or (ii) making an adjustment in the affected items at 1 January 2018, using the group's reserves as a balancing entry. Almost all of the entities subject to the analysis chose the latter option, with only 3.1% of the sample restating the comparative information.

The impact that each of the standards has had on the entities in the sample and, as the case may be, the information provided in this regard, is analysed below.

IFRS 9 Financial instruments

Firstly, it should be noted that no entity has applied IFRS 9 early.

It should also be noted that the two insurance companies with securities admitted to trading have made use of the temporary exemption from application of IFRS 9 for companies whose activities are predominantly connected with insurance, in accordance with IFRS 4 *Insurance Contracts*. In addition, one financial conglomerate that includes insurance activity has applied such exemption to that activity.

Of the other entities: 47.7% detail the impact that application of this standard has had on their financial statements, 36.7% indicate that entry into force of the new standard has not had a material impact on their accounts, and 15.6% do not refer to any type of impact.

According to the information provided by entities, entry into force of IFRS 9 has led to an aggregate fall in equity of approximately €5.11 billion (accounting for 1% of the total). This in fact is made up of a negative adjustment of €5.48 billion due to the change in the model for calculating the impairment of financial assets, changing from the incurred loss model of IAS 39 to the expected loss model of IFRS 9 and a positive adjustment of €373 million as a result of:

- (i) the new classification, measurement and valuation of financial assets and liabilities; and
- (ii) The non-substantial contractual modifications of financial liabilities, which with IFRS 9, unlike with IAS 39, will have an impact on the income statement for the difference between the carrying amount of the liability before modification and the new carrying amount obtained on discounting the new flows at the original effective interest rate.

After performing a market analysis among the companies that have applied IFRS 9, it should be highlighted that:

- 78.8% of IBEX companies detail the impact of entry into force of IFRS 9.

However, this percentage falls to 34.4% in the case of other equity issuers, with 44.4% indicating that the impact is not material, while 21.1% make no reference to any type of impact.

- 96.5% of the impact on equity took place in IBEX 35 companies.

It should be noted that the impact on the equity of other share issuers is slightly positive since the increase as a result of the new classification, measurement and valuation criteria and the non-substantial modifications of liabilities is higher than the negative impact resulting from application of the expected loss impairment model.

Furthermore, performing the same analysis by sector:

- The following table shows the type of information provided for each one of the sectors:

Information on IFRS 9 by sector

TABLE 3

	Disclose impact	Non-material impact	Do not report
Retail and Services	50.0%	38.9%	11.1%
Construction and Real Estate	28.0%	44.0%	28.0%
Energy	72.7%	18.2%	9.1%
Financial institutions	92.9%	0.0%	7.1%
Industry	35.7%	47.6%	16.7%

Source: CNMV.

- 82% of the aggregate net impact on equity was recorded by financial institutions, with this industry being the only sector in which entry into force of IFRS 9 has led to a slight increase in equity.

The change in the model for calculating the impairment of financial assets, as well as the change in the classification, measurement and valuation criteria, have mainly affected financial institutions and, secondly, energy companies. In addition, the impact resulting from the non-substantial modifications of liabilities have mainly affected companies in the energy and industry sectors.

IFRS 15 Revenue from Contracts with Customers

Firstly, it is important to note that only two entities applied IFRS 15 early, both these companies were members of the Ibex 35, one from the construction and real estate sector and the other from the retail and services sector.

Of the other entities that apply IFRS 15 as from 1 January 2018, 18.8% detail the impact of its entry into force on their financial statements, while 64.8% indicate that it had no material impact on their accounts and 16.4% make no reference to any type of impact.

According to the information provided by the entities, entry into force of IFRS 15 has led to an aggregate fall in equity of approximately €3.29 billion (accounting for 0.7% of the total). This impact is made up of a negative adjustment of €4.26 billion, and a positive adjustment of €975 million.

By market, we can highlight that:

- 38% of IBEX 35 companies indicate the impact on equity, while only 13.2% of the other listed companies provide this disclosure. No issuer of fixed-income debt indicates the impact.

In addition, all Ibex 35 companies refer to the impact of IFRS 15, quantifying it or indicating that it is not material. However, 20% of fixed-income issuers and 22% of the issuers of other equity issues make no reference to any type of impact.

- 69.2% of the decrease in equity was recorded by IBEX 35 companies and 30.8% was recorded by other equity issuing companies.

With regard to the analysis by sector:

- The following table shows the type of information provided for each one of the sectors:

Information on IFRS 15 by sector

TABLE 4

	Disclose impact	Non-material impact	Do not report
Retail and Services	22.9%	65.7%	11.4%
Construction and Real Estate	25.0%	41.7%	33.3%
Energy	45.5%	45.5%	9.1%
Financial institutions and Insurance companies	0.0%	93.8%	6.3%
Industry	11.9%	71.4%	16.7%

Source: CNMV.

- Entities from the construction and real estate sector recorded practically all of the fall in equity as the new standard establishes more restrictive criteria when recognising revenue from variations and variable revenue from execution of works contracts, maintenance of facilities and concessions. Although entities have been recognising this revenue when it was likely to be obtained, the new standard indicates that this revenue will be recognised when it is highly probable that a significant reversal in the amount will not occur.

Review of the non-financial statement in the 2017 financial reports

Royal Decree 18/2017²⁸ transposing into Spanish law Directive 2014/95/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups entered into force on 26 November 2017 with a view to identifying sustainability risks and increasing the trust of investors, consumers and the general public.

Listed companies that met certain requirements²⁹ were under the obligation to include a non-financial statement in their management report for 2017.

In this regard, on 5 July 2017 the European Commission published non-binding guidelines on non-financial reporting.

Bearing in mind that ESMA considered this area a priority, the CNMV has performed an analysis of the non-financial information disclosed by issuers in 2017, conducting a more exhaustive review for entities subject to a substantive review.

In general, the issuers required to include non-financial information in their 2017 management reports (52 entities in their 2017 individual accounts and 95 entities in the consolidated accounts) have complied with their obligation to a greater or lesser extent although it should be pointed out that a large part of them include generic information.

The bulk of the issuers, around 93%, presented this information in the management report and the rest included it in a separate report.

The CNMV observes that the non-financial information disclosed is not always adequately identified even though the scope of the auditor's review of such information is different from the scope for other information in the management report. For example, the business model is often included within the management report but not in the section that details the other non-financial information. In this case, as established by law, it should be indicated that it forms part of this information.

In some cases, the framework adopted is not identified or is not clearly identified. In addition, some entities declare that they have adopted a framework (for example the GRI Sustainability Reporting Standards) but they do not provide all the information set out in such standards.

28 Law 11/2018, of 28 December, repeals and replaces this Royal Decree from its entry into force.

29 a) Average number of employees over 500; b) Companies that fulfil, on the reporting date, at least two of the following requirements for two consecutive years: 1) Total consolidated assets exceeding €20 million; 2) Net turnover exceeding €40 million; 3) Average number of employees during the financial year over 250.

In this regard, requests were sent to three issuers to provide the disclosure of the framework or frameworks used or justification of their partial adoption. In addition, recommendations were submitted in writing to another 13 issuers for them to improve their non-financial statement as from the 2018 reporting period.

The aspects most mentioned in these recommendations include the following: (i) incorporation by reference of a separate report to the management report which includes non-financial information; (ii) the express identification of non-financial information in the management report; (iii) the need to complete the policies on the different matters with their results, risks and key non-financial performance indicators; (iv) clear and reasoned explanation in the event that no policy is applied in any of the matters; and (v) the specific compliance with the European Commission's guidelines (2017/C215/01).

It should be highlighted that only 10% of the issuers that report non-financial information submitted audit reports with a wider scope when publishing their annual accounts, although some have presented such reports when subsequently publishing a sustainability or corporate social responsibility report with more complete financial information. In general, these reports have been carried out in accordance with the ISAE 3000 standard *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and mainly referred to adaptation to the Global Reporting Initiative (GRI) Sustainability Reporting Standards. In some cases, they refer to whether the non-financial information has been prepared in accordance with the provisions of Royal Legislative Decree 18/2017. In addition, some entities submit an AENOR certificate of verification of the sustainability report.

Finally, it is important to note the existence of the new Law 11/2018, of 28 December, amending the Code of Commerce, the recast text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Account Auditing, in the matter of non-financial information and diversity. This law will affect the non-financial information for 2018 to be included in the management report, which is discussed in Chapter IV below as it is one of the main enforcement areas relating to the 2018 annual financial report, together with a series of suggestions for improving the quality of such report bearing in mind the new aspects of the Law and the experience in the review of the 2017 reporting period.

IV Main areas for enforcement in 2018 annual accounts

In October 2018, ESMA published the common enforcement priorities for 2018 annual financial reports, in order to promote consistent application of IFRS in the European Union³⁰.

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 2018 financial statements, focusing enforcement on the following priority areas:

- (i) Specific issues related to the application of IFRS 15 *Revenue from Contracts with Customers*.
- (ii) Specific issues related to the application of IFRS 9 *Financial Instruments*; and
- (iii) Disclosure of the expected impact of implementation of IFRS 16 *Leases*.

Similarly, the statement highlights other areas on which issuers should focus when preparing the 2018 annual financial reports, and to which national enforcers will pay particular attention, which are as follows:

- (i) Consequences of Argentina being classified as a hyperinflationary economy as of 1 July 2018.

In this regard, the CNMV reminds entities with subsidiaries located in Argentina that they must provide sufficient information in their annual accounts to allow users to properly understand the impact of application of IAS 29 *Financial Reporting in Hyperinflationary Economies*.

Particular emphasis to this area is provided in Section V Other issues to consider.

- (ii) Disclosures of the non-financial statement.
- (iii) Application of the ESMA Guidelines on Alternative Performance Measures (APMs).

In particular, ESMA emphasizes the need to: (i) properly use the term non-recurring; (ii) explain the rationale for any changes in the previously used APMs, which is particularly relevant with the entry into force of the new accounting standards; (iii) provide the reasons why they consider the APMs to be useful;

30 https://www.esma.europa.eu/sites/default/files/library/esma32-63-503_esma_european_common_enforcement_priorities_2018.pdf

and (iv) not display APMs with more prominence than measures directly stemming from financial statements.

- (iv) Impact of the decision of the United Kingdom to leave the European Union (Brexit).

In particular, ESMA indicates that as the details of the exit scenario might become clearer by the date the 2018 annual financial reports are authorised for issue, issuers should provide sufficient transparency on its impact on their activities as well as the risks and how these will be managed.

In addition, ESMA and enforcers will continue to assess relevant issues monitored in previous years, and which are particularly significant for each entity.

In addition, the CNMV has decided to include within its plan for the review of the 2018 annual financial reports supervision of the calculation of earnings per share and a more detailed analysis of the information in the non-financial statement.

Finally, in accordance with ESMA Guidelines on enforcement of financial information³¹, national authorities shall inform ESMA about the actions performed over 2019 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 2020.

Those aspects in the ESMA document that have been deemed most relevant are highlighted below together with details on the additional issues on which the CNMV will focus its attention. However, it is recommended that the ESMA statement should be read in full.

Specific issues related to the application of IFRS 15 *Revenue from Contracts with Customers*

Irrespective of whether or not its impact on the transition date is material, IFRS 15 represents a significant change in the notions and principles of revenue recognition. In this regard, paragraph 110 of IFRS 15 establishes that the objective of the disclosure requirements is for an entity to disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

Therefore, irrespective of the quantitative impact, ESMA expects issuers to:

- With regard to the impacts associated with transition:
 - (i) Disclose the transition method applied and, where the modified retrospective method is used, they will have to provide additional disclosures in accordance with paragraph C8 of IFRS 15 and the basis for conclusions (BC 443). This implies that the entity will apply, for the purposes of disclosures, IFRS 15 and the previous standards on revenue in the year of initial application.

- (ii) Explain, as the case may be, the reasons why they change the recognition of revenue from point in time to over time and vice versa.

It should be remembered that paragraph 35 of IFRS 15 establishes the criteria for assessing whether a performance obligation is satisfied over time. In addition, the March 2018 decisions of the IFRS Interpretations Committee may help issuers to establish their criteria.

- Provide specific information on how the principles of IFRS 15 apply to their sources of revenue, bearing in mind that, in some cases, a different conclusion may be reached compared with the previous standard. In particular, they must disclose the judgements and changes in the judgements made in applying this standard that significantly affect the determination of the amount and timing of revenue from contracts with customers (paragraph 123 of IFRS 15).

Among others, they must disclose the judgements used to: (i) identify different performance obligations; (ii) determine the timing of satisfaction of performance obligations (paragraphs 124-125 of IFRS 15); (iii) the transaction price and the amounts allocated to performance obligations (paragraph 126 of IFRS 15); (iv) assess whether the entity is acting as agent or principal (paragraph B35 of IFRS 15); and (v) define the treatment of upfront fees and pre-production costs.

- Maximise the use of observable inputs (paragraph 78 of IFRS 15) and apply estimation methods consistently if required to assign the transaction price to each performance obligation (paragraphs 73-80 of IFRS 15).
- Provide both quantitative and qualitative explanations of significant changes in the contract asset and the contract liability balances (paragraph 118 of IFRS 15) in order to understand the relationship between the revenue recognised in the reporting period and the changes in the balances of the entity's contract assets and contract liabilities.

Similarly, they must provide sufficient information to distinguish trade receivables from contract assets, in the event an alternative denomination is used.

- Disaggregate revenue into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors (paragraphs 114 and B89 of IFRS 15) and, for this purpose, to take into account the information provided in this regard for other purposes (paragraph B88 of IFRS 15).

Specific issues related to the application of IFRS 9 *Financial Instruments*

In general, ESMA expects issuers to:

- Disclose the reclassifications of financial assets and liabilities made at the time of transition and to provide, in accordance with paragraphs 42I to 42S of IFRS 7 a reconciliation of the closing impairment allowances under IAS 39 to the opening impairment allowances for 2018 under IFRS 9.

ESMA reminds issuers that the new expected credit loss model, subject to certain simplifications, also applies to trade receivables, contract assets and lease receivables.

- Indicate, where relevant, the changes in their accounting policies that have taken place as a result of entry into application of IFRS 9.

For example, the criteria applied when there is a modification of the conditions of a financial asset or liability and the criteria for de-recognition and write-off of financial assets.

- Provide, depending on their materiality, the disclosures established in paragraphs 21A to 24F of IFRS 7, even when they choose to continue to apply the hedge accounting requirements in IAS 39.

In the case of **credit institutions**, given that the impact of this new standard is expected to be more significant, ESMA expects them to:

- Explain in detail the nature and drivers of the impact that IFRS 9 has had on their financial position, performance and accounting equity. It also recommends that, wherever possible, they should disclose the impact that IFRS 9 has had on the applicable prudential ratios, including use of any transitional arrangements on these ratios.

In addition, ESMA recommends that issuers with material amounts of credit-impaired loans should evaluate critically whether their estimates are realistic and unbiased.

- Disclose the definitions of default used and the reasons why they have been selected (paragraph 35F(b) of IFRS 7).

ESMA recommends that issuers should indicate to what extent that definition aligns to the definition for regulatory purposes.

- Explain the portfolio approach used and disclose: (i) the qualitative and quantitative criteria used to identify that there is a significant increase in credit risk for each one of the material portfolios; and (ii) the material judgements related to the assessment of a significant increase in credit risk (paragraphs 35F(a) and 35G(a)(ii) of IFRS 7).
- Disclose the inputs, assumptions and estimation methods that they have used to determine the expected credit losses disaggregated by type of instruments, portfolios or geographical markets (paragraphs 35D and 35G of IFRS 7). When providing this information, entities should take into account the general disclosures established by IAS 1 on judgements, sources of estimation uncertainty and sensitivity of carrying amounts to methods and assumptions.

In particular, they should indicate the approach followed to incorporate forward-looking information in the ECL calculation (paragraph 35G(b) of IFRS 7) and assess the possibility of using multiple scenarios (paragraph 5.5.17(a) of IFRS 9).

In this regard, it should be noted that the expected loss of debt securities of any State must be estimated in accordance with the general criteria of IFRS 9. It is not

appropriate to use other parameters, such as those established for regulatory capital purposes or the practical solutions of the Bank of Spain accounting circular.

In addition, ESMA reminds issuers that IFRS 9 requires that the income from the sale of the financial instrument is considered in all three stages of the estimate of the expected loss providing it is reasonably expected and such expectations are clearly evidenced and supported by the entity's intention and ability to sell in the event of a default.

- Provide, for each class of financial instrument, a reconciliation of the loss allowance from the opening to closing balance (paragraph 35H of IFRS 7) and an explanation of how significant changes in the gross carrying amount of financial instruments during the period contributed to changes in the loss allowance (paragraph 35I of IFRS 7).

ESMA recommends that issuers should provide quantitative and qualitative information to explain the changes included in these reconciliations.

- Disclose, where material, judgements used in applying the *Solely Payment of Principal and Interest test*. ESMA emphasises the need to perform this test on an instrument-by-instrument basis and to be careful when assessing instruments with non-recourse features (paragraph B4.1.17 of IFRS 9).

With regard to **insurance undertakings**, CNMV will verify that the entities that have chosen the option of continuing to apply IAS 39 provide relevant and appropriate information on judgements made when determining that they fulfil the requirements for using this option (paragraphs 39C and 20D of IFRS 4).

In the case of **financial conglomerates** with legal entities in the insurance sector that choose such exemption, the CNMV will verify that: (i) they explain the reasons why the conditions of Commission Regulation 2017/1988 apply to them and how the option has been applied; and (ii) they disclose the amount of financial assets for which the temporary exemption of IFRS 9 is applied and the nature and extent of significant restrictions on the use of the group's assets subject to the transfer ban established by the aforementioned Commission Regulation.

Disclosure related to the expected impact of implementation of IFRS 16 *Leases*

With the aim that users may assess the impact of implementation of this standard and bearing in mind that implementation must be substantially concluded on the preparation date, ESMA expects entities to: (i) provide quantitative and qualitative information; (ii) be concise in describing the changes introduced by IFRS 16 and the judgements they will make; and (iii) provide sufficiently disaggregated information on aspects such as the accounting policy choices expected to be applied and the use of practical expedients.

In addition, ESMA reminds issuers of a series of issues that must be taken into account by entities in the first year of application of IFRS 16. In particular:

- (i) If an issuer that chooses to apply the simplified transition approach (paragraph C12(b) of IFRS 16), which establishes that comparative information can-

not be restated, provides comparative information outside the financial statements, such information would fall under the scope of the Guidelines on Alternative Performance Measures.

- (ii) Entities should also disclose, where material, the assumptions and judgements used in estimating the discount rate used in determining the present value of the remaining lease payments and in recognising the right-of-use assets upon transition (paragraph C8 of IFRS 16).
- (iii) Users of financial information are expected to try to make a link between minimum lease payments for operating leases (IAS 17 *Leases*) and IFRS 16 impacts, and issuers are therefore encouraged to explain these differences.

Non-Financial Statement

In the second year of preparation of the non-financial report, which aims to improve transparency relating to at least environmental matters, social and employee-related matters, respect for human rights, anti-corruption and bribery matters, ESMA has emphasised some issues and expects issuers to:

- Disclose specific information that is relevant, material and entity-specific, in accordance with the European Commission's Guidelines on non-financial reporting.

With regard to this aspect, the CNMV also recommends that entities identify their main stakeholders and explain the judgements made to determine what information is significant on the basis of its importance for understanding its development, results, position and their impact.

- Disclose the framework or frameworks used to prepare their non-financial report.

In this regard, the CNMV emphasises that entities should clearly identify and comply, bearing in mind materiality, with the disclosures required by the adopted framework or frameworks, with the obligation to adequately justify any omission on the basis of such materiality and the exemptions provided for in the framework itself.

- Describe their environmental policies, including climate change-related matters, and to report on the actual and potential impacts relating to environmental matters and how environmental matters may affect the company's development, performance or position.

When disclosing the financial consequences of climate change, issuers might consider, among the different available frameworks, the recommendations and methodology developed by the Task Force on Climate-Related Financial Disclosures (TCFD).

- Explain the reasons why, as the case may be, they have decided not to pursue any of the policies on any of the issues addressed in the non-financial statement even though they are still subject to the other requirements, for example, reporting on the business model and exposure to different risks.

- Disclose and explain the key performance indicators, relating them to their targets and benchmarks, disclosing the reasons why certain key performance indicators are considered relevant to explain the impact of the issuer's actions to pursue the policies related to the non-financial matters disclosed.
- Disclose the methodology adopted and the perimeter of activities covered by the non-financial reporting and explain any changes and impact of the key performance indicators.

It should be taken into account that Law 11/2018, of 28 December, amending the Code of Commerce, the recast text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015, of 20 July, on Account Auditing, in the matter of non-financial information and diversity, was published on 29 December 2018 and that such law applies to the reporting periods beginning on or after 1 January 2018 and extends the information to be included in the non-financial report. In this regard, the CNMV will take into account the following issues:

- Entities that issue a non-financial report separate from the management report must: (i) expressly state that the separate report forms part of the management report; (ii) include a reference in the management report to where the non-financial information is available or how its contents may be accessed; (iii) submit the separate report to the same criteria for approval, filing and publication as the rest of the management report; and (iv) it is recommended that this report be attached to the annual accounts submitted to the CNMV.
- Non-financial information should be clearly identified in the management report, since the scope of the auditor's review is different from the scope for reviewing the other information in the management report.

The CNMV therefore recommends including in the management report a summary table indicating, for each one of the issues that are included in the non-financial report, where the corresponding information is located.

- Issuers must take into account that all relevant or significant non-financial information must be included in the management report, either directly or incorporated by reference.

Therefore, the absence of significant information in the management report will not be justified by the fact that this information is included subsequently in a separate sustainability or corporate social responsibility report that is more complete with regard to the contents included in the non-financial statement.

- Issuers should clearly indicate, for each one of the specific issues to be included in the non-financial report, the disclosures requested by Law 11/2018, i.e.: (i) a description of the policies or a clear and reasoned explanation for not having them; (ii) the results of the policies; (iii) the main related risks; and (iv) the key non-financial performance indicators.

In this regard, the CNMV recommends greater internal interrelation and consistency, for each one of the issues, between the business model, policies, targets, results and indicators.

- Non-financial indicators should state the sources of information used, which should be consistent between periods. It would also be useful to include comparative data.
- Entities should disclose the policies aimed at verifying that their suppliers and sub-contracting chains comply with human rights and health and safety and environmental measures.
- Submission of the verification report performed by an independent service provider.

Calculation of earnings per share

IAS 33 *Earnings per Share* indicates that for the purpose of calculating basic earnings per share, the number of ordinary shares shall be the weighted average number of ordinary shares outstanding during the period.

Shares are included in the weighted average number of shares from the date consideration is receivable (which is not necessarily the date of their issue), for example:

- ordinary shares issued on the voluntary reinvestment of dividends are included when dividends are reinvested;
- ordinary shares issued as a result of the conversion of a debt instrument are included from the date that interest ceases to accrue;
- ordinary shares issued as part of the consideration transferred in a business combination are included from the acquisition date;
- ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included from the date the contract is entered into.

The CNMV expects entities to include in the 2018 annual accounts information on the number of shares and the date they are included in the calculation of basic earnings per share for each significant issue.

Entities are also reminded that as part of the analysis of the existence of dilutive potential instruments, they must bear in mind the following:

- Employee remuneration falling under the scope of IFRS 2 *Share-based Payment* that is contingent on compliance with certain performance or productivity requirements will be treated as contingently issuable shares, considering in the calculation of diluted earnings per share the number of shares that would be issuable if the end of the period were the end of the contingency period (Paragraph 52 of IAS 33).

It should be highlighted that, in the event that all the requirements on which delivery of the shares is contingent are satisfied at the end of the period, such ordinary shares will be included in the calculation of basic earnings per share from the date when all necessary conditions are satisfied (paragraph 24 of IAS 33).

- Contracts that may be settled in ordinary shares of the company or cash will be considered in the calculation of diluted earnings per share as follows: (i) if the entity chooses the settlement method, it shall presume that the contract will be settled in ordinary shares, taking into consideration the resulting potential ordinary shares if the effect is dilutive; and (ii) if the holder chooses the settlement method, the more dilutive of the methods will be taken into consideration (paragraph 58 and 60 of IAS 33).
- Share options have dilutive effect only when the average market price of ordinary shares exceeds the exercise price (paragraph 47 of IAS 33).
- Potential ordinary shares issued by subsidiaries, joint ventures or associates may have a dilutive effect on the basic earnings per share of the parent (paragraph 40 of IAS 33).
- Contracts that require the entity to repurchase its own shares, such as written put options and forward purchase contracts may have dilutive effects (paragraph 63 of IAS 33).

The CNMV expects, in the case of complex instruments for which it is necessary to apply professional judgements, entities to disclose in the annual accounts sufficient information to understand the calculation of basic and diluted earnings per share, including individualised information for each significant issue or contract.

Finally, the CNMV reminds issuers whose number of ordinary or potential shares changes, without a corresponding change in own funds – through a split, reverse share split or bonus issue, among others –, that the calculation of basic and diluted earnings per share for all periods presented shall be adjusted retrospectively. This impact must also be taken into consideration for changes that occur after the reporting period but before the financial statements are authorised for issue (paragraph 64 of IAS 33).

V Other issues to consider

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

New Circular on Periodic Reporting (Circular 3/2018)

CNMV Circular 3/2018, of 28 January, on periodic reporting by issuers of securities admitted to trading on regulated markets, regarding half-yearly financial reports, interim management statements and, where applicable, quarterly financial reports was published in the BOE (Official State Gazette) on 28 June 2018. This Circular repeals Circular 1/2008 and Circular 5/2015.

The annexes to this Circular will enter into force for the interim financial reporting submitted as from 1 January 2019. In other words, the first reporting using these templates will be that corresponding to the second half of 2018. Therefore, the CNMV has deemed it appropriate to list some issues to be taken into consideration:

- Issuers whose annual financial statements include additional headings to those contained in Chapter IV of Annexes I, II and III (hereinafter, standardised information), will not be required to prepare interim condensed financial statements, but they must provide in Chapter V a reconciliation to explain the different presentation and grouping criteria used in their annual financial report and/or condensed half-yearly accounts and those used in the standardised information (Rule 4.1.a).
- In the event of differences between the second half-yearly financial report and the annual accounts, the issuer shall once again submit the second half-yearly financial report indicating, in Chapter II, the reason for the difference, modifying Chapter IV as appropriate and including in Chapter V only a reference to the annual financial report submitted to the CNMV (Rule 7.2).
- Equity issuers that submit the annual financial report within two months of the end of the reporting period and fixed-income issuers, who will only have to complete the statistical information, must fully complete Chapter IV.

This chapter has been modified by deleting or simplifying some sections and adding others so that the standardised information submitted by XBRL will be the same in the first and in the second half of the year.

- Chapter V of the half-yearly financial report will include: (i) explanatory notes or, where appropriate, condensed or complete half-yearly accounts; (ii) the interim management report; and, where appropriate, (iii) the audit report or limited review of condensed or complete half-yearly accounts.

In this regard, it should be highlighted that if, following submission of the interim (quarterly or half-yearly) financial information, the issuer subjects such information, as it was submitted or modified, to any type of review by the auditor (limited review or full audit), it must submit a modification of the previously published information in order to include the audit report and the previously submitted information with any modifications made.

Finally, it should be noted that the English translation of Circular 3/2018 and its Annexes is available on the CNMV's website. In this regard, without forgetting that submitting the information in English is voluntary, entities are reminded that: (i) the submitting of financial information in English should cover all the regulated financial information (quarterly, half-yearly and annual); (ii) financial information in English must be sent simultaneously with the financial information in Spanish by means of the corresponding financial reporting procedure – IPP or CAA – and where submitted subsequently, through the ZZZ – *Envío de un documento con formato libre* (Submission of a document in free format) procedure; and (iii) the English version should contain the same documents as the Spanish version. If this is not the case, the translated documents must be understandable in themselves and must include, in the English version, a detailed list of all information available in the Spanish version that has not been translated.

Presentation of information corresponding to the current interim period in the interim financial statements

Paragraph 20 of IAS 34 *Interim Financial Reporting* states that interim reports shall include the statements of profit or loss and other comprehensive income for the current interim period and cumulatively for the current financial year to date, with comparative statements for the comparable interim periods of the immediately preceding financial year.

The CNMV would like to emphasise that the interim financial statements published by issuers must clearly identify the current period considered (quarterly, half-yearly, etc.) and, in the event that such current period differs from the period of the current financial year to date, i.e., the second, third and fourth quarter or second half-year period, they must include, in addition to the figures corresponding to the current period, the cumulative figures for the financial year to date. This information must be presented for the current financial year and the immediately preceding financial year.

Recognition of assets for called guarantees

Companies in general, and engineering and construction companies in particular, usually present bank guarantees in favour of their customers as a guarantee of the performance of their obligations. These guarantees are sometimes called by the customers as a result of contractual breaches that those customers believe have taken place.

In such cases, the CNMV considers that the amount paid out would qualify for recognition as an asset, generally of a financial nature, complying with the definition of the conceptual framework. It therefore considers that it is a resource controlled by the entity as a result of past events from which the entity expects to obtain ben-

efits in the future to the extent that it is probable either that the amount will be recovered from the counterparty that has called the guarantee, in the event that the outcome of the litigation is favourable or, it may be offset against the amount to be paid out, in the event that the outcome of the litigation is negative.

This asset must be tested for impairment when there are indications that it may not be recoverable, bearing in mind the customer's credit risk.

The above is without prejudice to the fact that in the event that an unfavourable outcome to the litigation is probable, the entity must record the corresponding provision or liability, providing it can be reliably measured, as required by IAS 37 *Revisions, Contingent Liabilities and Contingent Assets*.

In this regard, the fact that bank guarantees are called is an indicator that there may have been contractual breaches and, therefore, entities must have sufficiently strong arguments to conclude that it is not necessary to record the corresponding provision.

Consolidation adjustments in companies accounted for using the equity method

Elimination of gains arising from downstream transactions that exceed the carrying amount of the investee

Paragraph 28 of IAS 28 *Investments in Associates and Joint Ventures* establishes that gains and losses resulting from "upstream" and "downstream" transactions involving assets that do not constitute a business between an entity and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture.

With regard to this issue, according to the IFRIC Update of May 2013, the Interpretations Committee (hereinafter, IFRS IC) concluded in its March 2013 meeting that the entity should eliminate the gain from a "downstream" transaction even if the gain to be eliminated exceeds the carrying amount of the entity's interest, as required by paragraph 28 of IAS 28. It also indicated that the gain in excess of the carrying amount to be eliminated may be presented as a deferred gain given that other treatments are not consistent with paragraph 28 of IAS 28. However, the IFRS IC recognised that IAS 28 did not provide sufficient guidance on how to record this elimination specifically and recommended that the IASB should propose an amendment to IAS 28.

The CNMV believes that, until there is an amendment to IAS 28 or a change in the interpretation by the IFRS IC, issuers should bear in mind the treatment proposed by IFRS IC and therefore eliminate the amount of the gain, for example, by registering it as a deferred gain from downstream transactions which must be eliminated but which exceeds the carrying amount of the investee.

Recognition of dividends distributed by an associate that exceed the carrying amount of the investee

In accordance with paragraph 10 of IAS 28 *distributions received from an investee reduce the carrying amount of the investment*. In the event that the dividend distrib-

uted exceeds the carrying amount of the interest, the CNMV believes that this excess should be registered as deferred income as it considers this treatment to be similar to that described above for eliminating the gain arising from downstream transactions that exceed the carrying amount of the interest.

Re-statement of the previous year when an investee ceases to be classified as a non-current asset held for sale

When the interest in a company over which significant influence, control or joint control is exercised is no longer classified as a non-current assets/liability held for sale and, as the case may be, as a discontinued operation, the CNMV believes that the entity should restate both the balance sheet and the income statement in accordance with paragraph 28 of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Similarly, paragraph 21 of IAS 28 establishes that when an associate no longer meets the criteria to be classified as held for sale, it shall be accounted for using the equity method retrospectively as from the date of its classification as held for sale. Consequently, financial statements for the periods since classification as held for sale shall be amended accordingly.

Including in the cost of inventories the changes in the fair value of interest rate hedging derivatives associated with financing assets that meet the requirements of IAS 23 *Borrowing costs for their capitalisation*

In certain situations, a company may buy derivative contracts, which may be designated as economic for accounting hedges, associated with the financing of non-financial assets (inventories, property, plant and equipment, intangible assets, etc.), whose borrowing costs may be capitalised.

The CNMV considers that interest expenses calculated using the effective interest method may be capitalised, but the costs associated with changes in the value or settlements of the derivatives may not be capitalised even if the derivative has been classified as an accounting hedge. This is due to the fact that neither the interest settlements of interest-rate swaps or the changes in their fair value are determined using the effective interest method.

Recognition of revenue from non-refundable upfront fees under IFRS 15

Issuers should be particularly cautious when making the value judgements necessary to decide on the possible recognition as revenue of non-refundable upfront fees received upon signing of the contract. This is particularly the case in situations where there is a future involvement in the management of the transactions which has led to the receipt of the aforementioned upfront fee and there are future commitments to perform, or not, certain actions.

Particularly relevant in this regard is the discussion that is currently in progress at the IFRS Interpretations Committee on the recognition of fees charged by Stock Exchanges to admit securities to trading. The Committee has tentatively concluded that for these non-refundable upfront fees to be recognised, it is necessary to ana-

lyse when the transfer of the good or service takes place. In this case, the service provided to the customer – the listing of their securities –, tentatively seems the same at the time of the initial listing and on the subsequent days on which they remain listed and, therefore, that upfront fees should be deferred over time.

This reasoning might be extrapolated to other types of transactions, such as upfront fees paid by franchisees.

Caution is also required when the upfront payment implies an obligation for the issuer, either of allowing or maintaining access to a specific relationship that the issuer has with third parties, or of continuing to perform certain actions or services with a predetermined level of diligence.

Hyperinflationary economies

With regard to the classification of translation differences and the inflation adjustment subsequent to the time at which an economy is considered hyperinflationary, bearing in mind the absence of a specific guide and the interrelationship between inflation and exchange rates, the CNMV believes that entities may choose the accounting policy to be applied from among the following alternatives:

- (i) Recognising both the amount resulting from translation differences and the inflation adjustment in an item of reserves in the statement of changes in equity;
- (ii) Recognising both the amount resulting from translation differences and the inflation adjustment in comprehensive income and presenting it in a specific item in equity; or
- (iii) Recognising the inflation adjustment in an item of reserves, and the differences resulting from translation of the entity's financial statements to the functional currency of the consolidated group, in other comprehensive income.

In the event that companies choose to apply alternatives (i) or (ii), they should disclose in the notes the cumulative amount corresponding to inflation and to translation differences.

Regardless of the alternative chosen, entities must maintain their accounting policy in every accounting period unless a change in accounting policy results in the financial statements providing reliable and more relevant information (paragraph 14 of IAS 8).

Disclosures on temporary differences

The CNMV highlights the importance of disclosing information on taxable temporary differences associated with investments in subsidiaries, branches and associates or interests in joint ventures. The disclosures to be provided include:

- (i) The aggregate amount of taxable temporary differences associated with investments in subsidiaries, branches and associates and interests in joint arrangements for which deferred tax liabilities have not been recognised in the balance sheet (paragraph 81(f) of IAS 12), explaining the changes compared with the previous year.

This disclosure should be provided for each tax group or significant entity, describing the circumstances giving rise to them (undistributed profits, exchange differences, reduction in the carrying amount of investments in an associate as a result of a reduction in its recoverable amount, etc.) and with a clear explanation of the applicable tax legislation and the impact of recognising the corresponding deferred tax liability according to the different scenarios for reversal of the taxable temporary differences (distribution of dividends, sale of the interest, etc.).

In addition, entities should also include an explanation in the event that the group has investments which do not generate temporary differences as a result, for example, of their not being subject to any type of taxation.

- (ii) The judgements and estimates made by the management to assess whether or not the two conditions established in paragraph 39 of IAS 12 have been met: (a) the parent, investor, joint venturer or joint operator is able to control the timing of the reversal of the temporary difference, and (b) it is probable that the temporary difference will not reverse in the foreseeable future, explaining the changes compared with the previous year (paragraphs 122 and 125 of IAS 1).

Liquidity matrix

As part of its supervisory work, the CNMV has noted that some companies provide, among the disclosures on liquidity risk, a matrix of maturities based on the contractual date of financial liabilities, prepared with accounting data, i.e., reflecting the value of the liabilities at amortised cost instead of showing the contractual flows without discounting, as stipulated by paragraph 39 of IFRS 7.

Specifically, when presenting this information, entities must comply with the provisions of paragraph B11C: (a) when a counterparty has a choice of when an amount is paid, the liability is allocated to the earliest period in which the entity can be required to pay; (b) when an entity is committed to make amounts available in instalments, each instalment is allocated to the earliest period in which the entity can be required to pay; and (c) for issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

Judgement of the High Court of the United Kingdom on the right to equal pensions

In October 2018, the High Court of the United Kingdom ruled that pension schemes must equalise guaranteed minimum pensions (GMPs) for men and women. The judgement determined that the plans were subject to UK employment law and, as such, the trustees should have ensured that the members have the same rights.

Entities that have significant investments in the United Kingdom must review their estimates of pension scheme obligations to reflect the High Court's decision, which is likely to result in an increase in defined benefit obligations. The 2018 annual accounts should include sufficient information to allow understanding of the accounting impact of the aforementioned judgement, detailing the amounts recognised in the financial statements and the accounting standards applied.

Differences between the Spanish General Chart of Accounts (Spanish acronym: PGC) and EU IFRS Provision for impairment of receivables

Other issues to consider

The Spanish General Chart of Accounts has not been amended to introduce the new impairment model of IFRS 9 based on expected loss.

In groups where the parent company has significant balances of receivables and the volume of provisions for impairment is a lot higher in the consolidated financial statements as a result of the first application of IFRS 9, clear information must be provided in the individual and consolidated accounts on the estimates made in order to allow the user of the financial statements to understand the differences between provisions.

VI Securitisation funds and bank asset funds

Securitisation funds

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

The number of audited annual accounts of securitisation funds for 2017 received by the CNMV totals 340 (362 in 2016), including accounts of funds in liquidation and the accounts of private funds.

Of the audit reports, 13 included some sort of emphasis of matter paragraph related mainly to the early liquidation of the fund.

It is worth noting that the number of emphasis of matter paragraphs fell significantly with regard to those included in the previous year's audit reports (13 reports in 2017 compared with 175 reports in 2016). This fall is related to entry into force of the new audit report, with the information that the auditor wishes to highlight now transferred to the section on *Key audit matters*. The key matters highlighted relate to the volume of impairment of securitised assets and the reserve fund.

Review of annual accounts and the quarterly 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 are reviewed at least once 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.

Formal review

2017

All 2017 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 statements³² 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 fourth quarter of 2017 and the first three quarters of 2018, 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, a series of written recommendations were sent to a securitisation fund manager 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.

Aspects to take into account in future financial reports

In addition, following the review of the 2017 annual accounts, the CNMV identified some omissions in the disclosures in the notes required by applicable legislation, which should be taken into account when preparing the 2018 annual accounts. The most significant omissions of disclosures related to the following issues:

- Disclosures related to hedge accounting transactions.
- Quantitative information on the exposure to each type of fund risk.

32 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.

- Minimum amount of the reserve fund
- Information on the cost of issued financial liabilities and the performance of securitised assets.

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

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

In 2017, the CNMV received the audited annual accounts at 31 December 2017 of three FABs (three in 2016).

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

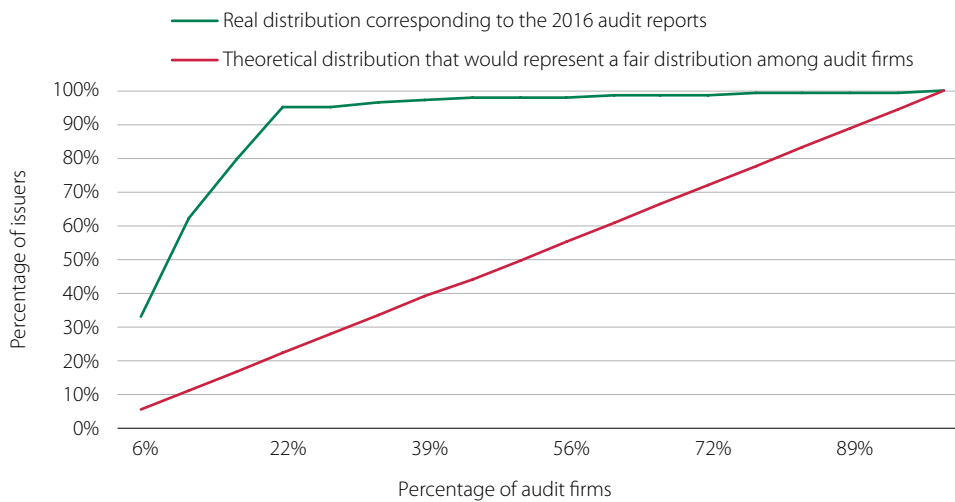
This supervision did not result in any actions taken by the CNMV with regard to the 2017 or 2016 annual accounts.

VII Audit firms and submission date of audit reports

A total of 95.6% of the audit reports on the 2017 annual accounts submitted by issuers to the CNMV were audited by the four main firms by turnover in Spain: Deloitte, EY, KPMG and PwC (96.2% in 2016). Graph 5 shows the degree of concentration indicated:

Concentration of audits by firm

FIGURE 5

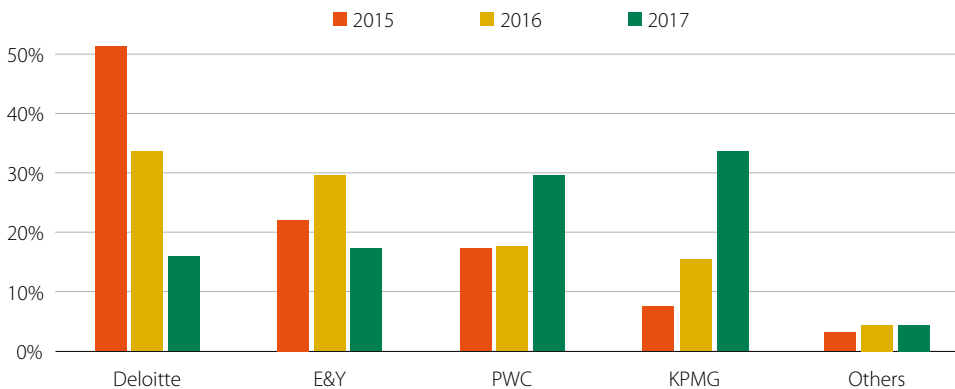


Source: CNMV.

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

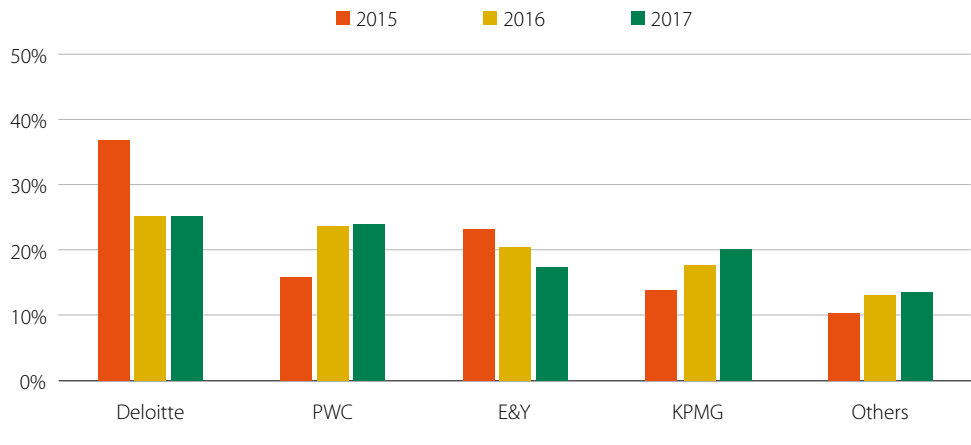
FIGURE 6



Source: CNMV.

Excluding securitisation funds and FABs, the four main firms issued 86.5% (87.9% in the case of the 2016 annual accounts) of the audit reports received by the CNMV:

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



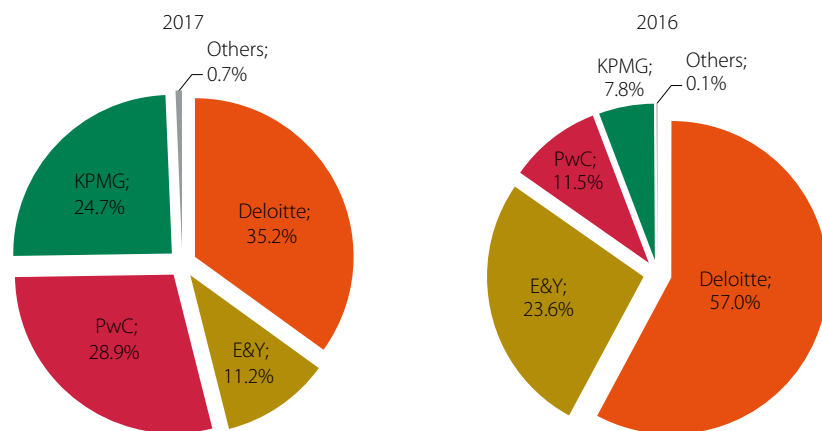
Source: CNMV.

It should be noted that the annual accounts of two issuers³³ have been co-audited by two audit firms.

All 2017 annual accounts of Ibex 35 companies were audited by the four main audit firms – Deloitte 11 (12 in the previous year), EY five (nine in 2016), PwC nine (eight in 2016). In addition, one IBEX 35 company has been co-audited by Deloitte and PwC.

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 2017:

Distribution of audits by firm based on capitalisation FIGURE 8



Source: CNMV.

The average time taken for audit reports to be issued in 2017 was 94 days, a little under the average time in 2016, which stood at 97 days. The average time taken for annual financial reports to be sent to the CNMV was 102 days, compared with 106 days for reports in the previous year. However, if we exclude securitisation funds and FABs from the sample, these periods fall to 71 days (77 in 2016) in the case of the average time taken for audit reports to be issued, and 77 days (83 in 2016) in the case of the average time taken for annual financial reports to be sent to the CNMV.

Tables 5.1 and 5.2 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 2017 annual financial report in the two months following year-end totalled 110 (22.1% of the total), 5.1% up on the number for the previous year (17% of the total).

This percentage rises to 64.5% if securitisation funds and bank asset funds are excluded from the analysis.

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 seventh year of implementation, 140 listed entities (90% of the total without including securitisation funds or FABs) sent their 2017 annual accounts through this procedure, also 140 entities in the previous year (85% of the total).

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

In this regard, it should be noted that, as a result of the approval of Royal Decree 11/2018, of 11 August, as from 2 October 2020, issuers whose securities are admitted to trading on an official secondary market and, as the case may be, their account auditors, will have to submit the annual financial report, the half-yearly financial report and the interim management statement to the CNMV electronically in accordance with Articles 118 to 120 of the recast text of the Securities Market Act.

They are also reminded that as from 2017 the CNMV has emphasised that the information detailed in the above point may also be submitted in English.

CNMV

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

2017

Timeframe for preparing and submitting the audit report to the CNMV (including SFs and FABs)

TABLE 5.1

Days	No. of days between the closing date of the annual accounts and the issuance 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	0	0.0%	0	0.0%
From 31 to 60	110	22.1%	100	20.1%
From 61 to 90	32	6.4%	23	4.6%
From 91 to 121	354	71.1%	367	73.7%
From 122 to 180	1	0.2%	6	1.2%
Over 181	1	0.2%	2	0.4%
TOTAL	498	100%	498	100%
Average days	94		102	

Source: CNMV.

Timeframe for preparing and submitting the audit report to the CNMV (excluding SFs and FABs)

TABLE 5.2

Days	No. of days between the closing date of the annual accounts and the issuance 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	0	0.0%	0	0.0%
From 31 to 60	100	64.5%	90	58.1%
From 61 to 90	23	14.8%	23	14.8%
From 91 to 121	31	20.0%	35	22.6%
From 122 to 180	0	0.0%	5	3.2%
Over 181	1	0.6%	2	1.3%
TOTAL	155	100%	155	100%
Average days	71		77	

Source: CNMV.

VIII Annexes

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

ANNEX 1

	Financial year 2015		Financial year 2015		Financial year 2017 ⁽²⁾	
	Number	%	Number	%	Number	%
1. AUDITS FILED WITH THE CNMV						
– Individual financial statements	170	53.6%	165	53.4%	155	52.2%
– Consolidated financial statements	147	46.4%	144	46.6%	142	47.8%
– Total audits received	317	100%	309	100%	297	100%
– Special reports under Art. 14 Royal Decree 1362/2007	9		7		5	
2. AUDITOR'S OPINION						
– Unqualified opinion	307	96.8%	302	97.7%	292	98.3%
– Qualified opinion	9	2.8%	7	2.3%	5	1.7%
– Disclaimer of opinion or adverse opinion	1	0.3%	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	0.3%	3	1.0%	2	0.7%
– No. of audits with uncertainties and other items	–		–		–	
– No. of audits with scope limitations	9	2.8%	7	2.3%	5	1.7%
4. EFFECTS OF THE QUANTIFIED QUALIFICATIONS						
4.1 Effects on profit (loss)						
– No. of audits with positive effects	0	0.0%	2	0.0%	0	0.0%
– No. of audits with negative effects	1	0.3%	0	0.0%	0	0.0%
4.2 Effects on equity						
– No. of audits with positive effects	0	0.0%	2	0.0%	0	0.0%
– No. of audits with negative effects	1	0.3%	0	0.0%	0	0.0%
5. NATURE OF EMPHASIS OF MATTER PARAGRAPHS ⁽³⁾						
– On going concern	36	11.4%	34	11.0%	25	8.4%
– On recovery of assets	15	4.7%	10	3.2%	0	0.0%
– On other circumstances	14	4.4%	7	2.3%	1	0.3%

(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 17 December 2018// Percentages have been calculated in relation to the number of audits filed.

(3) Auditor's Reports on Annual Accounts and Special Reports filed with the CNMV until 11 July 2012 // Percentages have been calculated in relation to the number of audits filed..

Summary of audits by trading market ⁽¹⁾

ANNEX 2

	Electronic market		IBEX ⁽²⁾		Open Outcry Market		Second market		Fixed Income + others ⁽³⁾	
	Número	%	Número	%	Número	%	Número	%	Número	%
1. AUDITS FILED WITH THE CNMV										
– Individual financial statements	130	50.8%	34	50.0%	11	57.9%	3	60.0%	11	64.7%
– Consolidated financial statements	126	49.2%	34	50.0%	8	42.1%	2	40.0%	6	35.3%
– Total Audits Received	256	100%	68	100%	19	100%	5	100%	17	100%
– Special reports under Art. 14 Royal Decree 1362/2007	3		0		2		0		0	
2. AUDITOR'S OPINION										
– Unqualified opinion	253	98.8%	68	100.0%	17	89.5%	5	100.0%	17	100.0%
– Qualified opinion	3	1.2%	0	0.0%	2	10.5%	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	0	0.0%	0	0.0%	2	10.5%	0	0.0%	0	0.0%
– No. of audits with scope limitations	3	1.2%	0	0.0%	2	10.5%	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%	0	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%	0	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	21	8.2%	0	0.0%	2	10.5%	2	40.0%	0	0.0%
– On recovery of assets	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
– On other circumstances	1	0.4%	0	0.0%	0	0.0%	0	0.0%	0	0.0%

Source: CNMV.

(1) Auditor's Reports of Annual Accounts and Special Reports received by the CNMV until 17 December 2018. The market used was the one in which the issuers' securities had been admitted to trading as at 31 December 2017, 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.

Summary of audits by sector ⁽¹⁾

ANNEX 3

	Energy		Industry		Retail and services		Construction and real estate		Financial institutions	
	Número	%	Número	%	Número	%	Número	%	Número	%
1. AUDITS FILED WITH THE CNMV										
– Individual financial statements	11	50.0%	53	51.5%	41	51.9%	31	53.4%	19	54.3%
– Consolidated financial statements	11	50.0%	50	48.5%	38	48.1%	27	46.6%	16	45.7%
– Total Audits Received	22	100%	103	100%	79	100%	58	100%	35	100%
– Special reports under Art. 14 Royal Decree 1362/2007	0		1		2		2		0	
2. AUDITOR'S OPINION										
– Unqualified opinion	22	100.0%	102	99.0%	77	97.5%	56	96.6%	35	100.0%
– Qualified opinion	0	0.0%	1	1.0%	2	2.5%	2	3.4%	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%	0	0.0%	2	2.5%	0	0.0%	0	0.0%
– No. of audits with scope limitations	0	0.0%	1	1.0%	2	2.5%	2	3.4%	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%	0	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%	0	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%	9	8.7%	8	10.1%	8	13.8%	0	0.0%
– Summary of audits by sector(1)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
– On other circumstances	0	0.0%	1	1.0%	0	0.0%	0	0.0%	0	0.0%

Source: CNMV.

(1) Auditor's Reports of Annual Accounts and Special Reports received by the CNMV until 17 December 2018.

List of 2017 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
AIRIFICIAL INTELLIGENCE STRUCTURES, S.A.	O/F	O/F
ALANTRA PARTNERS, S.A.	O/F	O/F
ALMIRALL, S.A.	O/F	O/F
AMADEUS IT GROUP, S.A.	O/F	O/F
AMPER, S.A.	O/F	O/F
AMREST HOLDINGS, SE	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
AZORA ALTUS, S.A.	O/F	O/F
BANCO BILBAO VIZCAYA ARGENTARIA, S.A.	O/F	O/F
BANCO DE SABADELL, S.A.	O/F	O/F
BANCO POPULAR ESPAÑOL, S.A. (ABSORBIDA)	O/F	
BANCO SANTANDER, S.A.	O/F	O/F
BANKIA, S.A	O/F	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
BOSQUES NATURALES DEL MEDITERRANEO 1, S. COM. POR A.	O/F	
CAIXABANK, S.A.	O/F	O/F
CARTERA INDUSTRIAL REA, S.A.	O/F	
CELLNEX TELECOM, S.A.	O/F	O/F
CEMENTOS MOLINS, S.A.	O/F	O/F

Company	Audit	
	Individual of the company	Consolidated group
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
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
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
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

2017

List of 2017 audits recorded with the CNMV ⁽¹⁾ (continued)

ANNEX 4

Company	Audit	
	Individual of the company	Consolidated group
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
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
METROVACESA, 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.	C/S	C/S
MONTEBALITO, S.A.	O/F	O/F
NATRA, S.A.	O/F	O/F
NATURGY ENERGY GROUP, 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
NUEVA EXPRESIÓN TEXTIL, S.A.	O/F	C/S
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
PESCANOVA, S.A.	O/F	
PHARMA MAR, S.A.	O/F	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

List of 2017 audits recorded with the CNMV ⁽¹⁾ (continued)

ANNEX 4

Annexes

Company	Audit	
	Individual of the company	Consolidated group
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
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
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
SOLARPACK CORPORACION TECNOLOGICA, S.A.	O/F	O/F
TALGO, S.A.	O/F	O/F
TECNICAS REUNIDAS, S.A.	O/F	O/F
TELEFONICA, S.A.	O/F	O/F
TELEPIZZA GROUP, S.A.	O/F	O/F
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
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.

(O/F) Favourable Opinion

(C/S) Opinion with Qualifications.

(O/A) Unfavourable Opinion .

(O/D) Disclaimer of Opinion.

Source: CNMV.

2017

List of audits for 2017 filed with the CNMV

ANNEX 4 BIS

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 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	
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	

Company	Audit	
	Individual of the company	Consolidated group
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 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.11, 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	
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 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 CONSUMO 9, 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 LEASING 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	

List of audits for 2017 filed with the CNMV (*continued*)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
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 TITULIZACIÓN 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 18, FONDO DE TITULIZACIÓN	O/F	
BBVA RMBS 2, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 3, FONDO DE TITULIZACION DE ACTIVOS	O/F	
BBVA RMBS 5 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	
BOTHAR, FONDO DE TITULIZACIÓN	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	
CAIXA PENEDES PYMES 1 TDA, FONDO DE TITULIZACION DE ACTIVOS	O/F	
CAIXABANK CONSUMO 2, FONDO DE TITULIZACIÓN	O/F	
CAIXABANK CONSUMO 3, FONDO DE TITULIZACION	O/F	
CAIXABANK PYMES 8, FONDO DE TITULIZACION	O/F	
CAIXABANK PYMES 9, FONDO DE TITULIZACION	O/F	
CAIXABANK RMBS 1, FONDO DE TITULIZACION	O/F	
CAIXABANK RMBS 2, FONDO DE TITULIZACION	O/F	
CAIXABANK RMBS 3, 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 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	
COLUMBUS MASTER CREDIT CARDS, FONDO DE TITULIZACION	O/F	
DRIVER ESPAÑA FOUR, FONDO DE TITULIZACION	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	

Company	Audit	
	Individual of the company	Consolidated group
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 SANTANDER 10	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 11	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 6	O/F	
FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 9	O/F	
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 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 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, 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	

2017

List of audits for 2017 filed with the CNMV (*continued*)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
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 PYMES MAGDALENA	O/F	
FONDO DE TITULIZACION PYMES SANTANDER 12	O/F	
FONDO DE TITULIZACION RMBS PRADO IV	O/F	
FONDO DE TITULIZACION SANTANDER CONSUMER SPAIN AUTO 2016-1	O/F	
FONDO DE TITULIZACION SANTANDER CONSUMER SPAIN AUTO 2016-2	O/F	
FONDO DE TITULIZACION SANTANDER CONSUMO 2	O/F	
FONDO DE TITULIZACION, RMBS PRADO V	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 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 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 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 14, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HIPOCAT 17, 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 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	
HIPOCAT 9, FONDO DE TITULIZACION DE ACTIVOS	O/F	
HT ABANCA RMBS I, FONDO DE TITULIZACION	O/F	
HT ABANCA RMBS II, FONDO DE TITULIZACION	O/F	

Company	Audit	
	Individual of the company	Consolidated group
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 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 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 EVO FINANCE 1, FONDO DE TITULIZACION	O/F	
IM EVO RMBS 1, FONDO DE TITULIZACION	O/F	
IM FORTIA 1, FONDO DE TITULIZACION	O/F	
IM GEDESCO TRADE FINANCE, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM GRUPO BANCO POPULAR CONSUMO I, FONDO DE TITULIZACION	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 LEASING 3, FONDO DE TITULIZACION	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	
IM MARLAN 2, FONDO DE TITULIZACION	O/F	
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 PYME 11, 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 SUMMA 1, FONDO DE TITULIZACION	O/F	
IM TARJETAS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
IM TERRASSA MBS 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	

2017

List of audits for 2017 filed with the CNMV (continued)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
IM WANNA I, FONDO DE TITULIZACIÓN	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 TITULIZACIÓN 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	
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 IV FONDO DE TITULIZACION HIPOTECARIA	O/F	
RURAL HIPOTECARIO IX, FONDO DE TITULIZACION DE ACTIVOS	O/F	
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	
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	
SRF 2017-1, FONDO DE TITULIZACION	O/F	
SRF 2017-2, FONDO DE TITULIZACION	O/F	

Company	Audit	
	Individual of the company	Consolidated group
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 2017-2, FONDO DE TITULIZACION	O/F	
TDA 2017-3, 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 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	
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	

CNMV

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

2017

List of audits for 2017 filed with the CNMV (continued)

ANNEX 4 BIS

Company	Audit	
	Individual of the company	Consolidated group
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 SABADELL RMBS 4, FONDO DE TITULIZACION	O/F	
TDA TARRAGONA 1, FONDO DE TITULIZACION DE ACTIVOS	O/F	
TIBER SPAIN, FONDO DE TITULIZACION DE ACTIVOS	O/F	
URB TDA 1, FONDO DE TITULIZACION	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	
WIZINK MASTER CREDIT CARDS, FONDO DE TITULIZACION	O/F	

(O/F) Unqualified Opinion .

(C/S) Qualified Opinion.

(O/A) Adverse Opinion .

(O/D) Disclaimer of Opinion.

Source: CNMV.

Qualified audits for 2017 filed with the CNMV

ANNEX 5

Company	Figures in thousands of Euros							
	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	%
COMPAÑIA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.	YES		1	0	0		0	
<p>Scope limitations</p> <p>Given the existing uncertainty regarding the situation and development of the insolvency proceedings of Inversiones Mebru S.A., the absence of formal information on Urbem and the litigation and lawsuits in progress, it has not been possible to reach conclusions, as a result of circumstances outside the control of the group and its directors, about the recovery of the receivables and about the effect of other risks, in the event such effects exist, that the Company has with regard to Inversiones Mebru at 31 December 2017.</p>								
COMPAÑIA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.		YES	1	0	0		0	
<p>Scope limitations</p> <p>Given the existing uncertainty regarding the situation and development of the insolvency proceedings of Inversiones Mebru S.A., the absence of formal information on Urbem and the litigation and lawsuits in progress, it has not been possible to reach conclusions, as a result of circumstances outside the control of the group and its directors, about the recovery of the receivables and about the effect of other risks, in the event such effects exist, that the Company has with regard to Inversiones Mebru at 31 December 2017.</p>								
MOBILIARIA MONESA, S.A.	YES		1	1	0		0	
<p>Scope limitations</p> <p>"With regard to the investment held by Delforca 2008, S.A. in GVC Gaesco Holding, S.L., the auditor highlights that, on the current date, and although they have a valuation report on the interests performed by an independent expert, they have not had access to the annual accounts of GVC Gaesco Holding, S.L., and they have not obtained the corresponding audit report.</p> <p>In addition, the auditor was unable to obtain evidence of the reasonableness of the carrying amount of the investee, and therefore whether or not it is necessary to record a change in the carrying amount of the aforementioned financial instruments in the investee Delforca 2008, S.A., and, indirectly, an impairment in the investment held by the Company."</p> <p>Quantified qualifications and other non-compliances</p> <p>"The balance of the account of non-current equity instruments in group companies and associates at 31 December 2016, in an amount of EUR 11,146,000 corresponds to the 100% interest that the Company holds in Delforca 2008, S.A. This company, in turn, recorded in the account of non-current equity instruments in group companies and associates an amount of EUR 12,616,000, which corresponds to the 17.66% interest that the investee holds in GVC Gaesco Holding, S.L. Taking into account the effects of the qualification included in the audit report issued on the 2016 annual accounts of Delforca 2008, S.L. relating to that investment, the value of the Company's interest in Delforca 2008, S.A. at 31 December 2016 and the profit before tax for 2016 are undervalued by EUR 1,307,000.</p> <p>As a result of the same fact, the auditor issued a qualified opinion on the 2016 annual accounts. However, the company's directors have correctly measured said holding at 31 December 2017 and therefore the effect of the qualification included in the audit report corresponding to the 2016 annual accounts is eliminated in 2017 in the company's balance sheet at 31 December 2017, and remains in the comparative figures with regard to 2016."</p>								

Company	Audits			Quantified qualifications and other non-compliances ⁽²⁾				Figures in thousands of Euros	
	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	0		0		
Scope limitations									
<p>With regard to the investment held by the Group in GVC Gaesco Holding, S.L., the auditor highlights that, on the current date, and although they have a valuation report on the interests performed by an independent expert, they have not had access to the annual accounts of GVC Gaesco Holding, S.L., and they have not obtained the corresponding audit report. Similarly, the auditor was unable to apply limited review procedures or similar procedures. The auditor was therefore unable to obtain evidence of the reasonableness of the carrying amount of the investee in the consolidated accounts, and therefore whether or not a change should be recorded in the value of the interest held by the Group in said Company.</p>									
Quantified qualifications and other non-compliances									
<p>"The balance under "investments accounted for using the equity method" in the consolidated statement of financial position at 31 December 2016 in an amount of EUR 6,381,000 corresponds to the 17.66% interest that the Group holds in GVC Gaesco Holding, S.L. In 2016, the Group sold 5.52% of the interest that it held in said company. The investment held at 31 December 2016 was measured the cost and should be measured at fair value. For this reason, the 2016 audit report included a qualification stating that the equity had been undervalued by EUR 7,542,000.</p> <p>However, the directors of the parent company have decided to reclassify said investment in GVC Gaesco Holding, S.L. as a "short-term financial investment" as accounting standards do not allow it to be kept under the heading of "Financial investment in group companies and associates". In addition, this has been recorded at its fair value according to the valuation report prepared by an independent third party. Accordingly, the effect of the qualification included in the audit report corresponding to the 2016 consolidated annual accounts is eliminated in 2017 in the group's balance sheet at 31 December 2017, both in terms of assets and as accounting classification, with the effect remaining in the comparative figures for 2016."</p>									

Qualified audits for 2017 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	%
NUEVA EXPRESIÓN TEXTIL, S.A		YES	1		0	0		0
	Scope limitations							
	Based on the information provided by the tax advisers of the subsidiaries of Penn Philippines Inc., Penn Philippines 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 at the exchange rate on that date. With regard to these contingencies, the consolidated annual accounts did not include any provision at 31 December 2015 since 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, might have on comparative figures for 2016, although 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 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 2017 filed with the CNMV

ANNEX 6

Company	SAR	Individual Opinion	SAR	Consolidated Opinion
COMPANÍA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.	X	Maintained	X	Maintained
MOBILIARIA MONESA, S.A.	X	Partially corrected	X	Partially corrected
NUEVA EXPRESIÓN TEXTIL, S.A.			X	Fully corrected

Source: CNMV.

List of audit firms that have issued reports on the annual accounts of listed companies and/or with securities listed for trading on official secondary markets in 2017

ANNEX 7

Annexes

Auditor	Company
AGUSTI & SANCHEZ AUDITORES SL	TR HOTEL JARDIN DEL MAR, S.A.
AUREN AUDITORES SP, S.L.P.	SOLARPACK CORPORACION TECNOLOGICA, S.A.
BAKER TILLY AUDITORES S.L.P	URBAS GRUPO FINANCIERO, S.A.
BDO AUDITORES, S.L.	AMREST HOLDINGS, SE DESARROLLOS ESPECIALES DE SISTEMAS DE ANCLAJES, S.A. MOBILIARIA MONESA, S.A. NYESA VALORES CORPORACION, S.A. SNIACE, S.A.
DELOITTE S.L - PWC AUDITORES S.L.	COMPAÑIA DE DISTRIBUCION INTEGRAL LOGISTA HOLDINGS, S.A. TECNICAS REUNIDAS, S.A.
DELOITTE, S.L.	ABENGOA, S.A. ABERTIS INFRAESTRUCTURAS, S.A. ACS, ACTIVIDADES DE CONSTRUCCION Y SERVICIOS, S.A. AIRTIFICIAL INTELLIGENCE STRUCTURES, S.A. ALANTRA PARTNERS, S.A. ALPHA 3 - IM, FONDO DE TITULIZACION DE ACTIVOS AMADEUS IT GROUP, S.A. APPLUS SERVICES, S.A. AYCO GRUPO INMOBILIARIO, S.A. AYT ADMINISTRACIONES I, FONDO DE TITULIZACION DE ACTIVOS AYT CEDULAS CAJAS IX, FONDO DE TITULIZACION DE ACTIVOS AYT CEDULAS CAJAS X, FONDO DE TITULIZACION DE ACTIVOS AYT HIPOTECARIO BBK I, FONDO DE TITULIZACION DE ACTIVOS AYT ICO-FTVPO CAJA MURCIA, FONDO DE TITULIZACION DE ACTIVOS AYT KUTXA HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS AYT KUTXA HIPOTECARIO II, FONDO DE TITULIZACION DE ACTIVOS AYT PROMOCIONES INMOBILIARIAS III, FONDO DE TITULIZACION DE ACTIVOS AYT.7, PROMOCIONES INMOBILIARIAS I, FONDO DE TITULIZACION DE ACTIVOS BODEGAS BILBAINAS, S.A. CAIXABANK CONSUMO 2, FONDO DE TITULIZACIÓN CAIXABANK PYMES 8, FONDO DE TITULIZACION CAIXABANK RMBS 1, FONDO DE TITULIZACION CAIXABANK, S.A. CAP-TDA 2, FONDO DE TITULIZACION DE ACTIVOS CARTERA INDUSTRIAL REA, S.A. CELLNEX TELECOM, S.A. CEMENTOS MOLINS, S.A. CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A CORPORACION EMPRESARIAL DE MATERIALES DE CONSTRUCCION, S.A. DEOLEO, S.A.

**List of audit firms that have issued reports on the annual accounts
of listed companies and/or with securities listed for trading
on official secondary markets in 2017 (continued)**

Auditor	Sociedad
DELOITTE, S.L.	FERROVIAL, S.A.
	FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.
	FONCAIXA CONSUMO 1, FONDO DE TITULIZACION DE ACTIVOS
	FONCAIXA FTGENCAT 6, FONDO DE TITULIZACION DE ACTIVOS
	FONCAIXA LEASINGS 2, FONDO DE TITULIZACION DE ACTIVOS
	FONCAIXA PYMES 6, FONDO DE TITULIZACION
	FONCAIXA PYMES 7, FONDO DE TITULIZACION
	FTA2015, FONDO DE TITULIZACION DE ACTIVOS
	GC FTGENCAT CAIXA TARRAGONA 1, FONDO DE TITULIZACION DE ACTIVOS
	GRUPO CATALANA OCCIDENTE, S.A.
	GRUPO EMPRESARIAL SAN JOSE, S.A.
	IM AURIGA PYMES EUR 1, F.T.A.
	IM CAJA LABORAL 1, FONDO DE TITULIZACION DE ACTIVOS
	IM CAJA LABORAL 2, FONDO DE TITULIZACION DE ACTIVOS
	IM CAJASTUR MBS 1, FONDO DE TITULIZACION DE ACTIVOS
	IM CEDULAS 10, FONDO DE TITULIZACION DE ACTIVOS
	IM CEDULAS 5, FONDO DE TITULIZACION DE ACTIVOS
	IM CEDULAS 7, FONDO DE TITULIZACION DE ACTIVOS
	IM PRESTAMOS FONDOS CEDULAS, FONDO DE TITULIZACION DE ACTIVOS
	IM TERRASSA MBS 1, FONDO DE TITULIZACION DE ACTIVOS
	INDRA SISTEMAS, S.A.
	INDUSTRIA DE DISEÑO TEXTIL, S.A.
	INMOBILIARIA DEL SUR, S.A.
	KUTXABANK, S.A.
	LAR ESPAÑA REAL ESTATE SOCIMI, S.A.
	LIBERBANK, S.A.
	MEDIASET ESPAÑA COMUNICACION, S.A.
	MERLIN PROPERTIES, SOCIMI, S.A.
	NATURHOUSE HEALTH, S.A.
	NEINOR HOMES, S.A.
	NH HOTEL GROUP, S.A.
	OBRASCON HUARTE LAIN, S.A.
	PROMOTORA DE INFORMACIONES, S.A.
	RENTA CORPORACION REAL ESTATE, S.A.
	REPSOL, S.A.
	SAETA YIELD, S.A.
	SRF 2016-1, FONDO DE TITULIZACION
	SRF 2017-1, FONDO DE TITULIZACION
	SRF 2017-2, FONDO DE TITULIZACION
	TALGO, S.A.

List of audit firms that have issued reports on the annual accounts of listed companies and/or with securities listed for trading on official secondary markets in 2017 (continued)

ANNEX 7

Annexes

Auditor	Sociedad
DELOITTE, S.L.	TDA IBERCAJA 2, FONDO DE TITULIZACION DE ACTIVOS
	TDA IBERCAJA 3, FONDO DE TITULIZACION DE ACTIVOS
	TDA IBERCAJA 4, FONDO DE TITULIZACION DE ACTIVOS
	TDA IBERCAJA 5, FONDO DE TITULIZACION DE ACTIVOS
	TIBER SPAIN, FONDO DE TITULIZACION DE ACTIVOS
	TUBACEX, S.A.
	URB TDA 1, FONDO DE TITULIZACION
ERNST & YOUNG, S.L.	ADOLFO DOMINGUEZ, S.A.
	AEDAS HOMES, S.A.
	AMPER, S.A.
	ASSET-BACKED EUROPEAN SECURITISATION TRANSACTION THIRTEEN, FONDO DE TITULIZACION
	AYT CAIXA SABADELL HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS
	AYT CEDULAS CAJAS V, FONDO DE TITULIZACION DE ACTIVOS
	AYT FONDO EOLICO, FONDO DE TITULIZACION DE ACTIVOS
	AYT GENOVA HIPOTECARIO IV, FONDO DE TITULIZACION HIPOTECARIA
	AYT GENOVA HIPOTECARIO IX, FONDO DE TITULIZACION HIPOTECARIA
	AYT GENOVA HIPOTECARIO VI, FONDO DE TITULIZACION HIPOTECARIA
	AYT GENOVA HIPOTECARIO VII, FONDO DE TITULIZACION HIPOTECARIA
	AYT GENOVA HIPOTECARIO VIII, FONDO DE TITULIZACION HIPOTECARIA
	AYT GENOVA HIPOTECARIO X, FONDO DE TITULIZACION HIPOTECARIA
	AYT GENOVA HIPOTECARIO XI, FONDO DE TITULIZACION HIPOTECARIA
	AYT HIPOTECARIO III, FONDO DE TITULIZACION HIPOTECARIA
	AYT HIPOTECARIO MIXTO II, FONDO DE TITULIZACION DE ACTIVOS
	AYT HIPOTECARIO MIXTO III, FONDO DE TITULIZACION DE ACTIVOS
	AYT ICO-FVPO I, FONDO DE TITULIZACION DE ACTIVOS
	AYT.11, FONDO DE TITULIZACION HIPOTECARIA
	AZKOYEN, S.A.
	BANKIA, S.A
	BIOSEARCH, S.A.
	BODEGAS RIOJANAS, S.A.
	CAIXA PENEDES FT GENCAT 1 TDA, FONDO DE TITULIZACION DE ACTIVOS
	CAJA INGENIEROS TDA 1, FONDO DE TITULIZACION DE ACTIVOS
	CEDULAS GRUPO BANCO POPULAR 3, FONDO DE TITULIZACION DE ACTIVOS
	CODERE, S.A.

**List of audit firms that have issued reports on the annual accounts
of listed companies and/or with securities listed for trading
on official secondary markets in 2017 (continued)**

Auditor	Sociedad
ERNST & YOUNG, S.L.	DURO FELGUERA, S.A.
	EBRO FOODS, S.A.
	ENAGAS, S.A.
	ENDESA, S.A.
	ERCROS, S.A.
	FLUIDRA, S.A.
	FONDO DE ACTIVOS BANCARIOS MAY
	FTPYME TDA CAM 7, FONDO DE TITULIZACION DE ACTIVOS
	GC FTPYME PASTOR 4, FTA
	GC PASTOR HIPOTECARIO 5, FONDO DE TITULIZACION DE ACTIVOS
	GC SABADELL 1, FONDO DE TITULIZACION HIPOTECARIA
	GESTAMP AUTOMOCION, S.A.
	HISPANIA ACTIVOS INMOBILIARIOS SOCIMI, S.A.
	HT ABANCA RMBS I, FONDO DE TITULIZACION
	HT ABANCA RMBS II, FONDO DE TITULIZACION
	IM BCG RMBS 2, FONDO DE TITULIZACION DE ACTIVOS
	IM CAJAMAR 1, FONDO DE TITULIZACION DE ACTIVOS
	IM CAJAMAR 5, FONDO DE TITULIZACION DE ACTIVOS
	IM LICO DIVISION, FONDO DE TITULIZACION DE ACTIVOS
	IM SABADELL PYME 10, FONDO DE TITULIZACION
	IM SABADELL PYME 11, FONDO DE TITULIZACION
	IM SABADELL RMBS 2, FONDO DE TITULIZACION DE ACTIVOS
	IM SABADELL RMBS 3, FONDO DE TITULIZACION DE ACTIVOS
	INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.
	MADRID ICO-FTVPO I, FONDO DE TITULIZACION DE ACTIVOS
	MADRID RESIDENCIAL I, FONDO DE TITULIZACION DE ACTIVOS
	MADRID RMBS I, FONDO DE TITULIZACION DE ACTIVOS
	MADRID RMBS II, FONDO DE TITULIZACION DE ACTIVOS
	MADRID RMBS III FONDO DE TITULIZACION DE ACTIVOS
	MADRID RMBS IV, FONDO DE TITULIZACION DE ACTIVOS
	PAPELES Y CARTONES DE EUROPA, S.A.
	PRIM, S.A.
	QUABIT INMOBILIARIA, S.A.
	REALIA BUSINESS, S.A.
	SACYR, S.A.
	SAINT CROIX HOLDING IMMOBILIER, SOCIMI, S.A.
	SERVICE POINT SOLUTIONS, S.A.
	SIEMENS GAMESA RENEWABLE ENERGY, S.A.
	SOLARIA ENERGIA Y MEDIOAMBIENTE, S.A.
	SOL-LION, FONDO DE TITULIZACION DE ACTIVOS
	TDA 13 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 14 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS

List of audit firms that have issued reports on the annual accounts of listed companies and/or with securities listed for trading on official secondary markets in 2017 (continued)

ANNEX 7

Annexes

Auditor	Sociedad
ERNST & YOUNG, S.L.	TDA 15 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 16 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 17 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 18 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 2015-1, FONDO DE TITULIZACION
	TDA 2017-2, FONDO DE TITULIZACION
	TDA 30, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 1, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 11, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 12, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 2, FONDO DE TITULIZACION DE ACTIVOS
	TDA PASTOR 1, FONDO DE TITULIZACION DE ACTIVOS
	TDA RENOVABLES ESPAÑA I, FONDO DE TITULIZACION
	TDA SA NOSTRA EMPRESAS 1, FONDO DE TITULIZACION DE ACTIVOS
	TDA SA NOSTRA EMPRESAS 2, FONDO DE TITULIZACION DE ACTIVOS
	TDA SABADELL RMBS 4, FONDO DE TITULIZACION
VIDRALA, S.A.	
GRANT THORNTON, S.L.P.	ORYZON GENOMICS, S.A.
	UNION CATALANA DE VALORES, S.A.
	URBAR INGENIEROS, S.A.
HORWATH AUDITORES ESPAÑA, S.L.	VERTICE TRESIENTOS SESENTA GRADOS, S.A.
HORWATH PLM AUDITORES, S.L.P.	MINERALES Y PRODUCTOS DERIVADOS, S.A.
INTERVENCION GENERAL DE LA ADMON. ESTADO	INSTITUTO DE CREDITO OFICIAL
JOSUNE BARANDA MONTEJO	PESCANOVA, S.A.
KPMG AUDITORES,S.L.	ACCIONA, S.A.
	AENA, S.M.E., S.A.
	ATRESMEDIA CORPORACION DE MEDIOS DE COMUNICACION, S.A.
	AUDAX RENOVABLES, S.A.
	AUTO ABS 2012-3, FONDO DE TITULIZACION DE ACTIVOS
	AUTOPISTA CONCESIONARIA ASTUR-LEONESA, S.A.U.
	AUTOPISTAS DEL ATLANTICO, CONCESIONARIA ESPAÑOLA, S.A.U.
	AYT CAJA INGENIEROS 2, FONDO DE TITULIZACION DE ACTIVOS
	AYT CEDULAS CAJAS GLOBAL FONDO DE TITULIZACION DE ACTIVOS
	AYT COLATERALES GLOBAL EMPRESAS, FONDO DE TITULIZACION DE ACTIVOS
	AYT COLATERALES GLOBAL HIPOTECARIO, F.T.A.
	AYT DEUDA SUBORDINADA I, FONDO DE TITULIZACION DE ACTIVOS
	BANCAJA - BVA VPO 1, FONDO DE TITULIZACION DE ACTIVOS
	BANCAJA 10, FONDO DE TITULIZACION DE ACTIVOS
BANCAJA 11, FONDO DE TITULIZACION DE ACTIVOS	
BANCAJA 13, FONDO DE TITULIZACION DE ACTIVOS	

**List of audit firms that have issued reports on the annual accounts
of listed companies and/or with securities listed for trading
on official secondary markets in 2017 (continued)**

Auditor	Sociedad
KPMG AUDITORES,S.L.	BANCAJA 3, FONDO DE TITULIZACION DE ACTIVOS
	BANCAJA 4, FONDO DE TITULIZACION HIPOTECARIA
	BANCAJA 5, FONDO DE TITULIZACION DE ACTIVOS
	BANCAJA 6, FONDO DE TITULIZACION DE ACTIVOS
	BANCAJA 7, FONDO DE TITULIZACION DE ACTIVOS
	BANCAJA 8, FONDO DE TITULIZACION DE ACTIVOS
	BANCAJA 9, FONDO DE TITULIZACION DE ACTIVOS
	BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
	BANKIA PYME I, FONDO DE TITULIZACION DE ACTIVOS
	BANKINTER 10, FONDO DE TITULIZACION DE ACTIVOS
	BANKINTER 11, FONDO DE TITULIZACION HIPOTECARIA
	BANKINTER 13 FONDO DE TITULIZACION DE ACTIVOS
	BANKINTER 2 PYME FONDO DE TITULIZACION DE ACTIVOS
	BANKINTER 3 FTPYME FONDO DE TITULIZACION DE ACTIVOS
	BANKINTER 3, FONDO DE TITULIZACION HIPOTECARIA
	BANKINTER 4, FONDO DE TITULIZACION HIPOTECARIA
	BANKINTER 5, FONDO DE TITULIZACION HIPOTECARIA
	BANKINTER 6, FONDO DE TITULIZACION DE ACTIVOS
	BANKINTER 7, FONDO DE TITULIZACION HIPOTECARIA
	BANKINTER 8, FONDO DE TITULIZACION DE ACTIVOS
	BANKINTER 9, FONDO DE TITULIZACION DE ACTIVOS
	BBVA CONSUMO 6, FONDO DE TITULIZACION DE ACTIVOS
	BBVA CONSUMO 7 FONDO DE TITULIZACION
	BBVA CONSUMO 8 FONDO DE TITULIZACION
	BBVA CONSUMO 9, FONDO DE TITULIZACION
	BBVA EMPRESAS 4, FONDO DE TITULIZACION DE ACTIVOS
	BBVA FINANZIA AUTOS 1 FONDO DE TITULIZACION DE ACTIVOS
	BBVA LEASING 1, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 1, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 10, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 11, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 12, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 13, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 14, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 15, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 16 FONDO DE TITULIZACION
	BBVA RMBS 17 FONDO DE TITULIZACION
	BBVA RMBS 18, FONDO DE TITULIZACION
	BBVA RMBS 2, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 3, FONDO DE TITULIZACION DE ACTIVOS
	BBVA RMBS 5 FONDO DE TITULIZACION DE ACTIVOS
BBVA RMBS 9, FONDO DE TITULIZACION DE ACTIVOS	

List of audit firms that have issued reports on the annual accounts of listed companies and/or with securities listed for trading on official secondary markets in 2017 (continued)

ANNEX 7

Annexes

Auditor	Sociedad
KPMG AUDITORES,S.L.	BBVA SECURITISED FUNDING 1 FONDO DE TITULIZACION DE ACTIVOS
	BBVA-10 PYME FONDO DE TITULIZACION
	BBVA-5 FTPYME, FONDO DE TITULIZACION DE ACTIVOS
	BBVA-6 FTPYME FONDO DE TITULIZACION DE ACTIVOS
	CAIXA PENEDES 1 TDA, FONDO DE TITULIZACION DE ACTIVOS
	CAIXA PENEDES 2 TDA, FONDO DE TITULIZACION DE ACTIVOS
	CAIXA PENEDES PYMES 1 TDA, FONDO DE TITULIZACION DE ACTIVOS
	CEDULAS TDA 5, FONDO DE TITULIZACION DE ACTIVOS
	CEDULAS TDA 6, FONDO DE TITULIZACION DE ACTIVOS
	CEDULAS TDA 7, FONDO DE TITULIZACION DE ACTIVOS
	CORPORACION FINANCIERA ALBA, S.A.
	DEUTSCHE BANK, SOCIEDAD ANONIMA ESPAÑOLA
	DISTRIBUIDORA INTERNACIONAL DE ALIMENTACION, S.A.
	ECOLUMBER, S.A.
	EDP RENOVAVEIS, S.A.
	EDT FTPYME PASTOR 3, FONDO DE TITULIZACION DE ACTIVOS
	ELECNOR, S.A.
	EROSKI SOCIEDAD COOPERATIVA
	EUSKALTEL, S.A.
	FONDO DE TITULIZACION DEL DEFICIT DEL SISTEMA ELECTRICO, FTA
	FTPYME BANCAJA 3 FONDO DE TITULIZACION DE ACTIVOS
	FTPYME BANCAJA 6 FONDO DE TITULIZACION DE ACTIVOS
	FUNESPAÑA, S.A.
	GAT FTGENCAT 2006, FONDO DE TITULIZACION DE ACTIVOS
	GAT FTGENCAT 2007, FONDO DE TITULIZACION DE ACTIVOS
	GAT FTGENCAT 2008, FONDO DE TITULIZACION DE ACTIVOS
	GAT FTGENCAT 2009, FONDO DE TITULIZACION DE ACTIVOS
	GAT ICO-FTVPO 1, FONDO DE TITULIZACION HIPOTECARIA
	GENERAL DE ALQUILER DE MAQUINARIA, S.A.
	GRIFOLS, S.A.
	HIPOCAT 10, F.T.A.
	HIPOCAT 11, FONDO DE TITULIZACION DE ACTIVOS
	HIPOCAT 14, FONDO DE TITULIZACION DE ACTIVOS
	HIPOCAT 17, FONDO DE TITULIZACION DE ACTIVOS
	HIPOCAT 19, FONDO DE TITULIZACION DE ACTIVOS
	HIPOCAT 20, FONDO DE TITULIZACION DE ACTIVOS
	HIPOCAT 6, FONDO DE TITULIZACION DE ACTIVOS
	HIPOCAT 7, FONDO DE TITULIZACION DE ACTIVOS
	HIPOCAT 8, FONDO DE TITULIZACION DE ACTIVOS
	HIPOCAT 9, FONDO DE TITULIZACION DE ACTIVOS
	IBERDROLA, S.A.
	IM EVO FINANCE 1, FONDO DE TITULIZACIÓN

**List of audit firms that have issued reports on the annual accounts
of listed companies and/or with securities listed for trading
on official secondary markets in 2017 (continued)**

Auditor	Sociedad
KPMG AUDITORES,S.L.	IM EVO RMBS 1, FONDO DE TITULIZACION
	IM FORTIA 1, FONDO DE TITULIZACION
	IM GEDESCO TRADE FINANCE, FONDO DE TITULIZACION DE ACTIVOS
	IM MARLAN 1, FONDO DE TITULIZACION
	IM MARLAN 2, FONDO DE TITULIZACION
	IM SUMMA 1, FONDO DE TITULIZACION
	IM TARJETAS 1, FONDO DE TITULIZACION DE ACTIVOS
	IM WANNA I, FONDO DE TITULIZACION
	LABORATORIO REIG JOFRE, S.A.
	LABORATORIOS FARMACEUTICOS ROVI, S.A.
	LINGOTES ESPECIALES, S.A.
	MADRID RESIDENCIAL II, FONDO DE TITULIZACION DE ACTIVOS
	MAPFRE, S.A.
	MASMOVIL IBERCOM, S.A.
	MBS BANCAJA 1 FONDO DE TITULIZACION DE ACTIVOS
	MBS BANCAJA 2, FONDO DE TITULIZACION DE ACTIVOS
	MBS BANCAJA 3, FONDO DE TITULIZACION DE ACTIVOS
	MBS BANCAJA 4, FONDO DE TITULIZACION DE ACTIVOS
	MBS BANCAJA 6, FONDO DE TITULIZACION DE ACTIVOS
	MBS BANCAJA 7, FONDO DE TITULIZACION DE ACTIVOS
	MBS BANCAJA 8, FONDO DE TITULIZACION DE ACTIVOS
	MBSCAT 1, FONDO DE TITULIZACION DE ACTIVOS
	MBSCAT 2, FONDO DE TITULIZACION DE ACTIVOS
	NICOLAS CORREA, S.A.
	PARQUES REUNIDOS SERVICIOS CENTRALES, S.A.
	PROGRAMA CEDULAS TDA, FONDO DE TITULIZACION DE ACTIVOS
	PROSEGUR CASH, S.A.
	PROSEGUR, COMPAÑIA DE SEGURIDAD, S.A.
	PYME BANCAJA 5, FONDO DE TITULIZACION DE ACTIVOS
	PYME VALENCIA 1, FONDO DE TITULIZACION DE ACTIVOS
	RED ELECTRICA CORPORACION, S.A.
	RENTA 4 BANCO, S.A.
	RURAL HIPOTECARIO GLOBAL I, FTA
	RURAL HIPOTECARIO IV FONDO DE TITULIZACION HIPOTECARIA
	RURAL HIPOTECARIO IX, FONDO DE TITULIZACION DE ACTIVOS
	RURAL HIPOTECARIO V FONDO DE TITULIZACION DE ACTIVOS
	RURAL HIPOTECARIO VI, FONDO DE TITULIZACION DE ACTIVOS
	RURAL HIPOTECARIO VII, FONDO DE TITULIZACION DE ACTIVOS
	RURAL HIPOTECARIO VIII, FONDO DE TITULIZACION DE ACTIVOS
	RURAL HIPOTECARIO X, FONDO DE TITULIZACION DE ACTIVOS
RURAL HIPOTECARIO XI, FONDO DE TITULIZACION DE ACTIVOS	
RURAL HIPOTECARIO XII, FONDO DE TITULIZACION DE ACTIVOS	

List of audit firms that have issued reports on the annual accounts of listed companies and/or with securities listed for trading on official secondary markets in 2017 (continued)

ANNEX 7

Annexes

Auditor	Sociedad
KPMG AUDITORES, S.L.	RURAL HIPOTECARIO XIV, FONDO DE TITULIZACION DE ACTIVOS
	RURAL HIPOTECARIO XV, FONDO DE TITULIZACION DE ACTIVOS
	RURAL HIPOTECARIO XVI, FONDO DE TITULIZACION DE ACTIVOS
	RURAL HIPOTECARIO XVII, FONDO DE TITULIZACION DE ACTIVOS
	TDA 19 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 20 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 2017-3, FONDO DE TITULIZACION
	TDA 22 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 23, FONDO DE TITULIZACION DE ACTIVOS
	TDA 24, FONDO DE TITULIZACION DE ACTIVOS
	TDA 25, FONDO DE TITULIZACION DE ACTIVOS
	TDA 26 - MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	TDA 27, FONDO DE TITULIZACION DE ACTIVOS
	TDA 28, FONDO DE TITULIZACION DE ACTIVOS
	TDA 29, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAJAMAR 2, FONDO DE TITULIZACION DE ACTIVOS
	TDA TARRAGONA 1, FONDO DE TITULIZACION DE ACTIVOS
	TELEPIZZA GROUP, S.A.
	VAL BANCAJA 1, F.T.A.
	VALENCIA HIPOTECARIO 1, FONDO DE TITULIZACION DE ACTIVOS
VALENCIA HIPOTECARIO 2, FONDO DE TITULIZACION HIPOTECARIA	
VALENCIA HIPOTECARIO 3, FONDO DE TITULIZACION DE ACTIVOS	
WIZINK MASTER CREDIT CARDS, FONDO DE TITULIZACION	
LUIS CARUANA & ASOCIADOS, S.L.	COMPAÑIA LEVANTINA DE EDIFICACION Y OBRAS PUBLICAS, S.A.
	FINANZAS E INVERSIONES VALENCIANAS, S.A.
	LIBERTAS 7, S.A.
MAZARS AUDITORES, S.L.P.	COLUMBUS MASTER CREDIT CARDS, FONDO DE TITULIZACION
	KUTXABANK EMPRESTITOS, S.A.
PKF ATTEST	MONTEBALITO, S.A.
PRICEWATERHOUSECOOPERS AUDITORES, S.L.	ACERINOX, S.A.
	ADVEO GROUP INTERNATIONAL, S.A.
	ALMIRALL, S.A.
	AUTO ABS SPANISH LOANS 2016, FONDO DE TITULIZACION
	AXIARE PATRIMONIO SOCIMI, S.A.
	AYT CAJA MURCIA HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS
	AYT CAJAGRANADA HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS
	AYT CAJAMURCIA HIPOTECARIO II, FONDO DE TITULIZACION DE ACTIVOS
	AYT CEDULAS CAJAS VIII, FONDO DE TITULIZACION DE ACTIVOS
	AYT GENOVA HIPOTECARIO II, FONDO DE TITULIZACION HIPOTECARIA

**List of audit firms that have issued reports on the annual accounts
of listed companies and/or with securities listed for trading
on official secondary markets in 2017 (continued)**

Auditor	Sociedad
PRICEWATERHOUSECOOPERS AUDITORES, S.L.	AYT GENOVA HIPOTECARIO III, FONDO DE TITULIZACION HIPOTECARIA
	AYT GENOVA HIPOTECARIO XII, FONDO DE TITULIZACION HIPOTECARIA
	AYT GOYA HIPOTECARIO III, FONDO DE TITULIZACION DE ACTIVOS
	AYT GOYA HIPOTECARIO IV, FONDO DE TITULIZACION DE ACTIVOS
	AYT GOYA HIPOTECARIO V, FONDO DE TITULIZACION DE ACTIVOS
	AYT HIPOTECARIO BBK II, FONDO DE TITULIZACION DE ACTIVOS
	AYT HIPOTECARIO IV, FONDO DE TITULIZACION HIPOTECARIA
	AYT HIPOTECARIO MIXTO IV, FONDO DE TITULIZACION DE ACTIVOS
	AYT HIPOTECARIO MIXTO V, FONDO DE TITULIZACION DE ACTIVOS
	AYT HIPOTECARIO MIXTO, FONDO DE TITULIZACION DE ACTIVOS
	AYT ICO-FTVPO CAJA VITAL KUTXA, FTA
	BANCO DE SABADELL, S.A.
	BANCO POPULAR ESPAÑOL, S.A. (ABSORBIDA)
	BANCO SANTANDER, S.A.
	BANKINTER, S.A.
	BARON DE LEY, S.A.
	BOLSAS Y MERCADOS ESPAÑOLES, SDAD HOLDING DE MDOS Y STMAS FIN., S.A.
	BORGES AGRICULTURAL & INDUSTRIAL NUTS, S.A.
	BOTHAR, FONDO DE TITULIZACIÓN
	CAIXABANK CONSUMO 3, FONDO DE TITULIZACION
	CAIXABANK PYMES 9, FONDO DE TITULIZACION
	CAIXABANK RMBS 2, FONDO DE TITULIZACION
	CAIXABANK RMBS 3, FONDO DE TITULIZACION
	CIE AUTOMOTIVE, S.A.
	CLINICA BAVIERA, S.A.
	COMPAÑIA ESPAÑOLA DE VIVIENDAS EN ALQUILER, S.A.
	DRIVER ESPAÑA FOUR, FONDO DE TITULIZACION
	DRIVER ESPAÑA THREE, FONDO DE TITULIZACIÓN
	DRIVER ESPAÑA TWO, FONDO DE TITULIZACIÓN
	EMISORA SANTANDER ESPAÑA S.A.U.
	EMPRESAS HIPOTECARIO TDA CAM 3, FONDO DE TITULIZACION DE ACTI
	ENCE ENERGIA Y CELULOSA, S.A.
	F.T.A. PROGRAMA INDEPENDIENTE DE TITULIZ. DE CED. HIPOTECARIA
	FAB 2013 BULL, FONDO DE ACTIVOS BANCARIOS
	FAB 2013 TEIDE, FONDO DE ACTIVOS BANCARIOS
	FAES FARMA, S.A.
	FONCAIXA FTGENCAT 3, FTA
	FONCAIXA FTGENCAT 4, FONDO DE TITULIZACION DE ACTIVOS

List of audit firms that have issued reports on the annual accounts of listed companies and/or with securities listed for trading on official secondary markets in 2017 (continued)

ANNEX 7

Annexes

Auditor	Sociedad
PRICEWATERHOUSECOOPERS AUDITORES, S.L.	FONCAIXA FTGENCAT 5, FONDO DE TITULIZACION DE ACTIVOS
	FONDO DE TITULIZACION DE ACTIVOS FTPYME SANTANDER 2
	FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 10
	FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 11
	FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 6
	FONDO DE TITULIZACION DE ACTIVOS PYMES SANTANDER 9
	FONDO DE TITULIZACION DE ACTIVOS RMBS PRADO 1
	FONDO DE TITULIZACION DE ACTIVOS RMBS SANTANDER 2
	FONDO DE TITULIZACION DE ACTIVOS RMBS SANTANDER 3
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER 2
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER CONSUMER SPAIN AUTO 2012-1
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER CONSUMER SPAIN AUTO 2014-1
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER EMPRESAS 2
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER FINANCIACION 1
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 2
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 3
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 7
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 8
	FONDO DE TITULIZACION DE ACTIVOS SANTANDER HIPOTECARIO 9
	FONDO DE TITULIZACION DE ACTIVOS UCI 11
	FONDO DE TITULIZACION DE ACTIVOS UCI 14
	FONDO DE TITULIZACION DE ACTIVOS UCI 16
	FONDO DE TITULIZACION DE ACTIVOS UCI 18
	FONDO DE TITULIZACION DE ACTIVOS UCI 7
	FONDO DE TITULIZACION DE ACTIVOS UCI 8
	FONDO DE TITULIZACION DE ACTIVOS UCI 9
	FONDO DE TITULIZACION DE ACTIVOS, HIPOTEBANSA 11
	FONDO DE TITULIZACION DE ACTIVOS, RMBS SANTANDER 1
	FONDO DE TITULIZACION DE ACTIVOS, SANTANDER CONSUMER SPAIN AUTO 2013-1
	FONDO DE TITULIZACION DE ACTIVOS, SANTANDER EMPRESAS 1
	FONDO DE TITULIZACION DE ACTIVOS, SANTANDER EMPRESAS 3
	FONDO DE TITULIZACION DE ACTIVOS, UCI 15
	FONDO DE TITULIZACION DE ACTIVOS, UCI 17
	FONDO DE TITULIZACION HIPOTECARIA UCI 10
	FONDO DE TITULIZACION HIPOTECARIA UCI 12
	FONDO DE TITULIZACION PYMES MAGDALENA
	FONDO DE TITULIZACION PYMES SANTANDER 12
	FONDO DE TITULIZACION RMBS PRADO IV
	FONDO DE TITULIZACION SANTANDER CONSUMER SPAIN AUTO 2016-1

**List of audit firms that have issued reports on the annual accounts
of listed companies and/or with securities listed for trading
on official secondary markets in 2017 (continued)**

Auditor	Sociedad
PRICEWATERHOUSECOOPERS AUDITORES, S.L.	FONDO DE TITULIZACION SANTANDER CONSUMER SPAIN AUTO 2016-2
	FONDO DE TITULIZACION SANTANDER CONSUMO 2
	FONDO DE TITULIZACION, RMBS PRADO V
	FONDO DE TITULIZACION, RMBS SANTANDER 4
	FONDO DE TITULIZACION, RMBS SANTANDER 5
	FT RMBS PRADO II
	FTPyme TDA CAM 2, FONDO DE TITULIZACION DE ACTIVOS
	FTPyme TDA CAM 4, FONDO DE TITULIZACION DE ACTIVOS
	GLOBAL DOMINION ACCESS, S.A.
	GRUPO EZENTIS, S.A.
	IBERCAJA BANCO, S.A.
	IBERPAPPEL GESTION, S.A.
	IM BANCO POPULAR MBS 2, FONDO DE TITULIZACION DE ACTIVOS
	IM BCC CAJAMAR 1, FONDO DE TITULIZACION
	IM BCC CAJAMAR PYME 1, FONDO DE TITULIZACION
	IM CAJAMAR 3, FONDO DE TITULIZACION DE ACTIVOS
	IM CAJAMAR 4, FONDO DE TITULIZACION DE ACTIVOS
	IM CAJAMAR 6, FONDO DE TITULIZACION DE ACTIVOS
	IM CAJAMAR EMPRESAS 4, FONDO DE TITULIZACION DE ACTIVOS
	IM CAJAMAR EMPRESAS 5, FONDO DE TITULIZACION DE ACTIVOS
	IM GRUPO BANCO POPULAR CONSUMO I, FONDO DE TITULIZACION
	IM GRUPO BANCO POPULAR EMPRESAS VI, FONDO DE TITULIZACION DE ACTIVOS
	IM GRUPO BANCO POPULAR EMPRESAS VII, FONDO DE TITULIZACION
	IM GRUPO BANCO POPULAR LEASING 3, FONDO DE TITULIZACION
	IM GRUPO BANCO POPULAR MBS 3, FONDO DE TITULIZACION
	IM PASTOR 2, FONDO DE TITULIZACION HIPOTECARIA
	IM PASTOR 3, FONDO DE TITULIZACION HIPOTECARIA
	IM PASTOR 4, FONDO DE TITULIZACION DE ACTIVOS
	INMOBILIARIA COLONIAL, SOCIMI, S.A.
	MELIA HOTELS INTERNATIONAL S.A.
	METROVACESA, S.A.
	MIQUEL Y COSTAS & MIQUEL, S.A.
	NATRA, S.A.
	NATURGY ENERGY GROUP, S.A.
	NUEVA EXPRESION TEXTIL, S.A
	PHARMA MAR, S.A.
	PRIVATE DRIVER ESPAÑA 2013-1, FONDO DE TITULIZACION DE ACTIVOS
	PYMES BANESTO 2, FONDO DE TITULIZACION DE ACTIVOS
	RMBS PRADO III, FONDO DE TITULIZACION

List of audit firms that have issued reports on the annual accounts of listed companies and/or with securities listed for trading on official secondary markets in 2017 (continued)

ANNEX 7

Annexes

Auditor	Sociedad
PRICEWATERHOUSECOOPERS AUDITORES, S.L.	SANTANDER CONSUMER FINANCE, S.A.
	SANTANDER HIPOTECARIO I, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 3, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 4, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 5, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 6, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 7, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 8, FONDO DE TITULIZACION DE ACTIVOS
	TDA CAM 9, FONDO DE TITULIZACION DE ACTIVOS
	TDA IBERCAJA 1, FONDO DE TITULIZACION DE ACTIVOS
	TDA IBERCAJA 6, FONDO DE TITULIZACION DE ACTIVOS
	TDA IBERCAJA 7, FONDO DE TITULIZACION DE ACTIVOS
	TDA IBERCAJA ICO-FTVPO, FONDO DE TITULIZACION HIPOTECARIA
	TDA PASTOR CONSUMO 1, FONDO DE TITULIZACION DE ACTIVOS
	TELEFONICA, S.A.
	TUBOS REUNIDOS, S.A.
	UNICAJA BANCO, S.A.
VISCOFAN, S.A.	
VOCENTO, S.A.	
ZARDOYA OTIS, S.A.	
SICET SERVICIOS INTEGRALES, S.L.	LIWE ESPAÑOLA, S.A.

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 2017**

Auditor	Company
AGUSTI & SANCHEZ AUDITORES SL	TR HOTEL JARDIN DEL MAR, S.A.
AUREN AUDITORES SP, S.L.P.	SOLARPACK CORPORACION TECNOLOGICA, S.A.
BAKER TILLY AUDITORES S.L.P	URBAS GRUPO FINANCIERO, S.A.
BDO AUDITORES, S.L.	AMREST HOLDINGS, SE DESARROLLOS ESPECIALES DE SISTEMAS DE ANCLAJES, S.A. MOBILIARIA MONESA, S.A. NYESA VALORES CORPORACION, S.A. SNIACE, S.A.
DELOITTE S.L - PWC AUDITORES S.L.	COMPAÑIA DE DISTRIBUCION INTEGRAL LOGISTA HOLDINGS, S.A. TECNICAS REUNIDAS, S.A.
DELOITTE, S.L.	ABENGOA, S.A. ABERTIS INFRAESTRUCTURAS, S.A. ACS, ACTIVIDADES DE CONSTRUCCION Y SERVICIOS, S.A. AIRIFICIAL INTELLIGENCE STRUCTURES, S.A. ALANTRA PARTNERS, S.A. AMADEUS IT GROUP, S.A. APPLUS SERVICES, S.A. AYCO GRUPO INMOBILIARIO, S.A. BODEGAS BILBAINAS, S.A. CAIXABANK, S.A. CARTERA INDUSTRIAL REA, S.A. CELLNEX TELECOM, S.A. CEMENTOS MOLINS, 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 DEL SUR, S.A. KUTXABANK, S.A. LAR ESPAÑA REAL ESTATE SOCIMI, S.A. LIBERBANK, S.A. MEDIASET ESPAÑA COMUNICACION, S.A. MERLIN PROPERTIES, SOCIMI, S.A. NATURHOUSE HEALTH, S.A. NEINOR HOMES, S.A. NH HOTEL GROUP, S.A. OBRASCON HUARTE LAIN, 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 2017 (continued)

ANNEX 7 BIS

Annexes

Auditor	Company
DELOITTE, S.L.	PROMOTORA DE INFORMACIONES, S.A.
	RENTA CORPORACION REAL ESTATE, S.A.
	REPSOL, S.A.
	SAETA YIELD, S.A.
	TALGO, S.A.
	TUBACEX, S.A.
ERNST & YOUNG, S.L.	ADOLFO DOMINGUEZ, S.A.
	AEDAS HOMES, S.A.
	AMPER, S.A.
	AZKOYEN, S.A.
	BANKIA, S.A
	BIOSEARCH, S.A.
	BODEGAS RIOJANAS, S.A.
	CODERE, 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.
	INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.
	PAPELES Y CARTONES DE EUROPA, S.A.
	PRIM, S.A.
	QUABIT INMOBILIARIA, S.A.
	REALIA BUSINESS, S.A.
	SACYR, S.A.
	SAINT CROIX HOLDING IMMOBILIER, SOCIMI, S.A.
	SERVICE POINT SOLUTIONS, S.A.
	SIEMENS GAMESA RENEWABLE ENERGY, S.A.
	SOLARIA ENERGIA Y MEDIOAMBIENTE, S.A.
VIDRALA, S.A.	
GRANT THORNTON, S.L.P.	ORYZON GENOMICS, S.A.
	UNION CATALANA DE VALORES, S.A.
	URBAR INGENIEROS, 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 ADMON. ESTADO	INSTITUTO DE CREDITO OFICIAL
JOSUNE BARANDA MONTEJO	PESCANOVA, 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 2017 (continued)**

Auditor	Company
KPMG AUDITORES,S.L.	ACCIONA, S.A.
	AENA, S.M.E., S.A.
	ATRESMEDIA CORPORACION DE MEDIOS DE COMUNICACION, S.A.
	AUDAX RENOVABLES, S.A.
	AUTOPISTA CONCESIONARIA ASTUR-LEONESA, S.A.U.
	AUTOPISTAS DEL ATLANTICO, CONCESIONARIA ESPAÑOLA, S.A.U.
	BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
	CORPORACION FINANCIERA ALBA, S.A.
	DEUTSCHE BANK, SOCIEDAD ANONIMA ESPAÑOLA
	DISTRIBUIDORA INTERNACIONAL DE ALIMENTACION, S.A.
	ECOLUMBER, S.A.
	EDP RENOVAVEIS, S.A.
	ELECNOR, S.A.
	EROSKI SOCIEDAD COOPERATIVA
	EUSKALTEL, S.A.
	FUNESPAÑA, S.A.
	GENERAL DE ALQUILER DE MAQUINARIA, S.A.
	GRIFOLS, S.A.
	IBERDROLA, S.A.
	LABORATORIO REIG JOFRE, S.A.
	LABORATORIOS FARMACEUTICOS ROVI, 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.
	RENTA 4 BANCO, S.A.
	TELEPIZZA GROUP, S.A.
	LUIS CARUANA & ASOCIADOS, S.L.
FINANZAS E INVERSIONES VALENCIANAS, S.A.	
LIBERTAS 7, S.A.	
MAZARS AUDITORES, S.L.P.	KUTXABANK EMPRESTITOS, S.A.
PKF ATTEST	MONTEBALITO, S.A.
PRICEWATERHOUSECOOPERS AUDITORES, S.L.	ACERINOX, S.A.
	ADVEO GROUP INTERNATIONAL, S.A.
	ALMIRALL, S.A.
	AXIARE PATRIMONIO SOCIMI, S.A.
	BANCO DE SABADELL, S.A.
	BANCO POPULAR ESPAÑOL, S.A. (ABSORBIDA)

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 2017 (continued)

ANNEX 7 BIS

Annexes

Auditor	Company
PRICEWATERHOUSECOOPERS AUDITORES, S.L.	BANCO SANTANDER, S.A.
	BANKINTER, S.A.
	BARON DE LEY, 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.
	EMISORA SANTANDER ESPAÑA S.A.U.
	ENCE ENERGIA Y CELULOSA, S.A.
	FAES FARMA, S.A.
	GLOBAL DOMINION ACCESS, S.A.
	GRUPO EZENTIS, S.A.
	IBERCAJA BANCO, S.A.
	IBERPAPEL GESTION, S.A.
	INMOBILIARIA COLONIAL, SOCIMI, S.A.
	MELIA HOTELS INTERNATIONAL S.A.
	METROVACESA, S.A.
	MIQUEL Y COSTAS & MIQUEL, S.A.
	NATRA, S.A.
	NATURGY ENERGY GROUP, S.A.
	NUEVA EXPRESIÓN TEXTIL, S.A
	PHARMA MAR, S.A.
	SANTANDER CONSUMER FINANCE, S.A.
	TELEFONICA, S.A.
	TUBOS REUNIDOS, S.A.
	UNICAJA BANCO, S.A.
	VISCOFAN, S.A.
	VOCENTO, S.A.
	ZARDOYA OTIS, S.A.
SICET SERVICIOS INTEGRALES, S.L.	LIWE ESPAÑOLA, S.A.

Source: CNMV.

