€400 million 4.75% Senior Secured Notes due 2021

Issued by Grupo Antolin Dutch B.V., a subsidiary of Grupo Antolin – Irausa, S.A.

Financial Results for the third quarter of the year ending September 30, 2014

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USE OF TERMS AND CONVENTIONS

Unless otherwise specified or the context requires otherwise in this quarterly report:

- references to “ADE” are to the *Agencia de Innovación, Financiación e Internacionalización Empresarial de Castilla y León*, a public company wholly-owned by the regional government of *Castilla y León*;
- references to “ADE Facility” are to the facility dated October 22, 2012, between ADE and the Company, for an amount up to €70.0 million;
- references to “APAC” are to Australia, China, India, Indonesia, Japan, Korea, Malaysia, Philippines, Taiwan and Thailand, collectively;
- references to “Bridge Facility” are to the Bridge Facility Agreement dated December 12, 2013, between the Company, as borrower, certain of its subsidiaries, as guarantors, and Banco Bilbao Vizcaya Argentaria, S.A., as agent of the several lenders named therein, which was repaid on March 21, 2014 with the proceeds from the offering of the notes;
- references to “Company” are to Grupo Antolín-Irausa, S.A.;
- references to “Eastern Europe” are to the following countries: Belarus, Bulgaria, Czech Republic, Hungary, Kazakhstan, Poland, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey, Ukraine and Uzbekistan;
- references to “Europe” are to Western Europe and Eastern Europe;
- references to ‘‘Factoring Agreement’’ are to the syndicated factoring agreement dated December 1, 2010, as amended, by and among the Company and Banco Bilbao Vizcaya Argentaria, S.A., as agent in respect of several financial institutions;
- references to “Group”, “Grupo Antolín”, “we”, “us” and “our” are to the Company together with its consolidated subsidiaries;
- references to “IFRS” are to the International Financial Reporting Standards promulgated by the International Accounting Standards Board and as adopted by the European Union;
- references to “Mercosur” are to Argentina, Brazil, Colombia, Ecuador, Paraguay, Uruguay and Venezuela, collectively;
- references to “North America” are to the US, Canada and Mexico, collectively;
- references to “notes” are to the €400 million 4.75% Senior Secured Notes due 2021 issued pursuant to the indenture dated March 21, 2014 by and among, *inter alia*, Grupo Antolin Dutch B.V., the Company and Deutsche Trustee Company Limited, as Trustee;
- references to “OEM” are to original equipment manufacturer;
- references to “R&D” are to research and development;
- references to “Senior Facilities” are to the senior term facility and the revolving credit facility made available under the Senior Facilities Agreement;
- references to “Senior Facilities Agreement” are to the senior term and revolving credit facilities agreement dated March 13, 2014 entered into between, among others, the Company, as the original borrower, various subsidiaries of the Company, as original guarantors, the original lenders listed therein and Deutsche Bank AG, London Branch as agent and security agent;
- references to “US” and “United States” are to the United States of America;
- references to “dollar(s)” are to the currency of the United States of America; and

- references to “Western Europe” are to Austria, Belgium, Finland, France, Germany, Italy, the Netherlands, Portugal, Spain, Sweden and the United Kingdom, collectively.

FORWARD LOOKING STATEMENTS

Except for historical information contained herein, statements contained in this quarterly report may constitute "forward looking statements" within the meaning of the US Private Securities Litigation Reform Act of 1995.

The words "believe", "anticipate", "expect", "predict", "continue", "intend", "estimate", "plan", "aim", "assume", "positioned", "will", "may", "should", "shall", "risk", "probable" and other similar expressions, which are predictions or indications of future events and future trends, which do not relate to historical matters, identify forward looking statements. This quarterly report includes forward looking statements relating to our potential exposure to various types of market risks, such as credit risk, interest rate risk, exchange rate risk and commodity price risk. You should not rely on forward looking statements because they involve known and unknown risks, uncertainties and other factors which are in some cases beyond our control and may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward looking statements (and from past results, performance or achievements). Certain factors that may cause such differences include but are not limited to:

- continued or increased weakness in the global economy, the global credit markets and the financial services industry, including the European sovereign debt crisis and restricted access to financing;
- the failure of one or more major financial institutions;
- increased or more pronounced cyclicality in the automobile industry;
- the loss of customers and/or the inability to realize revenues;
- our inability to realize revenues from our awarded business;
- disruptions to the automotive supply chain and fluctuations in the prices of materials;
- our and our customers' inability to obtain sufficient capital financing and credit insurance;
- increased competition and/or shifts in market share among and demand for certain vehicles and products;
- our inability to offset price concessions or additional costs;
- our costs in relation to construction, maintenance and downsizing, closing or the sale of plants, including mechanical failures, equipment shutdowns, technological breakdowns and interruptions to the supply of utilities;
- integration and consolidation risks associated with acquisitions and difficulties in connection with program launches, including risks in relation to growth with APAC automotive customers;
- our operations may require increased capital expenditure that will consume cash;
- returns on investments, potential future acquisitions and divestitures and with our joint ventures, certain of which we do not control;
- impairment of deferred tax assets, goodwill and/or risks related to hedging and other derivative arrangements;
- our international operations, including in relation to compliance with anti-corruption laws, regulations and economic sanctions programs;
- foreign exchange rate fluctuations and restrictions on transfer of funds, as well as risks associated with tax liability in the jurisdictions in which we operate;
- unrealized expectations on our investment strategies and a shift away from technologies in which we invest;

- loss of key executives, availability of labor and workforce utilization efficiency, including work stoppages and other labor problems;

- interruptions in operations at our facilities, including explosions, fires or any other accidents or acts of God;

- legal, regulatory, environmental, insurance, product liability, taxation intellectual property and/or health and safety issues and/or changes;

- climate change, natural disasters, terrorist attacks and/or other acts of violence, war or political changes;

- restrictions on the transfer of funds; and

- other risks and uncertainties inherent in our business and the world economy.

You are cautioned not to place undue reliance on these forward looking statements. These forward looking statements are made as of the date of this quarterly report and are not intended to give any assurance as to future results. We undertake no obligation to, and do not intend to, publicly update or revise any of these forward looking statements, whether to reflect new information or future events or circumstances or otherwise.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER DATA

Financial information and operational data

This quarterly report includes our unaudited condensed interim financial statements as of and for the three months ended September 30, 2014. Unless otherwise indicated, all financial information in this quarterly report has been prepared in accordance with new IFRS 10 and 11 applicable at the relevant date. IFRS differs in certain significant respects from generally accepted accounting principles in the US.

We have presented certain information in this quarterly report that are non-IFRS measures. As used in this quarterly report, this information includes "EBITDA" which represents our profit for the year from continuing operations after adding back depreciation and amortization expense. This quarterly report also contains other measures and ratios such as EBITDA margin and capital expenditures. We present these non-IFRS measures because we believe that they and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity.

In particular, we believe that EBITDA is meaningful for investors because it provides an analysis of our operating results, profitability and ability to service debt and because EBITDA is used by our chief operating decision makers to track our business evolution, establish operational and strategic targets and make important business decisions. To facilitate the analysis of our operations, this indicator excludes depreciation and amortization expense from our profit for the year from continuing operations in order to eliminate the impact of general long-term capital investment. Although we are presenting this measure to enhance the understanding of our historical operating performance, EBITDA should not be considered an alternative to our profit for the year from continuing operations as an indicator of our operating performance, or an alternative to cash flows from operating activities as a measure of our liquidity.

The information presented by EBITDA and other adjusted financial information presented in this quarterly report is unaudited and has not been prepared in accordance with IFRS or any other accounting standards.

You should not consider EBITDA or any other non-IFRS or financial measures presented herein, as alternatives to measures of financial performance determined in accordance with generally accepted accounting principles, such as net income, as a measure of operating results or cash flow as a measure of liquidity. EBITDA is not a measure of financial performance under IFRS. Our computation of EBITDA and other non-IFRS financial measures may not be comparable to similarly titled measures of other companies.

Our financial information is presented in euro.

Rounding adjustments have been made in calculating some of the financial information included in this quarterly report. As a result, figures shown as totals in some tables and elsewhere may not be exact arithmetic aggregations of the figures that precede them.

Industry data

In this quarterly report, we rely on and refer to information regarding our business and the market in which we operate and compete. We have obtained this information from various third party sources, including providers of industry data, discussions with our customers and our own internal estimates. While we believe that industry publications, surveys and forecasts are reliable, they have not been independently verified, and we do not make any representation or warranty as to the accuracy or completeness of such information set forth in this quarterly report.

Additionally, industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed and in some instances such sources state that they do not assume liability for such information. Market studies and analyses are frequently based on information and assumptions that might not be accurate or technically correct, and their methodologies may be forward looking and speculative. We cannot assure you of the accuracy and completeness of such information as we have not independently verified such information.

In addition, in many cases, we have made statements in this quarterly report regarding our industry and our position in the industry based solely on our experience, our internal studies and estimates, and our own investigation of market conditions. While we assume that our own market observations are reliable, we give no warranty for the accuracy of our own estimates and the information derived from them. They may differ from estimates made by our competitors or from future studies conducted by market research institutes or other independent sources. While we are not aware of any misstatements regarding the industry or similar data presented herein, such data involves risks and uncertainties and are subject to change based on various factors. Additionally, all data in relation to our position in our industry as well as specific market share details are based on the number of units of automotive interior components sold.

We cannot assure you that any of these assumptions are accurate or correctly reflect our position in the industry, and none of our internal surveys or information has been verified by any independent sources. We do not make any representation or warranty as to the accuracy or completeness of this information. Some of the surveys or sources were compiled by our advisors and are not publicly available and accordingly may not be considered to be as independent as other third party sources.

RECENT DEVELOPMENTS

There have been no recent material developments for the three months ended September 30, 2014.

OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion together with our unaudited condensed interim financial statements included elsewhere in this quarterly report. The financial data in this discussion of our results of operations and financial condition as of and for the three months ended September 30, 2014 and 2013 has been derived from the unaudited condensed interim financial statements of the Company and its subsidiaries as of and for the three months ended September 30, 2014 and 2013 prepared in accordance with new IFRS 10 and 11. Certain monetary amounts, percentages and other figures included in this quarterly report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

You should read the following discussion together with the sections entitled "Forward Looking Statements" and "Presentation of Financial Information".

Three months ended September 30, 2014 compared to three months ended September 30, 2013

Executive summary

- Sales of € 523.1 million, up 8% from Q3 2013 and versus industry growth of 3.5%[1]
- EBITDA of € 52.7 million, up 1.1% from Q3 2013, margin of 10.1%
- EBIT of € 30.0 million, up 4.0% from Q3 2013, margin of 5.7%
- Financial position:
  - o Cash available of € 99.6 million
  - o Available revolving credit facilities of € 217 million
  - o Net debt to EBITDA of 2.4x.

Group results of operations

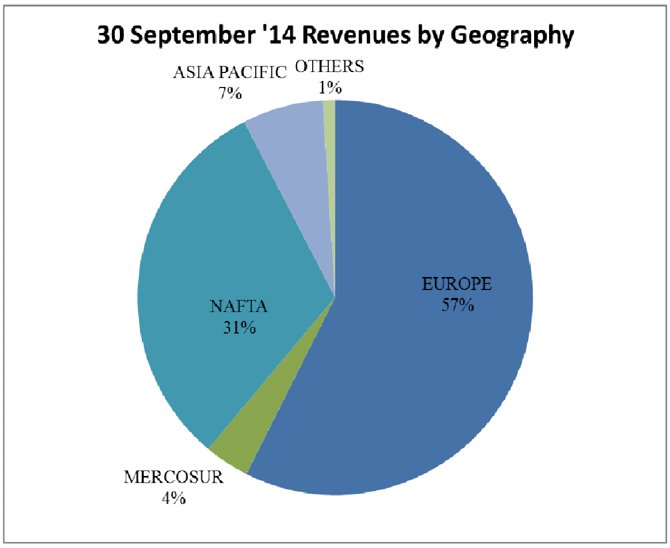
The table below sets out our results of operations for the three months ended September 30, 2014, compared to the three months ended September 30, 2013.

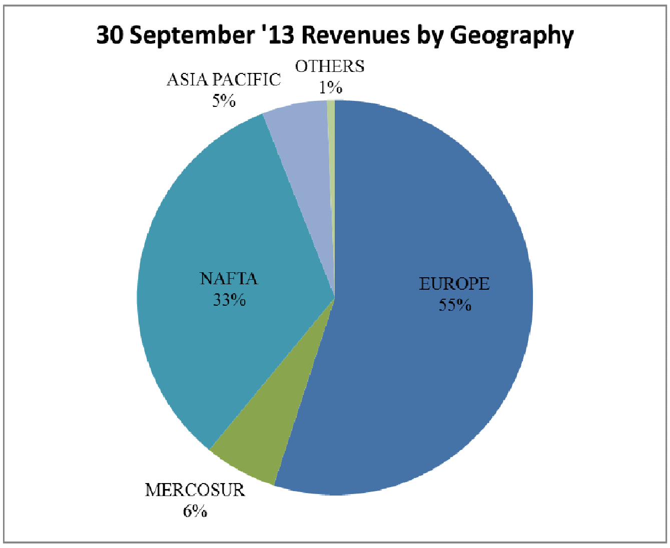
	Three months ended September 30,		
	2014	**2013**	**% change**
	(in millions of €)		
Consolidated Income Statement Data:			
Revenue	523.1	484.1	8.1
Total revenue	**523.1**	**484.1**	**8.1**
Supplies	(317.6)	(298.3)	6.5
Staff costs	(84.2)	(83.6)	0.8
Depreciation and amortization expense	(22.6)	(23.2)	(2.5)
Other operating (expenses)/income, net	(68.6)	(50.2)	36.8
Profit for the year from continuing operations	**30.0**	**28.9**	**4.0**
Finance income/(cost)	(9.9)	(6.3)	58.1
Exchange differences	0.2	(0.4)	(134.3)
Other financial results	0.0	11.1	(100.0)
Net finance income/(cost)	**(9.8)**	**4.4**	**(324.1)**
Net impairment losses on non-current assets	(0.6)	(1.6)	(62.1)
Profit of companies consolidated using the equity method	0.9	1.0	(8.1)
Profit before tax	**20.5**	**32.6**	**(37.1)**
Corporate income tax	(7.6)	(12.2)	(38.2)
Consolidated profit for the three month period	**13.0**	**20.4**	**(36.4)**
Attributable to non-controlling interests	(0.8)	(0.3)	148.7
Attributable to shareholders of the Company	**12.2**	**20.1**	**(39.3)**

[1] *Source: LMC Automotive Light Vehicle Production Data October 2014*

Revenue

Revenue increased by €39.0 million, or 8.1%, to €523.1 million in the three months ended September 30, 2014 from €484.1 million in the three months ended September 30, 2013. This increase in revenue was primarily attributable to the strong performance of our products in the Western Europe and APAC regions, offset by declining revenues in Brazil (where light vehicle production fell 10%[2] in the quarter) and the negative impact of foreign exchange, due to the strengthening of the Euro vis-à-vis other currencies. If we exclude the negative foreign exchange impact, Group revenue would have increased by approximately 11% compared to the same period in 2013. Furthermore, our revenues increased especially due to the growth of our Lighting and Seating businesses units, driven by new projects entering production phase and growth in Europe and China.





Supplies

Supplies increased by €19.4 million, or 6.5%, to €317.6 million in the three months ended September 30, 2014 from €298.3 million in the three months ended September 30, 2013. Considering the revenue increase of 8.1% in the same period, supply cost as percentage of total sales has decreased to 60.7% from 61.6% in September 2013 due to new higher-margin projects going into production phase and the overall higher weight of the Lighting business unit (with traditionally lower supply costs).

Staff costs

Staff costs increased by €0.6 million, or 0.8%, to €84.2 million in the three months ended September 30, 2014 from €83.6 million in the three months ended September 30, 2013. The stability in staff costs despite increased revenue was, among other reasons, attributable to decreased activity in Brazil.

Other operating expenses

Other operating expenses increased by €18.5 million, or 36.8%, to €68.6 million in the three months ended September 30, 2014 from €50.2 million in the three months ended September 30, 2013. The increase in other operating expenses was primarily attributable to (i) approximately € 10 million of other operating income (primarily from tooling and miscellaneous services) recorded in September of 2013 when this income is usually recognized in the last quarter of the year, and to (ii) overall increased activity with increased sales and the preparation or launch of production facilities in Nizhny Novgorod, Russia, Missouri, United States and Valencia, Spain.

[2] *Source: LMC Automotive Light Vehicle Production Data October 2014*

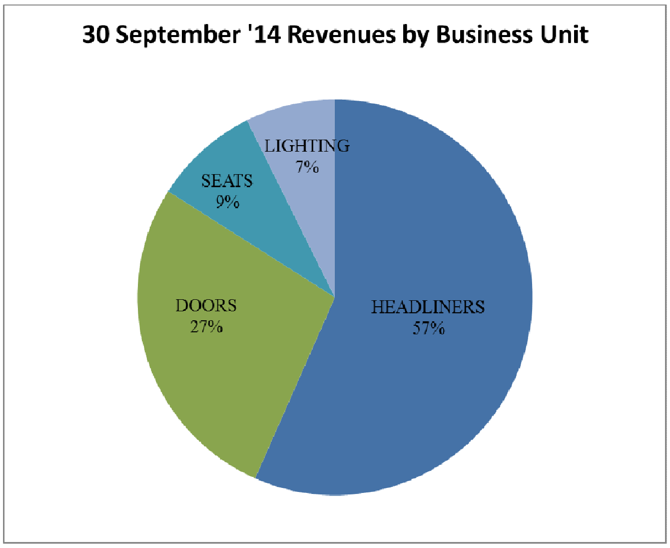
EBITDA

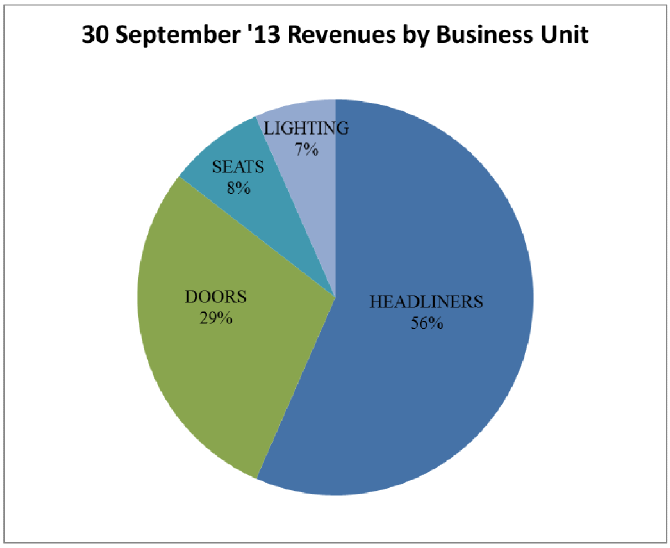
EBITDA increased by €0.6 million, or 1.1%, to €52.6 million in the three months ended September 30, 2014 from €52.1 million in the three months ended September 30, 2013. The increase in EBITDA was primarily attributable to increased sales, maintenance of fixed costs, a slight reduction in supply costs and the overall higher weight of the Lighting business unit (with traditionally higher EBITDA margins). The Lighting business unit represented almost 7.7% of revenue in in the three months ended September 30, 2014, compared to approximately 6.6% for the same period in 2013. If we exclude the negative foreign exchange impact, Group EBITDA would have increased approximately 3.8% compared to the same period in 2013.

EBITDA margin decreased to 10.1% in the three months ended September 30, 2014 from 10.8% in the three months ended September 30, 2013. The moderate EBITDA growth of € 0.6 million as well as the slight decline in EBITDA margin compared to the three months ended September 30, 2013 is explained by the € 10 million of other operating income (primarily from tooling and miscellaneous services) recorded in September of 2013. Excluding this premature income, EBITDA would have increased approximately 25% in the three months ended September 30, 2014.

Depreciation and amortization expense

Depreciation and amortization expense decreased by €0.6 million, or 3%, to €22.6 million in the three months ended September 30, 2014 from €23.2 million in the three months ended September 30, 2013. The decrease in depreciation and amortization expense was primarily attributable to more efficient investments in tangible and intangible assets as well as strengthening of the Euro versus other currencies.





Profit for the year from continuing operations

Profit for the year from continuing operations increased by €1.2 million, or 4%, to €30.0 million in the three months ended September 30, 2014 from €28.9 million in the three months ended September 30, 2013. The increase in profit for the year from continuing operations was primarily attributable to the increase in EBITDA and slight decrease in depreciation and amortization expense.

Net finance income/(cost)

Net finance costs increased by €14.2 million, or 324.1%, to -€9.8 million in the three months ended September 30, 2014 from €4.4 million income in the three months ended September 30, 2013. The increase in net finance cost was primarily attributable to the increased cost of debt due to the issuance of the notes and the accountancy of the Bridge

Facility's commissions. The €11.1 million of other financial results in 2013 reflects the sale of shares the Group held in in CIE Automotive, S.A. and CaixaBank, S.A.

Corporate income tax

Corporate income tax decreased by €4.7 million, or 38.2%, to €7.6 million in the three months ended September 30, 2014 from €12.2 million in the three months ended September 30, 2013. The decrease in corporate income tax was primarily attributable to decreased profit due to the absence of Other financial results.

Consolidated profit for the three month period

Consolidated profit for the three month period decreased by €7.9 million, or 39.3%, to €12.2 million in the three months ended September 30, 2014 from €20.1 million in the three months ended September 30, 2013. Despite increased revenues and contained costs, the decrease was primarily attributable to the absence of Other financial results recorded in the three months ended September 30, 2013.

Foreign exchange translation

Our international expansion and our increasing volume of business outside of the euro-zone, exposes us to exchange rate risks in currencies such as the US dollar, the Brazilian real, the Chinese yuan, the Indian rupee, the Mexican peso, the Czech crown, the Russian ruble or the Turkish lira. In the three months ended September 30, 2014, we suffered the negative impact of other currencies' weakness against Euro. If we were to maintain the 30 September 2013 exchange rates stable, sales and EBITDA as at September 2014, would have increased 11% and 3.8% respectively.

Nine months ended September 30, 2014 compared to nine months ended September 30, 2013

Executive summary

- Sales of €1,644.9 million, up 5% from 9M 2013 above industry growth of 3.4%[3]
- EBITDA of € 198.1 million, up 14.3% from 9M 2013, margin of 12.0%
- EBIT of € 129.5 million, up 29.4% from 9M 2013, margin of 7.9%

Group results of operations

The table below sets out our results of operations for the nine months ended September 30, 2014, compared to the nine months ended September 30, 2013.

	Nine months ended September 30,		
	2014	**2013**	**% change**
	(in millions of €)		
Consolidated Income Statement Data:			
Revenue	1,644.9	1,566.4	5.0
Total revenue	**1,644.9**	**1,566.4**	**5.0**
Supplies	(1,004.3)	(974.5)	3.1
Staff costs	(280.5)	(280.8)	(0.1)
Depreciation and amortization expense	(68.6)	(73.2)	(6.3)
Other operating (expenses)/income, net	(162.0)	(137.8)	17.6
Profit for the year from continuing operations	**129.5**	**100.1**	**29.4**
Finance income/(cost)	(31.3)	(20.3)	54.5
Exchange differences	(2.8)	(2.3)	20.0
Other financial results	0.0	13.3	(100.0)
Net finance income/(cost)	**(34.1)**	**(9.4)**	**264.7**
Net impairment losses on non-current assets	(5.5)	(4.1)	35.8
Profit of companies consolidated using the equity method	6.4	3.2	101.1
Profit before tax	**96.2**	**89.8**	**7.1**
Corporate income tax	(34.6)	(32.0)	8.3
Consolidated profit for the three month period	**61.6**	**57.8**	**6.5**
Attributable to non-controlling interests	(3.8)	(4.7)	(18.7).
Attributable to shareholders of the Company	**57.8**	**53.2**	**8.7**

Revenue

Revenue increased by €78.5 million, or 5.0%, to €1,644.9 million in the nine months ended September 30, 2014 from €1,566.4 million in the nine months ended September 30, 2013. This increase in revenue was primarily attributable to the strong performance of European and Asian markets (with sales increases of 11.1% and 26.0% respectively) and despite the decline in Mercosur (sales declines of 38.7%, production volumes in Brazil have fallen by 17.3% in the nine months ended September 30, 2014[4]) and the negative impact of other currencies´ weakness against the Euro. NAFTA sales declined by 1.6% in the nine months ended September 30, 2014. With stable exchange rates this geography would have reported approximately 2% growth in revenues. Overall, if we were to maintain the 30 September 2013 exchange rates stable, revenue and EBITDA as at September 2014, would have been +2.8% and +2.6% higher respectively.

By segments, the most significant growth in revenues was registered by Seats and Lighting. Seats revenue increased by €24.2 million, or 18.0%, to €158.8 million, primarily attributable to the strong performance of the European market and increased sales of PSA project B78 ("Picasso"). Lighting revenue increased by €25.7 million, or 26.5%, to €122.5 million, primarily attributable to new projects entering into production phase. Sales in Headliners increased by 1.3% and in Doors increased by 3.4%, reaching €891.7 million and € 468.8 million respectively in the nine months ended September 30, 2014. Performance of both these segments has been affected by the decline in Mercosur and the

[3] *Source: LMC Automotive Light Vehicle Production Data October 2014*
[4] *Source: LMC Automotive Light Vehicle Production Data October 2014*

appreciation of the Euro. If we were to maintain the 30 September 2013 exchange rates stable, revenue growth as at September 2014 would have been approximately 4% for Headliners and 8.5% for Doors.

Supplies

Supplies increased by €29.8 million, or 3.1%, to €1,004.3 million in the nine months ended September 30, 2014 from €974.5 million in the nine months ended September 30, 2013. Considering the revenue increase of 5.0% in the same period, supply cost as percentage of total sales has decreased to 61.1% from 62.2% in September 2013 due to new higher-margin projects going into production phase and the overall higher weight of the Lighting business unit (with traditionally lower supply costs).

EBITDA

EBITDA increased by €24.8 million, or 14.3%, to €198.1 million in the nine months ended September 30, 2014 from €173.3 million in the nine months ended September 30, 2013. The increase in EBITDA was primarily attributable to increased sales, maintenance of fixed costs, and slight reduction in supply costs. If we exclude the negative foreign exchange impact, Group EBITDA would have increased approximately 17.3% compared to the same period in 2013, reaching € 203.2 million.

By segments, the most significant growth in EBITDA was registered by Seats and Lighting. Seats EBITDA increased by €7.7 million, or 51.9%, to €22.6 million, primarily attributable to the strong performance of the European market and increased sales of PSA project B78 (“Picasso”). Lighting EBITDA increased by €5.9 million, or 37.6%, to €21.6 million, primarily attributable to new projects entering into production phase. EBITDA in Headliners increased by 2.2% and in Doors by 16.7%, reaching €86.1 million and € 66.9 million respectively in the nine months ended September 30, 2014.

Profit for the year from continuing operations

Profit for the year from continuing operations increased by €29.4 million, or 29.4%, to €129.5 million in the nine months ended September 30, 2014 from €100.1 million in the nine months ended September 30, 2013. The increase in profit for the year from continuing operations was primarily attributable to the 14.3% increase in EBITDA and the 6.3% decrease in depreciation and amortization expense.

Net finance income/(cost)

Net finance cost increased by €24.8 million, or 264.7%, to -€34.1 million in the nine months ended September 30, 2014 from €9.4 million in the nine months ended September 30, 2013. The increase in net finance cost was primarily attributable to the increased cost of debt due to the issuance of the notes and the accountancy of the Bridge Facility’s commissions. Additionally, 2013 net finance costs were reduced due to the sale of shares the Group held in in CIE Automoitive, S.A. and CaixaBank, S.A., totaling an income of €13.3 million.

Impact of IFRS 11

All figures as at September 30, 2013 and December 31, 2013 have been re-calculated under IFRS 11. The effect on the Group has been a change in the companies accounted under the equity method as well as fully consolidated companies. In this sense, Ningbo Antolin Huaxiang Auto Parts Co. Ltd., Irauto, S.A., Krishna Grupo Antolin Private, Ltd., Silesia Plastic, Sp. Zo.o, and Yangzhou Antolin Huaxiang Auto-Parts Co. Ltd change from fully consolidated to the equity method and Grupo Antolin-Wayne LLC is now consolidated using the fully consolidated method.

For the nine months ended September 30, 2014, if the Company did not report under IFRS 11, revenue would have been 3% higher, or € 51million, and EBITDA would have been 9% higher, or €19.5million.

Segment results of operations

Headliners

	Three months ended September 30,		
	2014	2013	% change
	(in millionas of €)		
Description:			
Net turnover	285.9	273.5	4.5
Other operating (expenses)/income, net	(263.4)	(248.1)	6.2
EBITDA	**22.6**	**25.5**	**(11.4)**
Depreciation and amortization	(8.5)	(8.7)	(2.4)
Operating profit/(loss) (EBIT)	**14.1**	**16.8**	**(16.0)**

Net turnover. Net turnover increased by €12.4 million, or 4.5%, to €285.9 million in the three months ended September 30, 2014 from €273.5 million in the three months ended September 30, 2013. The increase in net turnover was primarily attributable to strong performance in Europe and Asia that was offset by declining revenue in Mercosur (due to decreasing production volumes).

Other operating (expenses)/income, net. Net operating expenses increased by €15.3 million, or 6.2%, to €263.4 million in the three months ended September 30, 2014 from €248.1 million in the three months ended September 30, 2013. The increase in net operating expenses was primarily attributable to (i) approximately € 5 million of other operating income (primarily from tooling and miscellaneous services) recorded in September of 2013 when this income is usually recognized in the last quarter of the year; (ii) Nizny (Russia) and Intertrim (Brazil) underperformace; and (iii) the ramp up of the recently launched Headliner facility in Missouri (USA).

EBITDA. EBITDA decreased by €2.9 million, or 11.4%, to €22.6 million in the three months ended September 30, 2014 from €25.5 million in the three months ended September 30, 2013. The decrease in EBITDA was primarily attributable to approximately €5 million registered in Other Incomes in the three months ended September 30, 2013.

Depreciation and amortization. Depreciation and amortization decreased by €0.2 million, or 2.4%, to €8.5 million in the three months ended September 30, 2014 from €8.7 million in the three months ended September 30, 2013. The decrease in depreciation and amortization was primarily attributable to more efficient investments in tangible and intangible assets as well as strengthening of the Euro versus other currencies.

Operating profit/(loss) (EBIT). Operating profit decreased by €2.7 million, or 16.0%, to €14.1 million in the three months ended September 30, 2014 from €16.8 million in the three months ended September 30, 2013. The decrease in operating profit was primarily attributable to decreased EBITDA.

Doors

	Three months ended September 30,		
	2014	2013	% change
	(in millions of €)		
Description:			
Net turnover	149.6	140.0	6.8
Other operating (expenses)/income, net	(131.4)	(123.5)	6.4
EBITDA	**18.2**	**16.5**	**9.9**
Depreciation and amortization	(8.0)	(8.8)	(9.3)
Operating profit/(loss) (EBIT)	**10.2**	**7.7**	**32.0**

Net turnover. Net turnover increased by €9.5 million, or 6.8%, to €149.6 million in the three months ended September 30, 2014 from €140.0 million in the three months ended September 30, 2013. The increase in net turnover was primarily attributable to the favorable evolution of the European market. This was offset by a decline in production volumes in Mercosur, as well as finalization of certain projects in that region.

Other operating (expenses)/income, net. Net operating expenses increased by €7.9 million, or 6.4%, to €131.4 million in the three months ended September 30, 2014 from €123.5 million in the three months ended September

30, 2013. The stability of operating expenses as a percentage of revenue was primarily attributable to keeping fixed costs almost at the same level as in 2013.

EBITDA. EBITDA increased by €1.6 million, or 9.9%, to €18.2 million in the three months ended September 30, 2014 from €16.5 million in the three months ended September 30, 2013. The increase in EBITDA was primarily attributable to increased revenues and contained fixed costs.

Depreciation and amortization. Depreciation and amortization decreased by €0.8 million, or 9.3%, to €8.0 million in the three months ended September 30, 2014 from €8.8 million in the three months ended September 30, 2013. The decrease in depreciation and amortization was primarily attributable to more efficient investments in tangible and intangible assets as well as strengthening of the Euro versus other currencies.

Operating profit/(loss) (EBIT). Operating profit increased by €2.5 million, or 32.0%, to €10.2 million in the three months ended September 30, 2014 from €7.7 million in the three months ended September 30, 2013. The increase in operating profit was primarily attributable to increased revenues and contained costs.

Seats

	Three months ended September 30,		
	2014	**2013**	**% change**
	(in millions of €)		
Description:			
Net turnover	47.2	38.1	23.7
Other operating (expenses)/income, net	(41.1)	(33.9)	21.0
EBITDA	**6.1**	**4.2**	**45.5**
Depreciation and amortization	(2.3)	(2.6)	(9.1)
Operating profit/(loss) (EBIT)	**3.8**	**1.6**	**130.4**

Net turnover. Net turnover increased by €9.0 million, or 23.7%, to €47.2 million in the three months ended September 30, 2014 from €38.1 million in the three months ended September 30, 2013. The increase in net turnover was primarily attributable to favorable evolution of our sales in Western Europe and increased production volumes in such region, as a result of increased sales in (i) our factory in Vigo derived from our “PSA Picasso” project, (ii) Grupo Antolín-Alava, S.L.U. (due to the launch of the Daimler VS20, “Vito/Viano” project) and (iii) Grupo Antolín-Jarny, S.A.S. (due to continued performance of the Renault W62, “Master” project) .

Other operating (expenses)/income, net. Net operating expenses increased by €7.1 million, or 21.0%, to €41.1 million in the three months ended September 30, 2014 from €33.9 million in the three months ended September 30, 2013. The decrease in net operating expenses as a percentage of net turnover was primarily attributable to keeping fixed costs almost at the same level as in 2013.

EBITDA. EBITDA increased by €1.9 million, or 45.5%, to €6.1 million in the three months ended September 30, 2014 from €4.2 million in the three months ended September 30, 2013. The increase in EBITDA was primarily attributable to increased revenues and contained costs.

Depreciation and amortization. Depreciation and amortization decreased by €0.2 million, or 9.1%, to €2.3 million in the three months ended September 30, 2014 from €2.6 million in the three months ended September 30, 2013. The decrease in depreciation and amortization was primarily attributable to more efficient investments in tangible and intangible assets.

Operating profit/(loss) (EBIT). Operating profit increased by €2.1 million, or 130.4%, to €3.8 million in the three months ended September 30, 2014 from €1.6 million in the three months ended September 30, 2013. The increase in operating profit was primarily attributable to increased revenues and contained costs.

Lighting

	Three months ended September 30,		
	2014	**2013**	**% change**
	(in millions of €)		
Description:			
Net turnover	40.1	32.0	25.4
Other operating (expenses)/income, net	(33.3)	(26.0)	28.0
EBITDA	**6.8**	**6.0**	**14.0**
Depreciation and amortization	(1.6)	(1.2)	25.9
Operating profit/(loss) (EBIT)	**5.2**	**4.7**	**10.9**

Net turnover. Net turnover increased by €8.1 million, or 25.4%, to €40.1 million in the three months ended September 30, 2014 from €32.0 million in the three months ended September 30, 2013. The increase in net turnover was primarily attributable to increased sales in Europe and China due to new projects.

Other operating (expenses)/income, net. Net operating expenses increased by €7.3 million, or 28.0%, to €33.3 million in the three months ended September 30, 2014 from €26.0 million in the three months ended September 30, 2013. The increase in net operating expenses was primarily attributable to the increase in variable costs.

EBITDA. EBITDA increased by €0.8 million, or 14.0%, to €6.8 million in the three months ended September 30, 2014 from €6.0 million in the three months ended September 30, 2013. The increase in EBITDA was primarily attributable to increased revenues.

Depreciation and amortization. Depreciation and amortization increased by €0.3 million, or 25.9%, to €1.6 million in the three months ended September 30, 2014 from €1.2 million in the three months ended September 30, 2013. The increase in depreciation and amortization was primarily attributable to the increase in tangible and intangible assets to support current and future growth projects.

Operating profit/(loss) (EBIT). Operating profit increased by €0.5 million, or 10.9%, to €5.2 million in the three months ended September 30, 2014 from €4.7 million in the three months ended September 30, 2013. The increase in operating profit was primarily attributable to increased revenues.

Liquidity and capital resources

Historical cash flows

The following tables set forth our historical cash flow items for the nine months ended September 30, 2014 and September 30, 2013:

	Nine months ended September 30,	
	2014	2013
	(in millions of €)	
Consolidated Cash Flow Information:		
Cash flows from operating activities:		
Consolidated profit for the nine month period before taxes	**96.2**	**89.8**
Adjustments for:		
Depreciation, amortization and impairment	68.6	73.2
Net impairment loss on non-current assets	5.5	4.1
Finance income and expense	34.1	9.4
Profit of companies accounted for using the equity method	(6.4)	(3.2)
Operating profit before movements in working capital	**198.1**	**173.3**
(Increase)/decrease in trade and other receivables	(264.8)	(217.2)
(Increase)/decrease in inventories	(62.9)	(10.7)
Increase/(decrease) in trade and other payables	102.4	19.1
Increase/(decrease) in other current liabilities	(20.3)	23.9
Unrealized exchange differences and other items	(6.9)	(4.4)
Cash generated from operations	**(54.3)**	**(16.0)**
Corporate income tax paid	(20.4)	(24.8)
Net cash generated by/(used in) operating activities	**(74.7)**	**(40.9)**
Cash flows from investing activities:		
Dividends received	0.0	(20.8)
Payments for investments in:		
Property, plant and equipment	(71.8)	(42.2)
Intangible assets	(38.4)	(27.6)
Financial assets	0.0	17.4
Net cash generated by/(used in) investing activities	**(110.1)**	**(73.2)**
Cash flows from financing activities:		
Proceeds from/(payments for) financial liabilities:		
Proceeds from bank borrowings, net	155.0	109.2
Other cash flows from financing activities:		
Finance income and expense paid, net	(34.1)	(22.1)
Net cash generated by/(used in) financing activities	**120.8**	**87.0**
Net increase/(decrease) in cash and bank balances	(64.0)	(27.0)
Cash and bank balances at the beginning of the nine month period	**163.6**	**198.4**
Cash and bank balances at the end of the nine month period	**99.6**	**171.3**

Net cash generated by/(used in) operating activities

Our net cash used in operating activities was €74.7 million in the nine months ended September 30, 2014, primarily attributable to a consolidated profit for the nine months ended September 30, 2014 before taxes of €96.2 million, depreciation and amortization expenses which totaled €68.6 million, finance income of €34.1 million, payments of corporate income tax of €20.4 million and an increase in working capital of €66.5 million. This last figure takes into account the non-recourse factoring as of December 31, 2013. As of this date, we had € 158.7 million outstanding under the Factoring Agreement which was cancelled in March 2014.

Our net cash used in operating activities was €40.9 million in the nine months ended September 30, 2013, primarily attributable to a consolidated profit for the six months ended September 30, 2013 before taxes of €89.8 million, depreciation and amortization expenses which totaled € 73.2 million, finance and income expenses of €9.4 million, payments of corporate income tax of €24.8 million and an increase in working capital of €44.4 million. This last figure takes into account the non-recourse factoring as of December 31, 2012. As of this date, we had € 164.4 million outstanding under the Factoring Agreement.

Net cash generated by/(used in) investing activities

Our net cash used in investing activities was €110.1 million in the nine months ended September 30, 2014, primarily attributable to investments in Headliners and Doors, Each of these two segments represented approximately 35% of investments. Some of the main projects under development are “Daimler VS20”, “PSA K0”, “Audi Q5”, “Ford Mondeo” and “Audi TT Panel”.

On 24 September 2014 Grupo Antolín unveiled the acquisition of Machino Auto Comp Limited, an Indian manufacturer of plastic components for the automotive sector. With this operation, Grupo Antolín reinforces its footprint in India, a key emerging market in the automotive industry where we have been active since 1996. On September 30, 2014, Grupo Antolín had 4 factories and one technical commercial office in the country. With the acquisition of Machino Auto Comp Limited, Grupo Antolín enhances its plastic business and strengthens its position in the automotive industry in the Mahatashtra region. The main OEM’s in this industrial area are Mahindra & Mahindra, Volkswagen Group, Daimler, Fiat Chrysler and Tata Motors. The proceeds for this acquisition are reflected in Investments in Property, plant and equipment for the nine months ended September 30, 2014.

Our net cash used in investing activities was €73.2 million in the nine months ended September 30, 2013, attributable to investments in (i) Lighting and Doors segments and (ii) the development of several projects, mainly “Mercedes VS 20” in Seating and “Volvo Y283-Y352”, “Golf Plus W379” and “Skoda A7” all in the Doors segment.

Net cash generated by/(used in) financing activities

Our net cash generated by financing activities was €120.8 million in the nine months ended September 30, 2014, primarily attributable to the successful issuance of €400 million 4.75% Senior Secured Notes due 2021 and the signing of a € 200 million Senior Facilities Agreement.

Our net cash generated by financing activities was €87.0 million in the nine months ended September 30, 2013, primarily attributable to cash inflows from available credit lines and factoring with recourse.

Liquidity

Our principal source of liquidity is our operating cash flow, which is analyzed above. Our ability to generate cash from our operations depends on our future operating performance, which is in turn dependent, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond our control, as well as other factors.

As of September 30, 2014, our long-term indebtedness primarily consists of (i) the notes, (ii) the senior term facility and the revolving credit facility (undrawn) made available under the Senior Facilities Agreement, (iii) the ADE Facility, (iv) certain loans granted to us by Spanish public bodies to finance R&D projects and improve competitiveness and (v) other loans and finance leases.

As of September 30, 2014, the cash and bank balances and other liquid assets amounted to €99.6 million. Additionally we had available revolving credit facilities totaling € 217 million, of which €200 million correspond to the revolving credit facility made available under the Senior Facilities Agreement and € 17 million to other credit lines.

Although we believe that our expected cash flows from operations, together with available borrowings and cash on hand, will be adequate to meet our anticipated liquidity and debt service needs, we cannot assure you that our business will generate sufficient cash flows from operations or that future debt and equity financing will be available to us in an amount sufficient to enable us to pay our debts when due, including the notes, or to fund our other liquidity needs.

We believe that the potential risks to our liquidity include:

- a reduction in operating cash flows due to a lowering of operating profit from our operations, which could be caused by a downturn in our performance or in the industry as a whole;
- the failure or delay of our customers to make payments due to us;
- a failure to maintain low working capital requirements; and

- the need to fund expansion and other development capital expenditures.

If our future cash flows from operations and other capital resources (including borrowings under our current or any future credit facility) are insufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities and capital expenditures;
- sell our assets;
- obtain additional debt or equity financing; or
- restructure or refinance all or a portion of our debt, including the notes, on or before maturity.

We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In addition, the terms of the notes and any future debt may limit our ability to pursue any of these alternatives.

We are leveraged and have debt service obligations. As of September 30, 2014 we have approximately €706.3 million of financial debt. We anticipate that our leverage will continue for the foreseeable future.

Working capital

The following table sets forth changes to our working capital for the three months ended September 30, 2014 and September 30, 2013:

	Three months ended September 30, (in millions of €)	
	2014	2013
(Increase)/decrease in trade and other receivables	0.6	7.0
(Increase)/decrease in inventories	(42.0)	18.7
Increase/(decrease) in trade and other payables	29.6	(4.9)
Total (increase)/decrease in working capital	**(11.8)**	**20.9**

Our working capital requirements largely arise from our trade receivables, which are primarily composed of amounts owed to us by our customers, inventories primarily composed of materials (mainly textile fabric, plastic injection grain, petroleum-based resins and certain metals, including steel, aluminum and copper) and also tooling and other current assets which comprise receivables accounts with the public treasury by the advanced payments of taxes or refunds of taxes. Our trade payables primarily relate to trade payables to our suppliers for materials, services and fixed assets, other amounts to the public treasury for taxes and payments to our employees by way of salaries. We have historically funded our working capital requirements through funds generated from our operations, from borrowings under bank facilities and through funds from other finance sources.

Net working capital increased by €11.8 million in the three months ended September 30, 2014, principally due to increased tooling investments, and despite seasonally lower activity in the period (revenue decline of 7.2%, or €40.7 million, from 30 June 2014).

Net working capital decreased by €20.9 million in the three months ended September 30, 2013. This decrease is principally due to seasonally lower activity in the period (revenue decline of 13.7%, or €77.1 million, from 30 June 2013).

Capital expenditures

The following table sets forth our cash used in investing activities for the three months ended September 30, 2014 and September 30, 2013:

	As of September 30, (in millions of €)	
	2014	2013
Property, plant and equipment	34.0	16.9
Intangible assets	16.0	6.6
Capital expenditures	50.0	23.5

Our capital expenditure consists principally in expenditure on development expenses, property, plant and equipment. The main investments in tangible assets in the three months ended September 30, 2014, correspond to our new plants in Kansas, United States, Sanand, India, Sibiu, Romania, and Valencia, Spain, as well as investments in the expansion of existing facilities and the acquisition of Machino Auto Comp Limited. The main investments in tangible assets in the three months ended September 30, 2013, correspond to expansion of our existing facilities in Turnov, Czech Republic, Bamberg, Germany and Besançon, France.

Investments in intangible assets in the three months ended September 30, 2014, related mainly to development expenses on certain new projects including "Daimler VS20", "PSA K0" and "Audi TT Panel". Investments in intangible assets in the three months ended September 30, 2013, related mainly to the development of several projects, principally "Mercedes VS 20" in Seating and "Volvo Y283-Y352", "Golf Plus W379" and "Skoda A7" all in the Doors segment.

Contractual obligations

We have contractual commitments providing for payments primarily pursuant to our outstanding financial debt, including the financial obligations arising from the notes but excluding financial derivatives.

Our consolidated contractual obligations as of September 30, 2014 were as follows:

	Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
		(in millions of €)		
Contractual Obligations				
Interest bearing loans and borrowings[(1)]	699.1	27.5	236.1	435.6
Financial leases	5.8	2.5	3.2	0.0
Total Financial Debt	**704.9**	**30.0**	**239.3**	**435.6**
Soft loans – interest bearing[(2)]	5.9	0.0	2.9	3.0
Soft loans – non-interest bearing[(2)]	39.9	3.2	17.6	19.1
Total Soft Loans	**45.8**	**3.2**	**20.5**	**22.1**

(1) Interest bearing loans and borrowings consists of (i) €400.0 million incurred under the notes, €200.0 million under the Senior Facilities Agreement and €70.0 million under the ADE Facility, (ii) €11.7 million in credit lines outstanding, (iii) € 11.5 million of other bank loans or obligations and (iv) €5.9 million in interest-bearing Soft loans. Excludes € 1.4 million in accrued interest.

(2) Soft loans include several loans granted to the Company by certain Spanish public bodies, excluding accrued interest and financial remeasurment.

Grupo Antolín-Irausa, S.A. And Subsidiaries

Consolidated Balance Sheet At 30 September 2014 And 2013 And 31 December 2013 and 2012

(Millions of Euros)	**DECEMBER 2013**	**DECEMBER 2012**	**SEPTEMBER 2013**	**SEPTEMBER 2014**
Goodwill	52,8	52,8	52,8	52,8
Other Intangibles assets	145,8	140,7	139,9	165,5
Property , plant and equipment	399,7	429,4	425,0	443,4
Investments property	4,8	4,8	4,8	4,8
Investments in companies accounted for using the equity method	34,9	33,4	41,9	42,8
Other non current financial assets	86,4	115,8	94,1	90,8
Total non-current assets	**724,3**	**776,8**	**758,5**	**800,0**
Inventories	266,5	234,0	244,7	329,3
Trade and other receivables	203,5	210,9	428,1	468,3
Other current financial assets	1,4	8,1	8,1	1,4
Cash and bank balances	163,6	198,4	171,3	99,6
Total current assets	**635,0**	**651,4**	**852,2**	**898,7**
TOTAL ASSETS	**1.359,2**	**1.428,2**	**1.610,7**	**1.698,7**
Share capital	37,5	37,5	37,5	37,5
Share Premium	72,6	72,6	72,6	72,6
Reserves	201,1	180,2	200,0	138,8
Profit attributable to the Parent	55,9	41,6	54,2	57,8
Remeasurements	(56,9)	(8,9)	(50,5)	(34,5)
Dividend and Other	(118,2)	(25,3)	0,0	0,0
Non-controlling interests	25,6	31,1	26,5	30,7
Total equity	**217,6**	**328,8**	**340,2**	**302,8**
Bank borrowings	485,1	386,6	303,4	256,5
Other financial liabilities	39,3	40,4	40,0	39,3
Bonds	0,0	0,0	0,0	400,0
Other non- current liabilities	60,1	65,0	85,2	60,1
Total non current liabilities	**584,5**	**492,1**	**428,6**	**756,0**
Bank borrowings	48,9	113,1	305,8	30,2
Other financial liabilities	1,1	1,1	1,1	3,2
Bonds				
Trade and other payables	402,3	394,1	413,2	504,8
Other current liabilities	104,8	99,1	121,8	101,7
Total current liabilities	**557,1**	**607,3**	**841,9**	**639,9**
TOTAL EQUITY AND LIABILITIES	**1.359,2**	**1.428,2**	**1.610,7**	**1.698,7**

Consolidated Income Statement At 30 September 2014 And 2013

(Millions of Euros)	THIRD QUARTER 2014	THIRD QUARTER 2013	THIRD QUARTER Diff AV	THIRD QUARTER Diff %	YTD SEP 30 2014	YTD SEP 30 2013	YTD SEP 30 Diff AV	YTD SEP 30 Diff %
Revenues	523,1	484,1	39,0	8,1%	1.644,9	1.566,4	78,5	5,0%
Total operating income	**523,1**	**484,1**	**39,0**	**8,1%**	**1.644,9**	**1.566,4**	**78,5**	**5,0%**
Supplies	(317,6)	(298,3)	(19,4)	6,5%	(1.004,3)	(974,5)	(29,8)	3,1%
Staff costs	(84,2)	(83,6)	(0,6)	0,8%	(280,5)	(280,8)	0,4	-0,1%
Depreciation and amortisation expense	(22,6)	(23,2)	0,6	-2,5%	(68,6)	(73,2)	4,6	-6,3%
Other operating expenses	(68,6)	(50,2)	(18,5)	36,8%	(162,0)	(137,8)	(24,2)	17,6%
EBIT	**30,0**	**28,9**	**1,2**	**4,0%**	**129,5**	**100,1**	**29,4**	**29,4%**
% Margin	*5,7%*	*6,0%*			*7,9%*	*6,4%*		
Net Financial results	(9,9)	(6,3)	(3,7)	58,1%	(31,3)	(20,3)	(11,0)	54,5%
Exchange differences	0,2	(0,4)	0,6	-134,3%	(2,8)	(2,3)	(0,5)	20,0%
Other financial results	0,0	11,1	(11,1)	-100,0%	0,0	13,3	(13,3)	-100,0%
Net finance income/(cost)	(9,8)	4,4	(14,2)	-324,1%	*(34,1)*	*(9,4)*	*(24,8)*	*264,7%*
Net Impairment loss on non-current assets /extraordinary results	(0,6)	(1,6)	1,0	-62,1%	(5,5)	(4,1)	(1,5)	35,8%
Profit of companies accounted for using the equity method	0,9	1,0	(0,1)	-8,1%	6,4	3,2	3,2	101,1%
PROFIT BEFORE TAX	**20,5**	**32,6**	**(12,1)**	**-37,1%**	**96,2**	**89,8**	**6,4**	**7,1%**
Income tax	(7,6)	(12,2)	4,7	-38,2%	(34,6)	(32,0)	(2,6)	8,3%
Minority interest	(0,8)	(0,3)	(0,5)	148,7%	(3,8)	(4,7)	0,9	-18,7%
NET PROFIT	**12,2**	**20,1**	**(7,9)**	**-39,3%**	**57,8**	**53,2**	**4,6**	**8,7%**
EBITDA	**52,6**	**52,1**	**0,6**	**1,1%**	**198,1**	**173,3**	**24,8**	**14,3%**
% Margin	*10,1%*	*10,8%*			*12,0%*	*11,1%*		

Other Financial Data At 30 September 2014 And 2013 And 31 December 2013

(Millions of Euros) Calculation of EBITDA (12 Months):	September 2013 - 2014	December 2013	Limits
Profit for the year from continuing operations	156,5	127,1	
Adjusted for:			
Depreciation and amortization expense	93,3	97,9	
EBITDA	**249,8**	**225,0**	
Net finance income cost	**(41,7)**	**(30,7)**	
Ratio of net financial debt to EBITDA	**2,4x**	**2,4x**	**< 3,5x**
Ratio of EBITDA to net finance income /cost	**6,0x**	**7,3x**	**> 4,0x**

	30 Sep 2013	31 Dec 2013	30 Sep 2014
Bank Loans	609,3	533,9	686,8
Financial remeasurement	1,2	2,1	13,6
Other financial liabilities	41,1	40,4	42,5
Soft loans without cost	(31,1)	(30,8)	(39,9)
Other liabilities	(4,6)	(3,9)	(2,0)
Financial remeasurement	5,8	5,8	5,3
Non-recourse factoring	0,0	158,7	0,0
Financial debt	**621,7**	**706,3**	**706,3**
Cash and bank balances	171,3	163,6	99,6
Net finacial debt	**450,4**	**542,6**	**606,7**

	Real (Average 30/09/2013)	Real (Average 31/12/2013)	Real (Average 30/09/2014)
Dollar	1,317	1,328	1,36
Yen	127,242	129,625	139,55
Pound sterling	0,852	0,849	0,81
Brazilean Real	2,790	2,868	3,10
Czech Crown	25,749	25,986	27,50
Rand	12,484	12,825	14,54
India Rupee	75,652	77,866	82,30
Mexican peso	16,696	16,958	17,78
Argentine peso	6,957	7,286	10,82
Chinese Yuan	8,121	8,164	8,36
Polish Zloty	4,200	4,196	4,18
Moroccan Dirham	11,147	11,167	11,21
Korean Won	1456,052	1453,422	1412,20
Ruble	41,650	42,321	48,03
Turkish lira	2,457	2,533	2,93
Romanian Leu	4,408	4,419	4,45
Bath Thai	40,017	40,826	43,92

Critical accounting policies

Our financial statements and the accompanying notes contain information that is pertinent to this discussion and analysis of our financial position and results of operations. The preparation of financial statements in conformity with IFRS requires our management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses, and the related disclosure of contingent assets and liabilities. Estimates are evaluated based on available information and experience. Actual results could differ from these estimates under different assumptions or conditions.

We have adopted IFRS 10, 11 and 12 with effect from January 1, 2014. Among other things, these new standards eliminate the use of the proportional consolidation method for jointly controlled companies. Certain of our joint arrangements, the terms of which are renegotiated from time to time, may be reclassified as either joint ventures and accounted for using the equity method or be fully consolidated. Any change arising from the application of these new accounting standards would be presentational in nature and will not affect underlying cash flows. Under the indenture for the notes, the financial ratios and financial definitions are generally determined in accordance with IFRS as in effect from time to time.

The directors of the Company have assessed the potential impacts of applying these new standards in the future and consider that it may be significant for presenting and analyzing certain items on our consolidated financial statements, although they will not affect the profit and loss attributable to the Company or the net equity attributable to its shareholders.

Principal income statement account items

The following is a brief description of the revenue and expenses that are included in the line items of our consolidated income statement accounts.

Revenue

Revenue is measured at the fair value of the consideration received and represents the amounts received or receivable for the goods and services provided in the normal course of business, net of discounts, value added tax and other recoverable sales-related taxes. Where it is doubtful as to whether the revenues will be collected, recognition is deferred until they are effectively collected. Revenue includes revenue on sales of products and originary revenue from the provision of services.

Changes in inventories of finished goods and work in progress

We value our inventories as follows:

Materials and other supplies, packaging and containers, replacement parts, sundry materials, add-on parts and stocks for resale, are valued at the lower of cost applying the weighted average price method and net realizable value.

Finished goods, semi-finished goods and work-in-process are stated at the lower of real average production cost (materials used, labor and direct and indirect manufacturing expenses) and net realizable value.

Tools for new projects, which are developed and manufactured by us to be sold later on to our customers, are stated at the lower of either the costs incurred to manufacture them, as and when they are incurred, and their estimated net realizable value.

Net realizable value corresponds to the estimated selling price less the estimated costs of completing the products and the costs to be incurred in the marketing, selling and distribution.

Obsolete, defective or slow-moving inventories are reduced to their realizable value. In addition, if the net realizable value of the inventories is lower than the acquisition or production cost, the appropriate write-downs are recognized as an expense in the consolidated income statement for the year.

Capital grants and other grants taken to income

Official grants related to property, plant and equipment are recognized in our consolidated statement of financial position as deferred income when we have met the relevant qualifying conditions and there are, therefore, no reasonable doubts about the grants being collected. These capital grants are taken to the consolidated income statement under "Capital grants and other grants taken to income" on a straight-line basis over the useful lives of the assets.

Grants to cover or finance our expenses are recognized once all the conditions attaching to them have been fulfilled and will be taken to income when the financed expenses are incurred.

Other operating income

Other operating income is comprised principally of revenues on the sale of project tools, income from miscellaneous services, operating grants, income from leases of investment property, revenues from the assignment of industrial property and other revenue.

Supplies

The amount of supplies that are used in the production process are reported in the consolidated income statement. The most significant item accounted as supply is the purchase of materials. Changes during the period in inventories of materials, goods for resale and other supplies are adjusted in the supplies account.

Staff costs

Our staff costs include wages, salaries and similar expenses, termination benefits, employer's social security contributions and other welfare expenses. Staff costs are primarily driven by the size of our operations, our geographical reach and customer requirements.

Depreciation and amortization expense

Depreciation and amortization expense relates mainly to the annual depreciation charges on property, plant, equipment and capitalized development expenses. We transfer property, plant and equipment under construction to property, plant and equipment used in operations when the assets in question become operational, from which time depreciation is charged. Property, plant and equipment used in operations are depreciated on a straight-line basis, based on the acquisition or production cost of the assets or their restated value, less their residual value. The land on which buildings and other constructions are located is deemed to have an indefinite lifespan and is therefore not subject to depreciation. Annual depreciation charges on property, plant and equipment are charged to "Depreciation and amortization expense" in the consolidated income statement over the average estimated useful life of the assets. Capitalized development expenses are generally amortized on a straight-line basis over the estimated useful lives of the projects as from the date the related projects are completed.

Other operating expenses

Our other operating expenses relate to the rental cost of leased buildings, maintenance and upkeep, other external services, taxes and levies, impairment of accounts receivable and application of non-current provisions.

Net finance income/(cost)

Net finance income/(cost) primarily consists of finance income, finance costs, net fair value gain/(loss) on financial instruments, exchange differences and impairment and gains/(losses) on disposal of financial instruments.

Profit before tax

Profit before tax primarily includes net impairment loss on non-current assets, profits or losses from disposal of assets, gain/(losses) on disposal of non-current assets, profits from business combinations and profit of companies accounted for using the equity method.

Corporate income tax

The Company and all of its consolidated Spanish subsidiaries domiciled in Spanish "common territory" in which it has holdings of 75% or more file consolidated corporation tax returns.

The income tax expense is calculated as the tax payable with respect to the taxable profit for the year, after considering any changes in the assets and liabilities recognized arising from temporary differences and from tax credit and tax loss carry forwards.

We consider that a timing difference exists when there is a difference between the carrying amount of an asset or liability and its tax base. The tax base for assets and liabilities is treated as the amount attributed to it for tax purposes. A taxable timing difference is understood to be a difference that will generate a future obligation for us to pay taxes to the related tax authorities. A deductible timing difference is one that will generate a right for us to a refund or to make a lower payment to the related tax authorities in the future.

Tax credits and deductions and tax loss carry forwards are amounts that, after performance of the activity or obtainment of the profit or loss giving entitlement to them, are not used for tax purposes in the related tax return until the conditions for doing so established in tax regulations are met, provided that we consider it probable that they will be used in future periods.

Current tax assets and liabilities are the taxes that are expected to be recoverable from or payable to the related tax authorities within twelve months from the date they are recognized. Deferred tax assets and liabilities are the taxes that are expected to be recoverable from or payable to the related tax authorities in future years.

Deferred tax liabilities are recognized for all taxable temporary differences. In this regard, a deferred tax liability is recognized for the taxable timing differences resulting from investments in subsidiary companies and associate companies, and from holdings in joint ventures, except when we can control the reversal of the timing differences and they are not expected to be reversed in the foreseeable future.

The consolidated companies only recognize deferred tax assets arising from deductible temporary differences and from tax credit and tax loss carry forwards to the extent that it is probable that they will have sufficient future taxable profits against which these assets can be utilized.

Deferred tax assets and liabilities are not recognized if they arise from the initial recognition of an asset or liability (other than in a business combination) that at the time of recognition affects neither accounting profit nor taxable profit. The deferred tax assets and liabilities recognized are reassessed each year in order to ascertain whether they still exist, and the appropriate adjustments are made on the basis of the findings of the analyses performed.