

2014
**ANNUAL
REPORT**



GMV business group believes that behind each new need, behind every new problem, there is a challenge and a chance to innovate. Technology is not an end in itself; it is the means to make something new or to make something old better. In GMV we draw on our existing range of products and services or, if need be, we develop completely new ones to meet the particular needs of each client, providing bespoke innovation and technology. We take on our clients' challenges as our own, spurring us on to new heights of innovation.

GMV goes beyond its clients' brief, exploring their real needs with a total readiness to find solutions. This allows us to come up with the right response, often imaginative, sometimes unique and always honest.

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LETTER FROM THE PRESIDENT

MÓNICA MARTÍNEZ



In 2014 GMV celebrated its thirtieth anniversary. What began as a small university group has now grown into a thousand-strong international technology conglomerate trading in diverse technological sectors. The reasons for this success are many. Prime among them are the quality we demand in our products and services, and our determination to improve them continually. The challenges our clients pose keep us on our toes and spur us on to find the best possible solutions. The common denominator in all this is an overriding, company-wide fascination in technology and its problem-solving possibilities.

The recent opening of a new subsidiary in the UK means we are now trading in the four member states with the biggest participation in the European Space Agency. The UK is also one of the states keenest to develop its powerful space industry. Poland and Romania, two relatively recent members as yet with a small space industry, are equally eager to develop it. Our prime UK target at the moment is the space sector but we are confident about opening up new opportunities also in other sectors, just as we have done in Poland, Portugal, Malaysia and the USA. We take on the challenge of fully understanding each country and each market, building up local teams with worldwide liaison, harnessing the local knowledge of each geographical area to meet the common goals.

Sales turnover has continued to grow this year. There are now over 200 earth-orbiting satellites of all types with GMV input. Add to these a hundred more in the pipeline. At the end of 2014 our client portfolio included all the major international space agencies and a total of 31 telecommunications operators, with systems rolled out in over 25 countries throughout the 5 continents. The contracts won in Europe's satellite navigation program have also fueled GMV's activity in this field; as of today we boast one of Europe's biggest expert teams. Our close and ongoing collaboration with ESA is particularly rewarding when our work helps to pull off epoch-making feats like the first ever landing of a space probe on a comet.

We are a benchmark firm for the Ministry of Defense, especially in ISR and command and control systems. On top of this we are also working with Airbus on cutting-edge developments of critical software and onboard electronic equipment. In the area of border security and surveillance we are running the crucial EUROSUR project within FRONTEX. Despite the lackluster mood of the security and defense market, we have won an all-time high of contracts this year.

Our electronic fare-collection equipment for public transport has now been fitted in over 60,000 vehicles of more than 100 different operators. To

this must be added 300,000 automobiles equipped with advanced "GMV inside" technology. We are carrying out transport projects in thirty countries with multinational teams. We also boast a range of trailblazing equipment within the new wave of emerging forms of transport.

In ICTs the current, price-centered scenario of fierce competition is especially difficult for firms whose hallmark trait is the maintenance of the highest quality levels. This is what makes us stand out from the pack, however, helping us to win new contracts and cement client loyalty; this year, yet again, we have won big contracts from major clients. Quality-centeredness is also a crucial feature is our extremely fruitful collaboration with ESA and is an essential element in any cybersecurity project. All these activities enable us to explore new opportunities in various markets and countries. Innovative development of new products on the strength of cooperation between our various offices together with quality control enables us to build an offer that distinguishes us from all the rest.

It is our clients who drive us on to continual improvement in our continual search for new solutions, exploring and applying new technologies with and for our clients. These clients are major drivers of GMV's development. We chose to

celebrate our thirtieth anniversary by sharing a vision of the future with our guests, analyzing with outstanding international speakers the likely transformations to be brought in by technology in the upcoming decades. In this future scenario GMV intends to play a key part, together with our clients and collaborators.

Cordial greetings,
Mónica Martínez

LETTER FROM THE CEO JESÚS B. SERRANO



Thirty years ago, back in 1984, there were no such things as cell phones, wi-fi, Bluetooth, internet, email, Google, Twitter or LinkedIn. People used either programmable calculators or mainframes hitched up to user terminals with 14-inch black-and-white screens. Laptops didn't exist; desktops were hulking boxes with 40MB hard disks. Most technical or scientific programming was carried out in Fortran or Ada. Fares were paid in cash and tickets were paper. Car journeys were negotiated with paper roadmaps rather than GPS navigation devices. The euro didn't exist and each European country had its own currency.

But three decades ago, in 1984, there were indeed good engineers and talented technologists, driven by a fascination in technology, an unflagging desire to improve and a proud sense of good workmanship. In Spain, with the space sector still in its infancy, Juan J. Martínez decided to set up a space company from a university working group in Universidad Politécnica de Madrid. GMV was born in 1984 and soon won its first contract in the world arena: the client was ESA's German-based European Space Operations Centre, the company fighting off competition from a Swiss firm. We won this first contract largely on the strength of the quality and effort of our personnel. This was GMV's first challenge and we came through it with flying colors.

GMV was created with the hope that, maybe one day, it would become an important Spanish engineering firm with a staff of about 100.

Fast forward three decades. GMV is now a multinational employing over 1100 people, running subsidiaries in eleven different countries of Europe, the Americas and Asia and rolling out systems in all five continents. We started off in the space sector and this is still our strong suit. But from this base we have managed to transfer our space infrastructure and technology to other business activities such as defense and security, transport, healthcare, telecommunications and banking. Also in these sectors we have developed technology spinoffs that we have then applied elsewhere.

After thirty years the resources to hand for both our daily lives and professional careers have improved beyond all recognition. But GMV's hallmark values and its way of doing business haven't changed one whit: a passion for challenges, a refusal to rest on our laurels, enthusiasm for technology and innovation, fine workmanship and client-centeredness.

During this thirty-year track record GMV's inhouse systems have orbited the Earth, traveled to the Moon, explored the universe and landed on a comet. They form the core of

worldwide earth-observation and environment-monitoring technology as well as navigation and telecommunication systems. After three decades our client portfolio boasts all the world's major space agencies and over thirty commercial telecommunication satellite operators from all five continents. Among other feats GMV can proudly claim to be the world's number-one independent supplier of ground control centers for commercial telecommunication satellite operators; GMV is playing a crucial role in Europe's satellite navigation programs EGNOS and Galileo, and is also making a substantial contribution to navigation systems in other parts of the world thanks to the company's store of experience, expertise and know-how built up in its past technological feats.

Twenty five years ago GMV was a trailblazer in the use of satellite navigation and communication technology for transport and mobility purposes. Today its tried-and-tested systems for advanced fleet management and passenger information, video surveillance, communication and electronic fare collection for public transport, set up by GMV in Europe, the Americas, Asia and Africa, are helping to boost mobility while improving the safety of public transport operations. Not only that, these systems are also helping to protect the environment by improving the efficiency of public transport and making it a more attractive option

for the public at large. GMV is now a worldwide benchmark in the field of road and railway intelligent-transportation systems.

Ever since GMV began its cybersecurity activity nearly two decades ago, its strategy has always revolved around an ongoing investment in product and technology R&D to keep GMV at the head of the sector. Driven by this strategy, GMV has now developed products and services patented at world level and has set up business in countries like Russia, Ukraine, Italy, Mexico, Brazil and Colombia. The wealth of experience built up by GMV throughout these years, in the areas of consultancy, auditing, diagnosis, monitoring and the implementation of cybersecurity solutions, has kept it at the forefront as a benchmark ATM-security provider for major firms (in banking, industry and utilities) and government institutions at home and abroad.

In this thirty-year period GMV has always harnessed cutting edge information and communication technology (ICT) to improve the operational efficiency of major business sectors such as banking, telecommunications and healthcare. GMV provides all its clients with its technology, its professional skills and groundbreaking products, often working alongside its clients on a best partner basis. On other occasions it spearheads brand

new systems that revolutionize working practices in various sectors. Within healthcare, for example it has provided game-changing systems of tele-diagnosis, tele-consultation and intraoperative radiotherapy planning.

Throughout all these years GMV has made a huge contribution to the revolution of defense-and-security systems, phasing in ICTs to boost the efficiency and operational effectiveness of both human and material resources. GMV is now national leader in C4ISTAR systems and a stalwart NATO supplier in this area. Likewise, the EU's current border surveillance procedures are now being carried out with GMV's systems.

I would like to wind up by running a quick slide-rule over the year now coming to a close. 2014 has been a good one for GMV. Our €118-million turnover is 8% up on last year; net profit is up by 6% and we have kept up an EBITDA/turnover ratio of 8%, recording an EBITDA of €9.2 million. These figures are even more impressive if we bear in mind that revenue has been rather thin on the ground this year. The end-of-year order book was worth 0.98% of turnover. All this bodes well for the future and is sure to fuel a new growth period for GMV.

Jesús B. Serrano

CORPORATE STRUCTURE

Grupo Tecnológico e Industrial GMV, S.A.

GMV Innovating Solutions, S.L.

GMV Aerospace and Defence S.A.U. / Aerospace and defense markets

Grupo Navegación por Satélite Sistemas y Servicios S.L / Galileo development and exploitation

GMV Seguridad Integral S.A.U. / Security market

GMV Sistemas, S.A.U. / Transportation and Industry markets

GMV Innovating Solutions S.A.S. / Aerospace, Defense, Transportation, and Telecommunications markets of COLOMBIA

GMV Innovating Solutions SARL / Aerospace, Defense, Transportation and Telecommunications markets of FRANCE

GMV GmbH / Aerospace, Defense, Transportation and Telecommunications markets of GERMANY

GMV Innovating Solutions Pvt. Ltd. / Aerospace, Defense, Transportation and Telecommunications markets of INDIA

GMV Innovating Solutions Sdn. Bhd. / Aerospace, Defense, Transportation and Telecommunications markets of MALAYSIA

GMV Innovating Solutions Sp.z o.o. / Aerospace, Defense, Transportation and Telecommunications markets of POLAND

GMVIS Skysoft S.A. / Aerospace, Defense, Transportation and Telecommunications markets of PORTUGAL

GMV Innovating Solutions S.R.L. / Aerospace, Defense, Transportation and Telecommunications markets of ROMANIA

GMV Innovating Solutions Limited / Aerospace, Defense, Transportation, and Telecommunications markets of UNITED KINGDOM

GMV Innovating Solutions Inc. / Aerospace, Transportation and Telecommunications markets of USA

GOVERNING BODIES





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6



7



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13



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BOARD OF ADMINISTRATORS CORPORATE MANAGEMENT

1. **MÓNICA MARTÍNEZ WALTER**
Board President
2. **JESÚS B. SERRANO MARTÍNEZ**
Member of the Board / Chief Executive Officer
3. **JAVIER LÓPEZ ESPAÑA**
Director / General Secretary
4. **SUSANA MARTÍNEZ WALTER**
Member of the Board
5. **MANUEL PÉREZ CORTÉS**
Member of the Board / General Manager Homeland Security & Defense
6. **FCO. JAVIER MARTÍNEZ CENDEJAS**
Member of the Board / Chief Financial Officer
7. **MIGUEL ÁNGEL MARTÍNEZ OLAGÜE**
Chief Business Development & Marketing Officer
8. **IGNACIO RAMOS GOROSTIOLA**
Chief Human Resources & Infrastructure Officer
9. **JORGE POTTI CUERVO**
General Manager Aerospace
10. **LUIS FERNANDO ÁLVAREZ-GASCÓN PÉREZ**
General Manager Secure e-Solutions
11. **JUAN A. MARCH GARCÍA**
General Manager Transport & Mobility
12. **RICARDO TÓRRON DURÁN**
Member of the Board (GMV Aerospace and Defence, S.A.U.)
13. **ALBERTO DE PEDRO CRESPO**
Managing Director GMV Portugal
14. **PEDRO J. SCHOCH**
President GMV NA

IN MEMORIAM



Enrique Revilla Pedreira, Secretary to the Board of Directors of GMV Innovating Solutions, S.L passed away on 31 July 2014.

A fast friend and faithful collaborator of the company founder, Juan José Martínez García, Enrique Revilla played a key role in GMV's whole history, continuing to work for the firm even after his retirement. He took part in the founding of GMV before joining the firm full time as financial-administrative manager in 1987, overseeing the economic aspects of bids and also acting as head of contracts for most of GMV's ESA contracts, with responsibility for cost control, liaison with official authorities, budget control, etc. On the strength of his proven experience and expertise in the defense sector he combined all the above duties with the post of head of the protection

service, with responsibility for all relations with the Ministry of Defense.

In 1991 he was appointed secretary general and secretary to GMV's board of directors, taking on responsibility for institutional relations with central, regional and local government authorities as well as legal and contractual matters. In December 2013 he retired, retaining his post as secretary to the board of directors.

Throughout all these years, true to his commitment and determination to achieve a brilliant future for GMV, Enrique Revilla unfailingly offered us his valuable professional experience and advice. From here we wish to render this homage to his memory and the spirit that imbued his work at all times.

COMPANY

HISTORY



GMV was born in 1984 from the business initiative of Professor Dr. Juan José Martínez García. At first GMV centered on the space and defense sector, taking its first steps in fields like mission analysis, flight dynamics, control centers, satellite navigation or simulation, all areas in which GMV is nowadays a leading light worldwide. It started out with a small group of engineers who won a contract for ESA's European Space Operations Centre (ESOC) in an open international tender. GMV then went from strength to strength, growing into a solid firm boasting a 100-strong staff by the late eighties. It participated actively in ESA's first space missions and provided highly specialized services for the major international satellite manufacturers and operators.

In a few short years the sheer quality of its work won GMV a cast-iron reputation in the European space sector. In 1988 it was declared to be a Center of Excellence in Orbital Mechanics by the European Space Agency.

In the early nineties GMV decided to branch out into other sectors by way of technology transfer. This gave rise to new business lines in the transport and telecommunication sectors and in the application of information technologies for

the public and private sector. By breaking into these new markets GMV became a trailblazer in fields like internet or satellite-navigation applications, still in their infancy in those days. In the transport field GMV became a pioneer in intelligent transportation systems with the development of the first GPS-based fleet tracking and management systems. The company thus began to transfer to other markets the knowhow and expertise built up in the space sector in terms of control centers, geographic information systems (GIS), satellite navigation, telecommunications and data networks. It was also during the nineties that GMV consolidated its position in the defense market, especially in the fields of command and control systems, military applications of satellite navigation systems and simulation.

By the end of the nineties GMV's diversification process had been successfully negotiated and its staff had built up to almost 300. The turnover now topped 20 million euros, of which about 50% came from sectors like transport, telecommunications and information technologies.

In 2001 the founder and president of GMV, Professor Juan José Martínez García, passed away. This led to a change in the executive structure of

the business group GMV; the post of CEO was created while the presidency of the group was taken on by Dr. Mónica Martínez Walter.

In these years GMV entered upon a new stage with a twofold objective: firstly to maintain its business independence and secondly to develop a future plan that would guarantee ongoing profitable growth both in its traditional areas and in other new ones. A big investment was therefore made in the development of new products and solutions in space, defense, transport and information technologies; the decision was also taken to break into new sectors and an ambitious program was unfurled for internationalizing the long-standing business lines.

As a result of this international expansion policy GMV took a crucial step forward in 2004 with the creation of its US-based subsidiary, thus becoming a company trading in two continents. The new subsidiary focused on the US aerospace market with the aim of becoming a tried and trusted supplier in this sector.

In May 2005 the business group GMV reaffirmed its strategy of international growth and development by buying a 58% stake in Skysoft,

a Portuguese firm with very similar business lines and target markets to GMV's. In 2007 the operation was completed with the purchase of 100% of Skysoft, its operations then being knitted seamlessly into the rest of the business group.

GMV's new corporate identity was officially launched in September 2006, to bring it into line with the actual situation of the multinational technology group GMV. The group had by now broken into many new sectors and expanded its business internationally. To make sure the corporate brand did not lag behind this new situation we decided to carry out a thoroughgoing overhaul of the group's identity, unifying all the corporate brands under a single denomination. As a result, all the subsidiaries took on the new GMV brand as a single corporate identity.

In June 2007, GMV purchased a 66% stake in Masisconvi, S.A., a company specializing in the design, development, manufacturing and marketing of ticket-vending and fare collection systems, using cutting-edge technology. This operation allowed GMV to round out its range of passenger transport telematics, previously focusing on advanced passenger-information and fleet-management systems. In early 2011 GMV

completed the 100% purchase of Masisconvi, S.A. and in 2012 it was wholly integrated into the group structure by means of a merger-based takeover.

In late 2007, giving a new kick to its worldwide expansion drive, GMV decided to internationalize those business lines that had been built up to number-one status within national borders, such as the intelligent transportation business. This soon came good, the company winning its first contracts in Asia and Central-Eastern Europe by 2009. Since then this process has gone from strength to strength, important new contracts being won in India, Indonesia, Malaysia and Poland, etc.

GMV's international expansion kicked off back in 2004 with the creation of the US subsidiary; by the end of 2014 it was running subsidiaries in Germany, Colombia, France, USA, India, Malaysia, Poland, Portugal, the UK and Romania.

In 2014 GMV clocked up its 30th anniversary since its creation as a small engineering firm with a handful of engineers working on space projects. Over these 30 years GMV has evolved into a thousand-strong multinational business group

established in Europe, the USA and Asia, trading in several hi-tech sectors with a swelling client portfolio in all five continents. With this 30-year track record behind it GMV still looks to the future with undimmed zest and enthusiasm, maintaining its original aim of building up a strong knowledge-based company whose main resource is still the talent, far-sightedness and effort of its personnel.



To celebrate its 30th anniversary GMV held a conference called "A Vision of the Future". The aim of the conference was to give a long-term overview of tomorrow's future-changing technologies and bring home the importance of investing in them today. The event, chaired by the Secretary of State, brought together four leading international figures from the world of science and technology (Michio Kaku, Daniel Sieberg, Bas Lansdorp and Dr. Julio Mayol). Moderated by Eduard Punset, they analyzed how innovation & technology are going to transform industries such as space exploitation, transportation, ICTs or healthcare and their impact on our lives in the coming decades.



GMV IN 2014

MAIN FIGURES

Total Income: **117.54 M€**

EBITDA: **9.2 M€**

Net profit: **3.73 M€**

Number of employees: **1,155**

ACTIVITY SECTORS

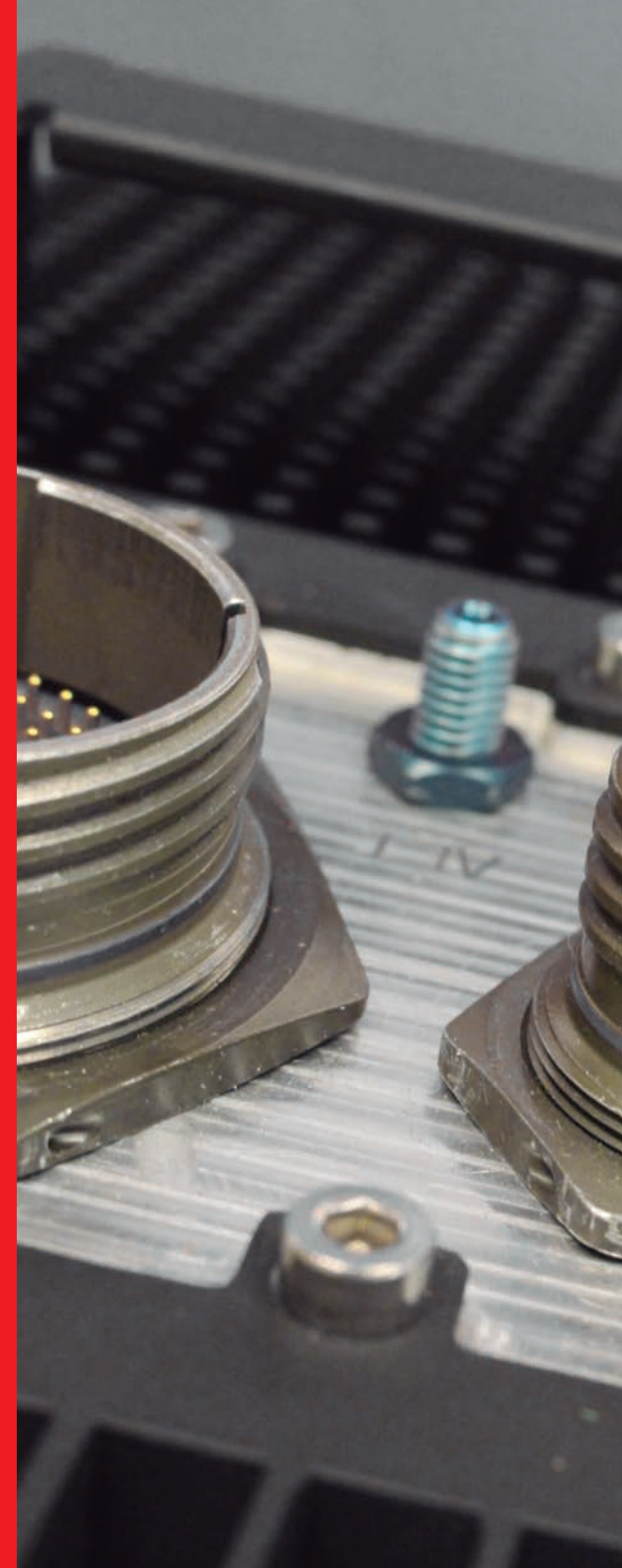
GMV provides solutions, integrated systems, specialized hi-tech products and services. Its activities take in the whole life cycle of the system, ranging from consultancy and engineering services up to the development of software and hardware, the integration of turnkey systems right through to operational support. These products and services are supplied through its various subsidiaries to eight different sectors: aeronautics, defense and security, space, healthcare, cybersecurity, information technologies for the public and private sector, telecommunications and transport.

ACTIVITIES 2014 AERONAUTICS

GMV is a tried-and-tested supplier of products and services for leading aeronautical manufacturers such as EADS, for providers of air navigation services and for regulatory authorities such as AENA, ICAO and Eurocontrol. GMV provides engineering services and develops state-of-the-art aeronautical systems and software while always adhering to the highest quality standards. GMV has spearheaded the development of aeronautical approach- and landing-systems based on satellite navigation and is one of the few European companies with comprehensive knowledge of modern avionics architectures, testing systems and their associated regulations.

The most important areas of activity within the aeronautics sector are the following:

- Flight dynamics
- Development of safety critical software (DO-178B/C)
- Avionics and equipment design
- Integrated Modular Avionics (IMA)
- Unmanned Aerial Vehicles (UAVs)
- Flight-training and engineering simulators
- Testbeds
- Mission planning systems
- Approach and landing systems
- Aeronautical communications
- GNSS technical assistance for air-navigation operators and authorities





ACTIVITIES AND ASSESSMENT 2014

Throughout 2014 GMV continued to increase its business activities in the development of onboard systems and integrated modular avionics (IMA). GMV is responsible for the complete development of the flight control computer (FCC) of Airbus Defence and Space's unmanned aerial vehicle Atlante. Such vehicles are often shortened to their initials of "UAV" and are more popularly known as drones. The FCC sees to navigation, guidance and flight control. The resounding success of all flight trials carried out to date augurs well for the future and has awakened keen interest both inside and outside Spain. Within this same field GMV has also begun to work with other manufacturers like Embraer and has kept up an unstinting R&D effort on several fronts within advanced modular avionics.

As for the supply of systems and technical assistance to air-navigation and airport operators and authorities, GMV continues to develop its GNSS skills and products and project them further afield, especially in terms of Satellite-Based Augmentation Systems (SBAS). The success of the European SBAS called EGNOS, in the development of which GMV played a key part, is now allowing GMV to export its SBAS technology to new clients. International activity in this field remained brisk in 2014, with SBAS projects up and running in Africa and Latin America.

In 2014 the tactical unmanned aerial vehicle (UAV) Atlante successfully makes its first flight from Deblin airbase in Poland. This is the first demonstration flight outside Spain. GMV is responsible for the flight control computer (FCC), which controls, guides and navigates the aircraft. GMV is also supplying the automatic take-off and landing (ATOL) system as a built-in part of the ground control station (GCS).

AERONAUTICS. MAIN MILESTONES



1. In 2014, GMV continues its active participation in the two projects TREGA (Training EGNOS GNSS in Africa) and the Augmentation Solution for the Caribbean, Central and South America (Solución de Aumentación para Caribe, Centro y Sudamérica: SACSSA). These two projects set out to plan and develop the necessary technical, financial, operational and institutional aspects for increasing navigation capacity in these regions ahead of the installation there of Europe's EGNOS navigation system. Both projects include the provision of different products from GMV's **magicGNSS** suite as well as operator training, support and maintenance.



2. Within the framework of Portugal's unmanned aircraft program PAIC Imperio UAS, a start is made in 2014 on the DIMA project, being carried out in cooperation with the Portuguese firm X-AeroSystems. The aim of the project is to develop an aeronautics platform based on onboard IMA technology capable of dealing with new configurations associated with different mission payloads. The concepts of autonomous avionics reconfiguration and flexibility are the basis of a project signed with Embraer for installing in Portugal a trial platform for validation of groundbreaking IMA concepts.

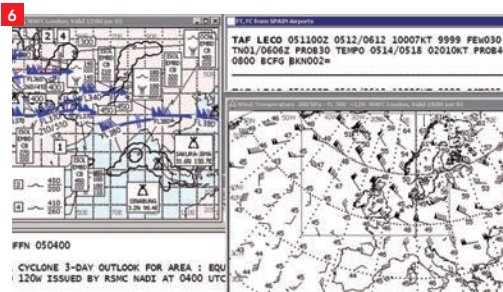


3. In 2014 GMV also increases its client portfolio with the provision of SIMA licenses (Simulated Integrated Modular Avionics) for CMC Electronics, the leading Canadian firm in the design, manufacture, sale and support of hi tech and electronics products for the aviation and global positioning markets.

4. During 2014 GMV also makes a big investment in the R&D projects HALA and ACROSS, aiming to harness modern technologies to reduce pilots' workload in all flight phases and also implementing the most groundbreaking avionics interfaces in the pilot's cabin.



5. At the end of the year, before representatives of Embraer and Airbus, a presentation is made of the results obtained in the European KARYON (Kernel-Based ARchitecture for safety-critical) project, carried out by a consortium including GMV. The remit of the project was to develop system solutions for predictable and safe coordination of smart vehicles that autonomously cooperate and interact in an open and inherently uncertain environment.



6. The State Meteorology Agency (Agencia Estatal de Meteorología: AEMET), Spain's only meteorological service provider, turns to GMV for five-year maintenance of the system set up the previous year, for receiving, generating, storing and distributing aeronautical meteorology products broadcast through the Secure SADIS FTP service operated by MetOffice, including operational meteorological (OPMET) data.



7. In October 2014 the tactical unmanned aerial vehicle (UAV) Atlante successfully makes its first flight from Deblin airbase in Poland. This is the first demonstration flight outside Spain. GMV is responsible for the flight control computer (FCC), which controls, guides and navigates the aircraft. GMV is also supplying the automatic take-off and landing (ATOL) system as a built-in part of the ground control station (GCS).



8. GMV leads the consortium of companies called CIELO (Cleansky Innovative technologies for Enhanced piloting Operations), created with the idea of participating as Core Partner in the European aeronautics research program Clean Sky 2. This is a public-private collaboration arrangement between the European Commission and the industry with the aim of developing groundbreaking technologies to facilitate cabin operations and increase flight safety of aircraft and of air transport in general.



9. During 2014, GMV continues to provide diverse engineering services for Airbus Defence & Space. Pride of place here goes to its collaboration in the tankers program, where GMV is taking part in many aspects of the flight refueling system (control laws, system simulators, onboard control software, etc.), and the engineering services associated with the FITS systems (Fully Integrated Tactical System). These activities are rounded out by ongoing work on the A400M plus diverse collaborations in the Eurofighter project.

ACTIVITIES 2014 SPACE

GMV is one of the world's main suppliers of space organizations and agencies, and of the major satellite manufacturers and operators.

With over 30 years of experience behind it and nearly 400 satellites carrying its technology, GMV is a technological partner of cast-iron dependability, capable of meeting the most stringent needs under the strictest quality standards. It has now achieved CMMI Level 5 certification, covering the whole range of activities and services within the space sector:

- Flight Segment:
 - System-engineering and mission analysis
 - Guidance, navigation and control (GNC) systems
 - Autonomy and robotics
 - Satellite and mission simulators
 - Ground validation and testbeds
 - Onboard software and independent validation
 - Prototypes of data simulators and processors for earth observation instruments
- Navigation:
 - Engineering and algorithms of satellite navigation systems
 - Major global satellite navigation signal-generation and -processing systems
 - Precise positioning solutions and augmentation systems
- Ground Segment:
 - Design and integration of complete ground systems
 - Satellite control centers and monitoring stations
 - Science-mission operations centers
 - Flight dynamics systems
 - Mission planning systems
 - Payload management centers for telecommunications missions
- Data Processing:
 - Instrument processors for earth-observation and science missions
 - Quality control and calibration systems
- Space mission operational support
- Space applications

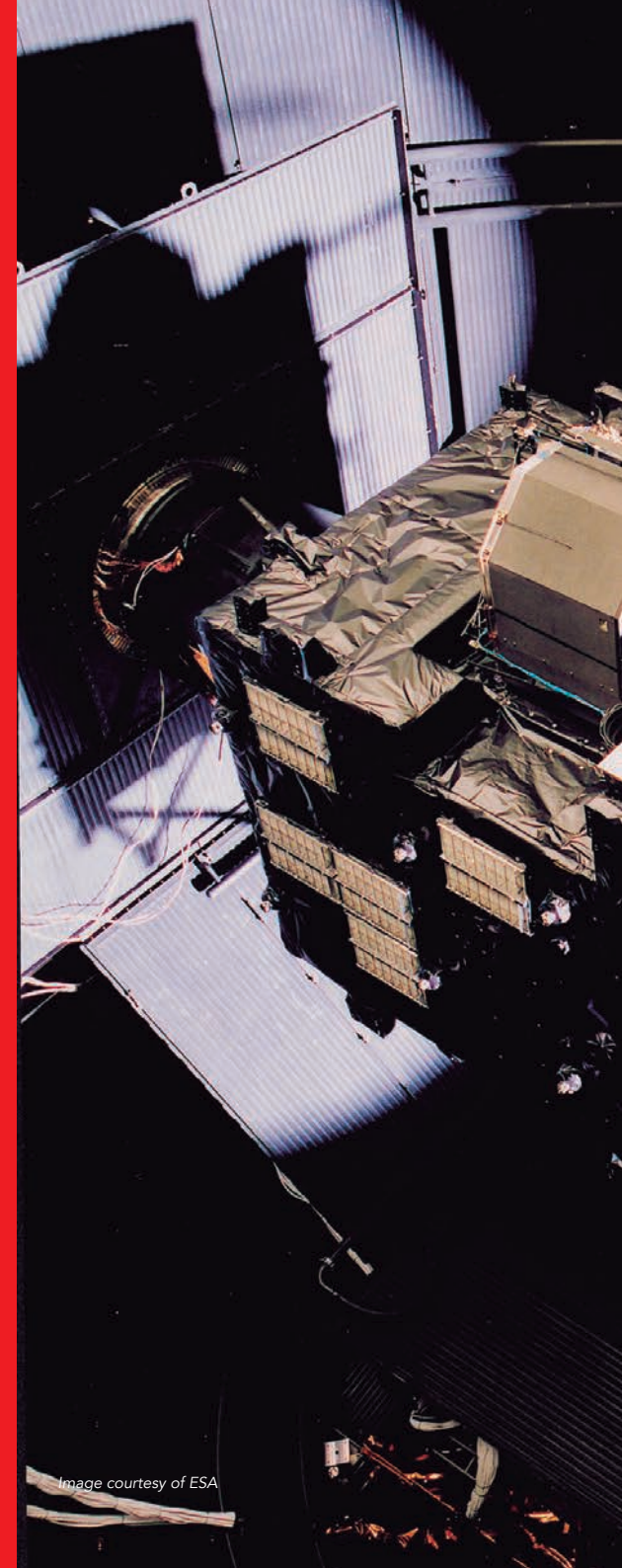


Image courtesy of ESA



ACTIVITIES AND ASSESSMENT 2014

For yet another year GMV's activity in this sector continued to expand both in the public and private sector. Results were excellent overall despite the dire worldwide economic context and Spain's low-key participation in the European Space Agency's programs.

For the fifth year running GMV retained its status as the world's top independent supplier of ground control systems for commercial telecommunications satellite operators. Forty five percent of the commercial telecommunications satellites launched between 2010 and 2014 carried GMV technology onboard. In 2014 this number-one status was cemented by new contracts won with clients like Europe's Eutelsat, the Arabian Arabsat, the Australian NewSat, the Brazilian Visiona, Yahsat of Abu Dhabi and the Indonesian bank BRI. At the end of 2014 GMV's client portfolio included all the major international space agencies and a total of 31 telecommunications operators, with systems now up and running in over 25 countries throughout the 5 continents.

The bright prospects promised in 2013 within the framework of Europe's satellite navigation program came good in 2014, considerably boosting GMV's business in this field. GMV is now rolling out critical Galileo land infrastructure under the TGVF (Time and Geodetic Validation Facility) land system, a contract won by fighting off fierce competition from Europe's major contractors. It is also setting up the Galileo commercial service demonstrator and developing Galileo's service center. On the strength of all this ongoing success GMV now boasts a long and proven track record and one of the biggest expert teams in Europe, standing it in good stead for the major tenders coming up in the near future.

GMV also holds an excellent position in Europe's other star programs, especially in the European Union's Global Monitoring for Environment and Security, Copernicus, and ESA's SSA/SST (Space Situational Awareness / Space Surveillance and Tracking) program. In both these programs GMV has several contracts now underway and its wealth of experience in this field places it in pole position for the upcoming projects expected in the future.

GMV's fold of subsidiaries in various countries such as Germany, France, Poland and Romania was increased in 2014 by a new UK subsidiary, set up with a view to carrying out space activities from this country. The success of this ongoing expansion strategy has been borne out in the past with the winning of the first big contracts in Poland and Romania, and a considerable growth of the R&D teams posted to these countries is expected in coming years.

In 2014 Rosetta becomes the first ever spacecraft to rendezvous with a comet, go into orbit around it, and then land a module on it. GMV has participated in the conception, planning and development of this mission since years before its launch and has also intervened in the preparation of operations for the main mission phase.

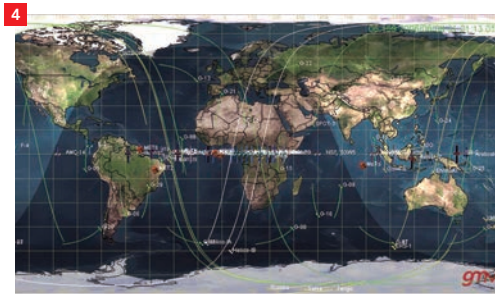
SPACE. MAIN MILESTONES



1. GMV consolidates its position as the world's number-one supplier of control centers for commercial telecommunications satellites. In 2014, GMV signs a contract with the satellite operator ARABSAT for setting up a complete satellite control center (SCC) to cover its total current fleet of satellites and those to be phased in in the near future. Elsewhere, the satellite Thaicom 6 comes into operational phase thanks to GMV's flight-dynamics and monitoring-and-control systems. Hispasat's Amazonas 4 satellite, for which GMV has developed the flight-dynamics and monitoring-and-control systems, is also successfully launched during the first quarter of the year and a contract is signed with Space Systems Loral for the development and installation of the control center for the Indonesian telecommunications satellite BRIIsat.



2. In 2014 GMV continues to play a leading role in Europe's satellite navigation system Galileo. GMV has supplied several key elements for the system's ground segment such as the OSPF (Orbit & Synchronisation Processing Facility), IPF (Integrity Processing Facility), SPF (Service Product Facility), FDF (Flight Dynamics Facility) and MNE (MDDN Network equipment). GMV is also currently the main contractor for providing Galileo's system-enabling Timing and Geodetic Validation Facility (TGVF) services; it is co-leading development of the European Union's GNSS Service Centre (GSC) and is leading the development of Galileo's commercial service (CS) demonstrator. Last but not least, GMV is collaborating with Astrium in the first phases of the definition of Galileo's second generation of satellites. During this year it also carries out several key activities within ESA's European GNSS Evolution Program (EGEP).



3. During this year GMV brings another two new commercial satellite operators into its already bulging client portfolio. NewSat Limited, an Australian satellite operator, awards GMV the contract for supplying the flight dynamics system of the satellite Jabiru-1. This system will provide the necessary capability for the satellite's positioning and orientation, ensuring proper planning and execution of the necessary maneuvers. Elsewhere, Yahsat, a commercial satellite operator working from Abu Dhabi, awards GMV the contract for the ground mission planning system.

4. In 2014 Eutelsat awards GMV a contract for adaptation of the ground segment of Eutelsat Americas (Eutelsat division for the Americas, fruit of the takeover of the Mexican company SATMEX) to GMV's multiplatforms Neo-SCS and focusgeo, which will run Eutelsat's total fleet of satellites. This contract includes supply of both the ground control system and the flight dynamics system.

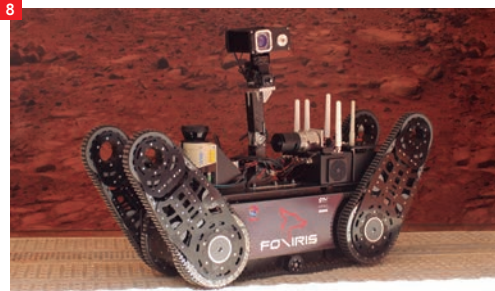


5. After a ten-year voyage through interplanetary space the Rosetta space probe becomes the first ever spacecraft to rendezvous with a comet, go into orbit around it, and then land a module on it. GMV has played a key role in the mission design phase since years before its launch and also in flight dynamics operations, control of the planning of three instruments and preparation of operations for the main mission phase (the "comet" phase").

6. In late July the European Space Agency (ESA) successfully launches the fifth Automated Transfer Vehicle, ATV-5. GMV has been responsible for maintenance and updating of the orbital mechanics system of all the ATVs, in order to adapt them to their forerunner each time. For the ATV-5 in particular GMV, still a member of the orbital mechanics operations team, is also responsible for the orbital mechanics database for operational deployment of flight dynamics and for pre-flight system qualification.

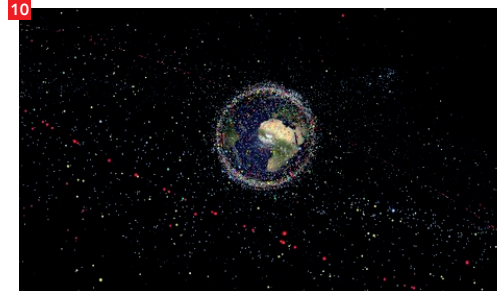


7. GMV is participating actively in the Copernicus program (previously known as Global Monitoring for Environment and Security: GMES). In 2014 the GMV-developed planning system for Sentinel-3 was formally accepted. Sentinel-1A is also successfully launched this year, the first of the program's satellites, in which GMV has contributed towards mission analysis, the development of the operational simulator, the control system, the mission planning system and provision of satellite services. Finally, in October, the Precise Orbit Determination (POD) system, developed and operated by GMV for the missions Sentinel-1, -2 and -3, is officially declared to be operational, marking the start of the operative life of the satellite Sentinel-1A.



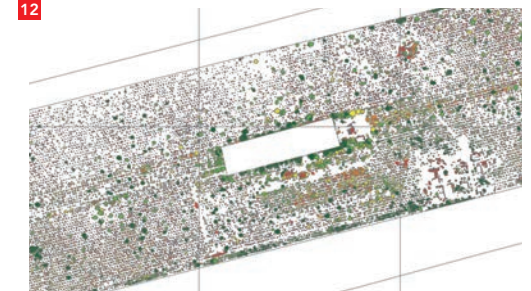
8. During recent years GMV has pinpointed the terrestrial mobile robotics sector as one of the most promising areas for transferring the technology and experience built up from the space-based robotics missions it has taken part in. Along these lines, a GMV-led team has been chosen to compete in the 3-year ARGOS challenge (Autonomous Robot for Gas & Oil Sites), brokered by the oil and gas company TOTAL with the support of the French National Research Agency (ANR) with the aim of promoting the use of mobile robotics in oil and gas sites.

9. GMV consolidates in 2014 its capacity of designing and developing complete critical space-vehicle subsystems, taking on with total success the complete cycle of design, development and flight demonstration of complex systems such as GNC, critical OBSW and analysis of data obtained. The European Space Agency awards GMV the VEMIPRO project (Missionization Process for Multi-mission Vehicles); the Romanian Space Agency's project HybridNavCom is set in motion, with the aim of improving the communication channel of formation-flying satellites. Lastly, ESA awards GMV the NGMP project (Next Generation Microprocessor) and the HAIR project, both involving the development of new performance emulators for future space processors.



10. Within the European space industry GMV is spearheading analysis of the space-debris threat. During 2014 GMV wins several new contracts within ESA's SSA/ SST program (Space Situational Awareness / Space Surveillance and Tracking). It also ups its participation in the space-debris activities of France's space agency CNES, developing the SST BAS3E. simulator. Lastly, GMV increases its provision of collision-risk analysis services for commercial GEO operators with the operational tool **closeap**.

11. During this year ESA's Gaia mission comes into operational phase. Gaia's main goal is to draw up a 3D map from a representative sample of the stars making up our Milky Way, giving new insights into their composition, formation and evolution. GMV has contributed to the GAIA mission from the word go, starting with the initial GAIA Data Access and Analysis Study (GDAAS). It then developed the Science Operations Centre (SOC) in ESAC, took part in verification and validation tasks, coordinated software testing activities, formed part of the team in charge of carrying out Initial Data Treatment (IDT) as the first step in the data processing chain and was also responsible for the Central Checkout System (CCS)



12. GMV is spearheading use of advanced earth observation technologies. 2014 saw the conclusion of a forest inventory project in the Emirate of Abu Dhabi, forming part of a larger Emirate-wide habitat and land use/land cover (LULC) project, awarded in 2013 by the Environment Agency of Abu Dhabi to a consortium including GMV. The company's experience in space activities and the development of IT systems is also now being put to good effect with the launch this year of **wineo** (Weather INformation and Earth Observation), an earth-observation system based on satellite images that are then processed to generate a precision-agriculture intelligent aid system.

ACTIVITIES 2014 DEFENSE AND SECURITY

GMV is a tried-and-tested supplier of international defense and security organizations and armed forces. Its activities in this field take in the engineering, design, development, integration and maintenance of defense and security systems covering their whole life cycle.

The products and services provided in the defense and security area cater for the most demanding needs and are developed under strict quality standards. They cover the following areas:

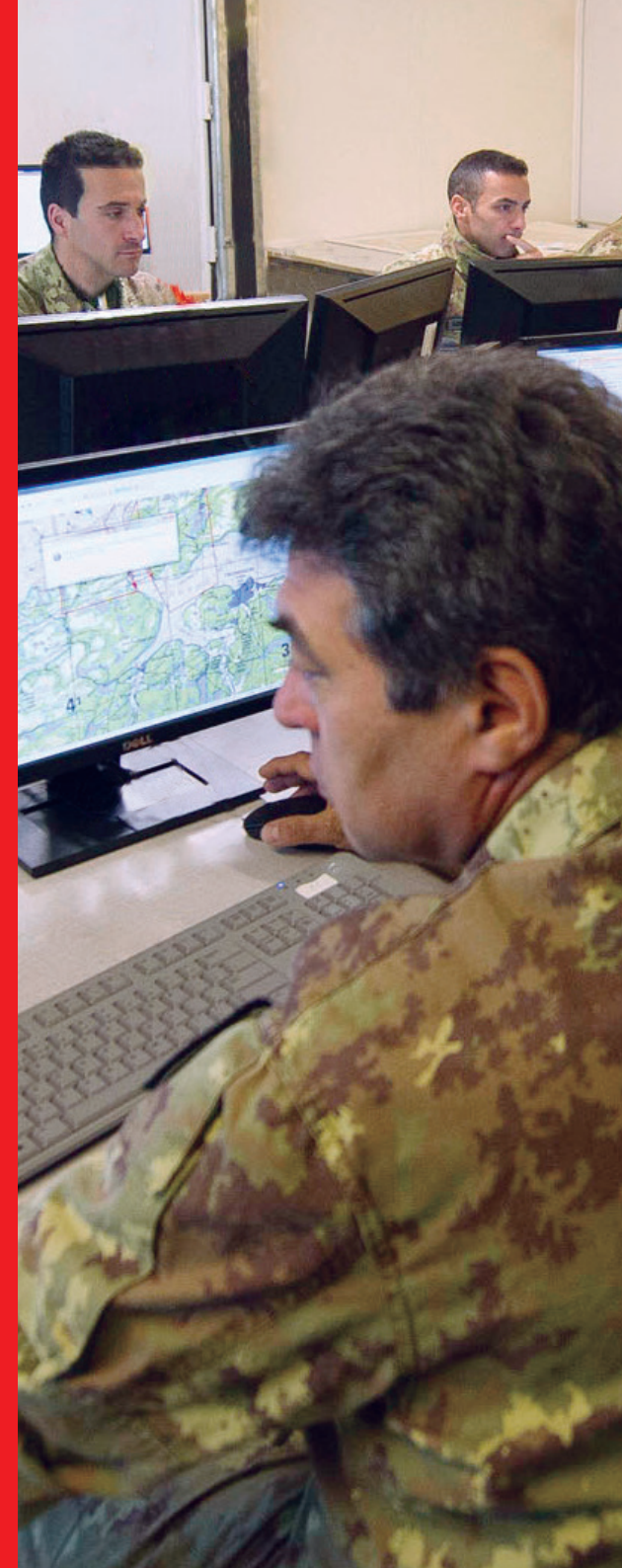
DEFENSE

- Engineering, development and integration of C4I systems
- Data and signal processing, intelligence systems
- Cyberdefense
- Training, operational-research and R&D simulators
- Development of military systems based on GPS, EGNOS and Galileo
- Onboard equipment, military avionics software and testbeds
- Logistic and maintenance services for systems and software
- Military space applications
- Physical and logical security systems and engineering

SECURITY

- Perimeter-surveillance and access-control systems
- Border protection and surveillance systems
- Advanced security systems incorporating new technologies
- Emergency and crisis management systems, 112, SOS centers
- Monitoring and management systems for vehicles and personnel of security forces and emergency organizations
- Onboard security and video-surveillance systems
- Inspection and surveillance systems for fishery and merchant ships in international waters

The company, its personnel and the various sites and facilities have all obtained the necessary security clearance for carrying out classified projects.





ACTIVITIES AND ASSESSMENT 2014

GMV has cemented its national leadership within C4ISTAR systems (Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance), especially its TALOS command and control system for fire support operations and the intelligence, surveillance and reconnaissance (ISR) systems developed for the Directorate General of Armaments and Material (Dirección General de Armamento y Material: DGAM) under NATO's MAJICC2 program. This year, for example, an intelligence system wholly designed by GMV was used in NATO's biggest C2ISR exercise.

In the security-systems and access-control business in sensitive buildings and sites, GMV won an important contract for the access control and security system of Tokamak, a vital item of the International Thermonuclear Experimental Reactor (ITER) and the biggest nuclear fusion reactor built to date. This is without doubt a project of great international projection, strengthening GMV's competitive position in this market.

Elsewhere, the 12-million-euro EUROSUR contract, awarded the year before and due to be carried out over several years in Poland, made very good headway in 2014.

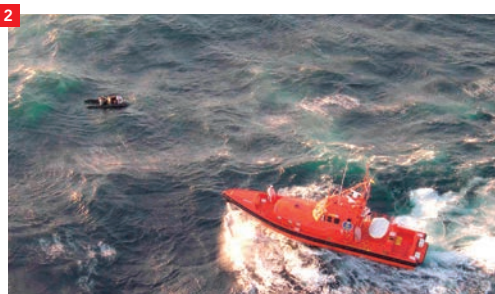
Finally, GMV is now playing a noteworthy role in Europe-wide R&D activities, winning new projects this year both from the European Defence Agency (EDA) and the European Commission.

Within the context of NATO's C2ISR (Command and Control, Intelligence, Surveillance and Reconnaissance), interoperability exercise "Unified Vision 2014" GMV implemented its intelligence management development SAPEM, wholly developed by GMV itself under a contract with the Directorate General of Armaments and Material (Dirección General de Armamento y Material: DGAM)

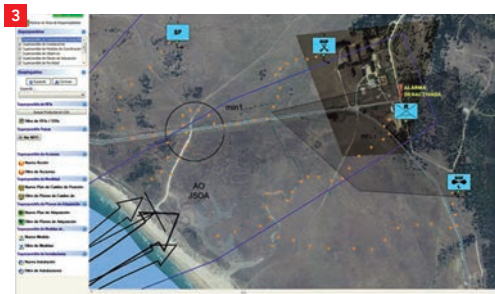
DEFENSE AND SECURITY. MAIN MILESTONES



1. In 2014 the TASS project (Total Airport Security System) is brought to completion. TASS is an FP7 European Commission project being carried out with GMV's participation. Its aim is to establish new integrated security concepts in the airport industry by providing airport authorities with real-time, accurate situational awareness of all airport facilities.



2. In 2014 the directorate of the Spanish police force Guardia Civil awards to a joint venture made up by Airbus Defence and Space and GMV a border surveillance project in the Alboran Sea. This FP7 European Commission project will integrate Airbus Defence and Space's mission systems, e.g. the FITS, with GMV's command-and-control and ISR-data-processing systems.

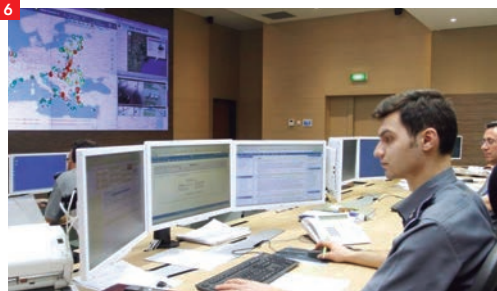


3. In 2014 GMV is awarded projects for integration of arms systems with the command and control system TALOS, developed by GMV for the Directorate General of Armaments and Material (Dirección General de Armamento y Material: DGAM). TALOS is a command and control system for the management of maneuvers and fire support.

4. Within the context of NATO's biggest C2ISR exercise Unified Vision 2014, held in May, GMV implemented its intelligence management development SAPEM, wholly developed by GMV itself under a contract with the Directorate General of Armaments and Material (Dirección General de Armamento y Material: DGAM). The SAPEM intelligence system is made up by several systems that have been developed within the multinational MAJIC program (Multi-Intelligence All-Source Joint Intelligence Surveillance and Reconnaissance Interoperability Coalition).



5. In the access-control area the company Empresarios Agrupados, priming an important contract for the design, qualification and supply of the ITER nuclear security control system, turns to GMV for the design and supply of the TBAS system (Tokamak Building Access System) of the Tokamak reactor building. GMV also delivers the new vehicle- and personnel-access-control system for Spain's Constitutional Court, which additionally orders installation of the system in its two new buildings. Lastly, the Barcelona bank called Caixa d'Enginyers awards GMV a contract for the design, supply and installation of the presence- and access-control system of its two main buildings.



6. Within the framework contract for maintenance, extension and development of the European Border Surveillance System (EUROSUR), awarded to GMV in late 2013 by the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (FRONTEX, shortened from the French *Frontières extérieures*) GMV rolls out during 2014 twelve new network nodes, thus completing the interconnection of the 30 member states of the EU and Schengen and FRONTEX itself. As well as the work of network extension and maintenance, GMV has also designed and deployed this year new technical and operational capabilities to meet the agency's evolution requirements. Under the European Commission's umbrella European Border Surveillance System, the EUROSUR network establishes a cooperation and information-exchange mechanism to help member states in border control and surveillance tasks.



7. The European Defence Agency (EDA) awards to a GMV-led consortium a project for analyzing the needs and implications of using Unmanned Ground Vehicles (UGVs) in military structures. As well as leading the consortium GMV will also be developing the operational requirements. This involves a study and classification of scenarios and missions in which UGVs could take part, to draw up a roadmap for the future development of these systems.

8. In November a technical demonstration of the ISARD project is performed. The ISARD (Improved Situation Awareness Roadmap and Technical Demonstration) was awarded by the European Defence Agency the previous year. GMV has developed a demonstrator that will be the germ of a distributed European test-bed for developing the situational awareness capability of various virtually-connected centers.



9. In the middle of this year the DRIVER project kicked off. This FP7 program aims to develop joint solutions to improve crisis management. It takes a two-pronged approach. On the one hand the consortium will work on the development of a pan-European testbed of virtually connected experimentation facilities and crisis laboratories; on the other, it will help to develop a portfolio of crisis management tools to strengthen crisis management capabilities at member state and EU level. GMV, drawing on its experience in situational awareness, command and control and interoperability, will contribute to the DRIVER portfolio of tools with several C4ISR solutions.



10. During this year GMV and the Portuguese Guarda Nacional Republicana (GNR) collaborate in two FP7 European-Commission innovation projects that aim to create an integrated vision of maritime situational awareness. Firstly, various trials are carried out to validate technology for ship detection from satellite images, developed under the GMV-led NEREIDS project. Secondly, GMV and GNR are also working together on the SAGRES project, which aims to provide pre-operational services to support authorities fighting illegal immigration in marine areas.

ACTIVITIES 2014 HEALTHCARE

Information and telecommunication technologies, virtual-reality simulation and digital-image processing are all new arrows in the quiver of healthcare professionals, giving them a whole new set of techniques and resources to work with. ICTs are bound to play a crucial role in the development of a future healthcare system that is sustainable, personalized, patient-centered, ubiquitous and based on medical evidence.

GMV draws on the technologies developed for sectors such as defense and aerospace to create groundbreaking healthcare products:

- Telemedicine, teleradiology and teleassistance systems
- IORT planning/simulation systems
- Medical image processing
- Mobility and emergency-management systems
- Aid systems for disabled people
- Humanitarian aid and emergency infrastructure based on satellite technology
- Early-warning public-health epidemiological systems
- Secure healthcare information systems based on the monitoring of standards and compliance with the Spanish data protection act





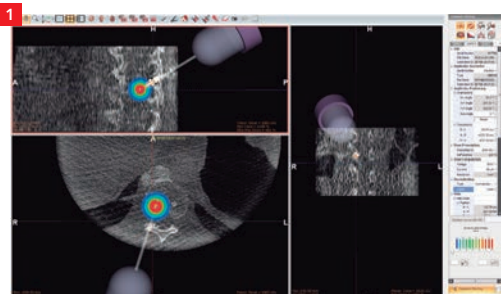
ACTIVITIES AND ASSESSMENT 2014

The 2014 signing of a global distribution agreement with Carl Zeiss Meditec, the world's biggest manufacturer of intraoperative radiotherapy (IORT) served as a huge boost to the international development of GMV's intraoperative radiotherapy planning system, **radiance**, the first of its kind in the world and fruit of several years of R&D effort. This agreement means that this groundbreaking system will now have an even greater international projection and opens up promising growth prospects for the coming years. Witness the marquee sales in 2014, when **radiance** was taken up by hospitals and institutions as prestigious as the University Hospital of Mannheim, Chicago's Loyola University Hospital and the University Cancer Institute of Toulouse.

In 2014 GMV's also continued to invest heavily in its eHealth platforms integrating telemedicine as a standout feature. The **antari** platform, in particular, combines cutting-edge information and telecommunications technologies with the latest tele-diagnosis and tele-consultation solutions. In 2014 GMV continued to promote this platform worldwide, setting up pilot projects in countries of Latin America and Africa.

*GMV reaches a distribution, development and marketing agreement with Carl Zeiss Meditec (CZM). This soon bears fruit when three prestigious hospitals take up its intraoperative radiation therapy planner, **radiance**: the University Hospital of Mannheim, Chicago's Loyola University Hospital and the University Cancer Institute of Toulouse.*

HEALTHCARE. MAIN MILESTONES



1. In 2014 GMV obtains EC and FDA certification for its healthcare product **radiance**. This clearance not only represents compliance with all the product marketing requirements laid down in Europe and the USA but also gives a huge boost to the international expansion and innovation process of GMV's inhouse intraoperative radiotherapy planner.

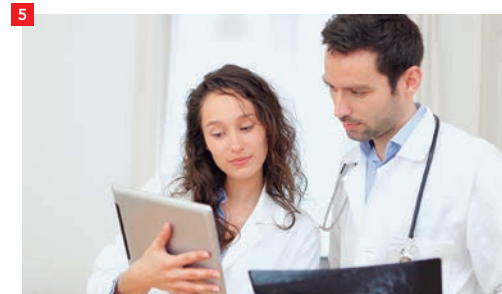
2. During this year **radiance** is brought into line with the Intrabeam equipment, world leader in intraoperative radiotherapy (IORT), now used by two thirds of IORT-performing hospitals around the world. The Intrabeam equipment is developed and distributed by Carl Zeiss Meditec (CZM), with which GMV reaches a marketing agreement in 2014, on the strength of which **radiance** is taken up by three prestigious hospitals: the University Hospital of Mannheim, Chicago's Loyola University Hospital and the University Cancer Institute of Toulouse.



3. At the end of the year the European Institute of Innovation and Technology (EIT) designates EIT-Health as a "Knowledge and Innovation Community" (KIC). This is Europe's biggest innovation and entrepreneurship initiative to promote healthy living and active ageing. GMV, as part of its ongoing commitment to healthcare innovation and its knock-on effect on the overall quality of life, has joined the Spanish node, EIT Health Spain, headquartered in Barcelona's Science Park (Parque Científico) and led by Barcelona University (Universitat de Barcelona: UB).



4. During this year **KidsCare**, the trailblazing in-school telemedicine pediatrics service developed by GMV and EVER SALUD, is implemented in 20 schools within the region of Madrid, offering specialist healthcare by telemedicine from the school itself. This groundbreaking telemedicine pediatrics service is based on the platform **antari Primary Care**, an innovative telemedicine system developed by GMV.



5. GMV and the "Dr. Augusto Turenne" Healthcare Foundation of Uruguay's Medical Syndicate sign an agreement to improve the services of Uruguay's National Integrated Healthcare System. Under this agreement GMV will offer its complete range of healthcare-enhancing products, solutions and services, taking in such diverse aspects as the diagnosis and monitoring of patients, the management of organizations, the integration of healthcare study methods, the control of diseases and cutting-edge virtual reality simulation techniques.

6. COOSALUD, one of Colombia's Health Promotion Entities (Entidad Promotora de Salud: EPS), signs with GMV a consultancy contract with the purpose of defining the requirements, technological framework, design and roadmap for implementing a Medical Services Authorization System as part of the corporation's eHealth strategy.



7. In 2014, with the aim of helping to bring cutting-edge healthcare technology to developing areas of Hispano-America, GMV donates its **antari Primary Care** telemedicine platform to the EHAS Foundation. This agreement provides the NGO EHAS with a complete telemedicine system enabling it to bring teleconsultation, in the first instance, to Peru, and then to other projects and other countries where the foundation is actively involved. The platform is also set up in rural areas of Uruguay and Angola, two countries where telemedicine and eHealth systems offer a particularly viable and sustainable alternative to the current system.



8. In 2014 the SASPEX project (Study on Assisted Surgery for Space Exploration) is brought to a close. SASPEX is an ESA project awarded to a GMV-led consortium and aiming to provide the first guidelines to the future technology for assisted surgery in space missions. As well as the private firms, the consortium includes the Katholieke Universiteit of Leuven (Belgium), MEDES (France) and also incorporates expert opinion from the many disciplines involved in the study.



9. GMV continues its activity under the COVADONGA project of the Galician Health Service (Servicio Gallego de Salud: SERGAS). This project, which set out to calculate clinical and epidemiological data for the purposes of clinical evidence, is a far-reaching project using Big Data in the healthcare area. In 2014, together with SERGAS's clinical teams, GMV carried out the functional definition and analysis of the client's needs, then performing the technical design of the HEXIN platform and ending up by developing a prototype according to these concepts.



10. GMV signs a collaboration agreement with Fundación IDIS (Instituto para el Desarrollo e Integración de la Sanidad: Institute for the Development and Integration of Healthcare), which seeks to achieve a high quality of healthcare and drive excellence in private healthcare's research, teaching and training processes and initiatives. GMV's aim with this agreement is to cement its position as a benchmark firm in the healthcare IT sector, showing how today's ICTs are a driving force and key factor in current world development.

ACTIVITIES 2014 CYBERSECURITY

GMV has been Spanish leader in the development of network security services and technologies and information systems for over 20 years now. GMV provides integrated cybersecurity engineering and solutions, security governance and intelligence centers, managing the technological risks and ensuring compliance with applicable legislation.

- Protection of critical infrastructure
- Engineering, security services and solutions for information networks and systems
- Cybersecurity in industrial environments
- Security auditing
- National Security Scheme compliance plans
- Implementation of security management systems
- Security hardening of platforms, networks and services
- CERT managed services (monitoring, detection of vulnerabilities, etc.)
- Backup centers





ACTIVITIES AND ASSESSMENT 2014

Ever since GMV began its cybersecurity activity over nineteen years ago, its strategy has always revolved around an ongoing investment in product and technology R&D to keep GMV at the head of events. Driven by this strategy, GMV has now developed products and services patented at world level, such as **codelogin**, for secure online and ATM bank authentication, and the document encryption product **arkano**.

In 2014, moreover, on the strength of vigorous international promotion through its network of partners and the phasing in of new countermeasures in previous years, GMV's inhouse ATM security product, **checker ATM Security®**, recorded a huge growth worldwide, breaking into countries like Russia, Ukraine, Italy, Mexico and Colombia. This growth rate is more than likely to continue into the future, given the product's prime market position and the increasing ATM threat from organized crime, with the regular infiltration of malware specifically coded to hack ATM networks.

The wealth of experience built up by GMV throughout these years, in the areas of consultancy, auditing, diagnosis, monitoring and the implementation of cybersecurity solutions, has kept it at the forefront as a benchmark ATM-security provider for major firms and government institutions. During 2014, for example, GMV signed important cybersecurity contracts with Grupo BBVA, Abengoa, Eurocontrol, Eumetsat and even with the country's top cybersecurity organization, the National Cybersecurity Institute (*Instituto Nacional de Ciberseguridad*: INCIBE).

In 2014, therefore, GMV managed to reinforce its position as a leading supplier on various cybersecurity fronts. As a result its longstanding clients turn back to GMV time and time again with new projects while it is also continually winning new clients who see in GMV the best custodian of their information security needs.

By the end of the year, checker ATM Security® had been taken up by some of the world's biggest banks in areas especially prone to cyberattacks and cyberfraud. It has now been installed in nearly 100,000 ATMs in Spain, Mexico, Brazil, Chile, Colombia, USA, Ukraine, Russia, Italy, India and Thailand.

CYBERSECURITY. MAIN MILESTONES



1. GMV signs a collaboration agreement with the Anti-Phishing Working Group (APWG), European chapter of the US association APWG (Anti-Phishing Working Group). This is a prestigious institution whose main aim is to unify the global response to cybercrime across industry, government and law-enforcement sectors, working to wipe out cybernetic crime. APWG now boasts over 2000 members around the world, both public and private, including Microsoft, Yahoo, Google, RSA, McAfee and La Caixa.

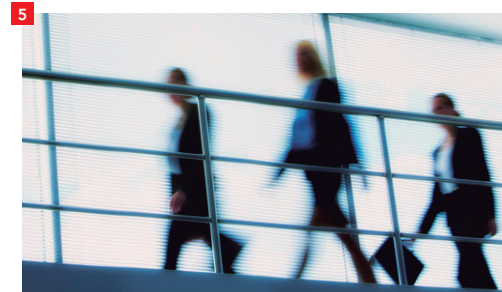


2. In 2014 the takeup of **checker ATM Security®** in countries such as Italy, Romania and Russia continues to fuel the growth and international expansion of GMV's ATM security solution. By the end of the year, **checker ATM Security®** had been installed by some of the world's biggest banks in areas especially prone to cyberattacks and cyberfraud. It has now been set up in nearly 100,000 ATMs in Spain, Mexico, Brazil, Chile, Colombia, USA, Ukraine, Russia, Italy, India and Thailand.

3. **checker ATM Security®**, GMV's ATM security solution, is assessed by PCI QSA NTT Security, as Qualified Security Assessor (QSA), finding that it amply meets all ATM-related PCI DSS requirements.



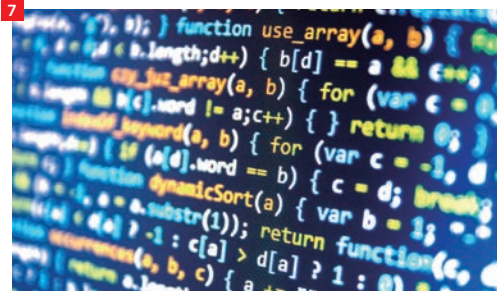
4. GMV viene proporcionando servicios de Seguridad Gestionada para el Instituto Nacional de Tecnologías de la Comunicación (INTECO), hoy INCIBE, desde hace más de tres años. La experiencia de GMV adquirida con INTECO y el buen trabajo realizado, ha hecho que los servicios prestados se extiendan durante 2014 a la entidad pública Red.es. Dichos servicios se componen de monitorización de eventos, gestión de incidentes y soporte a la administración y operación 24x7 sobre infraestructura pública, gestionando elementos de seguridad tales como SIEM, WAF, Cortafuegos e IDSs.



5. GMV provides the Plataforma de Mujeres Expertas (Platform of Expert Women) with HW/SW/communication infrastructure and system security. The Plataforma de Mujeres Expertas is the first ever national database of standout professional women in various areas of knowledge, created by prestigious associations of professional women under the leadership of WomenCeo.



6. During this year the Faro Corporativo (Corporate Lighthouse) platform developed by GMV for Grupo BBVA and already set up in Spain, Mexico, Argentina and Venezuela, begins its roll out in Peru, Colombia, Uruguay, Paraguay and the USA. The main purpose of Faro Corporativo is to record and monitor all security incidents that may crop up in Grupo BBVA's head offices and banks. Faro Corporativo has been designed as a multi-country platform, making it possible to manage from a single application the security of all the banks and buildings of the various countries BBVA trades in.



7. For nearly 15 years now GMV has been collaborating with Abengoa in the field of information security, tackling the implementation and certification of its information security management system (ISMS). Over these years GMV has participated in projects of various sorts and continually renewed its professional services. In 2014 Abengoa turns once more to GMV for the two-year renewal of the advanced maintenance and support of its network intelligence and security infrastructure on a worldwide level. GMV's activities within this contract center on the design, supply, integration, maintenance and support of the security equipment built into Abengoa's corporate infrastructure.



8. GMV's services take in the whole life-cycle of information security. During 2014 GMV has carried out diverse security-risk-compliance analyses and diagnoses in specific contexts, drawing up plans for various international organizations including Eumetsat, Eurocontrol and ESA, with the aim of endowing them with the necessary visibility for reliable decision taking and good governance.



9. Some years ago Bodegas Torres set up its Information Security Management System (ISMS) under the standard ISO 27001, aided by GMV's expertise. In 2013, however, the standard came out in a new version with new requisites, so Bodegas Torres one more turns to GMV's specialist and experienced advice for migrating to the new standard version and updating the risk analysis of the assets encompassed by the current ISMS.

ACTIVITIES 2014 TRANSPORT

GMV has consolidated its position as a leading and trailblazing firm in designing, developing, manufacturing and installing Intelligent Transportation Systems based on GPS technology, mobile communications and GIS. We offer all-in, turnkey, ready-to-go solutions, taking in the complete development of the project from the analysis and design stage to installation and commissioning, incorporating our own in-house hardware and software along the way.

In GMV we furnish solutions for all the various means of overland, sea or railway transport.

- Advanced fleet-management systems for passenger transport
- Ticket-vending and fare-collection systems
- Ticket window management and self-service ticket dispenser platform
- Support systems for the management of passenger transport-on-demand schemes
- State-of-the-art passenger information systems
- Advanced fleet-management systems for railway transport (**SAE-R®**)
- Transport services planning systems
- Passenger transport video surveillance systems
- Specialist fleet-management products and services: municipal services, emergencies, etc.
- Advanced car telematics units
- Electronic tolling systems
- AIS/VTS systems for maritime transport and port management
- DGPS coastal systems for navigational aid





ACTIVITIES AND ASSESSMENT 2014

Thanks to the international expansion of this business line, GMV has now built up a solid position as one of the world's leading suppliers of technology applied to public transport on road and rail.

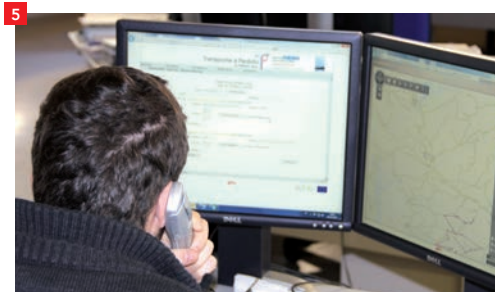
In 2014 GMV held onto its leadership position in advanced fleet-management and passenger-information systems, video surveillance and electronic fare collection equipment in Spain, Poland, Indonesia and Malaysia, winning new bus- and tram-fleet contracts in Spanish cities like Malaga, Marbella, Mallorca, Zaragoza and Valencia, plus new international projects like Dubai or the continuation of Poland's biggest public-transport project of this type in the city of Szczecin.

In its business line of advanced railway-transport telematics GMV is currently rolling out systems for the whole fleet of Spain's national operator RENFE, the railway lines of Mallorca and the high speed Medina-Mecca line. This year GMV also won new projects like the satellite-based driver-cabin speeding warning system for RENFE or the onboard video surveillance system of Talgo's Medina-Mecca high-speed line. Agreements reached with other national and international manufacturers of the sector bode well for the international expansion of this activity in the future.

Finally, another notable and ongoing success story this year was the growth of its business in supplying groundbreaking telematics systems for the automobile sector, involving implementation of the European eCall system, pay as you drive (PAYD) insurance systems, roadside assistance, advanced roadtoll systems and new, more sustainable mobility models. Worthy of particular note in 2014 was FICOSA's delivery of over 300,000 advanced automobile telematics units with GMV technology to carmakers like Nissan and Renault.

Sightseeing awards GMV a contract for installing an advanced fleet-management and passenger-information system in its fleet of tour buses in Dubai.

TRANSPORT. MAIN MILESTONES



1. Within the high-speed Medina-Mecca railway line project, the railway company Talgo once more places its trust in GMV, awarding it the contract for supplying the onboard video surveillance system. GMV will phase in the supply of this equipment with each train as it comes on line. Both the onboard equipment, completely digital in its architecture, and the software have been designed and developed entirely by GMV. Talgo also gives GMV a repeat order for the same equipment previously acquired for the high-speed Medina-Mecca line, internally known in Talgo as the Ethernet Gateway Recording Unit (EGRU), this time to be fitted in the trains it is contracted to supply for the Government of Kazakhstan.

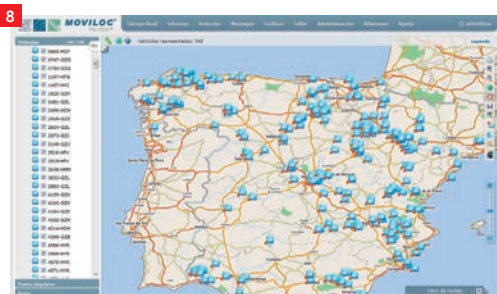
2. To reinforce its signaling systems, Spain's national railway operator Renfe awards GMV a contract for a satellite-based speeding warning system. This is a standalone system to be fitted in train cabins, giving drivers both visual and acoustic warning of excess speed to help them adjust their running speed at all times to the particular conditions of the line.

3. Sightseeing, the world's biggest tour bus operator, awards GMV a contract for installing an advanced fleet-management and passenger-information system in the double-decker tour buses run by the company in the city of Dubai. The system will allow tourists visiting the Arab Emirate to check from the web or from their cell phones when they can expect the next bus to arrive at the stations, and plan their time accordingly.

4. In 2014 GMV cements its leadership position in Spain in advanced fleet-management and passenger-information systems, winning several new contracts. GMV has recently set up a state-of-the-art fleet-management system for the Metropolitan Public Transport System (Transporte Público Metropolitano) of Malaga-Marbella, dependent on AVANZA. Grupo Subus Vectalia chooses GMV's advanced fleet transport system for its Merida and Cáceres fleets, setting up for both of them a multi-operator, multi-fleet system. Last but not least GMV sets up the electronic fare-collection equipment on Granada's new High-Capacity Line (Línea de Alta Capacidad: LAC), run by Transportes Rober.

5. In 2014 the transport-on-demand service developed by GMV for the Portuguese region of Médio Tejo is extended to new cities. This system, similar to the one previously developed by GMV for the Region of Castilla y León in Spain, allows connections on request to be made between far-flung, low-demand countryside towns and villages, giving these areas a completely new mobility option.

6. The tramlines of Mallorca, Zaragoza and Valencia award new projects to GMV in 2014. Valencia Region's railway network (Ferrocarrils de la Generalitat Valenciana: FGV) awards GMV a contract for setting up a passenger information system and video surveillance system (CCTV), while the Semi-Public Company Los Tranvías de Zaragoza (Sociedad de Economía Mixta Los Tranvías de Zaragoza) and the Mallorca Railway Network (Servicios Ferroviarios de Mallorca; SFM) also call on the company's services during the year for functional extensions of the GMV-developed advanced fleet management systems.



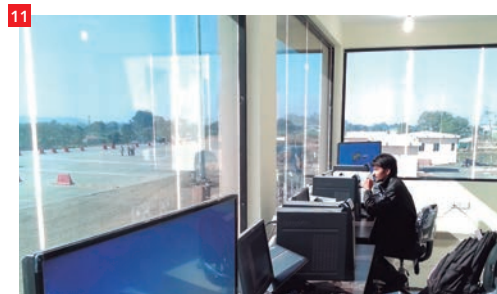
7. GMV, as part of its ongoing drive to produce more sustainable mobility models, develops and sets up a corporate car-sharing scheme for ALD Automotive, the fleet-management and vehicle-renting company of Société Générale Group. GMV's system takes in all necessary technological components that will allow ALD Automotive to offer its clients a complete and modern solution that enables each firm to organize and streamline shared vehicle use among its employees. As well as cutting fleet costs, this system will also help to improve city mobility and reduce pollution.

8. Valoriza Servicios Medioambientales, the head company of Grupo Sacyr, working in the sector of road cleansing, solid urban waste collection, maintenance of green areas, management of parking meters and towing services for removing badly-parked vehicles from the public thoroughfare, sets up in 2014 GMV's fleet-management and tracking system, **MOVILOC®**, which celebrates this year its tenth anniversary. Hijos de Vicente Navarro Pastor, CARPA, Parque Móvil del Estado, Casa Barreira, Seralia, Castillo Trans, GES, Autocares Esteban Ribas, Autocares MILO, ALD and Wtransnet are some of the over 1800 clients who have taken up GMV's advanced fleet-management and tracking system, which has now been fitted in a total of 15,000 vehicles.



9. The Zero Emission Urban Bus System (ZeEUS) project kicked off at the start of the year, an FP7 European Commission program, coordinated by the International Association of Public Transport (UITP), which aims to demonstrate the economic, environmental and social viability of electric urban buses. The project includes a demonstration plan in Barcelona, in which GMV participates by installing and setting up the onboard equipment of the buses taking part in the pilot trial. GMV will also be processing the recorded information and developing specific tools for subsequent analysis.

10. The pan-European road-safety service HeERO2 holds its International Conference in November, organized by the Spanish Road-Traffic Authority (Dirección General de Tráfico: DGT) to give information on the current state of the second phase of the Spanish eCall pilot. eCall is an in-vehicle system that, in the event of any incident, automatically calls the European emergency number 112. GMV is one of the companies participating in the pilot scheme carried out in Spain, for which it has developed part of the system deployed in DGT as well as the in-vehicle system IVS to ensure that eCalls can be made both manually or automatically in complete compliance with European standards.



11. GMV successfully rolls out the Highway Traffic Management System (HTMS) in India, the first time GMV's solution has ever been deployed outside the Iberian Peninsula. The overarching system will run various subsystems, such as the Automatic Traffic Counters (ATCC), Closed Circuit TV (CCTV), the Meteorology service (MET), Variable Message Signs (VMS) and Electronic Call Box (ECB) sub-systems. GMV's HTMS solution has also been deployed in the main roads around Lisbon and Oporto, Portugal's two biggest cities.



12. In the area of maritime transport GMV signs a contract with the European Space Agency under the Integrated Applications Promotion (IAP) program for the development of a system and services designed to optimize operational planning and the reaction capacity of end users involved in intermodal transport through European ports. GMV also joins in the 'Vessels for the Future' initiative, promoted by SEA Europe (the European Ships and Maritime Equipment Association), which aims to promote and facilitate R&D activities, especially in the field of maritime operations and vessels. GMV is also participating in the new Andalusian fishing-vessel monitoring and tracking system (Sistema de Localización y Seguimiento de las Embarcaciones Pesqueras Andaluzas: SLSEPA).

ACTIVITIES 2014

TELECOMMUNICATIONS AND INFORMATION TECHNOLOGIES

FOR THE PUBLIC SECTOR AND LARGE CORPORATIONS

TELECOMMUNICATIONS

GMV works closely with the main operators and providers of telecommunication and media services, offering tailor-made solutions to meet their needs:

- Development and consultancy of value-added services
- Mobile applications and online channels
- Specialized cybersecurity services for operators
- Advanced network services testing and deployment of global services
- Third-party integration and provisioning systems
- Big Data solutions: network anomaly detection, client segmentation
- Network performance management
- Capacity planning
- 24x7 support services

INFORMATION TECHNOLOGIES FOR THE PUBLIC AND PRIVATE SECTOR

GMV designs, develops and implements state-of-the-art ICT solutions to improve the processes of leading organizations, acting as long-term technological partner. GMV's proven ability to come up with secure solutions has won it the trust of government authorities and major companies.

This sector is continually developing at breakneck speed and our range has to be made increasingly complete and groundbreaking to keep apace, anticipating market needs on the strength of constant research and mastery of new technologies.

- Corporate email and agenda solutions and synchronization with mobile devices
- e-Government solutions
- Email solutions
- Content management platforms
- Document management, website portals and intranet platforms
- Mobility and messaging solutions
- System and infrastructure architectures
- Process consultancy and technology consultancy
- Information networks and system security
- Open source software





ACTIVITIES AND ASSESSMENT 2014

According to sector reports, it is ICT investment that has been hardest hit by the downturn. Bucking this trend in 2014, just as in previous years, GMV managed to record a solid growth in its ICT business. As demand shrinks, competition becomes ever stiffer, so this growth can be put down only to GMV's firm commitment to technological and market specialization. This has allowed it to undercut and outperform competitors and build up a solid portfolio of clients who continue to rely on GMV alone for the systems and infrastructure of their most critical services. As the worldwide economy picks up in coming years, GMV's pole position in this market augurs well for a sharp growth of this activity.

In this context special mention must be made of the continuity and growth of our business with long-standing clients like Vodafone, of whom GMV is a "Best Partner", or the bringing of new clients into the fold, such as Inter-American Development Bank, for which GMV is developing an important technological platform from its US subsidiary.

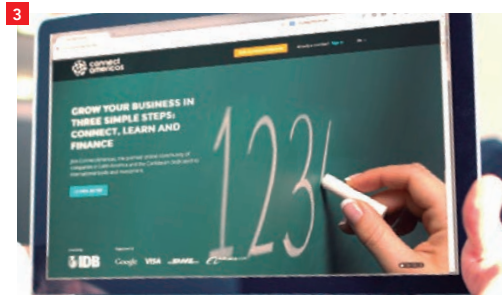
Despite the public-spending cuts, GMV also continued to build up its business in the public sector, carrying out flagship projects in the development and implementation of portals, content managers or email platforms for clients like the Junta de Andalucía, Junta de Castilla y León (regional councils of Andalusia and Castilla y León, respectively) and the Portuguese public corporation EDIA.

GMV develops "ConnectAmericas" for the Inter-American Development Bank. ConnectAmericas is the first online platform to incorporate state-of-the-art communication and social network technology to help companies internationalize their business, winning new clients and finding new suppliers and investors right around the world.

TELECOMMUNICATIONS AND INFORMATION TECHNOLOGIES. MAIN MILESTONES



1. For the Agencia de Medio Ambiente y Agua (Environment and Water Board) of the Junta de Andalucía (Regional Council of Andalusia) GMV creates a mobile application showing geological heritage trails of Andalusia, with the aim of promoting geotourism within the region. The implemented technology is GPS-based, allowing users to keep tabs on their position through a handheld, defining the exact point of the trail, showing route maps, distances from other points of interest and giving text- and image-based information on the geological heritage of the trail.



3. GMV develops "ConnectAmericas" for the Inter-American Development Bank. ConnectAmericas is the first online platform to incorporate state-of-the-art communication and social network technology to help companies internationalize their business, winning new clients and finding new suppliers and investors right around the world. This platform allows SMEs to access a single, user-friendly portal where they will find all necessary information and learning tools for international dealings around the world.



4. GMV is the private firm with the oldest, up-and-running ".es" domain in Spain, according to the analysis carried out by Red.es, the organization responsible for the management of ".es" domains in Spain. Red.es is a public corporation under the Ministry of Industry, Energy and Tourism (Ministerio de Industria, Energía y Turismo: MINETUR) and published this ranking to coincide with the 25th anniversary of the .es. domain.

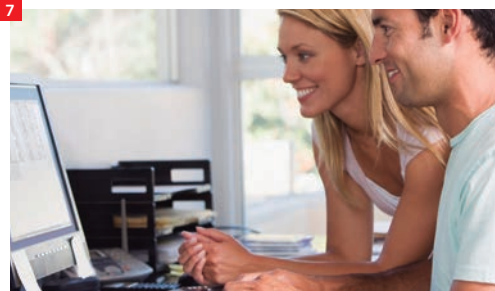


5. In 2014, GMV signs a collaboration agreement with Jelastic, Inc., enabling both companies to offer their clients advanced cloud options, involving a groundbreaking cloud platform with total integration between PaaS (Platform-as-a-Service) and IaaS (Infrastructure-as-a-Service) in the framework of technologies in which GMV is past master.

2. GMV wins recognition in the R&D category of the award scheme "IV Premio Cartuja" from among the almost 350 firms, research and training centers making up the Science and Technology Park called Parque Científico y Tecnológico Cartuja in Seville. Premios Cartuja is an award scheme set up in 2010 by Cartuja 93 (the company running the Parque Científico y Tecnológico Cartuja), an entity dependent on the Regional Ministry of Economics, Innovation, Science and Employment (Consejería de Economía, Innovación, Ciencia y Empleo) of the Regional Council of Andalusia (Junta de Andalucía). The prize categories chime in with the park's main values: R&D, scientific development, sustainability and entrepreneurship and internationalization.



6. GMV is chosen by the Portuguese public corporation EDIA (Empresa de Desenvolvimento e Infraestruturas do Alqueva, S.A.) for developing and implementing the “Portal do Regante de Fins Múltiplos de Alqueva” (Multipurpose Alqueva Irrigation Portal). For this project GMV has set up a web-based architecture developed on GIS infrastructure, allowing EDIA to ensure more efficient management of Alqueva’s water resources, with a knock-on effect on both the regional and national economy.



7. GMV, in collaboration with Liferay, develops **SOOMANA®**, a flexible software platform for optimizing the portal investment. Based on Liferay technology, **SOOMANA®**, can be adapted to meet the particular needs of each client, integrating open source solutions of portals, content management, document management, business process management (BPM) and collaborative environments. Onto this can be grafted other business solutions like enterprise resource planning (ERP), business intelligence (BI), Customer Relationship Management (CRM).

8. The Junta de Castilla y León (Regional Council of Castilla y León), with GMV’s help, organizes the 2nd Open-Data Competition, with the aim of encouraging the use of this data, made freely available by the regional government to all citizens, and the generation of beneficial applications and services. The aim of the competition, as always, is to reward projects that provide any type of web application or service using the data set provided by Junta de Castilla y León’s open-data portal, also developed by GMV.



9. GMV develops for EUTECA, a firm specializing in building structures, **e-STRUC**, an online app for sizing building structures. It has been especially designed for construction professionals, offering instant solutions for the construction of stand-alone or modular elements for refits or new building work. **e-STRUC**, a trailblazing initiative in this field, works on the basis of a semi-expert system that turns construction data into calculation-friendly figures. This makes it possible to use non-specific structure-calculating tools that call for no special technical knowledge or construction skills.



10. In 2014 GMV wins itself a position as one of the strategic suppliers of Vodafone, which, after the takeover of ONO, pools the business of GMV’s two main telecommunications clients. In this year GMV collaborates with Grupo Vodafone in the deployment and onboarding of local operators in global platforms, as well as developing value-added services and an online channel. It is likewise still a benchmark security firm, providing diverse cybersecurity services to protect Vodafone’s systems, applications and networks.

SOCIAL RESPONSIBILITY

Mindful of its responsibility to the present and future society, GMV constantly strives to make a better use of its resources, improving its process efficiency by using state-of-the-art technology.

GMV's corporate social responsibility therefore includes a general set of long-term goals:

- Act in a responsible and ethical way in all our activities and ensure that our employees, clients and suppliers do likewise with their stakeholders.
- Reduce the environmental impact of our operations and carry out eco-friendly initiatives.
- Contribute to the creation of a more sustainable society, providing groundbreaking solutions that improve the quality of life of persons, helping them to integrate into society and the working world, and also cut down CO₂ emissions.

HUMAN CAPITAL

Right from the word go GMV has made its personnel policy one of the linchpins of its whole business project. In GMV we are convinced that a staff of top professionals is the best way to gain a competitive edge over the rest. GMV therefore aims to attract the best professionals and then ensure they stay with the company to pursue their careers and realize their full potential. GMV offers them a unique teamwork environment where their talent, imagination and mettle are continually challenged and stimulated.

In line with this overall policy GMV has been applying a human resources strategic plan based on three mainstays: a painstaking personnel-selection policy, a stable environment in which to pursue their careers and a continuous top-up training plan.

Attracting and nurturing top talent is a difficult and time-consuming process. We have therefore been determined to make good this investment by retaining our whole personnel. By dint of a long-sighted commitment to technology and innovation, diversification of the business into various sectors and breaking into new international markets, GMV has indeed managed to ride out the crisis without shedding staff. This stands us in good stead for

renewing our economic growth in the future. GMV closed the year with a staff of 1,155; 87% are university graduates and the average age is about 36.

GMV has always pursued a painstaking personnel-selection procedure and has been equally determined to provide this pool of talent with a stable environment for developing their careers. On the strength of this policy, and despite the current economic circumstances, it has managed to maintain a high level of indefinite-term contracts, a rate of about 88% in 2014. To meet our commitment to our employees, we have set up personnel policies that guarantee equal treatment of all our staff, from the job-selection process and then throughout their whole careers in the company. In fact 23% of GMV's staff are women, who also represent 17% of senior management.

One of the main planks of the human resources policy is training, since the company's business lines call for specialist and bang-up-to-date knowledge of the most advanced technologies. To develop the professional skills of its employees GMV works with an integrated training model to pinpoint its employees' knowledge and skills. In all about 361

training courses were held in 2014 on both an individual and group basis, adding up to a sum total of 16,395 training hours.

GMV liaises permanently with study centers and universities throughout the whole of Spain, either by way of temporary agreements, awarding grants to help university students join the job market, or more permanent project-based collaboration agreements. This habitual liaison with universities has been reinforced by an increasing participation of GMV in various employment forums, both at home and abroad.

In 2014 GMV continued with its training, research, development and innovation work, running courses, seminars and lectures. The main vehicle for this activity was the GMV Chair (Cátedra GMV), a joint academic initiative set up between the Polytechnic University of Madrid (Universidad Politécnica de Madrid: UPM) and the Higher Technical School of Aeronautical Engineers (Escuela Técnica Superior de Ingenieros Aeronáuticos: ETSIA). In 2014 this chair kept up a brisk activity, holding various seminars, courses and debates involving the participation of many chair-holding professors and leading experts.

In 2014, ever keen to nurture budding technological talent, GMV once again sponsored the First Lego League in Spain, an international robot-building competition for children, offspring of the FIRST and LEGO® alliance in 1988. So successful has this competition been in previous years that the challenge set in 2014, "World Class", attracted a turnout of nearly 1000 teams and more than 8000 participants in knock-out rounds held in 21 different venues.



QUALITY

The commitment of the firms of business group GMV to their clients, their concern for excellence, innovation and continual improvement are all reflected in GMV's various management processes.

The sheer technological complexity of all GMV's developments calls for the highest quality standards in all its processes. The various firms of GMV are therefore all in possession of the quality certificates to match their areas of activity and specialization.

Back in 2010 the subsidiary GMV Aerospace and Defence, S.A.U obtained level-5 maturity under the CMMI (Capability Maturity Model Integration) model, a prestigious international certificate granted by an independent body after the most thoroughgoing assessment. Level-5 maturity is the highest of this demanding quality-assurance model and only a handful of the world's firms possess it. In 2013 this subsidiary renewed CMMI level-5 accreditation and extended it to the subsidiaries of Portugal and Poland. GMV had already achieved level-3 maturity way back in 2005. This certification is to be added to the ISO 9001: 2008 certification, which it obtained in 1997, and also the additional specific certificates to cover its various areas of activity, such as EN 9100:2010, based on ISO

9001:2008 and specifically designed for aerospace developments, and AQAP 2110 and 2210, specific certificates for defense activities.

In 2014 GMV Soluciones Globales Internet S.A.U successfully passed the annual audit of its quality and IT services certifications. Its Quality Management System abides by the new standard ISO 9001:2008 and its IT Services Management System by the new standard ISO 20000-1:2011. ISO 9001 certification was also extended this year to the east coast office.

GMV Soluciones Globales Internet S.A.U, also boasts an information security management system (ISMS), set up in 2004 and certified under ISO 27001 (which has evolved this year to the 2013 version of the standard); it takes in the offices of Madrid, Seville, Barcelona, Boecillo and the East Coast. In 2010 this subsidiary certified its Business Continuity System (BCMS) under the international standard ISO 22301:2012 for its whole range of customer services from its Madrid office. GMV was Spain's second firm to certify its business continuity management and the third to certify its security management. In 2013 GMV Soluciones Globales Internet, S.A.U also successfully passed CMMI level 3 maturity assessment.

The subsidiary GMV Sistemas S.A.U. has likewise been certified under ISO 9001:2008, guaranteeing that the subsidiary's Quality Assurance System conforms to the requirements of the standard UNE-EN ISO 9001:2008. This system covers all the following: the design, development, production and after-sales service of systems for the sectors of transport, remote control and satellite navigation, including the supply, installation and management of onboard equipment in trains and web-based fleet management and tracking services.

The quality management system of GMV's Portuguese subsidiary, GMVIS Skysoft, S.A. meets the requirements of the standard EN ISO 9001: 2008. During the year the subsidiary managed to attain accreditation under the standard EN 9100:2010, based on ISO 9001:2008 and specific

for aerospace developments. The company also holds CMMI maturity level 5.

GMV's Indian subsidiary, for its part, Innovating Solutions Pvt.Ltd, also holds CMMI maturity level 5.

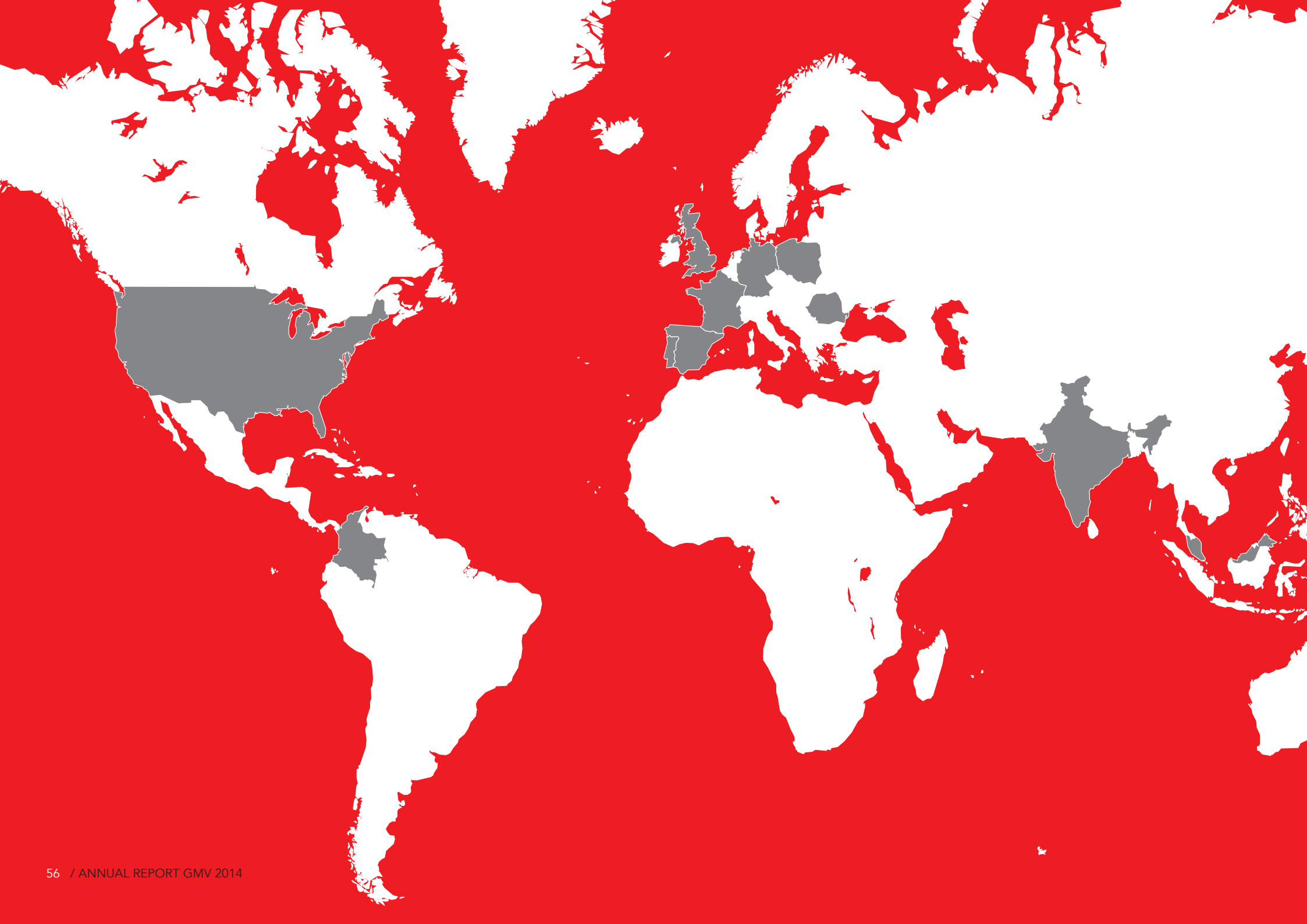
GMV has undertaken to carry out its activity within the parameters of sustainable development, keeping a proper control over all the environmental aspects involved in its work. Hence the fact that the Environmental Management System, covering the activities in GMV's central Madrid site and the offices of Valladolid, Seville and Barcelona, conforms to the UNE-EN ISO14001: 2004 standard.

Lastly, GMV renewed in 2014 the quality kitemark Madrid Excelente, awarded by the Madrid Regional Authority in recognition of management excellence

in companies. GMV's healthcare product **radiance**, for its part, obtained both EC and FDA certification.

GMV is acutely aware that quality assurance is not just a matter of obtaining a given certificate or title; it needs to pervade the daily work of the whole personnel. The whole organization is pledged to the goal of achieving top quality in all its products and services. They often participate in the design of procedures and regularly attend all necessary courses so that they fully understand GMV's quality system and make sure it is enforced in all the work they do.







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ECONOMIC AND FINANCIAL RESULTS

FINANCIAL STATEMENTS 2014

BALANCE SHEET

BALANCE SHEET			LIABILITIES		
	2013	2014		2013	2014
Fixed assets	29,119,973.35	28,732,964.21	Stockholders' equity	39,612,698.28	42,371,055.80
			Capital grants	769,123.92	666,306.11
			Minority interests	5,190,586.00	5,267,762.82
			Long-term funding	10,166,046.28	9,501,766.78
			Interest free credits	5,822,686.05	6,136,307.87
			Long term funding	4,343,360.23	3,365,458.91
	29,119,973.35	28,732,964.21	Total Long-term Funding	55,738,454.48	57,806,891.51
Total fixed assets			Short term liabilities	30,009,344.08	25,604,842.69
Inventories	16,996,708.60	15,019,790.79	Bank loans and overdrafts	12,874,613.02	8,938,922.11
Accounts receivable	29,349,103.20	30,071,353.30	Non-trade payables	17,134,731.06	16,665,920.58
Trade debtors	37,311,971.94	38,758,543.78	Deferred payments	2,220,823.63	1,459,932.23
Trade services on account	-8,151,754.00	-9,943,917.51			
Other debtors	188,885.26	1,256,727.03			
Cash	12,502,837.04	11,047,558.13			
	58,848,648.84	56,138,702.22	Total short term liabilities	32,230,167.71	27,064,774.92
Total current assets	87,968,622.19	84,871,666.43	Total liabilities	87,968,622.19	84,871,666.43
Total assets					
	26,618,481.13	29,073,927.30	Working balance	26,618,481.13	29,073,927.30
Working capital	47.76%	50.29%	Working balance/fixed asset	91.41%	101.19%
Working capital/Equity					

PROFIT AND LOSS ACCOUNT

EXPENSES			INCOME		
	2013	2014		2013	2014
Purchase of goods	24,343,845.15	30,761,849.01	Turnover	103,563,393.03	113,998,968.07
Ancillary Services	11,012,219.82	9,885,393.55	Own expenses capitalized	2,458,946.95	2,319,261.61
Taxes	145,131.61	144,376.24	Operating grants	1,133,325.53	595,908.86
Employee Costs	63,690,076.10	67,579,888.93	Financial Income	2,020,455.62	629,136.23
Financial Expenses	1,716,868.80	1,534,108.04	Extraordinary Income	14.73	
Extraordinary Expenses	13,201.92				
Period Depreciation and Amortization	3,535,680.88	3,386,893.46	Total income	109,176,135.86	117,543,274.77
Appropriations, transfer to Provisions	906,847.80	-30,396.07	Pre-tax profit	3,812,263.78	4,281,161.61
			Post-tax profit	3,524,562.54	3,739,793.09
Total Expenses	105,363,872.08	113,262,113.16			
Corporate income tax	287,701.24	541,368.52			

CASH FLOW STATEMENT

OPERATING ACTIVITIES

	2013	2014
Profit after tax	3,524,562.54	3,739,793.09
Depreciation and amortization	3,535,680.88	3,386,893.46
Operating Cash Flow	7,060,243.42	7,126,686.55
Net finance expense	1,716,868.80	1,534,108.04
Corporate income tax	287,701.24	541,368.52
EBITDA	9,064,813.46	9,202,163.11
(Increase) / decrease in trade and other receivables	-2,615,973.25	1,254,667.71
Increase / (decrease) in trade and other payables	3,052,899.57	-468,810.48
(Decrease) / increase in provisions	-673,741.09	-760,891.40
Deferred income (capital grants)	-1,133,325.53	-595,908.86
Cash flow generated from operations	7,694,673.16	8,631,220.08
Tax paid	-287,701.24	-541,368.52
Net cash flow from operating activities	7,406,971.92	8,089,851.56

INVESTMENT ACTIVITIES

	2013	2014
Capital expenditure - plant and equipment	-425,290.72	-923,273.74
Capital expenditure - intangible assets	-2,346,100.54	-2,076,610.58
Net cash flow from investing activities	-2,771,391.26	-2,999,884.32

FINANCING ACTIVITIES

	2013	2014
Net new debt (debt increase + debt repayments)	675,667.55	-4,599,970.41
Capital Grants and subsidies on capital	1,028,181.74	493,091.05
Interest paid	-1,716,868.80	-1,534,108.04
Dividends paid to equity shareholders	-172,874.40	-609,685.35
Paid-in capital / Adjustments to the equity value	-1,081,096.28	348,390.32
Minority Interests	908,295.42	77,176.82
Results attributable to the Minority Interests	-705,053.45	-720,140.54
Net cash flow from financing activities	-1,063,748.22	-6,545,246.15
(Decrease) / increase in cash and cash equivalents	3,571,832.44	-1,455,278.91
Cash and cash equivalents at beginning of year	8,931,004.60	12,502,837.04
Cash and cash equivalents at end of year	12,502,837.04	11,047,558.13

