Construcciones y Auxiliar de Ferrocarriles, S.A.
and Subsidiaries composing the CAF Group

Condensed Consolidated Balance Sheets at 30 June 2013 and 31 December 2012 (Notes 1 and 2)
(Thousands of Euros)

Assets	30.06.13 (**)	31.12.12 (*)	Equity and Liabilities	30.06.13 (**)	31.12.12 (*)
Non-current assets:			**Equity (Note 10):**		
Intangible assets (Note 5)-			**Shareholders' equity-**		
Goodwill	15	15	Registered share capital	10,319	10,319
Other intangible assets	37,335	42,036	Issue premium	11,863	11,863
	37,350	**42,051**	Revaluation reserve	58,452	58,452
Property, plant and equipment, net (Note 7)	**300,283**	**300,102**	Other reserves of the Parent and of fully consolidated companies and companies		
Investments accounted for using the equity method	**13,887**	**13,167**	accounted for using the equity method	618,258	554,784
Non-current financial assets (Note 6)	**698,557**	**760,828**	Profit for the period attributable to the Parent	49,710	99,454
Deferred tax assets	**107,006**	**102,075**		**748,602**	**734,872**
Total non-current assets	**1,157,083**	**1,218,223**	**Valuation adjustments-**		
			Translation differences	(45,140)	(28,508)
			Hedges	(3,348)	(4,449)
				(48,488)	**(32,957)**
			Equity attributable to the Parent	**700,114**	**701,915**
			Non-controlling interests	**11,416**	**5,685**
			Total equity	**711,530**	**707,600**
			Non-current liabilities:		
			Long-term provisions (Note 11)	**4,106**	**4,678**
			Non-current financial liabilities (Note 9)-		
			Bank borrowings	518,034	480,517
			Other financial liabilities (Note 3)	71,903	69,222
				589,937	**549,739**
			Deferred tax liabilities	**84,268**	**84,283**
			Other non-current liabilities	**43,360**	**22,741**
			Total non-current liabilities	**721,671**	**661,441**
			Current liabilities:		
			Short-term provisions (Note 11)	**339,225**	**348,681**
Current assets:			**Current financial liabilities (Notes 9)-**		
Inventories (Note 8)	**180,385**	**250,827**	Bank borrowings	145,621	108,962
Trade and other receivables-			Other financial liabilities (Note 4)	68,424	30,808
Trade receivables for sales and services (Notes 6 and 8)	1,000,131	761,312		**214,045**	**139,770**
Other accounts receivable (Note 6)	251,319	218,204	**Trade and other payables-**		
Current tax assets	5,045	12,844	Payable to suppliers	449,813	439,866
	1,256,495	**992,360**	Other accounts payable (Note 8)	391,413	369,900
Other current financial assets (Note 6)	**160,867**	**129,025**	Current tax liabilities (Note 17)	4,931	1,089
Other current assets	**2,730**	**1,742**		**846,157**	**810,855**
Cash and cash equivalents	**75,846**	**76,682**	**Other current liabilities**	**778**	**512**
Total current assets	**1,676,323**	**1,450,636**	**Total current liabilities**	**1,400,205**	**1,299,818**
Total assets	**2,833,406**	**2,668,859**	**Total equity and liabilities**	**2,833,406**	**2,668,859**

(*) Included exclusively for comparison purposes (Note 2.e).
(**) Figures (unaudited) subject to Limited Review on interim financial statements.

The accompanying Notes 1 to 18 are an integral part of the condensed consolidated balance sheet at 30 June 2013.

Translation of a report originally issued in Spanish and of interim complete consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 18). In the event of a discrepancy, the Spanish-language version prevails.

Construcciones y Auxiliar de Ferrocarriles, S.A.
and Subsidiaries
composing the CAF Group

Condensed Consolidated Income Statements
for the Six-month Periods Ended on
30 June 2013 and 2012 (Notes 1 and 2)
(Thousands of Euros)

	(Debit) Credit	
	30.06.13 (**)	**30.06.12 (*)**
Continuing operations:		
Revenue (Note 15)	780,901	935,661
+/- Changes in inventories of finished goods and work in progress	(55,298)	(61,022)
In-house work on non-current assets	1,659	348
Supplies	(304,007)	(392,649)
Other operating income	2,344	1,922
Staff costs (Notes 9, 11 and 16)	(201,115)	(191,681)
Other operating expenses (Note 11)	(104,091)	(180,723)
Depreciation and amortisation charge (Notes 5 and 7)	(23,364)	(20,909)
Impairment and gains or losses on disposals of non-current assets (Notes 5, 6 and 7)	(21,441)	(55)
Other gains or losses	-	-
Profit from operations	**75,588**	**90,892**
Finance income (Note 6)	6,331	8,471
Finance costs (Note 9)	(19,570)	(14,130)
Change in fair value of financial instruments	16	-
Exchange differences	(2,493)	(4,896)
Impairment and gains or losses on disposals of financial instruments (Note 6)	554	563
Financial profit (loss)	**(15,162)**	**(9,992)**
Result of companies accounted for using the equity method	(298)	63
Profit before tax	**60,128**	**80,963**
Income tax (Note 17)	(10,145)	(19,064)
Profit for the period from continuing operations	**49,983**	**61,899**
Profit(loss) for the year from discontinued operations	-	-
Consolidated profit (loss) for the period	**49,983**	**61,899**
Attributable to:		
The Parent Company	49,710	61,787
Non-controlling interests	273	112
Earnings per share (in euros)		
Basic	14.50	18.02
Diluted	14.50	18.02

(*) Presented for comparison purposes only. Unaudited figures.
(**) Figures (unaudited) subject to Limited Review on interim financial statements.

The accompanying Notes 1 to 18 are an integral part of the condensed consolidated income statement for the six-month period ended on 30 June 2013.

Translation of a report originally issued in Spanish and of interim complete consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 18). In the event of a discrepancy, the Spanish-language version prevails.

Construcciones y Auxiliar de Ferrocarriles, S.A.
and Subsidiaries
composing the CAF Group

Condensed Consolidated Statements of Recognised Income and Expenses
for the Six-month Periods Ended on
30 June 2013 and 2012 (Notes 1 and 2)
(Thousands of Euros)

	30.06.13 (**)	30.06.12 (*)
A) Consolidated profit for the period	**49,983**	**61,899**
B) Income and expense recognised directly in equity	**(15,599)**	**(13,066)**
Arising from revaluation/(reinvestment of revaluation) of property, plant and equipment and intangible assets	-	-
Arising from valuation of financial instruments	-	-
Arising from cash flow hedges (Note 10)	1,042	(506)
Translation differences (Note 10)	(16,634)	(12,705)
On actuarial profits and losses and other adjustments	-	-
Entities accounted for using the equity method	-	-
Other income and expenses recognised directly in equity	-	-
Tax effect	(7)	145
C) Transfers to profit or loss	**66**	**(1,890)**
Arising from valuation of financial instruments		-
Arising from cash flow hedges	92	(2,625)
Translation differences (Note 10)	-	-
Entities accounted for using the equity method	-	-
Other income and expenses recognised directly in equity	-	-
Tax effect	(26)	735
Total comprehensive income (A+B+C)	**34,450**	**46,943**
Attributable to:		
The Parent Company	34,179	46,830
Non-controlling interests	271	113

(*) Presented for comparison purposes only. Unaudited figures.
(**) Figures (unaudited) subject to Limited Review on interim financial statements.

The accompanying Notes 1 to 18 are an integral part of the condensed consolidated statement of recognised income and expenses for the six-month period ended on 30 June 2013.

Construcciones y Auxiliar de Ferrocarriles, S.A.
and Subsidiaries composing the CAF Group

Condensed Consolidated Statements of Changes in Equity
for the Six-month Periods Ended on 30 June 2013 and 2012 (Notes 1 and 2)
(Thousands of Euros)

	Equity attributable to the Parent Company								
	Shareholders' Equity								
	Share capital	Issue premium	Reserve for revaluation of unrealised assets and liabilities	Other reserves	Net profit(loss) for the period	Valuation adjustments in equity	Translation differences	Minority interests	Total equity
Balances at 31 December 2011 (*)	**10,319**	**11,863**	**58,452**	**444,554**	**146,182**	**(1,820)**	**(5,106)**	**2,820**	**667,264**
Total recognised income/expense	**-**	**-**	**-**	**-**	**61,787**	**(2,251)**	**(12,706)**	**113**	**46,943**
Transactions with shareholders or owners	**-**	**-**	**-**	**(11)**	**(35,995)**	**-**	**-**	**(201)**	**(36,207)**
Dividends paid (Note 4)	-	-	-	-	(35,995)	-	-	-	(35,995)
Transactions with non-controlling shareholders	-	-	-	(11)	-	-	-	(201)	(212)
Other changes in equity	**-**	**-**	**-**	**110,187**	**(110,187)**	**-**	**-**	**-**	**-**
Business combinations	-	-	-	-	-	-	-	-	-
Transfers between equity items	-	-	-	110,187	(110,187)	-	-	-	-
Balances at 30 June 2012 (**)	**10,319**	**11,863**	**58,452**	**554,730**	**61,787**	**(4,071)**	**(17,812)**	**2,732**	**678,000**
Balances at 31 December 2012 (**)	**10,319**	**11,863**	**58,452**	**554,784**	**99,454**	**(4,449)**	**(28,508)**	**5,685**	**707,600**
Total recognised income/expense	**-**	**-**	**-**	**-**	**49,710**	**1,101**	**(16,632)**	**271**	**34,450**
Transactions with shareholders or owners	**-**	**-**	**-**	**15**	**(35,995)**	**-**	**-**	**5,460**	**(30,520)**
Dividends paid (Note 4)	-	-	-	-	(35,995)	-	-	(171)	(36,166)
Transactions with non-controlling interest (Note 3)	-	-	-	15	-	-	-	5,631	5,646
Other changes in equity	**-**	**-**	**-**	**63,459**	**(63,459)**	**-**	**-**	**-**	**-**
Business combinations	-	-	-	-	-	-	-	-	-
Transfers between equity instruments	-	-	-	63,459	(63,459)	-	-	-	-
Balances at 30 June 2013 (***)	**10,319**	**11,863**	**58,452**	**618,258**	**49,710**	**(3,348)**	**(45,140)**	**11,416**	**711,530**

(*) Presented for comparison purposes only.
(**) Presented for comparison purposes only. Unaudited figures.
(***) Figures (unaudited) subject to Limited Review on interim financial statements.
The accompanying Notes 1 to 18 are an integral part of the condensed consolidated statement of changes in equity for the six-month period ended on 30 June 2013.

Translation of a report originally issued in Spanish and of interim complete consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 18). In the event of a discrepancy, the Spanish-language version prevails.

Construcciones y Auxiliar de Ferrocarriles, S.A. and Subsidiaries composing the CAF Group

Condensed Consolidated Statements of Cash Flows for the Six-month Periods Ended on 30 June 2013 and 2012 (Notes 1 and 2)
(Thousands of Euros)

	30.06.13 (**)	30.06.12 (*)
Cash flows from operating activities:		
Profit(loss) before tax from continuing and discontinued operations	60,128	80,963
Adjustments for-		
Depreciation and amortisation charge (Notes 5 and 7)	23,364	20,909
Other adjustments (net)	27,300	65,185
Changes in working capital-	(105,034)	(45,677)
Other cash flows from operating activities-		
Income tax recovered (paid)	(2,271)	(7,680)
profit(loss) before tax from continuing and discontinued operations	(1,172)	(716)
Cash flows from operating activities (I)	**2,315**	**112,984**
Cash flows from investing activities:		
Payments due to investment-		
Group companies, associates and business units	-	(2,267)
Property, plant and equipment, intangible assets and investment property (Notes 5 and 7)	(35,921)	(23,734)
Business unit (changes in the scope of consolidation)	-	-
Other net financial assets (Note 6)	(40,496)	(356,610)
Proceeds from disposal-		
Property, plant and equipment, intangible assets and investment property (Notes 5 and 7)	303	116
Other financial assets (Note 6)	3,439	8,356
Other cash flows from investing activities		
Interest received	3,897	5,296
Cash flows from investing activities (II)	**(68,778)**	**(368,843)**
Cash flows from financing activities:		
Proceeds/(payments) relating to equity instruments-		
Issue	1,280	-
Acquisition	-	(213)
Proceeds/(payments) relating to financial liability instruments-		
Issue	103,712	277,626
Repayment and amortisation	(21,488)	(15,024)
Other cash flows from financing activities-		
Interest paid	(17,557)	(14,423)
Cash flows from financing activities (III)	**65,947**	**247,966**
Effect on cash and cash equivalents of foreign exchange rate changes (IV)	**(320)**	**(575)**
Net increase in cash and cash equivalents (I+II+III+IV)	**(836)**	**(8,468)**
Cash and cash equivalents at beginning of period	76,682	86,214
Cash and cash equivalents at end of period	**75,846**	**77,746**

(*) Presented for comparison purposes only. Unaudited figures.
(**) Figures (unaudited) subject to Limited Review on interim financial statements.

The accompanying Notes 1 to 18 are an integral part of the condensed consolidated statement of cash flows for the six-month period ended on 30 June 2013.
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Translation of a report originally issued in Spanish and of interim complete consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 18). In the event of a discrepancy, the Spanish-language version prevails.

Construcciones y Auxiliar de Ferrocarriles, S.A. and Subsidiaries (CAF Group)

Notes to the Condensed Consolidated Financial Statements for the Six-month Period Ended on 30 June 2013

1. Description and activities of the Parent

Construcciones y Auxiliar de Ferrocarriles, S.A. ("CAF" or "the Parent") was incorporated for an indefinite period of time in San Sebastián (Guipúzcoa).

The Parent's object is described in Article 2 of its bylaws.

The Parent currently engages mainly in the manufacture of railway materials.

The Parent, as part of its business activities, owns majority ownership interests in other companies (see Note 3).

The CAF Group's consolidated financial statements for 2012 were approved by the shareholders at the Annual General Meeting of CAF on 8 June 2013.

2. Basis of presentation of the condensed consolidated financial statements for the six-month period

a) Basis of presentation

In accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, all the companies governed by the Law of a member state of the European Union and whose securities are listed on a regulated market of any member state must present their consolidated financial statements for the years starting on 1 January 2005 in compliance with the International Financial Reporting Standards (IFRSs) previously adopted by the European Union.

The Group's consolidated financial statements for 2012 were prepared by the Company's Directors in accordance with the International Financial Reporting Standards adopted by the European Union, applying the consolidation principles, accounting policies and measurement criteria described in Note 3 of the abovesaid consolidated financial statements, so as to present fairly the Group's consolidated equity and financial position as at 31 December 2012, as well as its consolidated results, changes in equity and cash flows for said year.

These condensed consolidated financial statements for the six-month period are in accordance with IAS 34 on Interim Financial Reporting, and were prepared by the Group's Directors on 29 July 2013, all in conformity with Section 12 of Royal Decree 1362/2007. This consolidated interim financial information is based on the accounting records of Construcciones y Auxiliar de Ferrocarriles, S.A. and the other companies comprising the Group, and includes all necessary adjustments and reclassifications to make the accounting and reporting policies applied by all the Group companies (in all cases, regional legislation) consistent with those applied by Construcciones y Auxiliar de Ferrocarriles, S.A. for the purposes of the consolidated financial statements.

In accordance with IAS 34, interim financial reporting only purports to update the contents of the latest consolidated financial statements prepared by the Group, focusing on any new activities, events and circumstances which may have occurred during the last six months, but not duplicating the information previously reported on the 2012 consolidated financial statements. Therefore, for a better understanding of the information contained in these condensed consolidated financial statements for the six-month period, they should be read together with the Group's consolidated financial statements for 2012.

These six-monthly condensed consolidated financial statements were prepared using the same accounting policies and methods used for the 2012 consolidated financial statements, except for the standards and interpretations which came into force during the first half of 2013, which are detailed below.

b) New Accounting Standards in Force

In 2013 first semester, new accounting standards came into force and, therefore, were taken into account when preparing the condensed consolidated financial statements for the six-month period. Since 1 January 2013, the following standards have been applied:

- *"IFRS 13 Fair Value Measurement",* which provides the basis for measurement of the Fair Value of assets, liabilities or own equity, when such is the measurement standard required by other regulations. IFRS 13 applies to the measurement of financial and non-financial items. The entry into force of this standard has not affected the Group in any way whatsoever.

- *"Amendment to IAS 1 – Presentation of items of other comprehensive income":* This amendment lays down small changes to the IAS 1 Presentation of Financial Statements standards in relation to the items included in "Other comprehensive income" ("Statement of Recognised Income and Expenses"). The entry into force of this amendment has not affected the Group in any way whatsoever.

- *"Amendment to IFRS 7. Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities"*: This amendment introduces a specific section of new disclosures requirements about the information to be disclosed when offsetting financial assets and liabilities, and also applies to those other instruments that are subject to an enforceable master netting agreement or similar agreement (IAS 32). The entry into force of this amendment has not affected the Group in any way whatsoever.

Likewise, since 1 January 2013, other new accounting standards have come into force (*"Amendment to IAS 12 – Income tax – deferred taxes arising from investment property*", *"Amendment to IAS 19 – Employee Benefits", "Amendments to IFRS 2009-2011 Cycle",* and *"IFRIC interpretation 20: Stripping Costs in the Production Phase of a Surface Mine"*) without having a significant impact on the Group.

All accounting principles and measurement criteria having a significant impact on the condensed consolidated financial statements for the six-month period have been applied when preparing them.

c) Use of estimates

The accounting policies and principles, measurement criteria, and estimates used by the Parent's Directors are key to evaluating the consolidated results and equity when preparing the six-monthly condensed consolidated financial statements. The main accounting policies and standards and measurement criteria applied are mentioned in Note 3 to the 2012 consolidated financial statements.

In the condensed consolidated financial statements, some estimates were occasionally made by the Senior Management of the Parent and of the consolidated companies in order to measure certain of the assets, liabilities, income, expenses and obligations reported therein. These estimates, based on the best available information, basically refer to:

1. Corporate Tax expense, which, pursuant to IAS 34, must be recognised for interim periods based on the Group's best estimates of the weighted average tax rate for the year.

2. Assessment of possible impairment losses on certain assets.

3. Assumptions used in the actuarial calculation of pension-related liabilities and other obligations to employees.

4. The useful life of the property, plant and equipment and intangible assets.

5. The market value of certain financial instruments.

6. Calculation of provisions.

7. Assessment of the possibility to have future taxable profits to which to charge any recognised and unused tax credits.

8. Evolution of costs estimated in the budgets of construction projects carried out.

Even though these estimates were made according to the best available information on the analysed facts, future events might make it necessary to change these estimates (upward or downward) at 2013 year-end or in coming years. These changes would be applied prospectively in accordance with IAS 8, recognising the effects of the change in estimates in the consolidated income statements for the years concerned.

There was no significant change in the estimates made at 2012 year-end during the six-month period ended on 30 June 2013.

d) Contingent assets and liabilities

Note 25 to the Group's consolidated financial statements for the year ended on 31 December 2012 contains information about the contingent assets and liabilities existing by then. In the six months of the 2013 reporting period, an arbitration proceeding related to the suburban railway works in Mexico City was decided in favour of the Group, and an amount of EUR 3,600 thousand from the provisions recognised for hedging thereof was reversed. On the other hand, on 17 May 2013, a customer of a subsidiary filed a claim, within the framework of an administrative proceeding initiated before such date, for technical defects identified, and already solved, as well as an economic compensation. The Administrative Court has requested the customer to revise the issues claimed before 4 October 2013. The Parent's Directors and its advisors estimate that no significant liabilities will arise in this regard. There were no significant changes in the remaining contingent assets and liabilities of the Group.

e) Comparative information

The information reported on these six-monthly condensed consolidated financial statements for 2012 is presented exclusively for comparison purposes with the information relating to the six-month period ended on 30 June 2013.

At 30 June 2013, the Group presented the current financial assets from the concessions recorded in accordance with the method specified in "IFRIC12 – Financial Asset Model" under "Trade and other receivables – Other accounts receivable" for the purposes of clarity. Therefore, the relevant 2012 comparative amount under "Trade and other receivables – Trade receivables for sales and services" was reclassified for EUR 134,713 thousand (Note 6).

f) Group's transactions seasonality

Given the nature of the activities conducted by the Group's Companies and the percentage of completion accounting criterion, the Group's transactions are not cyclical or seasonal. Therefore, these notes to the condensed consolidated financial statements for the six-month period ended on 30 June 2013 do not contain any specific breakdown.

g) Relative importance

Pursuant to IAS 34, when determining which information to break down about the different items of the financial statements or other issues, the Group took into consideration their relative importance in relation to the six-monthly condensed consolidated financial statements.

h) Events after the reporting period

At 30 June 2013, the firm backlog amounted to EUR 4,934 million.

No other significant events have taken place since the end of these interim financial statements.

i) Condensed consolidated statement of cash flows

The following terms, with the meanings specified, are used in the condensed consolidated cash flow statement:

- Cash flows are inflows and outflows of cash and cash equivalents.
- Operating activities are the principal revenue-producing activities of the entity and other activities that are not investing or financing activities.
- Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities are activities that result in changes in the size and composition of the entity's equity and borrowings.

3. Changes in the Group's structure

Note 2.f to the consolidated financial statements for the year ended on 31 December 2012 contains relevant information about the Group's companies which were consolidated at such date, as well as those which were measured using the equity method.

In 2013 first semester, the following capital increase transactions were carried out:

Business combinations or other acquisitions of or increases in ownership interests held in subsidiaries, joint ventures and/or investments in associates						
			Combination net cost			
Name	Category	Effective date of the transaction	(Net) amount paid for acquisition + Other costs directly related to the combination (Thousands of Euros)	Fair value of equity instruments issued to acquire the company	% voting rights acquired	% total voting rights in the company after acquisition
In-scope company changes						
Urban Art Alliance for Research on Transport, A.I.E.	Subsidiary	30/01/2013	2,420	-	60%	60%

In 2013 first semester, EUR 2,420 thousand was paid to Urbant Art Alliance for Research on Transport, A.I.E.

Also, in the 2013 reporting period, the merger of subsidiaries Garraiotech, S.L. and Rail Line Components, S.L.U. (formerly known as Sempere Componentes, S.L.U.) occurred, by the absorption of the first one by the second one.

In the six-month period ended on 30 June 2013, the company Actren Mantenimiento Ferroviario, S.A., which is 51% owned by the Group and which was previously consolidated by the equity method, is now consolidated under the global integration method.

4. Dividends payable by the Company

Detailed below are the dividends owed by the Company as at July 2013 and 2012, respectively, for the distribution of profits approved for the previous year. All of them were for common shares. The Group recognised those amounts (net of any applicable tax withholding) by crediting them to “Current financial liabilities – Other financial liabilities” on the condensed consolidated balance sheet at 30 June 2013 and 2012, respectively.

	30/06/13			30/06/12		
	% par value	Euros per share unit	Amount (Thousands of Euros)	% par value	Euros per share unit	Amount (Thousands of Euros)
Total dividends payable (Note 9)	349%	10.5	35,995	349%	10.5	35,995

5. Intangible assets

The changes in “Intangible assets” and the related accumulated amortisation during the six-month period ended on 30 June 2013 is as follows:

	Thousands of Euros			
	Development expenditure	Computer software and others	Goodwill	Total
Balance at 31/12/12				
Cost	74,047	14,540	15	88,602
Accumulated amortisation	(34,579)	(11,691)	-	(46,270)
Impairment	(281)	-	-	(281)
Net balance at 31/12/12	**39,187**	**2,849**	**15**	**42,051**
Cost-				
Translation differences	-	(24)	-	(24)
Additions	16,665	504	-	17,169
Write-downs	(242)	-	-	(242)
Transfers (Note 8)	(401)	261	-	(140)
Cost at 30/06/13	**90,069**	**15,281**	**15**	**105,365**
Accumulated amortisation-				
Translation differences	-	13	-	13
Additions or provisions	(5,893)	(611)	-	(6,504)
Write-downs	242	-	-	242
Transfers (Note 8)	-	(116)	-	(116)
Accumulated amortisation at 30/06/13	**(40,230)**	**(12,405)**	**-**	**(52,635)**
Impairment loss				
Provision for the year	(15,099)	-	-	(15,099)
Impairment at 30/06/13	**(15,380)**	**-**	**-**	**(15,380)**
Net balance at 30/06/13	**34,459**	**2,876**	**15**	**37,350**

Additions during 2013 first semester recognised as “Development expenditure” were for the costs incurred in projects to develop new products and ongoing projects at 31 December 2012.

In 2013 first semester, the Group recognised an impairment loss totalling EUR 15,099 thousand, charged to “Impairment and gains or losses on disposals of non-current assets”, on account of certain development projects, since it believes that there are reasonable doubts as to the financial and commercial profitability thereof.

6. Financial assets

a) Composition and breakdown

The detail of the Group's financial assets at 30 June 2013 and 31 December 2012, by nature and category, for valuation purposes, is as follows:

	Thousands of Euros						
	30/06/13						
	Held-for-trading financial assets	Other financial assets at fair value through profit or loss	Available-for-sale financial assets	Loans and receivables (*)	Held-to-maturity investments	Hedging derivatives	Total
Equity instruments	-	-	22,330	-	-	-	22,330
Derivatives	-	-	-	-	-	7,995	7,995
Other financial assets	-	-	-	644,491	23,741	-	668,232
Long-term / non-current	-	-	**22,330**	**644,491**	**23,741**	**7,995**	**698,557**
Derivatives	-	-	-	-	-	24,431	24,431
Other financial assets	-	-	-	6,147	130,289	-	136,436
Short term / current	-	-	-	**6,147**	**130,289**	**24,431**	**160,867**
Total	**-**	**-**	**22,330**	**650,638**	**154,030**	**32,426**	**859,424**

(*) Amounts net of the relevant impairment losses (Note 6.b).

	Thousands of Euros						
	31/12/12						
	Held-for-trading financial assets	Other financial assets at fair value through profit or loss	Available-for-sale financial assets	Loans and receivables (*)	Held-to-maturity investments	Hedging derivatives	Total
Equity instruments	-	-	21,915	-	-	-	21,915
Derivatives	-	-	-	-	-	4,497	4,497
Other financial assets	-	-	-	710,621	23,795	-	734,416
Long-term / non-current	-	-	**21,915**	**710,621**	**23,795**	**4,497**	**760,828**
Derivatives	-	-	-	-	-	16,507	16,507
Other financial assets	-	-	-	3,624	108,894	-	112,518
Short term / current	-	-	-	**3,624**	**108,894**	**16,507**	**129,025**
Total	**-**	**-**	**21,915**	**714,245**	**132,689**	**21,004**	**889,853**

(*) Amounts net of the relevant impairment losses (Note 6.b).

At 30 June 2013, the Group recognised EUR 19,763 thousand under non-current "Held-to-maturity investments" on account of guarantees related to the extension of the financial debt held by the subsidiary Ctrens – Companhia de Manutençao, S.A. (Note 9). This guarantee accrues a market interest rate and corresponds to six monthly payments of the loan, and will be released in the last six instalments of the loan between November 2025 and April 2026.

Column current “Held-to-maturity investments” basically includes the Group’s investments in government debt securities, repos, deposits, promissory notes, and term deposits. At 30 June 2013 and 31 December 2012, liquid financial assets maturing in less than three months totalled EUR 125,908 thousand and EUR 104,845 thousand, respectively.

The breakdown of “Non-current loans and accounts receivable” is as follows:

	Thousands of Euros	
	30/06/13	31/12/12
Loans to employees	5,273	4,752
Share ownership scheme obligations	2,779	7,293
Provisions for share ownership scheme	-	-
Non-current tax receivables	55,802	60,657
Provisions for tax payables	(24,887)	(19,884)
Non-current trade receivables	588,577	643,325
Allowance for non-current trade receivables	(540)	(2,974)
Loans to associates (Note 12)	16,067	16,067
Other	1,420	1,385
Total	**644,491**	**710,621**

Column “Loans and receivables” under items “Other non-current financial assets” and “Other current financial assets” includes, among others, the Parent’s rights under the “Share Ownership Scheme”, acquired from Cartera Social, S.A., for a net total of EUR 2,779 thousand and EUR 5,168 thousand, respectively (EUR 7,293 thousand and EUR 2,897 thousand, respectively, at 31 December 2012), and the terms of which are detailed in Note 9.e to the Group’s consolidated financial statements for 2012. In 2013 first semester, an amount of EUR 577 thousand was reversed and credited to “Impairment and gains or losses on disposals of financial instruments” in the condensed consolidated income statement.

Likewise, at 30 June 2013, the Group recognised a net total of EUR 30,915 thousand under “Non-current financial assets – Loans and receivables” for the VAT refundable by foreign tax authorities (EUR 40,773 thousand at 31 December 2012). In the six-month period ended on 30 June 2013, a provision of EUR 6,849 thousand was recognised and charged to “Impairment and gains or losses on disposals of non-current assets” in the accompanying condensed consolidated income statement for the six-month period.

Non-current trade receivables include EUR 15,526 thousand (EUR 43,360 thousand at 31 December 2012) relating to accounts receivable from third parties not belonging to the Group facing financial difficulties that are not expected to be collected in the short term. In 2013 first semester, the Group reversed a total net amount of EUR 2,486 thousand, crediting it to “Finance income” in the accompanying condensed consolidated income statement for the six-month period, thus maintaining a long-term provision of EUR 540 thousand (EUR 2,974 thousand and EUR 52 thousand in the short-term at 31 December 2012).

They also include a long-term account receivable amounting to EUR 9,220 thousand (EUR 9,613 thousand at 31 December 2012) related to a finance lease agreement for rolling stock, under which the Group will receive constant monthly lease payments for a 120-month period.

In 2010, the Group executed both concession contracts in Brazil and Mexico, the terms of which are described in Note 9.e to the consolidated financial statements for 2012. These concessions are registered in accordance with IFRIC 12, Financial Asset Model, since applicable requirements are met, and, pursuant to such standard, the various services provided (construction, operation/maintenance and financing) were separated. Therefore, at 30 June 2013, the Group recorded an amount of EUR 563,831 thousand and EUR 144,446 thousand under “Loans and accounts receivable” of non-current financial assets and under “Other accounts receivable” of current assets respectively, for the construction and maintenance works executed as at such date (EUR 590,352 thousand and EUR 134,713 thousand at 31 December 2012). Services started to be provided basically in the first half of 2011 in the case of Line 8 (Brazil), and in the second half of 2012 in the case of Line 12 (Mexico).

At 30 June 2013, the Group recorded under “Trade and other receivables – Other accounts receivable” an amount of EUR 27,670 thousand, on account of accounts receivable from Cartera Social, S.A., as described in Note 10 to the Group’s consolidated financial statements for 2012, and an amount of EUR 20,613 thousand on account of withholdings made in relation to a lawsuit involving the Group (Note 11.c).

b) Valuation adjustments for impairment

In furtherance of the obligations undertaken, the Parent Company registered a provision for EUR 4,409 thousand (EUR 7,481 thousand at 31 December 2012) to adjust the cost for rights acquired under the “Share Ownership Scheme”, as described in section a) above and Note 9.d to the 2012 consolidated financial statements, to their net recoverable amount at 30 June 2013. At 30 June 2013, the portion of this asset expected to be sold within one year and the related impairment loss were recognised under “Other current financial assets” in the accompanying semi-annual condensed consolidated balance sheet at such date. In the six-month period ended on 30 June 2013, rights with a cost and impairment loss amounting to approximately EUR 5,315 thousand and EUR 2,495 thousand, respectively, were sold (about EUR 13,014 thousand and EUR 7,757 thousand, respectively, in the year ended on 31 December 2012).

The table below shows the changes during 2013 and 2012 first semesters in the provisions for impairment loss of the assets, including long-term balances held with Tax Authorities, under “Non-current financial assets” and “Other current financial assets”:

Non-current financial assets	Thousands of Euros	
	30/06/13	30/06/12
Opening balance	**(22,858)**	**(33,957)**
Net reversals, credited to income for the period	2,434	1,316
Net transfers to short-term side	-	(450)
Transfer of provisions for waiver rights	-	(1,138)
Translation differences	1,846	1,321
Provisions charged to “Impairment and gains or losses on disposals of non-current assets”	(6,849)	-
Closing balance	**(25,427)**	**(32,908)**

Other current financial assets	Thousands of Euros	
	30/06/13	30/06/12
Opening balance	**(10,840)**	**(12,716)**
Write-downs	2,495	5,320
Reversals credited to income for the period	628	-
Transfers from long-term side	-	**(4,021)**
Closing balance	**(7,717)**	**(11,417)**

7. Property, plant and equipment

a) Changes in the period

In 2013 and 2012 first semesters, some items of property, plant and equipment were acquired for an amount of EUR 20,295 thousand and EUR 16,736 thousand, respectively. The main additions for 2013 were machining lines and improvements in the rolling stock division of CAF, S.A., and the investments made in a new plant of CAF India. Besides, during 2013 and 2012 first semesters, certain items were disposed of at the net book value of EUR 308 and EUR 116 thousand, respectively, resulting in EUR 3 thousand and EUR 14 thousand in net losses, respectively.

Provisions for depreciation for the six-month periods ended on 30 June 2013 and 2012 amounted to EUR 16,846 thousand and EUR 16,527 thousand, respectively. Translation differences for the abovesaid semesters resulted in a negative amount of EUR 3,328 thousand and EUR 2,396 thousand, respectively.

The Group deducts the amount of any grants received for the acquisition of an asset from the carrying amount of the asset acquired. At 30 June 2013, the net amount of the grants received yet to be amortised totalled EUR 4,844 thousand (EUR 5,428 thousand at 31 December 2012). An amount of EUR 707 thousand was allocated to income for the six-month period ended on 30 June 2013 (EUR 726 thousand for the six-month period ended on 30 June 2012).

b) Impairment losses

The changes in Impairment losses during 2013 and 2012 first semesters are as follows:

	Thousands of Euros	
	30/06/13	30/06/12
Opening balance	**(5,711)**	**(7,283)**
Reversals credited to income for the period	511	960
Closing balance	**(5,200)**	**(6,323)**

Such reversals were recorded under “Impairment and gains or losses on disposals of non-current assets” in the income statement.

c) Commitments to purchase property, plant and equipment

At 30 June 2013 and 31 December 2012, the Group had firm capital expenditure commitments amounting to approximately EUR 4,745 thousand and EUR 17,238 thousand, respectively.

8. Inventories and construction contracts

The detail of inventories at 30 June 2013 and 31 December 2012 is as follows:

	Thousands of Euros	
	30/06/13	31/12/12
Raw materials and other procurements, work in progress and finished and semi-finished goods	151,075	233,057
Advances to suppliers	29,310	17,770
	180,385	**250,827**

The Group registers customer advances for its contracts on the portfolio by crediting them to "Trade and other payables – Other payables". At 30 June 2013, this amount totalled EUR 249,534 thousand (EUR 259,616 thousand at 31 December 2012).

Under "Trade and other receivables – Trade receivables for sales and services", the Group records the "Amounts to be billed for work performed", which, at 30 June 2013, was approximately 53% of the balance existing under that item (44% at 31 December 2012). The balance of receivables includes withholdings in collections at 30 June 2013, totalling EUR 7,698 thousand (EUR 10,485 thousand at 31 December 2012).

9. Financial liabilities

The detail of the Group's financial liabilities at 30 June 2013 and 31 December 2012, by nature and category, for valuation purposes, is as follows:

	Thousands of Euros				
	30/06/13				
Financial liabilities: Nature/Category	Held-for-trading financial liabilities	Other financial liabilities at fair value through profit or loss	Accounts payable	Hedging derivatives	Total
Bank borrowings	-	-	518,034	-	518,034
Other financial liabilities (without hedging derivatives)	-	-	63,558	-	63,558
Hedging derivatives	-	-	-	8,345	8,345
Non-current liabilities/non-current financial liabilities	-	-	**581,592**	**8,345**	**589,937**
Bank borrowings	-	-	145,621	-	145,621
Other financial liabilities (without hedging derivatives)	-	-	50,475	-	50,475
Hedging derivatives	-	-	-	17,949	17,949
Current liabilities / current financial liabilities	-	-	**196,096**	**17,949**	**214,045**
Total	-	-	**777,688**	**26,294**	**803,982**

Financial liabilities: Nature/Category	Thousands of Euros				
	31/12/12				
	Held-for-trading financial liabilities	Other financial liabilities at fair value through profit or loss	Accounts payable	Hedging derivatives	Total
Bank borrowings	-	-	480,517	-	480,517
Other financial liabilities (without hedging derivatives)	-	-	64,352	-	64,352
Hedging derivatives	-	-	-	4,870	4,870
Non-current liabilities/non-current financial liabilities	-	-	**544,869**	**4,870**	**549,739**
Bank borrowings	-	-	108,962	-	108,962
Other financial liabilities (without hedging derivatives)	-	-	22,408	-	22,408
Hedging derivatives	-	-	-	8,400	8,400
Current liabilities / current financial liabilities	-	-	**131,370**	**8,400**	**139,770**
Total	-	-	**676,239**	**13,270**	**689,509**

Bank borrowings

As described in Note 16 to the consolidated financial statements for 2012, the subsidiary Ctrens – Companhia de Manutençao, S.A. subscribed a financing contract with Banco Nacional de Desenvolvimiento Econômico e Social (BNDES) related to the CPTM concession transaction. At 30 June 2013, BRL 823,641 thousand and BRL 50,547 thousand had been drawn down in the long and short term, respectively (EUR 284,980 thousand and EUR 17,489 thousand, respectively).

Likewise, on 7 December 2012, the subsidiary Provetren, S.A. de C.V. subscribed a long-term financing contract totalling US$ 300 million. At 30 June 2013, financial liabilities were recorded in the amount of US$ 205,124 thousand and US$ 51,346 thousand in the long and short term, respectively (EUR 156,817 thousand and EUR 39,254 thousand, respectively).

The main terms of both loans are detailed in the consolidated financial statements for 2012.

Also, at 30 June 2013, the consolidated companies had drawn several lines of credit and loans, as well as interest payable, mainly in Euros, totalling EUR 76,237 thousand and EUR 88,878 thousand, in the long and short term, respectively (EUR 90,736 thousand on account of lines of credit at 31 December 2012). At 30 June 2013, the undrawn lines of credit and factoring lines amounted to EUR 244 million.

The effects of translations differences during 2013 first semester under "Non-current financial liabilities – Bank borrowings" and "Current financial liabilities – Bank borrowings" showed a negative amount of EUR 18,188 thousand and EUR 803 thousand, respectively.

Other financial liabilities

Below is a breakdown of items “Non-current financial liabilities – Other financial liabilities” and “Current financial liabilities – Other financial liabilities” on the condensed consolidated balance sheet at 30 June 2013 and 31 December 2012:

Non-current financial liabilities – Other financial liabilities	Thousands of Euros	
	30/06/13	31/12/12
Refundable advances	54,083	56,472
Employee benefit obligations	7,974	6,061
Other	1,501	1,819
	63,558	**64,352**

Current financial liabilities – Other financial liabilities	Thousands of Euros	
	30/06/13	31/12/12
Refundable advances	16,560	16,676
Net dividends payable (Note 4)	32,569	282
Other	1,346	5,450
	50,475	**22,408**

Refundable advances

By reason of various research and development programmes, the Group received certain grants to conduct research and development projects, which were recognised when actually collected or, if applicable, when collected by the coordinator of the joint project. This aid consisted of:

- Grants to partially meet the expenses and costs of these projects.

- Refundable advances generally in the form of interest-free loans, which usually have an initial grace period of 3 years and are taken to income in a period of over 10 years.

Grants must be refunded together with the related interest if the R&D investments envisaged under these projects are not made.

Employee benefit obligations

At 30 June 2013, “Non-current financial liabilities – Other financial liabilities” and “Trade and other payables – Other accounts payable” in the accompanying condensed consolidated balance sheet included about EUR 7,974 thousand and EUR 2,979 thousand, respectively (EUR 5,556 thousand and EUR 3,347 thousand, respectively, at 31 December 2012), relating to the present value estimated by the Directors of the future payments to be made to employees who had entered into hand-over contracts and employees who could sign such contracts during the valid term of the collective agreement. To that end, in 2013, the Group allocated an amount of EUR 3,217 thousand, charged to “Staff costs” in the condensed consolidated income statement (provision for EUR 903 thousand in the first half of 2012).

The obligations undertaken with certain employees described in Note 15 to the 2012 consolidated financial statements, as well as their future amendments and any amount accrued for the services rendered are charged to the corresponding income statement, which resulted in expenses totalling EUR 145 thousand and income totalling EUR 227 thousand, recorded under “Staff costs” for the six-month periods ended on 30 June 2013 and 2012, respectively.

10. Equity

a) Issued shares

At 30 June 2013 and 31 December 2012, there were 3,428,075 share units having a par value of EUR 3.01.

b) Equity adjustments for changes in value

Cash flow hedges

This item of the condensed consolidated balance sheet contains the net valuation change in financial derivatives designated as cash flow hedges.

The changes in this item during the first half of 2013 are as follows:

	Thousands of Euros
Balance at 31/12/12	**(4,449)**
Income and expenses recognised	1,035
Transfer to profit or loss	66
Balance at 30/06/13	**(3,348)**

Translation differences

This item of the condensed consolidated balance sheet contains the net translation differences from non-monetary items having a fair value adjusted against equity, and especially, those resulting from converting into Euros the functional-currency-denominated balances of the consolidated companies having a functional currency other than the Euro.

Detailed below are the changes in this item during the first semesters of 2013 and 2012:

	Thousands of Euros	
	30/06/13	30/06/12
Opening balance	**(28,508)**	**(5,106)**
Net changes in the period	**(16,632)**	**(12,706)**
Closing balance	**(45,140)**	**(17,812)**

The currency that generated more variation in translation differences during the first six months of 2013 is the Brazilian real.

11. Provisions and contingent liabilities

a) Breakdown

The breakdown of the balance of this item is shown below:

	Thousands of Euros	
	30/06/13	31/12/12
Long-term provisions for contingent obligations and risks	4,106	4,678
Short-term provisions	339,225	348,681
Total	**343,331**	**353,359**

b) Long-term provisions for contingent obligations and risks

No significant changes occurred in 2013 first semester compared to 2012 reporting period, and EUR 520 thousand were charged to "Staff costs", in the accompanying condensed consolidated income statement.

c) Short-term provisions

This item of the accompanying condensed consolidated balance sheet contains the Group's provisions basically for costs relating to contractual warranty and support services and other issues associated with its activity. The consolidated companies credited EUR 8,860 thousand to "Other operating expenses" (EUR 46,153 thousand charged to the same item during 2012 first semester) in the accompanying condensed consolidated income statement for 2013 due to the difference between the provisions required in this respect at the end of the reporting period and those recognised at the end of the previous one. The expenses incurred in 2013 and 2012 first semesters for the provision of contractual warranty services (approximately EUR 27,306 thousand and EUR 25,978 thousand, respectively) were recognised under "Supplies" and "Staff costs" in the accompanying condensed consolidated income statements for the abovesaid semesters.

The changes in this item during 2013 and 2012 are as follows (in thousands of Euros):

	Contractual warranty and support services, obligations, etc.	Other provisions	Total
Balance at 31/12/11	**245,008**	**2,790**	**247,798**
Net charge for the year	123,302	583	123,885
Translation differences	(805)	-	(805)
Amounts used	(22,197)	-	(22,197)
Balance at 31/12/12	**345,308**	**3,373**	**348,681**
Net charge for the year	(8,860)	-	(8,860)
Translation differences	(596)	-	(596)
Balance at 30/06/13	**335,852**	**3,373**	**339,225**

At 30 June 2013 and 31 December 2012, provisions were basically due to lawsuits filed against the Group (EUR 7,773 thousand and EUR 11,254 thousand, respectively), contractual obligations (EUR 226 million and EUR 227 million, respectively), and warranties (EUR 105 million and EUR 111 million, respectively), distributed among carriages delivered and in the course of construction, and under warranty.

In furtherance of the contractual obligations undertaken with Caracas Metro, the Group recorded a provision for EUR 51,226 thousand (EUR 41,583 thousand at 31 December 2012).

12. Related parties

The Group's "related parties" are, in addition to subsidiaries, associates and jointly-controlled entities, the Company's "key management personnel" (Board members and Directors, along with their close relatives), as well as any entity on which the key management personnel may have a significant influence or control.

Detailed below are the transactions carried out by the Group with related parties in 2013 and 2012 first semesters, broken down by the Company's significant shareholders, Board members, Directors, and other related parties. The terms and conditions of transactions with related parties are equivalent to those of arm's length transactions, and the corresponding payments in kind were recognised.

	Thousands of Euros			
	30/06/13			
Income and expense	Significant shareholders	Group's individuals, companies or entities	Other related parties	Total
Expenses:				
Purchase of goods (finished or in progress)	-	-	17	17
	-	**-**	**17**	**17**
Income:				
Sales	-	-	8,832	8,832
Finance income	-	-	396	396
	-	**-**	**9,228**	**9,228**

	Thousands of Euros			
	30/06/12			
Income and expense	Significant shareholders	Group's individuals, companies or entities	Other related parties	Total
Expenses:				
Purchase of goods (finished or in progress)	-	-	-	-
	-	-	-	-
Income:				
Sales	-	-	90,929	90,929
Finance income	-	-	826	826
	-	**-**	**91,755**	**91,755**

Sales with "Other related parties" during 2013 first semester involved Ferrocarriles Suburbanos, S.A. de C.V., Plan Metro, S.A., and Sociedad de Economía Mixta Los Tranvías de Zaragoza, companies in which CAF Group holds minority equity interests together with other partners.

13. Remuneration and other payments to the Company's Board of Directors and Senior Management

Notes 23 and 24 to the Group's consolidated financial statements for the year ended on 31 December 2012 contain a description of the contracts in force referring to the remuneration and other payments agreed with the Company's Board of Directors and Senior Management.

In 2013 and 2012 first semesters, the Parent Company recognised approximately EUR 763 thousand and EUR 735 thousand for remuneration and other benefits earned by its Directors, whereas the Directors of the subsidiaries did not accrue any amount on this account. These amounts include the staff costs relating to the Parent's Senior Management, as required in the Corporate Governance Report, since they are also members of the Board of Directors. At 30 June 2013 and 31 December 2012, neither the Parent's Board of Directors nor their subsidiaries' had granted any advance, guarantee or loan to their current or former board members.

14. Derivative financial instruments

The CAF Group uses derivative financial instruments to hedge the risks to which its activities, transactions and future cash flows are exposed, mainly risks arising from changes in exchange rates (for further details, see Note 17 to the 2012 consolidated financial statements). The CAF Group uses derivatives as foreign currency hedges in order to mitigate the potential adverse effect that changes in exchange rates might have on future cash flows relating to transactions and loans in currencies other than the functional currency of the company concerned.

The breakdown of the net balances of derivatives, basically fair value hedges, recognised in the consolidated balance sheets at 30 June 2013 and 31 December 2012 is as follows:

	Thousands of Euros			
	Fair value		Cash flows	
Valuation	30/06/13	31/12/12	30/06/13	31/12/12
Hedges -				
USD foreign currency hedges	3,107	6,423	-	(92)
GBP foreign currency hedges	137	29	-	-
MXP foreign currency hedges	73	277	-	-
BRL foreign currency hedges	24	1,848	-	-
CHF foreign currency hedges	-	-	-	-
AUD foreign currency hedges	(100)	(80)	-	-
SEK foreign currency hedges	18	15	-	-
RON foreign currency hedges	(31)	(19)	-	-
NZD foreign currency hedges	120	100	-	-
EUR foreign currency hedges	3,075	(767)	-	-
SAR foreign currency hedges	(90)	-	-	-
TWD foreign currency hedges	(201)	-	-	-
Total	**6,132**	**7,826**	-	**(92)**

At 30 June 2013, the associate SEM Los Tranvías de Zaragoza, S.A. has arranged various financial swaps relating to the face value of its financial debt. These financial swaps were designated as cash flow interest rate hedges, and the negative assessment thereof attributable to the Group amounted to EUR 3,368 thousand, net of the related tax effect.

At 30 June 2013, the negative assessment related to the interest rate financial swap contract of the subsidiary Provetren, S.A. de C.V. designated as fair value hedge amounted to EUR 3,868 thousand.

Maturity (in currency)	30/06/13 2013	 2014	 2015 and subsequent years
Sales hedged			
Fair value hedge			
USD foreign currency hedges	387,095,242	145,568,410	113,519,159
GBP foreign currency hedges	7,964,511	15,472,857	1,728,811
EUR foreign currency hedges	30,359,372	1,460,236	188,418
BRL foreign currency hedges	125,843,884	-	-
CAD foreign currency hedges	1,202,690	-	-
SEK foreign currency hedges	303,271,515	162,454,640	95,480,253
NZD foreign currency hedges	10,100,597	-	-
SAR foreign currency hedges	27,626,970	81,212,210	361,295,479
AUD foreign currency hedges	16,785,719	4,309,200	-
RON foreign currency hedges	2,900,000	-	-
TWD foreign currency hedges	711,711,237	1,124,868,033	876,064,543
Purchases hedged			
Fair value hedge			
USD foreign currency hedges	30,903,457	583,862	1,810,394
EUR foreign currency hedges	83,293,878	-	-
GBP foreign currency hedges	400,000	-	-
AUD foreign currency hedges	532,000	-	-
MXP foreign currency hedges	200,000,000	-	-
NZD foreign currency hedges	1,484,000	-	-

Maturity (in currency)	30/06/12 2012	 2013	 2014 and subsequent years
Sales hedged			
Fair value hedge			
USD foreign currency hedges	446,295,820	89,971,693	240,443,778
GBP foreign currency hedges	29,851,053	9,310,350	11,989,970
EUR foreign currency hedges	3,697,274	15,544,452	1,648,654
BRL foreign currency hedges	105,674,223	43,743,563	-
CAD foreign currency hedges	274,300	-	-
SEK foreign currency hedges	-	303,271,515	231,077,218
NZD foreign currency hedges	3,395,038	1,455,037	-
Cash flow hedging			
GBP foreign currency hedges	-	-	6,594,747
Purchases hedged			
Fair value hedge			
USD foreign currency hedges	55,115,359	4,767,828	2,394,256
EUR foreign currency hedges	22,991,710	32,567,725	-
CHF foreign currency hedges	3,222,790	-	-
BRL foreign currency hedges	74,660,228	8,515,682	-
MXP foreign currency hedges	468,272,388	43,534,051	-

In 2013 and 2012 first semesters, the CAF Group’s hedging transactions were barely inefficient.

15. Segment reporting

Note 6 to the consolidated financial statements for the year ended on 31 December 2012 details the criteria used by the Company to define its operating segments. There was no change in the basis of segmentation.

Below is a breakdown of revenues, by geographical area, at 30 June 2013 and 2012:

Revenue by geographical area	Thousands of Euros	
	30/06/13	30/06/12
Domestic market	143,484	185,056
Exports		
a) European Union	125,392	105,293
b) OECD countries	173,612	265,449
c) Other countries	338,413	379,863
Total	**780,901**	**935,661**

The reconciliation of segment revenues with consolidated revenues at 30 June 2013 and 2012 is as follows:

Revenue	Thousands of Euros					
	30/06/13			30/06/12		
	External income	Inter-segment income	Total income	External income	Inter-segment income	Total income
Railway	741,284	-	741,284	893,928	-	893,928
Rolling stock and components	39,617	15,084	54,701	41,733	17,941	59,674
(-) Revenue adjustments and write-offs among segments	-	(15,084)	(15,084)	-	(17,941)	(17,941)
Total	**780,901**	**-**	**780,901**	**935,661**	**-**	**935,661**

Reconciliation of segment revenues with consolidated revenues at 30 June 2013 and 2012 is as follows:

	Thousands of Euros	
	30/06/13	30/06/12
Railway	66,955	86,319
Rolling stock and components	(279)	(1,638)
General (*)	(16,693)	(22,782)
Profit (loss) after tax	**49,983**	**61,899**

(*) Includes the non-allocated finance income and Corporate Tax expense corresponding to segments "Railway" and "Rolling stock and components", as both segments overlap at several entities and there is no reasonable criteria to apply for their allocation.

16. Average headcount

The average headcounts for the six-month periods ended on 30 June 2013 and 2012 are as follows:

	Number of employees	
	30/06/13	30/06/12
Men	6,397	6,224
Women	925	819
Total (Note 3)	**7,322**	**7,043**

17. Tax matters

The Group calculated the provision for Corporate Tax at 30 June 2013 by applying the tax regulations in force. However, should a new tax treatment arise from tax legislation amendments which comes to be different from the current tax treatment, the new treatment will be immediately applied to the financial statements presented as of the date of its entry into force.

The amount payable on the estimated Corporate Tax for the six-month period ended on 30 June 2013 was recognised under “Trade and other payables – Current tax liabilities” in the accompanying condensed consolidated balance sheet.

For recognition and application of tax credits, the Group’s Directors apply them based on their assessment of backlog.

The Annual General Meetings of the Parent and CAF Investigación y Desarrollo, S.L. have approved the adoption of the balance sheet adjustment governed by Regional Decree – Standard 1/2013, of 5 February 2013, for the Historical Territory of Gipuzkoa. As a result of the foregoing, the income statement showed profits for EUR 3,554 thousand under “Income tax”, related to the recognised tax credit that is expected to be realised net of the 5% adjustment tax specified by the Standard.

18. Explanation added for translation to English

These interim condensed consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group (see Note 2). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.