RELEVANT FACT
CARBURES EUROPE, S.A.
30th September 2015

In compliance with the provisions of Circular letter 9/2010 from the *Mercado Alternativo Bursátil* [Alternative Stock Market] (the "**Market**"), and for its knowledge as a relevant fact, Carbures Europe, S.A. (herein after referred to as **"Carbures"** or the **"Company"**) presents this biannual financial report, regarding the first six months of the 2015 financial year, which is attached as an annex.

In El Puerto de Santa María, on the 30th of September 2015

CARBURES, S.A.

Guillermo Medina Ors

Non-Counsellor Secretary of the Board of Directors
of CARBURES EUROPE, S.A.

BI-ANNUAL FINANCIAL REPORT REGARDING THE FIRST SIX MONTHS OF THE 2015 FINANCIAL YEAR

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1. Evolution of the business in the first six months of 2015

During the first six months of the financial year, the following significant, reportable events have occurred:

- The 2015 financial year started with the presentation of the auditing report of the Consolidated Financial State for the first six month period of 2014, this was a clean auditing report and allowed for the re-approval of shares for listing in the Alternative Stock Market on the 5th of January. The suspension of this listing during the final quarter of the 2014 financial year, had a significant impact on the Company, hindering their access to the financial markets, however it did not stop them from attracting the interest of determined investors (fundamentally, Anangu Grup, S.L. and BTC Dos S.àr.l.) interested in Carbures' growth prospects, which are based on the technological revolution provoked by the introduction of composite materials in aviation and mobility. As a consequence, various financing operations were carried out, as described in the relevant facts published on the 20th of January and the 28th of May, 2015, and which together involved, the granting of financing to the Company, for a total sum of 15.2 million Euros, between the 1st of January and the 30th of June, 2015.

- As described in the section "Subsequent events following the closing of the First Six Months of 2015", the majority of this financing, was capitalised in the month of August, to reinforce the financial structure of Grupo Carbures.

- On the 29th of May, a novation agreement was formalised for the loans which were established with the financial entities, BBVA and BANKIA. This novation consisted of the restructuring of the amortization calendar of the two loans for an amount of 4.0 and 3.0 million Euros, respectively. The new calendars which have been agreed upon, implies the deferral of the principal payment of 4.4 million Euros for these loans until the 2016 financial year, in order to improve the Group's interim debt profile.

- From an operational and business point of view, the Group has continued with its growth in the different sections in which it is working, exactly as described below:

Aeronautics

- The production in the aeronautic manufacturing plants located in Jerez de la Frontera and Illescas, continues its upwards growth, in accordance with the scheduled handover agreement for the Airbus Programmes which the Group is participating in. It is important to highlight the increase in the production of pieces for the A350 XWB due to the "ramp up" of this programme. The is Airbus's main long haul model, of which more than 50% of the weight is derived from composite materials, and for whom Carbures manufactures pieces, with contracts both with the OEM as well as with Tier 1 Alestis and Aerolia.

- They have confirmed the first allocations of manufacturing contracts for the aeronautic production plant in Harbin, China, and they are hoping to start production at the end of this year.

- Likewise, the engineering and production works for Airbus A400m have been maintained without significant variations and within the manufacturer's plan for this military transport plane.

Automotive

- In March, the presentation of the manufacturing line using RMCP technology took place in the El Burgo de Osma (Soria) factory, this technology will allow for the manufacturing of large batches of pieces for the automotive sector. This investment will be supplemented by a second line in the coming months, and for this reason the work for the expansion of the factory has already started with the collaboration of the El Burgo de Osma Town Hall.

- The companies in the Mapro Group, acquired at the start of 2014, have, in the first six month period, carried out activity related to the sales levels and the profitability which is projected in the business plan. Their work provides a valuable element of visibility and recurrence for the Group's revenue and help to reinforce our positionin the composite manufacturing sector.

- Likewise, Carbures has participated in the manufacturing of the bodywork for high standard vehicle prototypes, made entirely with composite materials for brands such as Spania and Konisegg, and which were presented in the most recent Motor-show in Geneva.

Other activities

- In the train sector, manufacturing activity continues to gain importance due to new contracts and orders for some of the main clients of the sector, including the latest agreements with CAF for the manufacturing of equipment for its trains.

Changes in the consolidation perimeter

- On the 10th of June, 2015, the Company signed a contract for the sales of its shares in Ensino Investigação y Administração Lda. (EIA). By means of this agreement, the buyer assumes a debt which the parent Company of the group had with EIA.

- A reorganisation of the company's activities in the United States has been carried out in order to concentrate their activity in the Greenville plant, which is situated in the aeronautic pole of South Carolina, an area in which important investments are taking place in production plants both in Boeing and with its main providers.

- The Board of Directors has not planned to incorporate nor acquire any company before the end of the financial year.

2. Consolidated Profit and Losses Account (non-audited) corresponding to the First Six Months of 2015.

Below you will find an analysis of the consolidated profit and losses account from the first six months of 2015 and its comparison with the same period of the previous financial year:

Thousands of Euros	30.06.14	30.06.15	Variation 2014- 2015 EUR	%
Net business turnover	20,228	28,619	8,391	41%
Work carried out by the group for its assets	1,663	1,316	(347)	-21%
Other operating income	100	337	237	237%
Total operating income	**21,991**	**30,272**	**8,281**	**38%**
Purchasing	(9,965)	(13,734)	(3,769)	38%
Changes in stock	2,452	1,315	(1,137)	-46%
Staffing expenses	(12,393)	(14,839)	(2,446)	20%
Other operating expenses	(7,652)	(5,797)	1,855	-24%
Profits/Losses on the disposal of fixed assets	(1,100)	90	1,190	-108%
Negative differences in business consolidation	396	-	(396)	-100%
EBITDA	**(6,271)**	**(2,693)**	**3,578**	**-57%**
% Operating income	-29%	-9%	20%	
Depreciation and amortization	(2,562)	(3,565)	(1,003)	39%
Allocation of subsidies	204	160	(44)	21%
% Operating profit/loss	**(8,629)**	**(6,097)**	**2,532**	**-29%**
% Operating income	-39%	-20%		
Financial Revenues	(2,573)	376	(2,179)	-85%
Financial expenses	(1,734)	(2,241)	(507)	29%
Exchange rate	(274)	(315)	(41)	15%
Profit/Losses on the disposal of financial instruments	-	(105)	(105)	
Financial Results	**565**	**(2,284)**	(2,849)	-504%
Profit/Losses of companies consolidated by equity methods	**-**	**(1,436)**	(1,436)	
Profit/Losses before tax	**(8,304)**	**(9,817)**	(1,513)	18%
Consolidated result of the period	**(7,638)**	**(12,412)**	(4,774)	63%

-The business turnover achieved in the first six months of the 2015 financial year rose to 28.6 million Euros, which is an increase of 41% compared to the same period of the previous financial year. This increase is due, fundamentally to two factors:

- The increase in activity in the sector of aeronautic production arising from the Company's contracts in the different programmes which they participate in. This represents a sales increase of 4.7 million Euros in comparison with the first six months of 2014.

- The profits and losses account for the first six months of 2015, includes the results of the companies aXcep GmbH and Technical Racing Composites, S.L. which were acquired in the second semester of 2014, and which are therefore not included in the results for the same period of the previous year. The sales figures of these companies reach 2.5 million Euros.

- In total, the operating income has risen to 30.2 million Euros, a increase of 38% in comparison with the first six months of the previous year.

- The purchasing figures and the changes in stock have increased by 3.8 and 1.1 million Euros, respectively. The brute operation margin (margin on the business turnover considering the cost of purchasing and changes in stock) is 37%, which is an improvement in comparison with the 27% the same period the previous year.

- The staffing costs total 14.8 million Euros, an increase of 20% compared with June 2014, which suggests an improvement regarding the operational inactivity of the group. This is now established at 49% of the total revenue in comparison with 56% in the same period of the previous year. These results are as a consequence of the increase in sales, that have enabled them to level out their fixed costs, as well as, as aconsequence of them obtaining synergies in the management of human resources in the whole group.

- The value of other operating expenses has reduced by 24% due to two factors, the lower rate of the sub-contracting of work to third parties and the fact that, in the first six month period of 2014, this account included items of non-recurring expenditure related to projects for the introduction into the continuous market.

- The profit/losses results, prior to amortizations, interest and taxes (EBITDA) show losses of 2.7 million Euros, which is an improvement on the results which were forecast on the 13th of August, and above all, it is a big difference from the profit/losses results of -6.3 million Euros in June, 2014.

- The amortization expenses rise to 3.6million Euros, this growth is fundamentally due to the fact that this includes the amortization of the assets of the companies which were acquired in the second semester of 2014, and the nine investments which were carried out in this period.

-The financial revenue has reduced as a consequence of the fact that in the first six month period in 2014, they had a positIve profit/losses results of 2.5 million Euros related to the cancellation of a non-recurring debt with Univen Capital, S.A. S.C.r., Likewise the financial expenses increased by 0.5 million Euros related to the increase in the total debt that was produced in this period. The average interest rate for the total debt in this period was 4.0%.

The capitalization of determined credits in the month of August 2015 which are explained later on in this document, which as well as allowing them to improve the leverage level, will also reduce the Company's financial expenses by approximately 1.5million Euros per year, and it will improve the average debt interest rate by capitalising on loans with rates of between 4% and 6%.

- The Profit/Losses of companies consolidated by equity method, corresponding to the results of the joint venture Harbin Carbures Guanglian Aeronautic Composite Material Ltd.- in which Carbures holds a 62.5% share. This profit/losses corresponds to the operating and non-recurring expenses for the start up of the plant, which will begin its production at the end of the year.

3. Consolidated Balance Sheet (non-audited) on the 30th of June, 2015

Thousands of Euros	30.06.14	31.12.14	30.06.15	Variation Dec. 14- Jun 15	
				EUR	%
Intangible assets	50,882	49,972	50,422	450	1%
Material assets	33,085	32,826	33,319	493	1%
Long term financial investments	13,634	11,477	9,350	(2,127)	-16%
Deferred tax assets	6,780	7,442	8,900	1,458	22%
Non current assets	**104,381**	**101,717**	**101,991**	**274**	**0%**
Non-current assets maintained for sale	-	15,587	11,880	(3,707)	
Stock	14,288	11,632	14,996	3,364	24%
Commercial debtors and other receivables	22,308	32,544	26,426	(6,118)	-27%
Short term financial investments	7,673	9,706	5,566	(4,140)	-54%
Short term accruals	756	462	296	(166)	-22%
Treasury	3,215	14,157	3,912	(10,245)	-319%
Current assets	**48,240**	**84,088**	**63,077**	**(21,011)**	**-44%**
TOTAL ASSETS	**152,621**	**185,805**	**165,068**	**(20,737)**	**-14%**
Shareholders equity	26,292	15,001	1,812	(13,189)	-50%
Adjustments for change in value	3,283	2,119	2,171	52	2%
Subsidies, gifts and legacies	2,589	3,304	3,326	22	1%
External shareholders	219	(412)	(139)	273	125%
Net equity	**32,383**	**20,012**	**7,170**	**(12,842)**	**-40%**
Long term provisions	221	88	1,220	1,132	512%
Long term debt	48,763	63,636	78,547	14,911	31%
Deferred tax liability	10,341	8,469	9,180	711	7%
Non-current liability	**59,325**	**72,193**	**88,947**	**16,754**	**28%**
Non current liability maintained for sales	-	15,266	14,755	(511)	
Short term provisions	-	114	83	(31)	
Short term debt	36,797	48,997	30,157	(18,840)	-51%
Trade creditors and other payable accounts	23,811	26,828	20,736	(6,092)	-26%
Short term accruals	305	2,395	3,219	824	270%
Current liabilities	**60,913**	**93,600**	**68,950**	**(24,650)**	**-40%**
TOTAL LIABILITIES	**152,621**	**185,805**	**165,068**	**(20,737)**	**-14%**

The Consolidated Balance Sheet has undergone the following variations in the main epigraphs:

- Intangible assets: this epigraph deals fundamentally with the amount which corresponds to goodwill and the capitalized charges for the carrying out of projects. In accordance with the accounting regulations, the Group carries out the impairment tests for its intangible assets on an annual basis, at the closing of each financial year.

- Long term financial investments: The reduction in this epigraph corresponds to the short term classification of certain fixed period payments, established by the guarantee of the installment payments for the purchase of the companies, Carbures Aerospace & Defence, S.A.U., (formerly Composystem) and Mapro.

- Current assets: the stock, and work in progress accounts have increased as a consequence of the growth in aeronautic and automotive activity. Likewise, there has been a reduction in the debtor and client figures due to the collection efforts carried out during the first six month period of the financial year.

-Treasury: The reduction of the treasury figures in comparison with the 31st of December 2014, is due to the fact, that on said date, the company had just formalised a loan agreement with Anangu Grup, S.L. for a total of 13 million Euros.

- Short term debts: this consolidated balance sheet epigraph includes the following accounts:

- Debts with crediting entities: the balance has reduced by 11 million Euros as a result of the amortization of the loans as per the payment schedule. The group is negotiating the opening of new lines of financial banking and from the renewal of the first lines of existing credit. The debt balance with crediting entities on the 30th of June, 2015 was established at 23.4 million Euros.

- Loans with Public Administrational Bodies corresponding to diverse programmes with diverse organisms in order to help the Re-industrialisation and Investment. In the first six month period they have amortized 1.2 million Euros which corresponds to these loans. the debt balance corresponding to those loads on the 30th of June, 2015, was established at 37.2 million Euros.

- Debts corresponding to the installments for the purchasing of the companies Carbures Aerospace & Defence, S.A.U. and Mapro. In the first six month period they have paid an amount of 2.5 million Euros corresponding to the acquisition of the first company, and the paying off of a deposit for the same sum. The total amount which is pending payment for the purchasing of the aforementioned companies rises to 11.5 million Euros, and there are fixed period deposits for the guarantee of such payment obligations for a sum of 8.0 million Euros.

- Other loans recieved from BTC Dos S.àr.l., Anangu Grup, S.L., Neuer Gedanke, S.L., Rafcon Economist, S.L., Univen Capital, S.C.R. On the 30th of June, 2015, this figure increased due to the financing received from Black Toro and Anangu for sums of 10 and 4 million Euros, respectively. As was explained in the "Subsequent events" section, in the month of August, 2015, the company has proceeded to capitalise almost the full amount of these loans, with the exception of the loan for 4 million Euros, granted by Anangu Grup in May 2015, that will remain in force and it will expire in May 2018. This loan is paid-off, if desired by the creditor, by means of its conversion into new shares in Carbures for a maximum prices of 1.50 Euros/share, which is subject to the mandatory agreement of the General Assembly of Shareholders of the Company. On the date of today, Anangu has not expressed their will to proceed to said capitalization.

4. Information regarding the achievement status of the Business Plan

a. Update of the figures in the 2015-2017 Business Plan

As was mentioned in the Relevant Facts published on the 13th of August, the handing over of the seven manufacturing lines with RMCP technology to Shengyang Hengrui has been affected by the logistical difficulties in exporting machinery of this volume and technology to China. Therefore in the year 2015 they will start to send the first line and in the following years they will carry out the rest of the handing over.

As a consequence, the Board of Directors of the Company unanimously approved, in their session of the 29th of September 2014, a review of the figures outlined in the Business Plan for the period of 2015 - 2017 (this Business Plan replaces the plan which was published by means of the Relevant Facts on the 17th of February 2015), with the updated figures which are indicated below.

Thousands of Euros	2014R	2015E	2016E	2017E	CAC 2014-2017
Revenue	58,393	78,120	133,268	178,824	45%
Cost of sales	(28,438)	(36,825)	(62,719)	(84,861)	44%
Operating margin	**29,955**	**41,295**	**70,549**	**93,963**	**46%**
% operating revenue	*51.3%*	*52.9%*	*52.9%*	*52.5%*	
Staffing expenses	(26,636)	(31,201)	(44,096)	(55,202)	27%
Other operating expenses	(9,103)	(7,274)	(9,767)	(12,348)	11%
EBITDA	**(5,784)**	**2,820**	**16,686**	**26,412**	
% operating revenue	*-10%*	*4%*	*13%*	*15%*	

This updated Business Plan takes into consideration the handing over of 1 RMCP machine in the year 2015 and of 3 machines per year in 2016 and 2017. This temporary movement does not affect the figures of the 2016 financial year (given that it still takes into consideration the handing over of 3 machines), but this means an increase in the sales of 2017 having increased from 1 to 3 the number of lines that they intend to hand over in said financial year.

The previous table does not include the figures for the Mexican Engineers PYPSA, as this company and their subsidiaries are registered as being kept for sale, in line with the criteria adopted in the annual audited accounts of the 2014 financial year, and in the figures of the 30th of June, 2015 included in this report.

The percentages of the gross operating margin and the EBITDA margin on the operating expenses suffer slight variations as a result of the two modifications indicated and due to the variation of the sales mix which this will mean. However, in general terms, the main variables and the hypothesis for the Business Plan for the three year period remain unaltered.

b. Achievement status of the Business Plan for the 30th of June, 2015

The following table shows the analysis of the achievement status of the Business Plan published last February on the 30th of June, 2015.

Thousands of Euros	Real 30.06.14	Real 30.06.15	Business plan 2015	% achieved
Operating Revenue	21,991	30,272	78,120	39%
Cost of sales	(7,513)	(12,419)	(36,825)	34%
Gross operating margin	**14,478**	**17,853**	**41,295**	43%
% revenue	*66%*	*59%*	*53%*	
Staffing expenses	(12,393)	(14,839)	(31,201)	48%
Other operating expenses	(8,356)	(5,707)	(7,274)	78%
EBITDA	**(6,271)**	**(2,692)**	**(2,820)**	
% operating revenue	*-29%*	*-9%*	*4%*	

Revenue

The operating revenue on the 30th of June represents 39% of the total revenue estimated for this calendar year. It is important to take into consideration that the generation of revenue is not of a linear nature throughout the year. The operating revenue which is estimated for whole year reaches 10 million Euros corresponding to the handing over of the first RMCP line to Shengyang Hengrui, which took place in the final quarter of the financial year. Likewise the growth in sales in the second six month period is related to the increase in the production rate for the aeronautical manufacturing programmes in accordance with the delivery schedule established by Airbus.

Sales costs and brute margin

The sales costs includes the acquisition of materials used in the manufacturing processes, mainly carbon fibre or components for the manufacturing of lineals for automotives. The cost incurred in the first six month period represents 34% of the total for the financial year, an improvement in the gross operating margin, that is 59% versus the 53% which has been forecast for the entire year.

Staffing costs

The staffing costs recorded are 14.8 million Euros, 48% of the total which is forecast for the entire financial year. This section, by nature, is distributed uniformly throughout the financial year and it is not significantly affected by the seasons.

Other operation expenses

The other operation expenses total 5.7 million Euros, 78% of the total forecast for the entire financial year. It is worth pointing out that the expenses from the first six month period, also include certain non-recurring expenses and they plan to reduce the subcontracting works, as well as the obtaining of synergies in different areas.

5. Subsequent events following the closing of the First Six Months of 2015.

Following the 30th of June, 2015, the following significant facts have occurred:

- On the 1st and 3rd of July, 2015, BTC Dos S.àr.l. and Anangu Grup, S.L. implemented both options by means of which they transferred to Neuer Gedanke, S.L. their loans against the parent company, for amounts of 8 and 13 million, respectively, in exchange for shares in Carbures pledged as a guarantee for those loans.

Likewise on the 14th of August, 2015, the Extraordinary General Assembly of Shareholders of the Company approved the capitalisation of these and other crediting rights that Neuer Gedanke, S.L., BTC Dos S.àr.l. and Univen Capital S.C.R. held against the company for a total sum of 31 million Euros, with a market value of 1.5 Euros per share. As a consequence, the capital has been increased by a sum of 3,509,602.40 Euros by means of the issuance of 20,644,720 new shares with a face value of 0.17 Euros and a share issuance premium of 1.33 Euros per share. They have requested for the registration of the capital increase in the Companies Registry, and on the date on which this document is issued, its classification is pending.

Following this increase in social capital, this will be made up of 96,872,084 shares with face value of 0.17 Euros, completely subscribed and paid off.

- On the 23rd of July, 2015, the company Sociedad Grupo Profesional Planeación y Proyectos, S.A. part of C.V. (“PYPSA”), together with Carbures was awarded a contract by PEMEX-Explotación y Producción, for the provision of engineering services to develop oil infrastructures for the assets based in the marine regions of North and South Mexico, for a maximum value of 200 million Mexican pesos (approximately 11 million Euros). The contract was signed at the beginning of August and the provision of service started in September.

- On the 31st of August, the Company signed an irrevocable financing agreement with BTC by which BTC will provide 30 million Euros before the 20th of October of this year by means of an increase in capital with exclusion of pre-emptive rights or by means of the formalisation of a capitalizable loan in shares of Carbures, at 1.50 Euros per share, with an annual interest rate of 6% and expiration on the 31st of December 2017. The agreement allows them to attain financial resources, which are very important for the development of Business Plan, to strengthen the financial position of the Company and to improve the debt ratio in the closing of the 2015 financial year.

The previously mentioned operations will allow the Group to significantly improve the debt level in the second six month period of the year, reducing the debt by 33 million Euros. In this sense, the evolution of the group's debt in 2015 and the estimation of the debt position and the leverage ratio at the closing of the financial year is as follows:

Thousands of Euros	31.12.14	30.06.15	Estimated 31.12.15
Debts with crediting entities	34,681	23,446	21,554
Other non banking financial debts	77,952	85,891	53,346
Total debt	**112,633**	**109,337**	**74,900**
Treasury	(14,157)	(3,994)	(20,572)
Financial investments	(10,571)	(8,071)	(6,747)
Net debt	**(81,668)**	**(89,361)**	**(47,580)**
Equity	(20,012)	20,565	67,410
Net debt/Equity	*4.1x*	*4.3x*	*0.7x*