INTRODUCTION TO NAVARRA
INDEX

1. NAVARRA
   › Key facts about Navarra
   › Why invest in Navarra
   › Main industries

2. SODENA
   › Who we are
   › Our services
   › Our investment portfolio
NAVARRA

1. KEY FACTS ABOUT NAVARRA

- Location
- Dynamic, stable and balanced economy
- Industrial economy
- Open economy
1. KEY FACTS ABOUT NAVARRA

LOCATION

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**Navarra** | **Spain** | **NA/ES**
--- | --- | ---
Population (inhabitants) | 640,790 | 46,771,341 | 1.4%
Surface (km²) | 10,391 | 504,782 | 2.1%
Population density (inhabitants/km²) | 62 | 93 | -

---

**Inhabitants**

<table>
<thead>
<tr>
<th>Area</th>
<th>Inhabitants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Pamplona</td>
<td>340,000</td>
</tr>
<tr>
<td><em>Pamplona</em></td>
<td>197,000</td>
</tr>
<tr>
<td>Tudela</td>
<td>35,000</td>
</tr>
<tr>
<td>Estella</td>
<td>14,000</td>
</tr>
<tr>
<td>Tafalla</td>
<td>11,000</td>
</tr>
</tbody>
</table>

DYNAMIC, STABLE AND BALANCED ECONOMY

2013 GDP

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP, current prices (million Euros)</td>
<td>18,957</td>
<td>1,022,988</td>
<td>13,031,902</td>
</tr>
<tr>
<td>Annual average increase rate between 2003-2013</td>
<td>1.3</td>
<td>1.0</td>
<td>1.1</td>
</tr>
<tr>
<td>GDP Annual growth Rate 2013</td>
<td>-1.3</td>
<td>-1.2</td>
<td>0.1</td>
</tr>
<tr>
<td>Per capita GDP (Euros)</td>
<td>28,358</td>
<td>21,948</td>
<td>25,600*</td>
</tr>
</tbody>
</table>

*Data from 2012

In 2014 Navarra benefits from a ‘A-’ rating (Standard & Poor’s) two levels above Spain’s rating (BBB)

Data: 2014
DYNAMIC, STABLE AND BALANCED ECONOMY

Labour availability

<table>
<thead>
<tr>
<th></th>
<th>Navarra (4th quarter 2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity Rate</td>
<td>59.55%</td>
</tr>
<tr>
<td>Active population (individuals)</td>
<td>310,700</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>14.92%</td>
</tr>
<tr>
<td>People ready to work</td>
<td>46,400</td>
</tr>
</tbody>
</table>

The lowest Spanish Region
6,000 with University degree

Unemployment Rate

Source: National Institute of Statistics, 4th Quarter 2014

1. KEY FACTS ABOUT NAVARRA
1. KEY FACTS ABOUT NAVARRA

Regional Gross Added Value (%) by economic sector (2011)

Employment (%) by economic sector (4th quarter 2014)

Source: Navarra Institute of Statistics and National Institute of Statistics (Latest available)
OPEN ECONOMY

1. KEY FACTS ABOUT NAVARRA

Source: Navarra Institute of Statistics
Exports of local companies by sectors

Source: Datacomex
OPEN ECONOMY

Multinational companies located in Navarra

- Over 100 multinational companies from 20 different countries are operating in Navarra.

**Number of companies by sector**

- AgriFood 16%
- Automotive 20%
- Metallurgy 11%
- Rubbers 8%
- Electronics 4%
- Services 11%
- Paper-graphic arts 7%
- Others 23%

**Number of companies by country of origin**

- Germany
- France
- Spain
- The Netherlands
- Italy
- Ireland
- Holland
- Austria
- Switzerland
- China
- USA
- UK
- Belgium
- Canada
- Korea
- Denmark
- Egypt

Source: Sodena Enero 2015
OPEN ECONOMY

Subsidiary foreign companies
% on total no. companies

OPEN ECONOMY

Foreign Companies contribution
% on total no. companies

2. WHY INVEST IN NAVARRA

1. Its strategic location and modern transportation infrastructures allow access to the richest European markets

2. Its competitive costs compared to Europe

3. Its own taxation system

4. Grants and incentives that encourage productive investment

5. Leading Region in Spain for innovation and technology transfer

6. Population with the highest education profile and qualification in Spain

7. Leader in standard of living and social welfare in Spain

8. Accessible Administration
1. STRATEGIC LOCATION AND MODERN TRANSPORTATION INFRASTRUCTURES

- Ideally located between the two connecting points with Europe: Irun and La Junquera.

- Comfortable access to international airports (Bilbao, Zaragoza, Biarritz and Bordeaux) that complete local airport connections.

- Daily high-speed train connections to Madrid (5) and Barcelona (4).

- Important infrastructure developments projected to develop multimodal facility and to integrate Navarra’s rail network to European axe Lisbon-Paris.

---

<table>
<thead>
<tr>
<th>Excellent national highway connections to</th>
<th>Madrid</th>
<th>Barcelona</th>
<th>Zaragoza</th>
<th>Vitoria</th>
<th>Bilbao</th>
<th>Pasajes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 2 consumption centres</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top 3 Logistic platforms</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top 4 Goods Airports</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Several Seaports (Mediterranean and Atlantic)</td>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>
2. COMPETITIVE COSTS ...

Hourly labor costs EUR (2013)

Source: Spanish Ministry of Labour and Social Affairs and Eurostat
2. COMPETITIVE COSTS ...

GDP generated by each worker

Source: Eurostat
The Region of Navarra enjoys a high degree of autonomy and self-government within Spain, that allows the Region to keep its own differentiated tax regime:

- Lower corporate tax rates
- Important fiscal reductions and deductions to encourage productive investments
- Navarra offers a lower effective tax rate than the average Spanish tax rate.
- Taxes in relation to GDP are in a low position within the European Union.
3. ITS OWN TAXATION SYSTEM

Corporate tax system

<table>
<thead>
<tr>
<th>NOMINAL RATES</th>
<th>Navarra</th>
<th>Rest of Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Firm*</td>
<td>25%</td>
<td>28% in 2015</td>
</tr>
<tr>
<td>SME</td>
<td>23%</td>
<td>25% in 2016</td>
</tr>
<tr>
<td>Micro SME</td>
<td>19%</td>
<td></td>
</tr>
</tbody>
</table>

- Effective tax rates have been lower in Navarra (average of 15%) than in the rest of Spain (average of 19%) because of more generous tax deductions package. It is expected that this advantage is going to continue in 2015 once the tax reform was passed on December 23rd, 2014.
- Minimum possible effective tax rate in Navarra is 10% or 7% if job creation is carried out. No tax rate floor applies if deductions for investments or R&D are done.

Large Firm: Companies with a turnover > €10 million.
SME: Small and Medium Size Enterprises; Companies with a turnover of between €10 and €1 million.
Micro SME: Businesses with a turnover of less than €1 million.

*Newly created subsidiaries with a turnover > €10 million, and or owned by a minimum of 25% by a large company will be considered large companies.
TAX SYSTEM: Most significant tax deductions

- Effective as from 1st January 2015

<table>
<thead>
<tr>
<th>Main deductions</th>
<th>Navarra</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in fixed assets(^1)</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>R&amp;D activity (^2)</td>
<td>40%</td>
<td>25%</td>
</tr>
<tr>
<td>Employment creation (per person with indefinite contract)(^3)</td>
<td>€5,000-€6,800 *</td>
<td>€3,000 under conditions (^4)</td>
</tr>
<tr>
<td>Deduction for carrying out activities of technological innovation</td>
<td>15%</td>
<td>12%</td>
</tr>
<tr>
<td>Environmental friendly activities biomass</td>
<td>15%</td>
<td>8%</td>
</tr>
</tbody>
</table>

- Some clarifications:
  1. investments in new fixed assets. Land is not included. Assets financed with leasing contracts are also eligible.
  2. R&D activity conducted must be qualified as such by the competent body at regional level in Navarra and at Central Government level for the rest of Spain). It is compatible with specific cash grants for R&D activity.
  3. The job creation grant is given on the condition that the total average workforce of the company is maintained for the following twelve months.
  4. Only if the company has less than 50 employees, and new hire is less than 30 years old.

- The period for application of deductions is **15 years**.
TAX SYSTEM: Other tax advantages

Tax Depreciation

› Navarra has freedom of depreciation and special plans for tax depreciation.
  • In general, on comparing the tables of amortizations from Spain and Navarra, types in Navarra exceed two or three points the Spanish average in most cases.
  • Specifically, there is freedom of depreciation for elements of tangible fixed assets whose unit value does not exceed €1,800 and elements related to R&D exclusively and permanently. In the case of buildings, the parts that are related to R&D activities.

Reductions on the tax base: “Special reserve for investments”

› 45% of the amounts accountable for a special investment reserve can be reduced from the tax base, with a limit of 40% of the taxable base.
  • The minimum amount provided for the financial year is €50,000.
  • The amount allocated to the reserve must be invested within two years from the closing of the year in which profits for the reserve were provided.
  • The amount will need to be invested in new tangible fixed assets, excluding land, linked to the development of an economic activity. These elements must remain in operation in the taxpayer’s facilities for at least 5 years.
The Government of Navarra supports provides financial assistance for investments in fixed assets and in R&D activities.

### R&D (Currently Open)

<table>
<thead>
<tr>
<th>Grants for R&amp;D Projects</th>
<th>• Up to 50% for research and development projects. Yearly Opened in January</th>
</tr>
</thead>
</table>
| Other Grants for R&D Promotion | • To prepare proposals to EU calls (SIC Bonus)  
• To subcontract R&D services to specialized research centres (Technological Bonus)  
• To recruit graduates for R&D activities (Training program for technologists) |

### Investments (will be passed in the near future)

<table>
<thead>
<tr>
<th>Grants for investments</th>
<th>• Up to 30%</th>
</tr>
</thead>
</table>
5. LEADING REGION IN SPAIN FOR INNOVATION AND TECHNOLOGY TRANSFER

- Second Spanish Region in R&D effort:
  - 1.91% of Regional GDP in 2012, above Madrid and Cataluña and close to the average of UE27

- Private sector leads R&D activities with 68.4% of total R&D expenditure

- Employment in R&D has multiplied by 2.5 in last 10 years to reach more than 5,000 professionals

- Continued Regional Government support to R&D and Innovation for the last 40 years:
  - Technology Plan “Horizonte 2015” currently in place with a 170 million EUR budget
  - Efficient infrastructure:
    - Recent restructuration of Network of Technological Centres
    - Scientific and Technological park in Pamplona

Source: National Institute of Statistics, last year available
5. LEADING REGION IN SPAIN FOR INNOVATION AND TECHNOLOGY TRANSFER

Navarra Network of Technology Centres

Most of the existing Technology Centres have been integrated in the Navarra Network of Technology Centres which comprise 11 centres grouped in four sectors.

This network is made up of 850 researchers, with a turnover of 60 million EUR.
The National Renewable Energy Centre (CENER) is specialized in applied research and the development and promotion of renewable energies. It has excellent qualifications and renowned national and international prestige.
5. LEADING REGION IN SPAIN FOR INNOVATION AND TECHNOLOGY TRANSFER

AGROFOOD SECTOR

- Reference Centre: CNTA.
- Main services and research areas: green chemistry, food technology and bioprocesses, as well as research activity of the lactological and wine sectors.

The National Centre for Technology and Food Safety works on the front line with the agrifood sector in order to open up new paths relating to Quality, Technology, Safety and Innovation in food. Its five major areas are food research, development and innovation, foodstuff control and analysis, in-process assistance, quality and food safety management systems, technical training and consultancy.

The Viticulture and Enology Station of Navarra is a state company created to promote the modernization of the wine sector in Navarra. It is specialized in research, experimentation and dissemination of the most suitable techniques for grape growing and wine production and the management of the official wine cadaster of the Government of Navarra. It is currently integrated in the Institute of Technology and Infrastructure for agrifood sector of Navarra (INTIA).

The Lactological Institute offers dairy produce companies and cattle breeders, a comprehensive service for the sustainable production of safe, healthy and quality food.
INDUSTRY SECTOR

• Reference Center: Cemitec.
• Main services and research areas: mechatronics, materials research, nanomanufacturing and environment.

Cemitec stands for multidisciplinary center for industrial technology. This Technology Centre specializes in four areas: Electronics, Mechanics, Materials and Materials Deposition. It encompasses the former centers Fidena, Citean, Cetena, Fidima, and CTEL and aims to contribute to improving the competitiveness of enterprises through the support of R&D projects, technology services and other activities to promote innovation.
CIMA. The University of Navarra, through the Foundation for Applied Medical Research, established CIMA, the Center for Applied Medical Research. Inaugurated in 2004, this center is the result of fifty years' experience in the School of Medicine and the University Clinic of Navarra, as well as the Schools of Science and Pharmacy and the Center for Research in Applied Pharmacobiology. It also has a close relationship with the Schools of Engineering and Nursing.

The Biomedical Research Centre (CIB) is active in research in Health Sciences, in the framework of the objectives and priorities of the Department of Health and the Health Plan of Navarra. Its objectives include promoting research by creating and maintaining stable teams and research lines, guaranteeing their supply of basic equipment and adequate infrastructure. It also manages biobanks in Navarra, most notably related to brain.
5. LEADING REGION IN SPAIN FOR INNOVATION AND TECHNOLOGY TRANSFER

- Others Technology Centres hosted in Navarra are:
  - **Industry Association of Navarra (AIN):** It is a non-profit organization. In its technical area it offers a technology consulting, coupled with an expert team in project management and development.
  - **L’UREDERRA:** This technological centre performs activities of applied research and technological development in the fields of nanotechnology, new materials and advanced environmental technologies.
  - **Research Centres linked to local Universities:**

<table>
<thead>
<tr>
<th>Institute</th>
<th>Description</th>
<th>University</th>
</tr>
</thead>
<tbody>
<tr>
<td>IdaB</td>
<td>Institute of Agro-Biotechnology</td>
<td>Public University of Navarra</td>
</tr>
<tr>
<td>ICAUN</td>
<td>Institute of Food Technology</td>
<td>University of Navarra</td>
</tr>
<tr>
<td>CIFA</td>
<td>Applied Pharmacology Research Centre</td>
<td></td>
</tr>
</tbody>
</table>
5. LEADING REGION IN SPAIN FOR INNOVATION AND TECHNOLOGY TRANSFER

The Innovation Park of Navarra

- Scientific and Technological park created in 2000 and expanded in 2005
- 2.2 million sq m of land
- Split in 4 theme sites:
  - Energy and Environment
  - Nano-biotechnology
  - BioMedicine
  - Innovative and Technology based companies
6. POPULATION WITH HIGHEST EDUCATION PROFILE AND QUALIFICATION IN SPAIN

- **Excellent educational resources:**
  - Highest rates of school success in Spain, above the European average.
  - 19th out of 271 European regions on the most highly qualified personnel in science and technology.

- **3 Universities**
  - **Universidad de Navarra (UN):**
    - 48 different degrees, 38 masters and 23 doctoral programs with 11,180 students and 906 academic staff (2012-2013)
  - **Universidad Pública de Navarra (UPNA):**
    - 19 different degrees, 20 masters with more than 9,000 students and 940 academic staff (2012-2013).
  - **Universidad Nacional a distancia:**
    - 27 different degrees with more than 5,000 student (2011-2012)

- 29 Vocational Training Centres

- 57 High schools and 255 Primary schools
6. POPULATION WITH HIGHEST EDUCATION PROFILE AND QUALIFICATION IN SPAIN

High level of education

% High school + University education level of adult population (2009)*

<table>
<thead>
<tr>
<th>Community</th>
<th>Total</th>
<th>Andalucia</th>
<th>Aragón</th>
<th>Baleares (Illes)</th>
<th>Canarias</th>
<th>Cantabria</th>
<th>Castilla y León</th>
<th>Castilla-La Mancha</th>
<th>Cataluña</th>
<th>Comunitat Valenciana</th>
<th>Extremadura</th>
<th>Galicia</th>
<th>Madrid (Comunidad de)</th>
<th>Murcia (Región de)</th>
<th>Navarra</th>
<th>País Vasco</th>
<th>Rioja (La)</th>
<th>Ceuta</th>
<th>Melilla</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>51%</td>
<td>43%</td>
<td>58%</td>
<td>54%</td>
<td>48%</td>
<td>47%</td>
<td>54%</td>
<td>52%</td>
<td>52%</td>
<td>49%</td>
<td>38%</td>
<td>48%</td>
<td>44%</td>
<td>64%</td>
<td>64%</td>
<td>60%</td>
<td>64%</td>
<td>57%</td>
<td>40%</td>
</tr>
</tbody>
</table>

*Last available data
Source: Education Ministry of Spain

2. WHY INVEST IN NAVARRA
Navarra holds the 19th position out of the 271 European regions with most highly qualified personnel in science and technology.

*Last available data
Source: National Statistics Institute

2. WHY INVEST IN NAVARRA
Navarra is one of the Spanish regions with the best national indicators in terms of social welfare, access to services and standard of living.

Capital city Pamplona ranks first as preferred Spanish city to live in.

With a Gini index of 28 and a OCDE human development index (HDI) of 0.97, Navarra is one of the regions with the highest standard of living worldwide.
8. ACCESSIBLE ADMINISTRATION

✓ It is a very easy task to meet with the decision takers of the Government of Navarra due to:

✓ The importance that these people give to the development of the business environment of Navarra

✓ The small size of the region (10,500 sq km) and the fact of being a region composed by only one state.
2. WHY INVEST IN NAVARRA

1. Its strategic location and modern transportation infrastructures allow access to the richest European markets

2. Its competitive costs compared to Europe

3. Its own taxation system

4. Grants and incentives that encourage productive investment

5. Leading Region in Spain for innovation and technology transfer

6. Population with the highest education profile and qualification in Spain

7. Leader in standard of living and social welfare in Spain

8. Accessible Administration
2. MAIN INDUSTRIES

- The main economic sectors on which the economy in Navarra is based and it will strongly continue betting in the future are:
  - Agrifood
  - Automotive
  - Biomedicine
  - Clean technologies
  - Information and Communication Technologies
AGRIFOOD

- Navarra is one of the **leading Agrifood clusters** in Spain, located at the heart of the Ebro Valley, with an annual turnover of 3.000 MEUR plus 900 MEUR in primary sector.
  - The two most important producers of **frozen vegetables** in Spain are Navarra companies.
  - A leading region in **canned vegetables**, with the biggest national group based in Navarra region.
  - Home to Spanish leader of Fresh Salads and fruits
  - National leader in **duck products** niche market

### Characteristics of industry

![Characteristics of industry chart]

- **Traditional Industry**
  - Turnover
  - Number of companies
- **New Food Industry**

### Number of companies

![Number of companies chart]

- **Meat** 20%
- **Other** 46%
- **Beverages** 15%
- **Fruits and Vegetables** 13%
- **Dairy** 6%

### Longstanding and important sector for the Region:

- More than **1,270 companies**
- **25,500 people** employed
- **6.6% of Total Regional GDP**
- **14% of Regional Industrial GDP**
AGRIFOOD

Increasing Agricultural Production Capacity

› Access to raw material: Currently 300.000 Has in arable and woody crops, located in the Ebro Valley with Mediterranean and Nordic products, for some 2 crops per year.

› Increasing surface of irrigated land: With major irrigation canal under construction “Canal de Navarra”, irrigated surface area in Region is increasing its 104.000 Has with additional 53.000 Has. Of those 22,000 Has are already in place and additional 15.000 will be ready by 2015.

› Efficient production: Navarra’s agricultural production process is amongst the most efficient in Spain.

Dedicated Industrial Estates

› Agrifood City of Tudela (CAT): Unique European initiative of one million square metres for the food processing sector with fully centralized services in an excellent strategic location.

› Several consolidated industrial Estates hosting agro industries along the Ebro Valley.
AGRIFOOD

Adapted training offer ensures continuous availability of skills

High Level education

- Graduate and postgraduate offer jointly provided by the two universities established in the Region:

1. State University of Navarre
   - Strong focus on Engineering, with specific section on Agricultural Engineering. 75 graduates per year

2. Private University of Navarra
   - Strong focus on experimental degrees linked to health (biology, pharmacy, medicine etc) and special interest in Nutrition and Health
   - Post degree programs on Nutrition and Health
   - Dedicated R&D resources to Food, Nutrition and Health

Vocational education

- Basic (2 years) or High degree (2+3 years) in different locations and specialised by areas:
  - Food processing:
    - Manufacture of food products
    - Processes and quality control in the food industry
  - Equipment:
    - Installation and Electromecanic Maintainance of Equipment and Lines
    - Industrial equipment maintenance
    - Agricultural welding
  - Farming:
    - Extensive Farming
    - Management and Organisation of Agricultural Enterprises.
    - Organization and Management of Natural Resources and Landscape.
Leading Technological and R&D centres

› Agriculture & livestock:
  - **INTIA**: The Regional Livestock and Agricultural Technical Research Centre includes specialized infrastructure for:
    - **Wine**: The Viticulture and Enology Station of Navarra is a state company created to promote the modernization of the wine sector in Navarra. It is specialized in research, experimentation and dissemination of the most suitable techniques for grape growing and wine production and the management of the official wine cadastre of the Government of Navarra.
    - **Milk**: The Lactological Institute offers dairy produce companies and cattle breeders, a comprehensive service for the sustainable production of safe, healthy and quality food. It is the official milk control laboratory in Navarra.

› Agro industry:
  - **CNTA**: The National Centre for Technology and Food Safety, provides advanced technological services to companies and institutions: technical assistance, research and development, quality and food safety control and training.
Leading Technological and R&D centres

\textit{Food Sciences Institute of University of Navarra}:

- The extensive experience of this university in Pharmaceutical Development is directly applicable to nutrition research, constituting a multidisciplinary platform that covers the entire process necessary for the development of nutraceuticals/functional foods.
- More specifically, the Centre focuses its efforts on a number of key research areas considered in the development/prevention of obesity and its co-morbidities and in the search for bioactive compounds that may lead to the development of nutraceuticals or functional foods.

\textit{Agrobiotechnology Institute (Idab)}:

- A joint Centre belonging to the State University of Navarra (UPNA), the Spanish Higher Scientific Research Council (CSIC) and the Government of Navarra.
- The Centre focuses on Agrobiotechnological research areas of biomedical interest.
### AGRIFOOD

Strong presence of foreign companies in Region with some leading worldwide players

<table>
<thead>
<tr>
<th>Local Company</th>
<th>Activity</th>
<th>Jobs</th>
<th>Ultimate parent</th>
<th>Product Brands</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGROZUMOS</td>
<td>fruit juice</td>
<td>101-250</td>
<td>GRUPO RIHA WESERGOLD</td>
<td>“Granini”</td>
<td>Germany</td>
</tr>
<tr>
<td>GELAGRI IBERICA</td>
<td>frozen vegetables</td>
<td>251-500</td>
<td>Grupo Gelagri</td>
<td>“Bonduelle”</td>
<td>France</td>
</tr>
<tr>
<td>GENERAL MILLS SAN ADRIAN</td>
<td>processed food</td>
<td>&gt;500</td>
<td>GENERAL MILLS</td>
<td>Mexican Food “Old El Paso”</td>
<td>USA</td>
</tr>
<tr>
<td>FROMAGERIES BEL ESPAÑA GROUP</td>
<td>dairy products</td>
<td>&lt;100</td>
<td>Fromageries Bel SA</td>
<td>“La Vaca que Rie”, “Babybel”</td>
<td>France</td>
</tr>
<tr>
<td>HORTICOLA DEL EBRO</td>
<td>processed vegetables</td>
<td>&lt;100</td>
<td>Grupo CECAB</td>
<td>“D’Aucy”</td>
<td>France</td>
</tr>
<tr>
<td>INTERMALTA</td>
<td>beer malt</td>
<td>&lt;100</td>
<td>MALTEROUP</td>
<td></td>
<td>France</td>
</tr>
<tr>
<td>LACTEOS GOSHUA</td>
<td>dairy products</td>
<td>&lt;100</td>
<td>Laiteries Hubert Triballat</td>
<td>Local brand “Goshua”</td>
<td>France</td>
</tr>
<tr>
<td>LACTEOS DE NAVARRA</td>
<td>dairy products</td>
<td>&lt;100</td>
<td>Groupe EMMI</td>
<td>National brand “KAIKU”</td>
<td>Switzerland</td>
</tr>
<tr>
<td>MANANTIALES DE BETELU</td>
<td>mineral water</td>
<td>&lt;100</td>
<td>United Soft Drink</td>
<td>Local brand “Manantiales de Betelu”</td>
<td>The Netherlands</td>
</tr>
<tr>
<td>MONDELEZ ESPAÑA</td>
<td>biscuits</td>
<td>&lt;100</td>
<td>MONDELEZ INTERNATIONAL</td>
<td>Biscuits “Oreo”, “Chip Ahoys” and local brands</td>
<td>USA</td>
</tr>
<tr>
<td>PRECOCINADOS FRISA, S.L.</td>
<td>V game products</td>
<td>&lt;50</td>
<td>FRISA FRANCE SOCIETE PAR ACTIONS SIMPLIFIE</td>
<td></td>
<td>France</td>
</tr>
<tr>
<td>REFRESCO IBERIA</td>
<td>beverage packaging</td>
<td>&lt;100</td>
<td>REFRESCO HOLDING BV</td>
<td></td>
<td>The Netherlands</td>
</tr>
<tr>
<td>VEGA MAYOR SA</td>
<td>ready to eat salads and fruits</td>
<td>+500</td>
<td>Grupo Agrial</td>
<td>“Florette”</td>
<td>France</td>
</tr>
<tr>
<td>VEGETALES LINEA VERDE</td>
<td>ready to eat salads and fruits</td>
<td>&lt;100</td>
<td>LINEA VERDE</td>
<td>“DimmidiSi”</td>
<td>Italy/Spain</td>
</tr>
</tbody>
</table>
### FOOD SECTOR IN NAVARRA

Major Navarra processed food companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Employees</th>
<th>Turnover € Mill</th>
<th>Products/Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Viscofan, S.A.</td>
<td>+ of 500</td>
<td>752,78</td>
<td>Artificial casings for meat products</td>
</tr>
<tr>
<td>Grupo UVESA</td>
<td>+ of 500</td>
<td>300</td>
<td>Products derived from poultry meat</td>
</tr>
<tr>
<td>Ultracongelados Virto</td>
<td>101-250</td>
<td>193</td>
<td>Canning and preserving vegetables</td>
</tr>
<tr>
<td>Industrias Alimentarias de Navarra, S.A.</td>
<td>251-500</td>
<td>95,28</td>
<td>Canning and preserving vegetables</td>
</tr>
<tr>
<td>Grupo Congelados de Navarra</td>
<td>251-500</td>
<td>67,85</td>
<td>Canning and frozen vegetables</td>
</tr>
<tr>
<td>Iberfruta Muerza, S.A.</td>
<td>251-500</td>
<td>52,25</td>
<td>Fruit Derivatives</td>
</tr>
<tr>
<td>Aperitivos y Extrusionados S.A.</td>
<td>101-250</td>
<td>45</td>
<td>Snacks</td>
</tr>
<tr>
<td>Conservas Martiko, S.A.</td>
<td>101-250</td>
<td>43,3</td>
<td>Production of duck products</td>
</tr>
<tr>
<td>Grupo AN</td>
<td>101-250</td>
<td>665</td>
<td>Slaughter of chickens and preserving poultry meat</td>
</tr>
<tr>
<td>Alimenco, S.A.</td>
<td>101-250</td>
<td>10,63</td>
<td>Canning and preserving vegetables</td>
</tr>
<tr>
<td>Bajamar, S.A.</td>
<td>101-250</td>
<td>9,89</td>
<td>Canning and preserving vegetables</td>
</tr>
<tr>
<td>Producciones Vegetales Diferenc., S.L.</td>
<td>101-250</td>
<td>9,8</td>
<td>Processing fruit and vegetables</td>
</tr>
<tr>
<td>Conservas Hijos de Manuel S.B, S.A.</td>
<td>101-250</td>
<td>9,41</td>
<td>Canning and preserving vegetables</td>
</tr>
</tbody>
</table>
AUTOMOTIVE

- The automotive sector accounts for a quarter of Navarra industrial GDP, which in turn makes up 25% of the regional GDP.
- It has **112 companies** whose turnover amounted to 5.133 billion euros in 2012.
- It employs **11,887 people** which represents 4.3% of total employment in the region.
- There are important companies located in Navarra such as:
  - **Volkswagen**: the plant located in Pamplona manufactures more than 300,000 vehicles a year and it employs over 4,500 workers.
  - **DANA** is the leading manufacturer of drivetrain technology.
  - **KYB** is one of the world's largest suppliers of shock absorbers for vehicle manufacturers.
- The **Automotive Technology Innovation Centre of Navarra** (CITEAN), that actually is integrated in Cemitec helps companies of the sector to be more competitive, enhancing their research, development and technical innovation (R&D) capabilities.
AUTOMOTIVE

Navarra is a **strategic location** for the automotive sector with major OEM companies nearby.

The **Motorsport Circuit of Navarra**, located 55km SW of Pamplona and perfectly connected to the transport network, is the only racing track of the north-west quarter of Spain.

![Motorsport Circuit of Navarra](image_url)
BIOMEDICINE

Navarra has become one of the most dynamic Biomedical clusters in Spain and offers exciting opportunities for investment and partnership in this sector:

- Navarra boasts the largest private Biomedical research Center in Spain, CIMA, which has attracted more than 400 researchers from over 20 countries with an annual investment of more than 20 million eur.

- Navarra’s biomedical cluster is home to some of the most attractive Spanish Biomedical companies such as:
  - Boasts the largest product development pipeline in Spain
  - The first CMO in Spain
  - The leader in generic drugs production in Spain.

- There are over 1,000 professionals working in this sector, the number of employees has doubled over the past 10 years at a rate of 4.8% per year. Moreover, more than 60 patents have been awarded during this period.
Thanks to a tightly networked activity, the Biomedical industrial and academic institutions in Navarra collaborate in each phase of the development of pharmaceutical products, from bench to bedside.

### BIOMEDICINE

<table>
<thead>
<tr>
<th>Research Centres and Universities</th>
<th>Product Development</th>
<th>Support Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIMA</td>
<td>cemifc</td>
<td>cinta</td>
</tr>
<tr>
<td>Zuredserra</td>
<td>Formune</td>
<td>PRIO</td>
</tr>
<tr>
<td>Navarranmed</td>
<td>Iberianmedic</td>
<td>Bioventura</td>
</tr>
<tr>
<td>Universidad de Navarra</td>
<td>Próretina</td>
<td>Biorganic</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bionanoanplus</td>
</tr>
</tbody>
</table>

### DRUG DEVELOPMENT PROCESS

<table>
<thead>
<tr>
<th>Target identification &amp; validation</th>
<th>Lead identification &amp; validation</th>
<th>Lead optimization</th>
<th>Preclinical studies</th>
<th>Clinical studies</th>
<th>Market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CLEANTECH
RENEWABLE ENERGY

- 20% share of energy consumption produced from renewable resources since 2009 (1 of 3 EU targets for 2020)

- Over 80% of the consumption of electrical energy is satisfied by Renewable Energies

- Close to 40% of the electricity produced is exported

- Importance of the sector:
  - An associated industrial network of almost 100 companies
  - Amounting to some 5,000 jobs and
  - Accounting for 5% of Regional GDP.
  - World leading companies established in Region
CLEANTECH
RENEWABLE ENERGY

- Navarra counts top infrastructure for R&D and skills:

**CENER**: *National Renewable Energy Center*

- Technology center specialized in applied research and in the development and promotion of renewable energy
  - Cutting-edge technological infrastructures, such as the Wind Turbine Test Laboratory unique in the world
  - 200 researchers
  - Services to companies, public administrations and institutions worldwide

**CENIFER**: *National Center for Training in Renewable Energies*

- First-ever initiative of its kind in Europe in providing professional training for this industry.
  - Continuous interaction between teaching and practicing
  - More than 5,000 individuals trained
  - 22 full-time trainers, 17 classrooms and laboratories
CLEANTECH
RENEWABLE ENERGY

World leading companies located in Navarra

<table>
<thead>
<tr>
<th>Promotion of wind farms</th>
<th>Manufacture of wind turbines and components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acciona Energía</td>
<td>Acciona Windpower</td>
</tr>
<tr>
<td>Eólica Navarra-Grupo Enhol</td>
<td>Alstom Power (Ecotecnia)</td>
</tr>
<tr>
<td>Gamesa Energía</td>
<td>Gamesa Eólica</td>
</tr>
<tr>
<td>Iberdrola</td>
<td>Ingeteam</td>
</tr>
<tr>
<td>Gas Natural-Fenosa Renovables</td>
<td>M. Torres</td>
</tr>
</tbody>
</table>
Navarre is known by its early decision taking on guidelines, management and legal frame regarding water policies.

NILSA, a state company of the Government of Navarra, is the responsible of wastewater treatment in Navarra. www.nilsa.com

NILSA manages over 85 facilities that serve locations with more than 2,000 equivalent inhabitants scattered throughout the region. This made possible the implementation of the 91/271 European directive on waste water and 2000/60/CE which has made Navarra unique in Spain.

Currently NILSA is working to make possible that all centers of population with more than 250 inhabitants have their adequate wastewater treatment.

All citizens of Navarre pay the same tax for waste water treatment. NILSA manages the wastewater treatment tax and uses it for the construction of new plants and for the operation and maintenance of existing wastewater treatment plants.

There are no treatment plant components manufacturers in the region.

Sewage Treatment Plant in Arazuri –Orcoyen (service to 273,000 inhabitants) 129,600 m³/day
The main volumes of waste water in Navarra are:

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste water treated per inhabitant and per day</td>
<td>0.335 m³ (in Spain 0.289)</td>
</tr>
<tr>
<td>Total of waste water treated per year</td>
<td>72 million m³ (97% of total water)</td>
</tr>
<tr>
<td>Sludge per year</td>
<td>64,620 tons</td>
</tr>
</tbody>
</table>
ICT’s

- The ICT Sector has been the world's **fastest growing** one in recent years and is key as a new economic engine of advanced countries, both for itself and for enhancing the development of other sectors.
- Navarra has not great tradition in this sector, but counts on a **prestigious University and leading companies** in some areas such as Internet Security, GIS ("Geo Information Systems"), Open source ERP and financial applications.
- The cross-cutting nature of ICT means that this sector is also vital for the development of other identified **strategic sectors** (for instance "Smart Grids" in Energy, sensor networks in the Agro Sector applications or “E-Health”.)
- The existing ICT Sector in Navarra can be considered a **young** one. 86% of companies have been set up in the last 15 years and 67% in the last decade. A total of 26 companies are over 25 years old and only one has turned 30.
- Main companies located in Navarra are:

  - **S21sec**
    Specialized in technology services and digital security.

  - **Conasa**
    It caters for the whole process of ICT.

  - **Tracasa**
    Services based on the use of spacial information technologies and communication information.

  - **Openbravo**
    Openbravo is the leading provider of browser-based open source business applications for the cloud, with 6,000 organizations using Openbravo software daily.
**ICT’s**

The **Association of Navarra’s ICT Companies (ATANA)**, is a non-profit business association, founded in 2002, which represents and defends the interests of the ICT business sector in the Community of Navarra before public and private bodies at local, national and international levels, and before society in general. ATANA is also an active creator of opportunities for its member companies, fostering research, business training and promotion of the Sector on the home and foreign markets.

ATANA is the foremost association in the Community of Navarra covering work and proficiency in the technologies relevant to its sphere of activity. ATANA comprises more than 70 companies which develop, research, produce and/or commercialize products related to Information, Communication and Electronic Technologies. In terms of job provision, the member companies employ almost 1,450 people.
SODENA

1. WHO WE ARE
2. AREAS OF ACTIVITY
3. VENTURE CAPITAL
4. EUROPEAN INVESTMENT BANK (EIB)
5. INWARD INVESTMENT PROMOTION
1. WHO WE ARE

- We are the main instrument of the Government of Navarre for the **business development** of the **self-governing region**, making an active and major contribution to its balanced and sustained development.

- Sodena was created in **1984** and is a **self-financing** organization.

- Our **mission** is to capture, identify and drive the creation and development of **business projects for Navarre**, both local and external ones.
Our main areas and sectors of activity are:

- Agro
- Bio
- CleanTech
- ICT
- Other

Venture and Private Equity

Inward Investment Promotion

EIB finance line: Loan+Guarantee

- Automotive
- Related to Health Economics, Green Economics and Talent Economics
3. VENTURE CAPITAL

What type of project are we looking for?

- Projects not already started by private initiative (the **innovative** element)
- With **registered offices, tax domicile** and the decision-making center in **Navarre**
- With **positive global profitability** for Navarre
- With a strong **development team** that is involved in the project
- That can call on other **co-investors**
- In **any phase of the development cycle** (from seed capital to growth / development capital)
# 3. VENTURE CAPITAL

What financial instruments do we use?

<table>
<thead>
<tr>
<th></th>
<th>Equity loan</th>
<th>Participation in capital</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INVESTING ENTITY</strong></td>
<td>Sodena</td>
<td>Start Up Capital Navarra*</td>
</tr>
<tr>
<td><strong>PROJECT PHASE</strong></td>
<td>Seed capital</td>
<td>Start-up capital</td>
</tr>
<tr>
<td><strong>INVESTMENT AMOUNT</strong></td>
<td>Up to €100,000</td>
<td>From €100,000 to €400,000</td>
</tr>
<tr>
<td><strong>PERCENTAGE OF</strong></td>
<td>N/A</td>
<td>Between 5% and 45%</td>
</tr>
<tr>
<td><strong>PARTICIPATION</strong></td>
<td>Amortization: 5-8 years</td>
<td>Permanence: 3 to 8 years (established in the Partnership Agreement)</td>
</tr>
<tr>
<td><strong>TIME FRAME</strong></td>
<td>Grace period: 1-3 years</td>
<td>Permanence: up to 10 years (established in the Partnership Agreement)</td>
</tr>
<tr>
<td><strong>REMUNERATION</strong></td>
<td>Interest rate: Fixed (Euribor+3%)</td>
<td>Depending on results (established in the Partnership Agreement)</td>
</tr>
<tr>
<td></td>
<td>+ Variable. Total &lt; 10%</td>
<td>Depending on results (established in the Partnership Agreement)</td>
</tr>
<tr>
<td><strong>SEATS IN THE BOARD</strong></td>
<td>NO</td>
<td>YES</td>
</tr>
<tr>
<td><strong>OF DIRECTORS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OTHER</strong></td>
<td>Capitalizable</td>
<td>Granting of an equity loan feasible as a complement</td>
</tr>
</tbody>
</table>

* Start Up Capital Navarra is a Regional VC company formed by 23 public and private companies and managed by Sodena
3. VENTURE CAPITAL

Our investment portfolio

- Our current portfolio accounts for more than €183M invested in 118 different ventures.

- **118 different ventures**: 47 directly and 66 indirectly through 10 funds.

- Total investment volume: over **183 million €** distributed as follows:

  ![Pie chart showing distribution of investment portfolio by sector]

- **Services**: 34%
- **Others**: 24%
- **Biotech**: 16%
- **ICT's**: 6%
- **Agrifood**: 6%
- **Investment funds**: 11%
- **Cleantech**: 4%
- **Seed Capital**: 0.4%

Data October 2014
## 4. EUROPEAN INVESTMENT BANK (EIB)

**EIB line of finance: Loan + Guarantee**

<table>
<thead>
<tr>
<th><strong>EIB loans</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BENEFICIARIES</strong></td>
<td>SMEs, Medium Capitalization Companies and self-employed that carry out projects in Navarre</td>
</tr>
<tr>
<td><strong>SECTORS</strong></td>
<td>Aligned with the MODERNA Plan ('Moderna certificate' required)*</td>
</tr>
<tr>
<td><strong>ELEGIBLE INVESTMENTS</strong></td>
<td>Acquisition of tangible and intangible assets, and also non-current assets associated with the investments</td>
</tr>
<tr>
<td><strong>INVESTMENT AMOUNT</strong></td>
<td>Between €20,000 and €25 million</td>
</tr>
<tr>
<td><strong>MAXIMUM FINANCING</strong></td>
<td>Up to 50% of the project cost, with an upper limit of €12.5 million</td>
</tr>
<tr>
<td><strong>INTEREST RATE</strong></td>
<td>Maximum 5.787%</td>
</tr>
<tr>
<td><strong>TIME FRAME</strong></td>
<td>Maximum 10 years, with a 2-year grace period included</td>
</tr>
</tbody>
</table>
| **SODENA's ROLE** | Borrower from the EIB and lender to financial entities
Guarantor of up to 60% of the amount of the loan, with an average no higher than 30% per financial entity |

*MODERNA Plan is the Economic Development Model of Navarra that promotes change towards a knowledge-based economy, specialised in the areas of health economics, green economics and talent economics*
5. INWARD INVESTMENT PROMOTION

What do we offer?

- Intelligent information: infrastructure, costs, taxation, etc.
- Strong network of contacts
- Finance through venture capital

- **Attract** external investment to Navarre
- **Consolidate** external investment in Navarre

CAPTURING EXTERNAL INVESTMENT