

## Consolidated financial statements at December 31, 2014

### 14. Equity

Consolidated shareholders' equity totaled €1,186.4 million at December 31, 2014, which was greater than December 31, 2013 (€921.4 million), and comprised:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
<i>Equity attributable to the owners of the parent</i>			
Share capital	544,740	62,400	482,340
Share premium reserve	120,798	141,484	(20,686)
- Legal reserve	100,000	2,252	97,748
- Extraordinary reserve and other reserves	(11,510)	13,811	(25,321)
Total other reserves	88,490	16,063	72,427
Other components of comprehensive income			
- Translation reserve	15,574	826	14,748
- Hedging reserve	1,987	2,150	(163)
- Actuarial reserve	(5,446)	(1,873)	(3,573)
Total of other components of comprehensive income	12,115	1,103	11,012
Retained earnings	249,988	309,453	(59,465)
Profit for the year	93,772	168,924	(75,152)
<b>Equity attributable to the owners of the parent</b>	<b>1,109,903</b>	<b>699,427</b>	<b>410,476</b>
Share capital and reserves attributable to non-controlling interests	67,166	234,687	(167,521)
Profit for the year attributable to non-controlling interests	9,347	(12,692)	22,039
Share capital and reserves attributable to non-controlling interests	76,513	221,995	(145,482)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>1,186,416</b>	<b>921,422</b>	<b>264,994</b>

Changes of the year in the different equity items are summarized in the relevant schedule of the Consolidated financial statements.

In their meeting held on April 30, 2014, the shareholders of Salini Impregilo S.p.A. resolved to allocate the profit for the previous year as follows:

- €420,027.66 as a dividend to the holders of savings shares, equal to €0.26 per share;
- €113,409,449.84 to be carried forward.

Disclosures about the individual items are set out below.

#### Share capital

On January 1, 2014, the effective date of the merger of Salini S.p.A. into Impregilo S.p.A., implementing the resolution of the Shareholders' Meeting held on September 12, 2013, the share capital of the

resulting company from the merger, which has taken on the new company name Salini Impregilo S.p.A., was fixed at €500.0 million. At the same time, a legal reserve was established in the amount of €100.0 million and 44,974,754 new ordinary shares of Salini Impregilo S.p.A. were issued to Salini Costruttori S.p.A.

On June 20, 2014, as part of a transaction aimed at Italian and international institutional investors, the Board of Directors of the Parent company Salini Impregilo S.p.A. exercised the powers granted to it by the Extraordinary Shareholders' Meeting held on September 12, 2013, and approved the share capital increase limited to 10% of the existing capital, with the waiver of option rights, pursuant to art. 2441, paragraph 4, second clause, of the Italian Civil Code. The transaction was successfully completed with the issuance of 44,740,000 new ordinary shares without par value and the increase in share capital by an amount of €44,740,000. The subscription

price of the shares was set at €3.70 per share, while the consideration received, net of directly related additional expenses, was €161.6 million. As a result of this issue, the share capital is €544.7 million comprised of 493,788,182 shares without par value, of which 492,172,691 ordinary shares and 1,615,491 savings shares.

### Share premium reserve

The share premium reserve of €120.8 million grew during the period following the above-mentioned capital increase.

### Other reserves and other components of comprehensive income

This item is broken down in the following table:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Legal reserve	100,000	2,252	97,748
Treasury shares reserve	(7,677)	-	(7,677)
ancillary expenses capital increase reserve	(3,970)	-	(3,970)
Other	137	13,811	(13,674)
<b>Total other reserves</b>	<b>88,490</b>	<b>16,063</b>	<b>72,427</b>
Translation reserve	15,574	826	14,748
Hedging reserve	1,987	2,150	(163)
Actuarial reserve	(5,446)	(1,873)	(3,573)
<b>Total other components of comprehensive income</b>	<b>12,115</b>	<b>1,103</b>	<b>11,012</b>

The change in other reserves is due to a combination of the following events:

- The merger, which led to an increase in the legal reserve up to €100.0 million, and the allocation of the balance of Salini S.p.A. equity reserves net of the value of Salini S.p.A. investment in Impregilo S.p.A., to the extraordinary reserve at December 31, 2014;
- The share capital increase, with recognition of ancillary costs, amounting to €3.9 million, in a specific reserve;
- The purchase of 3,104,377 treasury shares, as previously described, for a total value of €7.7 million.

The treasury shares purchase was approved by the Ordinary Shareholders' Meeting of Salini Impregilo S.p.A., held on September 19, 2014. At this meeting, the Ordinary Shareholders' Meeting resolved to authorize the Board of Directors for the purchase and

disposal of ordinary treasury shares - pursuant to articles 2357 and 2357-ter of the Italian Civil Code, Article 132 of Legislative Decree no. 58 of February 24, 1998 ("Consolidated Finance Act") and article 144-bis of the Issuers' Regulation adopted by Consob through Resolution no. 11971 of May 14, 1999, as amended ("Issuers' Regulation") - in accordance with the procedures and terms contained in the proposal made by the Board on August 12, 2014, in order to provide the company an instrument that is widely used by listed companies, to take up investment opportunities for all purposes permitted by the applicable provisions, including the purposes contemplated in the "market practices" permitted by Consob pursuant to Article 180.1c of the Consolidated Finance Act through Resolution no. 16839 of March 19, 2009, and in EC Regulation no. 2273/2003 of December 22, 2003.

The authorization for the purchase and disposal of ordinary treasury shares has been issued for the purposes of:

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- buying ordinary treasury shares with a view to medium and long term investment;
- establishing a portfolio of ordinary treasury shares to be used for extraordinary financing transactions and/or for other uses considered of financial, operational and/or strategic interest to the company;
- establishing a portfolio of treasury shares to service the remuneration and retention plans for management and personnel;
- operating on the market, in compliance with the laws and regulations in force and through intermediaries, to support the liquidity of the company's shares and for the purpose of stabilizing their price.
- at a unit price that cannot differ in any event, either upwards or downwards, by more than 20% with respect to the price recorded for the share in the stock exchange trading session prior to each individual transaction, subject to obtaining adequate financial cover compatible with the company's investment programs and plans, in accordance with the operational conditions established for the "market practices" permitted by Consob.

The authorization for the purchase and disposal of ordinary treasury shares has been granted:

- up to a maximum number of ordinary treasury shares that does not exceed 10% of the total number of shares outstanding at the time of the transaction (or, if less, up to the maximum limit set from time to time by the legal and regulatory provisions), also considering any ordinary treasury shares held by the company at that date either directly or indirectly through its subsidiaries;
- for a period of 18 months from the date of the authorizing shareholders' meeting resolution;

The authorization for the disposal of the ordinary treasury shares has been granted at the price or, in any event, according to the criteria and conditions to be determined, on each occasion, by the Board of Directors, taking into account the transaction methods used, the performance of the ordinary share prices during the period prior to the transactions, and the company's best interest.

The Ordinary Shareholders Meeting also authorized the Board of Directors to carry out transactions for the purchase and, without time limits, for the disposal of ordinary treasury shares in accordance with any of the methods permitted by the current regulations (also through subsidiaries) that are appropriate to meet the objectives sought, to be selected, on each occasion, at the discretion of the Board.

The share buy-back program was launched on October 6, 2014. As of December 31, 2014, a total of 3,104,377 shares had been purchased, worth a total of €7,676,914.46.

In relation to the other components of comprehensive income, the main change is attributable to the effect of exchange rate changes, as detailed in the next table:

(Amounts in thousands of euros)	2014	2013
Opening balance	826	5,317
<i>Reclassification from the statement of comprehensive income to the income statement</i>	<i>(333)</i>	<i>13,530</i>
<i>Equity-accounted investees</i>	<i>(865)</i>	<i>3,146</i>
<i>Increase (decrease)</i>	<i>15,946</i>	<i>(21,167)</i>
Total changes	14,748	(4,491)
<b>Closing balance</b>	<b>15,574</b>	<b>826</b>

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The effect of changes in the cash flow hedge reserve due to fair value gains (losses) on financial instruments is detailed below

(Amounts in thousands of euros)	<b>2014</b>	<b>2013</b>
Opening balance	2,151	-
<i>Reclassification of fair value gains/losses on settled transactions to profit or loss</i>	556	407
<i>Release to the income statement of the fair value of instruments for which the hedging relationship is no longer in place.</i>		
<i>Net fair value losses</i>	(854)	1,627
<i>Change in consolidation scope</i>	307	(307)
<i>Exchange rate gains (losses)</i>	(316)	(44)
<i>Net gains (losses) for equity-accounted investees</i>	142	468
Total changes	(165)	2,151
<b>Closing balance</b>	<b>1,986</b>	<b>2,151</b>

The actuarial gains (losses) reserve underwent the following changes:

(Amounts in thousands of euros)	<b>2014</b>	<b>2013</b>
Opening balance	(1,872)	(954)
Actuarial profit (loss) comprehensive income	(3,574)	(918)
<b>Closing balance</b>	<b>(5,446)</b>	<b>(1,872)</b>

### Retained earnings

This item may be analyzed as follows:

(Amounts in thousands of euros)	<b>2014</b>	<b>2013</b>
Opening balance	309,452	9,915
<i>Allocation of profit and reserves</i>	168,924	290,115
<i>Dividend distribution</i>	(420)	
<i>Merger</i>	(206,146)	
<i>Reclassifications</i>		18,620
<i>Change in consolidation scope</i>	(21,822)	(9,198)
Total changes	(59,464)	299,537
<b>Closing balance</b>	<b>249,988</b>	<b>309,452</b>

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### Share capital and reserves attributable to non-controlling interests

Share capital and reserves attributable to non-controlling interests are as follows:

(Amounts in thousands of euros)	2014	2013
Opening balance	221,992	28,800
Merger	(174,044)	
Profit attributable to non-controlling interests	9,348	(12,692)
Dividends		(65,487)
Change in consolidation scope	17,971	270,712
Components of comprehensive income	1,245	659
Total changes	(145,480)	193,192
<b>Closing balance</b>	<b>76,512</b>	<b>221,992</b>

### Main investments

At December 31, 2014, the Group holds the following significant, but non-controlling, investments in subsidiaries:

(€ million) company	Head office	Nature of business	Percentage of ordinary shares held directly by the Parent company	Percentage of ordinary shares held directly by the Group	Percentage of ordinary shares held directly by minority interests	Percentage of preference shares held directly by the Group	Non-controlling interests
Salerno-Reggio Calabria S.c.p.A.	Italy	Construction	51%	51%	49%	0%	24.5
Reggio Calabria - Scilla S.c.p.A.	Italy	Construction	51%	51%	49%	0%	17.1
Società Autostrada Broni - Mortara S.p.A.	Italy	Concessions	61.10%	61.10%	38.9%	0%	10.7
Salini-Kolin-GCF Joint Venture	Turkey	Construction	38%	38%	62%	0%	7.3
Impregilo-SK E&C-Galfar al Misnad J.V.	Qatar	Construction	41.25%	41.25%	58.75	0%	5.5
Other							11.4
<b>Total non-controlling interests</b>							<b>76.5</b>

The complete list of subsidiaries with non-controlling investments is shown in the annex "Scope of

Consolidation" at the end of the notes to the Consolidated financial statements.

**Summary of operating and financial information on subsidiaries with significant interests in third parties**

Access to the assets of Italian law consortia and consortium companies and the possibility of using them to settle the Group's liabilities is generally subject to approval by qualified majorities of the members, in

order to protect the operating requirements of associated contracts.

An overview of the operating and financial information pertaining to each company held that presents significant minority interests for the Group is provided below.

**Salerno-Reggio Calabria S.c.p.A.**

Financial position figures (Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
<b>Assets</b>			
Non-current assets	1,118	2,607	(1,489)
Current assets	247,635	253,528	(5,893)
<b>Total assets</b>	<b>248,753</b>	<b>256,135</b>	<b>(7,382)</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	49,933	49,942	(9)
Non-current liabilities	413	768	(355)
Current liabilities	198,407	205,425	(7,018)
<b>Total shareholders' equity and liabilities</b>	<b>248,753</b>	<b>256,135</b>	<b>(7,382)</b>

Income statement data (Amounts in thousands of euros)	2014	2013	Change
Revenue	41,753	103,283	(61,530)
Earnings before taxes	399	532	(133)
Income taxes	(408)	(548)	140
<b>Earnings after taxes</b>	<b>(9)</b>	<b>(16)</b>	<b>7</b>
<b>Total comprehensive income</b>	<b>(9)</b>	<b>(16)</b>	<b>7</b>
<b>Total comprehensive income allocated to minority interests</b>	<b>(4)</b>	<b>(8)</b>	<b>4</b>

Statement of cash flows	2014
Net cash and cash equivalents generated by operations	11,981
Net cash and cash equivalents used in financing activities	(11,044)
<b>Net increase in cash and cash equivalents and current account overdrafts</b>	<b>937</b>
Cash and cash equivalents and current account overdrafts at start of year	5,509
Cash and cash equivalents and current account overdrafts at end of year	6,446

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### Reggio Calabria-Scilla S.c.p.A.

Financial position figures (Amounts in thousands of euro)	December 31, 2014	December 31, 2013	Change
<b>Assets</b>			
Non-current assets	755	1,040	(285)
Current assets	117,100	109,191	7,909
<b>Total assets</b>	<b>117,855</b>	<b>110,231</b>	<b>7,624</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	35,000	35,000	-
Non-current liabilities	396	397	(1)
Current liabilities	82,459	74,834	7,625
<b>Total shareholders' equity and liabilities</b>	<b>117,855</b>	<b>110,231</b>	<b>7,624</b>

Income statement data (Amounts in thousands of euro)	2014	2013	Change
Revenue	92,925	128,727	(35,802)
Earnings before taxes	431	684	(253)
Income taxes	(431)	(684)	253

Statement of cash flows	2014
Net cash and cash equivalents generated by operations	(553)
Net cash and cash equivalents used in financing activities	(2)
<b>Net increase in cash and cash equivalents and current account overdrafts</b>	<b>(555)</b>
Cash and cash equivalents and current account overdrafts at start of year	3,242
Cash and cash equivalents and current account overdrafts at end of year	2,687

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### Società Autostrada Broni-Mortara S.p.A.

Financial position figures (Amounts in thousands of euro)	December 31, 2014	December 31, 2013	Change
<b>Assets</b>			
Non-current assets	42,551	41,640	911
Current assets	6,006	7,592	(1,586)
<b>Total assets</b>	<b>48,557</b>	<b>49,232</b>	<b>(675)</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	27,396	27,093	303
Current liabilities	21,161	22,139	(978)
<b>Total shareholders' equity and liabilities</b>	<b>48,557</b>	<b>49,232</b>	<b>(675)</b>

Income statement data (Amounts in thousands of euro)	2014	2013	Change
Revenue	40	-	40
Earnings before taxes	(208)	(257)	49
<b>Earnings after taxes</b>	<b>(208)</b>	<b>(257)</b>	<b>49</b>
<b>Total comprehensive income</b>	<b>(208)</b>	<b>(257)</b>	<b>49</b>
<b>Total comprehensive income allocated to minority interests</b>	<b>(81)</b>	<b>(100)</b>	<b>19</b>

Statement of cash flows	2014
Net cash and cash equivalents generated by operations	(848)
Net cash and cash equivalents used in investing activities	(912)
Net cash and cash equivalents used in financing activities	81
<b>Net increase in cash and cash equivalents and current account overdrafts</b>	<b>(1,679)</b>
<b>Cash and cash equivalents and current account overdrafts at start of year</b>	<b>1,957</b>
<b>Cash and cash equivalents and current account overdrafts at end of year</b>	<b>278</b>



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### Salini-Kolin-GCF Joint Venture

Financial position figures (Amounts in thousands of euro)	December 31, 2014	December 31, 2013	Change
<b>Assets</b>			
Non-current assets	154	194	(40)
Current assets	48,675	19,868	28,807
<b>Total assets</b>	<b>48,829</b>	<b>20,062</b>	<b>28,767</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	11,767	6,451	5,316
Non-current liabilities	3,038	1,735	1,303
Current liabilities	34,024	11,876	22,148
<b>Total shareholders' equity and liabilities</b>	<b>48,829</b>	<b>20,062</b>	<b>28,767</b>

Income statement data (Amounts in thousands of euro)	2014	2013	Change
Revenue	75,930	67,684	8,246
Earnings before taxes	6,515	6,208	307
Income taxes	(1,303)	(1,242)	(61)
<b>Earnings after taxes</b>	<b>5,212</b>	<b>4,966</b>	<b>246</b>
Other components of comprehensive income	103		103
<b>Total comprehensive income</b>	<b>5,315</b>	<b>4,966</b>	<b>349</b>
<b>Total comprehensive income allocated to minority interests</b>	<b>3,295</b>	<b>3,079</b>	<b>216</b>

Statement of cash flows	2014
Net cash and cash equivalents generated by operations	14,320
Net cash and cash equivalents used in investing activities	(3)
<b>Net increase in cash and cash equivalents and current account overdrafts</b>	<b>14,317</b>
Cash and cash equivalents and current account overdrafts at start of year	2,489
<b>Cash and cash equivalents and current account overdrafts at end of year</b>	<b>16,806</b>

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### Impregilo-SK E&C-Galfar al Misnad J.V.

Financial position figures (Amounts in thousands of euro)	December 31, 2014	December 31, 2013	Change
<b>Assets</b>			
Non-current assets	70,448	846	69,602
Current assets	98,234	86,347	11,887
<b>Total assets</b>	<b>168,682</b>	<b>87,193</b>	<b>81,489</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	9,423	1,449	7,974
Current liabilities	159,259	85,744	73,515
<b>Total shareholders' equity and liabilities</b>	<b>168,682</b>	<b>87,193</b>	<b>81,489</b>

Income statement data (Amounts in thousands of euro)	2014	2013	Change
Revenue	181,577	22,715	158,862
Earnings before taxes	7,109	1,505	5,604
Earnings after taxes	7,109	1,505	5,604
<b>Other components of comprehensive income</b>	<b>865</b>	<b>56</b>	<b>809</b>
<b>Total comprehensive income</b>	<b>7,974</b>	<b>1,561</b>	<b>6,413</b>
<b>Total comprehensive income allocated to minority interests</b>	<b>4,685</b>	<b>917</b>	<b>3,768</b>

Statement of cash flows	2014
Net cash and cash equivalents generated by operations	98,685
Net cash and cash equivalents used in investing activities	(75,501)
Net cash and cash equivalents used in financing activities	(3,834)
<b>Net increase in cash and cash equivalents and current account overdrafts</b>	<b>19,350</b>
<b>Cash and cash equivalents and current account overdrafts at start of year</b>	<b>50,343</b>
<b>Cash and cash equivalents and current account overdrafts at end of year</b>	<b>69,693</b>

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### Reconciliation between equity and profit of Salini Impregilo S.p.A. with consolidated equity and consolidated profit

The following table shows the reconciliation of equity and profit of the parent with the corresponding consolidated items:

(Amounts in thousands of euros)	Shareholders' equity	Result
<b>Equity and profit for the year of Salini Impregilo S.p.A.</b>	<b>942,987</b>	<b>30,693</b>
Elimination of consolidated investments	(609,659)	71,576
Elimination of the provision for risks on equity investments	27,118	23,489
Shareholders' equity and profit or loss of consolidated companies	625,947	110,794
<b>Other consolidation entries</b>		
Elimination of dividends paid to Salini Impregilo S.p.A.		(123,224)
Other consolidation entries	1,940	1,211
Gain on intragroup disposals	(4,766)	2,750
Purchase Price Allocation	15,265	4,142
Unrealized exchange rate gains (losses)	(2,320)	(22,740)
Tax effects not yet recognized	15,789	(3,589)
Elimination of national tax consolidation system effects	97,602	(1,330)
<b>Equity and profit for the year attributable to the Group</b>	<b>1,109,903</b>	<b>93,772</b>
Equity and profit for the year attributable to non-controlling interests	76,513	9,348
<b>Consolidated equity and profit for the year at December 31, 2014</b>	<b>1,186,416</b>	<b>103,120</b>