

## Consolidated financial statements at December 31, 2014

### 21. Progress payments and advances on contract work in progress

The item "Advances on contract work in progress" included under current liabilities in the statement of financial position amounts to €1,725.9 million, down

by €8.1 million compared to December 31, 2013. This item breaks down as follows:

(Amounts in thousands of euros)	<b>December 31, 2014</b>	<b>December 31, 2013</b>	<b>Change</b>
Contract work in progress	(8,332,057)	(8,426,905)	94,848
Progress payments and advances received (on approved work)	8,501,621	8,723,470	(221,849)
Contractual advances	1,556,319	1,437,422	118,897
<b>Total</b>	<b>1,725,883</b>	<b>1,733,987</b>	<b>(8,104)</b>

Contract work in progress recognized under liabilities (negative WIP) is the negative net balance, for each

contract, of work performed to date and progress billings, and amounts to €169.6 million.

The following table shows the contribution of negative work in progress and contractual advances by geographic area:

(Amounts in thousands of euros)	<b>December 31, 2014</b>			<b>December 31, 2013</b>			<b>Change</b>
	<b>Negative WIP</b>	<b>Contractual advances</b>	<b>Total</b>	<b>Negative WIP</b>	<b>Contractual advances</b>	<b>Total</b>	
Italy	39,058	111,048	150,106	37,316	73,200	110,516	39,590
EU (excluding Italy)	17,217	140,433	157,650	64,450	189,695	254,145	(96,495)
Non-EU	1,651	10,245	11,896	2,716	0	2,716	9,180
Asia	10,387	51,924	62,311	0	19,066	19,066	43,245
Middle East	23,013	267,370	290,383	30,848	138,124	168,972	121,411
Africa	31,115	846,972	878,087	107,396	894,312	1,001,708	(123,621)
North America	38,212	0	38,212	49,705	0	49,705	(11,493)
Latin America	2,391	128,326	130,717	4,134	123,025	127,159	3,558
Oceania	6,521	0	6,521	0	0	0	6,521
<b>Total</b>	<b>169,565</b>	<b>1,556,318</b>	<b>1,725,883</b>	<b>296,565</b>	<b>1,437,422</b>	<b>1,733,987</b>	<b>(8,104)</b>

Contracts that most contributed to negative WIP refer to work in Nigeria for €26.8 million, in Qatar for €22.1 million, in the United States for €38.2 million and in Italy for €39.1 million.

The most significant changes, compared with the previous year, in terms of increases relate to work in Italy, while in terms of decreases relate to the work in Nigeria, Romania and the UAE.

In addition, the most significant balances for contractual advances refer to the following works: Grand Ethiopian Renaissance Dam Project in Ethiopia for €377.2 million, Copenhagen Cityringen Metro in Denmark for €92.5 million, contracts in Libya totaling €190.2 million, Riyadh Line 3 Metro in Saudi Arabia for €218.6 million, Consorzio Cociv for €91.2 million.

There was also a decrease in the item under review following the sale of the subsidiary Fisia Babcock Environment GmbH, which took place during the second quarter of the year.

For more details on the development and progress of work in progress, please see the information provided in the Directors' report.