

## 27.6 Amortization, depreciation, provisions and impairment losses

This item amounted to €105.2 million compared to the previous year figure of €28.7 million. It may be analyzed as follows.

(Amounts in thousands of euros)	<b>2014</b>	<b>% of revenue</b>	<b>2013</b>	<b>% of revenue</b>	<b>Change</b>
Impairment losses	4,778	0.2%	8,271	0.6%	(3,493)
Provisions	514	0.0%	671	0.1%	(157)
<b>Total provisions and impairment losses</b>	<b>5,292</b>	<b>0.2%</b>	<b>8,942</b>	<b>0.7%</b>	<b>(3,650)</b>
Amortization of intangible assets	86	0.0%	-	0.0%	86
Depreciation of property, plant and equipment	77,005	3.3%	16,794	1.3%	60,211
Amortization finite life contract acquisition	22,868	1.0%	2,998	0.2%	19,870
<b>Total amortization and depreciation</b>	<b>99,959</b>	<b>4.3%</b>	<b>19,792</b>	<b>1.6%</b>	<b>80,167</b>
<b>Total</b>	<b>105,251</b>	<b>4.5%</b>	<b>28,734</b>	<b>2.3%</b>	<b>76,517</b>

The change described above is mainly due to the inclusion, as of January 1, 2014, of the tangible and intangible fixed assets from Salini S.p.A. as a result of the merger, which contributed €71.6 million to the income statement 2014.

The allocation to the provision for impairment losses on receivables, amounting to approximately €3 million, mainly relates to the combined effect of impairment losses on receivables from overseas clients for which recovery is no longer considered possible; the losses were recognized with respect to the Italian registered office and the branches in Kazakhstan and Uganda for €5.5 million; the writedown of the doubtful receivable with a client in Nepal worth €3.7 million; discounting to PV of

receivables from customers for the Venezuelan branch with a positive effect of €5.7 million (adjustment of the nominal value with discount rate) and release of provisions previously set aside in the Argentina subsidiary for €0.4 million.

The provision for risks and other provisions amounted to €0.7 million and were primarily related to the registered office in Italy for €0.3 million, in relation to the costs incurred for disputes with employees as well as to the branch in Uganda for about €0.3 million, in relation to legal fees for pending litigation.

The risk provisions were used for €0.2 million in relation to events for which the provision had been previously set aside.