Annual Report as at 31 December 2014

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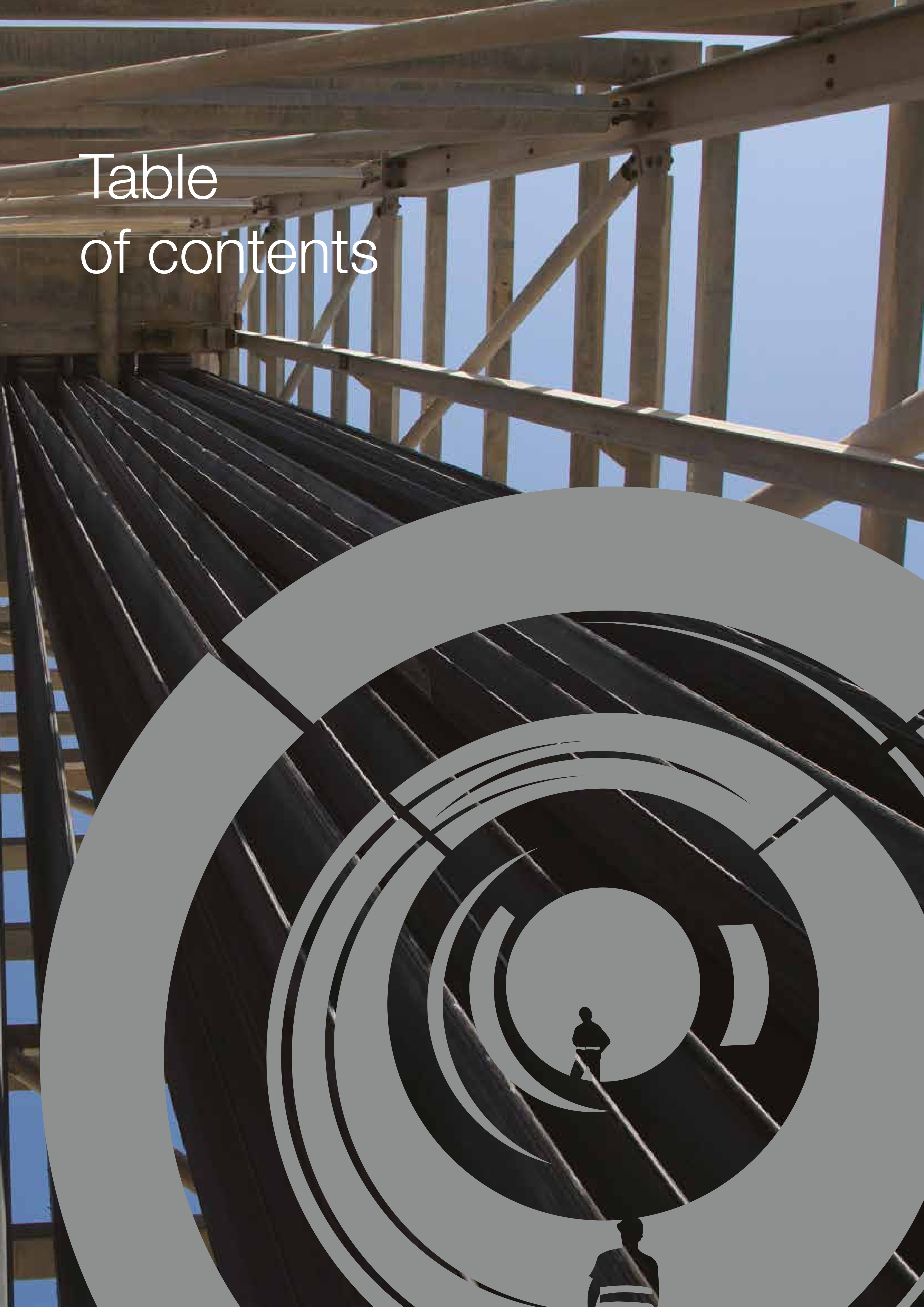
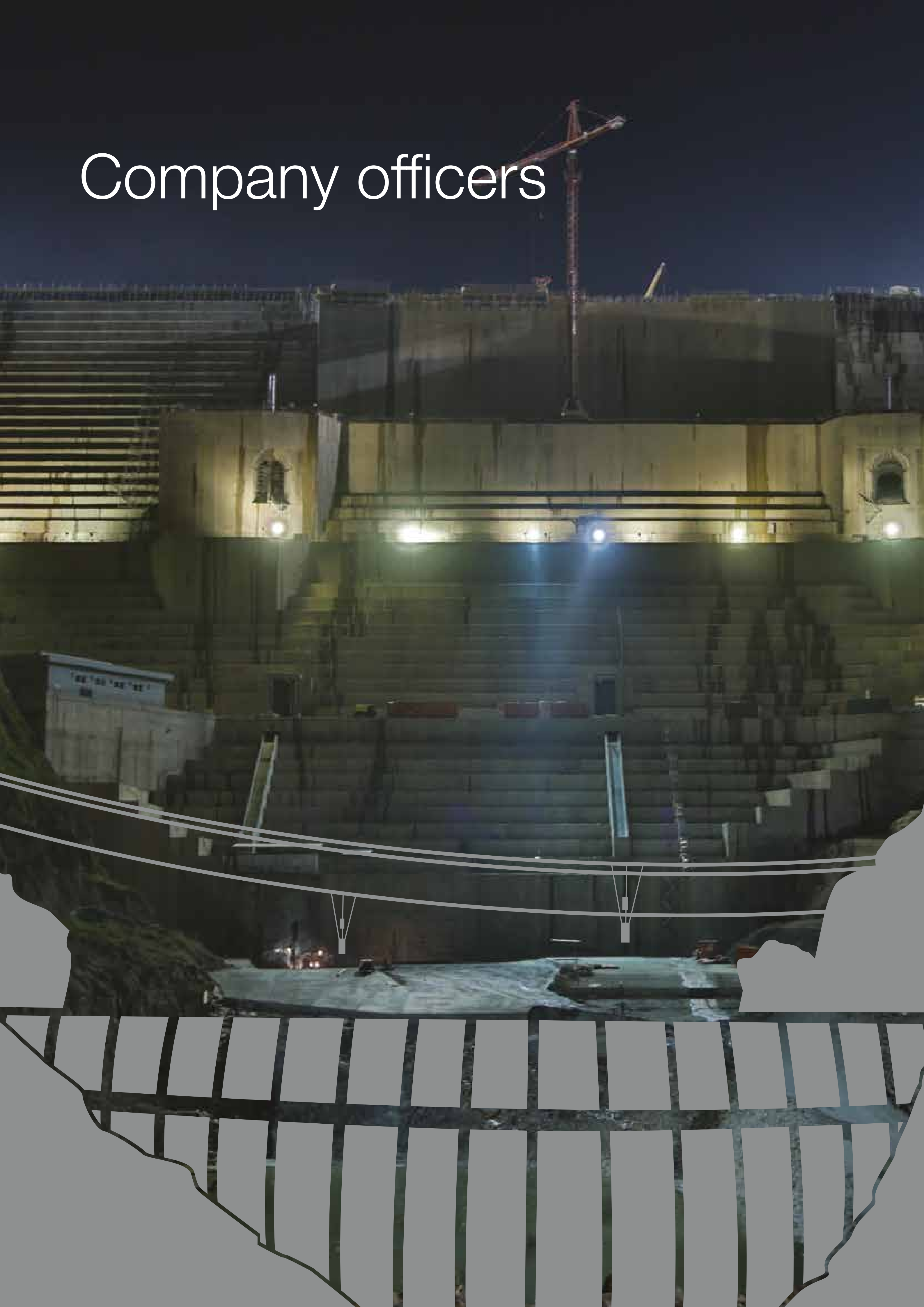


Company officers



Board of Directors (i)

Chairman	Claudio Costamagna
Chief Executive Officer	Pietro Salini
Directors	Marina Brogi
	Giuseppina Capaldo
	Mario Giuseppe Cattaneo
	Roberto Cera
	Laura Cioli
	Alberto Giovannini
	Nicola Greco (*)
	Pietro Guindani
	Geert Linnebank
	Giacomo Marazzi (*)
	Franco Passacantando (*)
	Laudomia Pucci

Executive Committee

Pietro Salini
Claudio Costamagna
Alberto Giovannini
Giacomo Marazzi (*)

Control and Risk Committee

Mario Giuseppe Cattaneo
Giuseppina Capaldo
Pietro Guindani
Franco Passacantando (*)

Compensation and Nominating Committee

Marina Brogi
Nicola Greco (*)
Geert Linnebank
Laudomia Pucci

Committee for Related-Party Transactions

Alberto Giovannini
Marina Brogi
Giuseppina Capaldo
Geert Linnebank

Board of statutory auditors (ii)

Chairman	Alessandro Trotter
Statutory Auditors	Teresa Cristiana Naddeo
	Gabriele Villa
Alternate Auditors	Roberta Battistin
	Marco Tabellini

Independent Auditors

PricewaterhouseCoopers S.p.A.

(i) Appointed by the ordinary Shareholders' Meeting of July 17, 2012, and in office up to the shareholders' meeting for the approval of the financial statements at December 31, 2014. On September 25, 2014, Simon Pietro Salini resigned from the positions of Director and member of the Executive Committee.
(ii) Appointed by the Shareholders' Meeting of April 30, 2014, and in office up to the approval of the financial statements at December 31, 2016. On April 30, 2014, Nicola Miglietta and Pierumberto Spanò (Statutory Auditors) were not re-appointed.
(*) Appointed by the Shareholders' Meeting of September 12, 2013, and in office up to the approval of the financial statements at December 31, 2014.

CEO's Letter to Shareholders

CEO's Letter to Shareholders

Dear Shareholders,

We have just celebrated our first year as a combined company following Salini's merger with Impregilo – a year marked by hard but very productive work.

Not only did we beat the growth and profitability targets set for the year, but we also bolstered our order book, strengthened our capital structure and reduced our debt. All of this while successfully completing the merger of our two companies and creating a new organizational structure and corporate culture.

After this first year, we confirm our confidence in our ability to reach the ambitious targets set out in our 2014-2017 business plan.

We are staying focused on what makes up our DNA: large, complex civil engineering projects, especially in markets where the growth potential is very substantial.

Our focus is warranted: demand for civil infrastructure is growing faster than forecast. The estimated size of the identified projects in our segments of reference is more than €790 billion.

In 2014 alone, we received about €6.5 billion worth of new orders, bringing our total backlog to more than €32 billion. This confirms our leadership in large, complex infrastructure projects.

Among the projects acquired last year is the planned Brenner Tunnel between Italy and Austria, which recognizes our expertise in drilling underground. Once completed, the tunnel will be the longest underground rail connection in the world and a pioneering work of engineering. Then there is the new metro line in Lima, Peru, the one in Doha, Qatar, and the massive $20 billion network project in Riyadh, Saudi Arabia.

The year also saw us begin to lay the foundations of the company that we want to become.

We streamlined operations, extracted valuable synergies, and strengthened our capital structure with a capital increase that boosted the free float to nearly 40% from 10%. Offering more shares to investors raised our profile in financial markets and made us a more attractive investment. This helped us in our efforts to become a truly global company.

Our attention to all stakeholders has grown in tandem with our expansion across the globe.

In October, we signed an important agreement with national and international unions to promote and respect workers' rights, setting a precedent in the construction industry.

This agreement demonstrates how we recognize that the company's greatest asset is its people – every one of the more than 34,000 designers, engineers, managers and other workers who represent Salini Impregilo in more than 50 countries.

All of them are competent and dedicated individuals who work on projects that help improve the quality of life of communities, whether it be a dam, a road or a railway.

Such is our optimism for the future that we have launched a campaign to hire 15,000 people during the life of our business plan. The new recruits, many of them young trainees, will eventually become managers who will lead our company into the future.

As part of its policy of social responsibility, Salini Impregilo is keen to transmit the value that they create for communities beyond the construction site.

We do not concentrate solely on our projects but pay heed to local communities needs and support them in the event of a disaster, as we are doing in Genoa by providing free to the city a project to secure the banks of the Bisagno River, which causes massive flooding when it overflows during heavy rainfall.

All of this makes me proud of our employees and their engagement. I am also grateful to our shareholders, who have shown their support for what we have done during our first year as a new company.

It is for this reason that I am confident in our future and our ability to continue to build value.

Pietro Salini

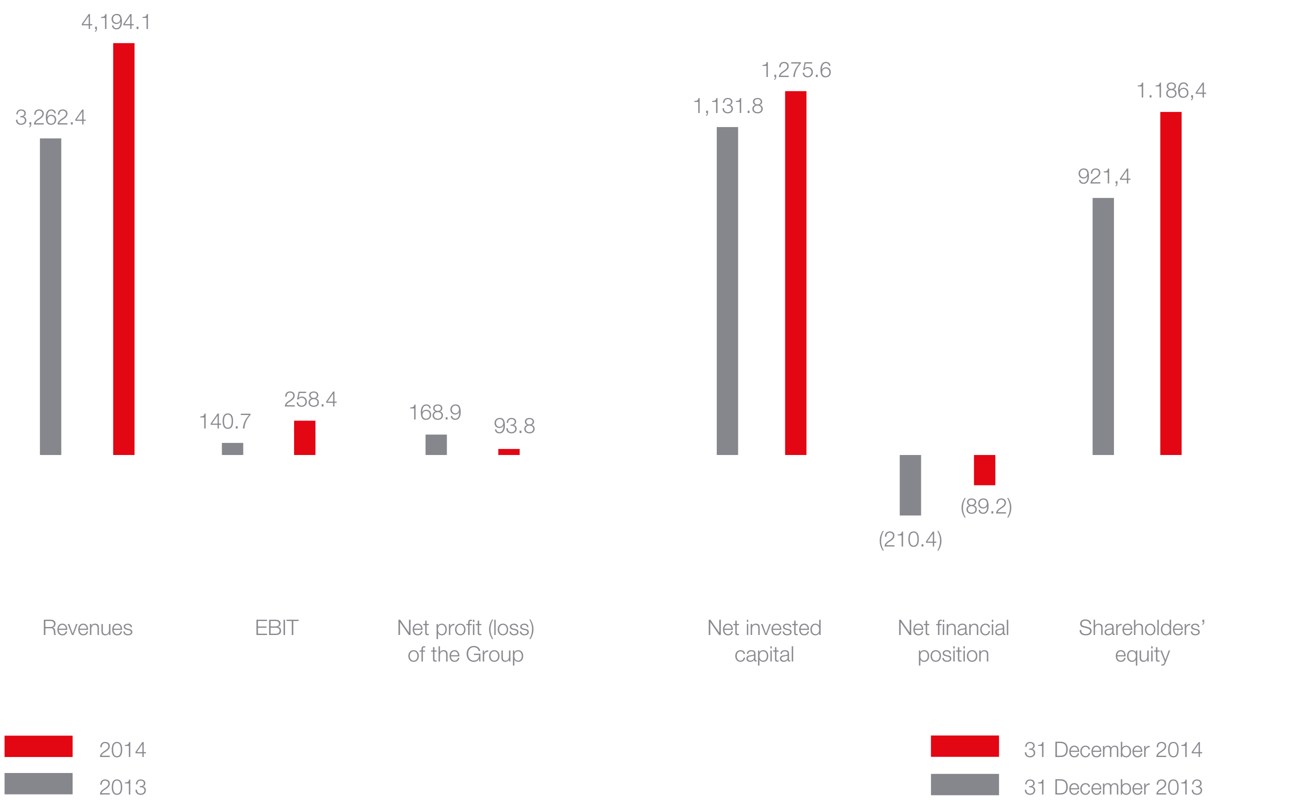
Financial highlights

(in million of Euros)

Salini Impregilo Group

The paragraph “Alternative performance indicators” in the “Other information” section gives a definition of the financial statements indicators used to present the Group’s highlights.

The income statement data for 2013 have been reclassified due to the adoption of the new IFRS 10 and 11 standards and in accordance with the provisions of IFRS 5, also including the line-by-line consolidation of Impregilo only from the start of the second quarter. The statement of financial position data at December 31, 2013 has been reclassified due to the adoption of the new standards IFRS 10 and 11.



Financial highlights

Consolidated income statement

(in millions of euros)	**2014**	**2013 (§)**
Revenue	4,194.1	3,262.4
Operating costs	(3,758.2)	(2,987.5)
Gross operating profit (EBITDA)	435.9	274.9
EBITDA %	10.4%	8.4%
Operating profit (EBIT)	258.4	140.7
R.o.S.	6.2%	4.3%
Financing income (costs)	(142.0)	(58.0)
Gains (losses) on investments	9.0	195.1
Earnings before taxes (EBT)	125.3	277.9
Income taxes	(39.6)	(19.5)
Profit (loss) from continuing operations	85.7	258.4
Profit (loss) from discontinued operations	17.4	(102.1)
Profit (loss) for the period attributable to the owners of the parent	93.8	168.9

(§) The income statement data for 2013 were reclassified following the adoption of the new standards IFRS 10 and 11 and in accordance with the provisions of IFRS 5. Furthermore, Impregilo has been consolidated using the line-by-line method only from the start of the second quarter 2013.

Consolidated statement of financial position

(in millions of euros)	**December 31, 2014**	**December 31, 2013 (*)**
Non-current assets	*832.4*	*698.5*
Non-current assets (liabilities) held for sale	*84.1*	*235.5*
Provisions for risks, post-employment benefits and employee benefits	*(120.8)*	*(197.9)*
Tax assets (liabilities)	*148.7*	*141.6*
Working capital	*331.3*	*254.1*
Net invested capital	**1,275.6**	**1,131.8**
Shareholders' equity	**1,186.4**	**921.4**
Net financial position	***89.2***	***210.4***

(*) The statement of financial position data at December 31, 2013 have been reclassified due to the adoption of the new standards IFRS 10 and IFRS 11.

Salini Impregilo S.p.A. Income Statement

(in millions of euros)	2014	2013 (§)
Revenue	2,341.9	1,274.1
Operating costs	(2,116.0)	(1,101.2)
Gross operating profit (EBITDA)	225.9	172.9
EBITDA %	9.6%	13.6%
Operating profit (EBIT)	125.9	153.1
R.o.S.	5.4%	12.0%
Financing income (costs)	(113.3)	26.8
Gains (losses) on investments	28.8	(13.2)
Earnings before taxes (EBT)	41.4	166.7
Income taxes	(10.7)	(50.2)
Profit (loss) from continuing operations	30.7	116.5
Profit (loss) for the period attributable to the owners of the parent	30.7	116.5

(§) The income statement data for 2013 have been reclassified following the adoption of the new standard IFRS 11 and refer to the Separate financial statements of Impregilo S.p.A.

Salini Impregilo S.p.A. Statement of Financial Position

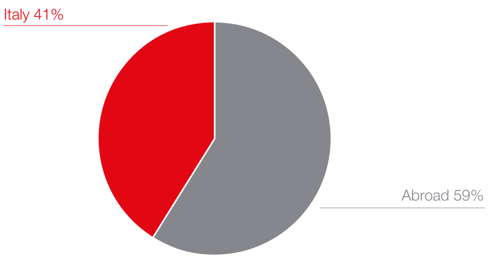
(in millions of euros)	December 31, 2014	December 31, 2013 (*)
Non-current assets	*1,055.5*	*549.2*
Provisions for risks, post-employment benefits and employee benefits	*(48.3)*	*(145.9)*
Tax assets (liabilities)	*18.6*	*(13.1)*
Working capital	*459.7*	*648.7*
Net invested capital	**1,485.6**	**1,038.9**
Shareholders' equity	**943.0**	**1,193.8**
Net financial position	***542.6***	***(155.0)***

(*) The statement of financial position data at December 31, 2013 were reclassified due to the adoption of the new standard IFRS 11 and refer to the Separate financial statements of Impregilo S.p.A.

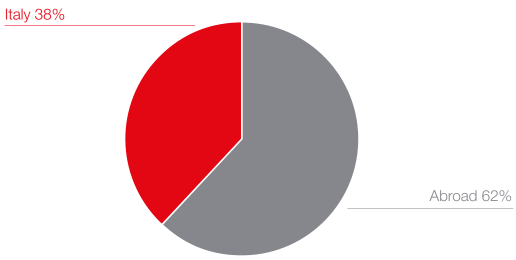
Financial highlights

Order backlog by geographic

December 2014
(total euro 32,374 mil.)

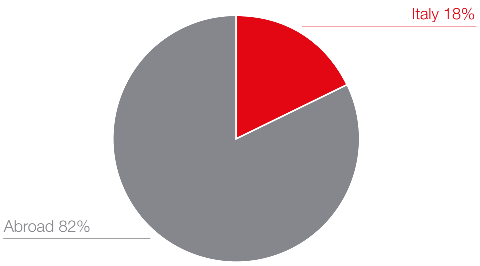


December 2013
(total euro 28,831 mil.)

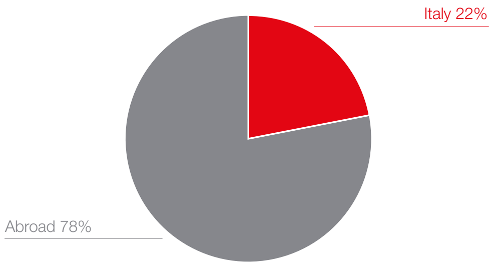


Revenue by geographic region

12 months 2014
(tot. Italy euro 735.7 mil. – tot. abroad euro 3,458.4 mil.)



12 months 2013
(tot. Italy euro 731.2 mil. – tot. abroad euro 2,531.2 mil.)



Financial highlights

Directors' Report
Part I

Performance of the Group and the Parent Company in 2014

Macroeconomic scenario and principal markets

The Salini Impregilo Group, established following the merger of two major Italian Groups, is a global player in the field of large-scale infrastructures. Therefore, the Group's baseline scenario is the intercontinental market of large heterogeneous and composite infrastructures.

The lengthy macroeconomic recession experienced in the past 4-5 years, has affected almost all industrial and economic sectors. However, thanks to the limited volatility that characterizes the sector, the demand for large-scale infrastructures has not suffered a slowdown. As a matter of fact, complex infrastructures continue to represent a strategic priority for the growth of the national economies of most countries -- both industrialized and emerging.

In 2014, the global economy was still in a phase of transition, with a modest growth rate of 2.6%. The recovery was hindered by a number of different events, including the worsening of geopolitical conflicts in various parts of the world. In a number of countries, GDP growth was well below the rates that characterized the period before the financial crisis, with recovery times being extended as a result. Even though the most advanced economies – especially the Eurozone and Japan – are expected to see improvements in 2015 and 2016, there are still significant downside risks. The economies of developing countries saw opposing trends in growth rates in 2014, with a rapid slowdown in numerous countries including those of Latin America. In addition, a rising number of countries had to deal with structural imbalances and geopolitical tensions.

The global economy is expected to grow at a more robust, but still moderate, rate over the coming years, forecast to be 3.1% in 2015 and 3.3% in 2016. The slow recovery in employment levels and limited growth in wages and salaries remain one of the biggest problems to be tackled, especially since GDP growth continues to be below par in various parts of the world.

International prices for the main commodities have been on a downward trend for the past two years, with no expectation of a significant turnaround in 2015 or 2016. The price of oil fell sharply in the second half of 2014. This decline is expected to continue in 2015 and 2016, given the excess of supply over demand. Consequently, growth in trade has been very weak in the last few years, mainly because of the patchy recovery among the developed economies and moderate growth in developing economies. Global trade is estimated to have increased by 3.4% in 2014 – still well below pre-crisis levels.

One of the positive outcomes of 2014 is the continuation of relatively low interest rates, including in emerging countries, even if there is still a high risk of sharp adjustments and acute volatility. Expectations of capital flows remain fairly positive, both in emerging countries and in the more developed economies. Overall, net flows of capital are expected to be stable in 2015 and to increase slightly in 2016.

Low interest rates and the weakness of demand in the developed economies could provide the right conditions to encourage countries with infrastructure deficits to take up infrastructural development policies. Public investment in infrastructures is a key way to drive the recovery of aggregate demand, especially at times of economic crisis. In addition, these projects are usually very efficient because they focus on high-revenue initiatives. An increase in public infrastructure investments stimulates economic growth in the short term and can have a multiplier effect on long-term demand. In addition, the current monetary policy scenario characterized by falling interest rates can foster an ideal climate for the expansion of public investment in infrastructure.

Overall, despite the prevailing uncertainty over the future macroeconomic scenario and the ongoing recovery, companies with the necessary capacity and the right positioning will be able to take advantage of a number of encouraging signs – as mentioned above – by intercepting the demand for investment.

Analysis of the income statement and statement of financial position of the Salini Impregilo Group and the Parent Company

This chapter presents the reclassified income statement, statement of financial position and structure of the Group and the Parent Company's financial position at December 31, 2014. It also includes a summary of the main changes in the consolidated income statement, compared with those for the previous year, and in the statement of financial position, in comparison with the related figures for the previous year.

Unless otherwise stated, amounts are in millions of euros and those shown in parentheses refer to the previous year.

The "Alternative performance indicators" paragraph in the "Other information" section provides a definition of the indicators in the statement of financial position and income statement used to analyze the operating performance and financial position of the Group and the Parent Company.

Introductory Remarks

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. 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. Under this offer, which was restricted to Italian and institutional investors only, the controlling Company Salini Costruttori S.p.A. sold 94,000,000 Salini Impregilo S.p.A. ordinary shares. Finally, taking into account that the greenshoe option was also exercised on July 18, 2014 by the Joint Global Coordinator for the transaction, for an additional number of 4,050,000 ordinary shares, to date the free float of Salini Impregilo S.p.A. is around 38.11% of the ordinary share capital.

Lastly, you are reminded that, from the end of the first half of 2014, the estimates referring to the set of industrial activities that the Group has in the Bolivarian Republic of Venezuela have needed to be updated. In line with the previous financial reports, made available to the public as required by the current legal provisions, the deterioration of the economic conditions of the country, which have been going downhill since the early months of the year, were such that it became necessary to make a detailed assessment of the time and financial parameters according to which the Group's net assets can be generated in reference to this area. The Group's relations with the local economic system as well as with the client local administrations are still excellent and geared toward maximum cooperation in pursuit of the respective goals, as demonstrated by the additional work awarded at the end of June 2014 in relation to existing railway contracts. However, in light of the current general framework of the local currency/financial market situation in the area, stemming from the conditions of the above-mentioned local economic system, and consistent with recent changes to the currency regulations of the country, it was considered reasonable, among other things, to adopt, with effect from June 30, 2014, a new reference exchange rate for the translation of both the current values of working capital denominated in Venezuelan currency and the perspective values both to be paid/realized in the entire life estimates of the ongoing railway projects under direct management.

The official exchange rate used, called SICAD 2, whose first fixing took place during the last few days of the first quarter of 2014, is believed to be the most representative of the relationship under which future cash flows, expressed in local currency, may be adjusted in the event that they were verified at the valuation date also considering the possibility to access the Venezuelan currency market and the Group's specific needs to obtain currency other than the functional currency.

This exchange rate expresses a substantial depreciation (by about 9 times) of the local currency against the US Dollar, compared with the official exchange rate previously used, i.e. CENCOEX (formerly CADIVI), for the purposes of preparing the Consolidated financial statements of the Salini Group as at December 31, 2013.

The updated estimates had a number of effects on the accounts as at December 31, 2014, the most significant of which is the overall reduction in the value of net assets in local currency, for a total of approximately €97 million, of which €55 million calculated upon adoption of the new currency and the remaining €42 million deriving from fluctuations in the amounts and the exchange rate during the second half of 2014.

In the Extraordinary Official Gazette No. 6,171 of February 10, 2015, the Ministry of Popular Power for the Economy, Finance and Public Banking (MPPEFBP) and the Central Bank of Venezuela (BCV) published the "*Convenio Cambiario No. 33*", replacing the SICAD II exchange rate system with a newly-introduced floating official exchange rate called SIMADI.

In summary, with the entry into force of this latest exchange *convenio*, three levels of exchange rate are set:

1) CENCOEX 6.30 BSF per 1 US$, for essential foodstuffs;

2) SICAD 12 BSF per 1 US$, for specific economic sectors and public sector enterprises;

3) SIMADI, whereby exchange rate transactions will be executed based on offer and demand, generating a floating exchange rate that will be published on a daily basis.

To date, there are no large exchange volumes to establish whether the aforementioned free exchange rate will effectively be supplied by operators with hard currency needed for transactions. At the moment, the SIMADI exchange rate is set at 187.78 BSF per US$.

In compliance with the provisions of international financial reporting standards, the effects of this further change in Venezuela's currency system will be reflected in the 2015 financial year. For further details about accounting considerations for this event, see the notes to the Consolidated financial statements of the Salini Group and the Separate financial statements of Salini Impregilo S.p.A.

Remarks concerning the comparability of the income statement and statement of financial position data for 2014 with those for the previous year – new accounting standards in effect as of January 1, 2014

As a general remark, it is worth mentioning that, starting with the current year, some new international financial reporting standards went into effect, among which the following are specifically relevant for the purposes of the Annual Report of the Salini Impregilo Group:

- *IFRS 10 - Consolidated financial statements*
  This standard replaces SIC 12 Consolidation - Special purpose entities and certain parts of IAS 27 - Consolidated and Separate financial statements. The new standard identifies a single control model and defines, on a more structured basis, the requirements for determining whether or not control exists. This provision is particularly relevant with regard to situations that qualify as entailing "de facto control", even if the essential conditions for determining the existence of control are basically the same as those contained in the standards previously in effect.

- *IFRS 11 - Joint Arrangements*
  This standard replaces IAS 31 - Interests in joint ventures and SIC 13 - Jointly controlled entities - Non-monetary contributions by venturers. It defines the criteria for the identification of joint arrangements and how they should be accounted for based on the rights and obligations arising from the contract, regardless of its legal form. The new standard provides for different recognition methods, depending on whether the transaction is a joint operation or a joint venture, and eliminates the possibility to apply different accounting treatments to the same types of arrangements and, conversely, defines a single model based on the contractual rights and obligations.

- *IAS 28 – Investments in Associates and Joint Ventures*
  This standard defines the accounting treatment of investments in associates and joint venture and is a rewording of the old IAS 28 in light of the new provisions introduced with IFRS 10 and IFRS 11.

These standards were adopted retrospectively to allow a presentation of results on a like-for-like basis with the information for previous periods.

The greatest difficulties in interpreting and applying the new standards were encountered above all in relation to Special Purpose Vehicles ("SPVs") in which the Group participates jointly with other partner companies and which are established for the sole purpose of carrying out specific construction projects. These entities, which in 2013 belonged exclusively to the former Impregilo Group, were mainly identified as Joint Ventures and recognized using the proportional consolidation option provided in the previously applicable IAS 31.

The restatement of the 2013 comparison data following adoption of the new standards has resulted, in the consolidated income statement, in a € 164 million reduction in revenues and non-material effects on EBIT and net profit. The drop in revenue was mainly due to the different consolidation method for some entities. The most significant of them is Grupo Unidos por el Canal SA (Panama), which was consolidated on a proportional basis in the 2013 financial statements, whereas now it is valued using the equity method. For a detailed review of the effects deriving from the adoption of the new standards, refer to the notes.

Introductory remarks concerning the comparability of the income statement and statement of financial position data for 2014 with those for the previous year – continuity with the Consolidated financial statements of the Salini Group for 2013

The merger by incorporation of Salini S.p.A. (formerly the controlling Company at December 31, 2013) into Impregilo S.p.A. (formerly the controlled Company at December 31, 2013) became fully effective as of January 1, 2014. The Company changed its name to Salini Impregilo S.p.A. as a result of this merger.

In accordance with the requirements of the international financial reporting standards adopted by the Group in continuity with previous years, the above-mentioned merger does not constitute a transaction likely to modify the amounts recognized in the Group's financial statements, due to the fact that it qualifies as a "business combination of entities under common control", control of which Salini S.p.A. acquired over Impregilo S.p.A. with effect from April 1, 2013. With the exception of the information provided above regarding new international financial reporting standards, the mandatory adoption of which is statutorily required as of January 1, 2014, the statement of financial position, income statements and statement of cash flows of the Salini Impregilo Group at December 31, 2014 reflect continuity of values with respect to the Consolidated financial statements of the Salini Group for the year ended December 31, 2013. These financial statements also reflected the restatement of the assets and liabilities of the Impregilo Group based on their respective fair value on the date control was acquired and the subsequent allocation of the difference between the above-mentioned fair value and the total consideration paid in 2013 by the then controlling Company Salini S.p.A. to acquire said control, as part of a process commonly referred to as purchase price allocation (PPA). Please note that the differential was positive and, consequently, was recognized in the 2013 consolidated income statement as badwill. For more information about these issues, please see the detailed disclosure provided in the notes to the Consolidated financial statements of the Salini Group for the year ended December 31, 2013.

Taking into account the developments described above, the data of the consolidated income statement and consolidated statement of comprehensive income for 2013 - provided below for comparative purposes - are those of the Salini Group and presented in the Annual Report of the Salini Group at December 31, 2013 to reflect:

a) the classification of the Todini Costruzioni Generali Group and the Company Fisia Babcock Environment GmbH in accordance with IFRS 5;

b) the retrospective recognition of the effects of the adoption of the new international financial reporting standards referred to in the previous paragraph of this section.

These figures, however, are not fully comparable with those presented by the Group resulting from the merger for the period reviewed in this Annual Report due to the fact that the contribution made by the Impregilo Group in the previous financial year was recognized, according to the line-by-line consolidation method, only as from April 1, 2013, the date of control acquisition by Salini S.p.A.

Please note that, in the first quarter of 2014, consistent with the process of monetizing the Group's non-core assets, launched in October 2012 and continued last year, the Salini Impregilo Group executed preliminary agreements for the sale to external parties of the entire interest held by Impregilo International Infrastructures N.V. in the German Company Fisia Babcock Environment GmbH. These agreements were finalized in May 2014; therefore, in the period reviewed in this Annual Report, the financial position attributable to this Company (at the time of sale) and the net profit resulting from the sale, equal to € 89.2 million, were reclassified in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

Lastly, with reference to the classification of the Todini Costruzioni Generali Group under IFRS 5, it is noted that following expression of interest in relation to its operations in Italy and abroad and given the Company's desire to rationalize the management of non-operational activities, the Todini Group was divided into business units. This restructuring operation, not foreseeable in December 2013, required an extension of the maximum deadlines set by IFRS 5 to satisfy the requests of potential buyers and resulted in the business units subject to expressions of interest being classified as non-current assets held for sale and profit (loss) from discontinued operations, in accordance with the provisions of IFRS 5. The business units not subject to an expression of interest by potential buyers and residual assets were classified in continuing operations. In accordance with IFRS 5, these classifications were also applied for the comparative period solely to income statement data.

With reference to the Separate financial statements presented below in this report, it is noted that the comparative data relating to the year ended December 31, 2013 refer to Impregilo S.p.A. before the merger, which took effect in legal and accounting terms as of January 1, 2014. The Impregilo data at December 31, 2013 were restated to take account of the new accounting standards applicable as from January 1, 2014.

Operating performance of the Group

Tab.1 – Reclassified consolidated income statement of the Salini Impregilo Group

(Amounts in thousands of euros)	Note (*)	2014	2013 (§)	Change
Operating revenue		4,096,337	3,173,291	923,046
Other revenue		97,774	89,086	8,688
Total revenue	**27**	**4,194,111**	**3,262,377**	**931,734**
Operating costs	28	(3,758,207)	(2,987,454)	(770,753)
Gross operating profit (EBITDA)		**435,904**	**274,923**	**160,981**
EBITDA %		*10.4%*	*8.4%*	
Amortization and depreciation	28	(177,521)	(134,236)	(43,285)
Operating profit (EBIT)		**258,383**	**140,687**	**117,696**
Return on Sales		*6.2%*	*4.3%*	
Financing income (costs) and gains (losses) on investments				
Net financing income (costs)	29	(142,028)	(57,966)	(84,062)
Gains (losses) on investments	30	8,973	195,135	(186,162)
Net financing costs and net gains on investments		**(133,055)**	**137,169**	**(270,224)**
Earnings before taxes (EBT)		**125,328**	**277,856**	**(152,528)**
Income taxes	31	(39,635)	(19,484)	(20,151)
Profit (loss) from continuing operations		**85,693**	**258,372**	**(172,679)**
Profit (loss) from discontinued operations	13	17,427	(102,140)	119,567
Net profit (loss) before allocation to non-controlling interests		**103,120**	**156,232**	**(53,112)**
Non-controlling interests		(9,347)	12,692	(22,039)
Profit (loss) attributable to the owners of the parent		**93,773**	**168,924**	**(75,151)**

(*) The note numbers refer to the notes to the Consolidated financial statements where the items are analyzed in detail.
(§) The income statement data for 2013 were reclassified following the adoption of the new standards IFRS 10 and 11 and in accordance with the provisions of IFRS 5 with reference to Todini Costruzioni Generali and Fisia Babcock Environment.

Revenue

The revenue booked in 2014 totaled € 4,194.1 million (€ 3,262.4 million on a like-for-like basis) and included € 3,458.5 million generated outside Italy.

Total consolidated revenue increased approximately 28.6% compared with the previous year. This increase essentially reflects, apart from the different consolidation time frame of the former Impregilo Group (nine months in 2013), the production progress on some large-scale projects abroad which, compared to 2013, became fully operational (Ethiopia, Denmark, Saudi Arabia and Qatar), up against which the substantial completion of major road and highways projects in Italy and the sale to external parties – finalized in the second half of the previous period – of activities related to the construction of Milan's External East Bypass took place. Please also note that, as far as the Group's foreign industrial activities are concerned, during 2014 it was necessary to take into consideration the temporary slowdown in production of several large projects in Venezuela.

The item "Other revenue" includes mainly positive components of income originated in the projects in progress and arising from ancillary industrial activities not directly attributable to the contract with the client.

Operating profit

The performance of the operating activities in 2014, both in absolute terms and on a comparable basis compared with the previous year, was not affected by unusual occurrences extraneous to the production cycle, with the exception of the different consolidation time frame of the former Impregilo Group in 2013 (9 months). Given this situation, the operating profitability achieved in the period subject of this Report reflects in a substantially consistent fashion the evolution of the production activities described in the comments to "Revenue". The profitability for the period, amounting to 6.2% (4.3% in 2013) was adversely affected by the reversal of the effects of the Purchase Price Allocation, amounting to €18 million of amortization, without which it would have been 6.6%.

In terms of the different types of operating expenses, comparison with 2013 revealed the following main changes:

- the increase in service costs, including subcontractors and other operating expenses, amounting to € 604.3 million, is in line with the change in production;

- the decrease in provisions and impairment losses totals € 23.0 million. Specifically, this includes the release of write-down provisions made in previous years on receivables due from clients in the Venezuela area, amounting to € 5.7 million, as well as the release of the € 9.1 million provision for risks and charges relating to the receivable with Todini Finanziaria S.p.A. which is now certain to be collected, partially offset by the € 3.4 million provision made on the Metro 6 contract in Chile relating to fines in delivery of the works. The item also includes writedowns of approximately € 5.5 million for bad debts with foreign clients and subcontractors incurred on the Italian office by the Kazakhstan and Uganda branches, and the writedown of the receivable worth € 3.7 million deemed to be doubtful by the Nepal branch;

- lastly, the increase in amortization and depreciation expense mainly reflects the reversal attributable to the financial year of the higher values assigned to some intangible assets of the former Impregilo upon acquisition of control by the former Salini.

The costs of central corporate structures and other general expenses for the period under review in this Report amounted to approx. € 142.9 million in total and are currently allocated to the "Italy" segment.

Financing income (costs) and gains (losses) on investments

Net financing costs totaled € 142.0 million (costs of €58.0 million in the previous year) while net gains on investments amounted to € 9.0 million (gains of € 195.1 million in 2013).

The main cause of the change in the net financing costs, in respect of the corresponding value recognized for 2013, apart from the different consolidation period of the former Impregilo Group, is the non-recurring charge of about €97 million resulting from the adoption by the Group of the new official exchange rate called SICAD 2 to translate its net assets denominated in the Venezuelan currency (called Bolivar Fuerte or VEF), effective as of June 30, 2014. The total €97 million impact comprises € 55 million calculated upon adoption of the new currency and the remaining € 42 million deriving from fluctuations in the amounts and the exchange rate during the second half of 2014. This situation was necessary in light of the continuing financial/currency crisis being experienced in the country, for the purpose of achieving a more reliable estimate of the value that these net financial assets will be realized and also in consideration of the regulatory characteristics of the local currency market, which puts significant restrictions on the movement of Venezuelan currency.

The net gains on investments in 2013 included the badwill recognized upon acquisition of Impregilo S.p.A., equal to € 293.7 million.

Profit (loss) from discontinued operations

Profit from discontinued operations totaled € 17.4 million (loss of € 102.1 million in the previous financial year). The reported profit is the net result of the following factors:

- a loss of € 0.9 million (negative by 14.6 million) reported by the remaining activities of the SUW Campania Projects;
- a net profit of € 85.1 million (loss of € 1.2 million in 2013) recognized as a result of the completion of the sale of the investment in the German Company Fisia Babcock Environment GmbH to third parties. The Group held this investment through its subsidiary Impregilo International Infrastructures N.V. Upon completion of the sales transaction a net gain of € 89.2 million was recognized, partially offset by the net loss, and amounting to roughly € 4.1 million, which the Company itself had contributed to the Group for the period prior to the sale;
- a net loss of € 66.8 million (a loss of € 86.3 millions) posted by Todini in the financial year.

Complete information about the main developments affecting the various assets held for sale and discontinued operations is provided in the relevant chapter included in this Annual Report entitled "Non-current assets held for sale and discontinued operations".

Financial position of the Group

Tab. 2 - Reclassified consolidated statement of financial position of the Salini Impregilo Group

(Amounts in thousands of euros)	Note (*)	December 31, 2014	December 31, 2013 (§)	Change
Property, plant and equipment, intangibles and non-current financial assets	1-2-3	832,355	698,469	133,886
Non-current assets (liabilities) held for sale	13	84,123	235,543	(151,420)
Provisions for risks	20	(97,527)	(176,194)	78,667
Post-employment benefits and employee benefits	19	(23,320)	(21,755)	(1,565)
Tax assets (liabilities)	5-10-23	148,698	141,638	7,060
Inventories	*6*	*262,740*	*224,380*	*38,360*
Contract work in progress	*7*	*1,252,769*	*1,157,014*	*95,755*
Advances on contract work in progress	*21*	*(1,725,884)*	*(1,733,988)*	*8,104*
Receivables (**)	*8*	*1,614,350*	*1,723,075*	*(108,725)*
Payables	*22*	*(1,426,743)*	*(1,263,495)*	*(163,248)*
Other current assets	*11*	*689,997*	*441,877*	*248,120*
Other current liabilities	*24*	*(335,918)*	*(294,767)*	*(41,151)*
Working capital		331,311	254,096	77,215
Net invested capital		**1,275,640**	**1,131,797**	**143,843**
Equity attributable to the owners of the parent		**1,109,903**	**699,427**	**410,476**
Non-controlling interests		76,513	221,995	(145,482)
Shareholders' equity	14	**1,186,416**	**921,422**	**264,994**
Net financial position		**89,224**	**210,375**	**(121,151)**
Total financial resources		**1,275,640**	**1,131,797**	**143,843**

(*) The note numbers refer to the notes to the Consolidated financial statements where the items are analyzed in detail.
(**) Receivables are shown net of €65.9 million (€44.5 million at December 31, 2013) classified in net financial position as the portion of net receivables pertaining to consortia and/or consortium companies over which no entity has control and operating under a cost recharging system, which corresponds to the Group's share of cash and cash equivalents or financial debt with SPVs.
(§) The statement of financial position data at December 31, 2013 were reclassified due to the adoption of the new standards IFRS 10 and IFRS 11.

Net invested capital

The net invested capital amounted to € 1,275.6 million at December 31, 2014, for an increase of € 143.8 million compared with the end of the previous year. The main changes are primarily attributable to the factors mentioned below.

Property, plant and equipment, intangibles and non-current financial assets

Net property, plant and equipment, intangibles and non-current financial assets were up €133.9 million. The main changes that occurred in this item compared with the end of the previous year are reviewed below:

- due to the sale of the controlling interest held in Fisia Babcock Environment the non-current assets decreased for a total amount of €12.9 million;
- the amortization and depreciation for the period caused a further reduction of €177.5 million in the net value of these assets;
- lastly, investments in property, plant and equipment and intangible assets for the period totaled €306.8 million and were mainly related to several recently acquired major projects in Qatar and Namibia as well as projects already launched in Ethiopia and Italia, with particular reference to the High Speed rail line;
- lastly, the value of investments increased by €30.8 million; €14.5 million of this increase is mainly attributable to equity investments, primarily relating to the subscription of shares, for a consideration of €8.6 million, in the project Company that will develop the concession contract for the Metro in Lima (Peru) and the acquisition by the subsidiary Todini of Co.Ge.Fin. Srl for €5.8 million; €6.9 million of the increase is attributable to the valuation using the equity method of a number of investments in associates.

Non-current assets (liabilities) held for sale

Non-current assets (liabilities) held for sale amounted to €84.1 million at December 31, 2014. They include the net assets (liabilities) of the following units of the Group:

- the business units of Todini Costruzioni Generali S.p.A. (net assets for sale), for a total of €73.7 million;
- the net assets relating to SUW Campania Projects (net assets) for €5.7 million, unchanged compared with the end of the previous year; and
- an asset owned by the subsidiary Co.Ge.Ma. S.p.A. worth €4.7 million, the sale of which took place at the end of the year and was finalized in the early days of 2015.

The change in this item compared with the previous year, largely reflects the recognition in 2014 of the restructured business units and residual assets of the Todini Group among continuing operations, in relation to several projects, as well as the impairment losses reported by the Todini Group in relation to several projects in the process of completion, relating to the portion classified as assets held for sale.

Provisions for risks

Provisions for risks amounted to €97.5 million, a decrease of €78.7 million. Specifically, the provisions for risks on equity investments decreased by €80.1 million mainly due to the receivable that the parent Company claims is due from the associate Grupo Unidos por el Canal SA (Panama) being shown net of the provisions for risks on equity investments recognized in line with the assessment of the loss to complete the contract; in 2013, the net receivable had a negative value and was recognized in the item provisions for risks on equity investments for €76.6 million, while in 2014, following the increase in the receivables for loans granted during the year, it was positive and classified in the item equity investments. Other provisions increased by €1.4 million as a combined result of accruals to provisions totaling €11.7 million – including the €3.4 million provision on the Metro 6 contract in Chile – and use of provisions totaling €9.9 million, principally attributable to the disbursements made by the Group in relation to the final settlement of the tax disputes in Ethiopia (€ 4.8 million).

Post-employment benefits and employee benefits

This item amounted to €23.3 million, a decrease of €1.6 million compared with the previous year. This is mainly attributable to the ordinary operations of the Group during the year. In particular, provisions amounted to €14.9 million, payments and financing of reserves totaled €16.9 million, while the effects deriving from the valuation of the provision under IAS 19 totaled €3.6 million.

Net tax assets (liabilities)

This item amounted to € 148.7 million at December 31, 2014. The change in net tax assets and liabilities compared to the previous year, which was positive and came to €7.1 million, mainly reflects the effects of the determination of the tax liability for the period at the consolidated level, taking also into account the different tax dynamics affecting foreign units and changes in the respective asset (liability) positions recognized in accordance with the tax laws of the countries where the units operate, as well as the amount of the tax payments on account made for the current year.

Working capital

Working capital increased by €77.2 million, from €254.1 million to €331.3 million.

The main changes in working capital related to developments in the Group's operating activities and the greater production on certain domestic and international contracts during the year. They are summarized below:

- inventories totaled €262.7 million, up €38.3 million over the previous year due to the combined effect of increased procurement activity for the progress of foreign contracts, specifically concerning hydroelectric projects in Ethiopia, and the projects in Qatar and Afghanistan, offset only in part by the use of inventories for construction activities on some foreign contracts, including in particular the hydroelectric projects on the Sogamoso River.

- Work in progress increased by €95.8 million, from €1,157.0 million to €1,252.8 million. This change – €38.1 million of which in Italy and € 57.7 million abroad – reflects the effects of production gains, particularly with regard to High Speed - High Capacity railway and in projects in Denmark.

- Advances on contract work in progress and "negative" contract work in progress (i.e.: invoiced advances greater than the cumulative value of the projects constructed) totaled €1,725.9 million for a decrease of €8.1 million. This change was mainly due to the effects of the following factors:

  – the net increase in contractual advance payments by €118.9 million, mainly attributable to the payment of the advance for the construction of Line 3 of the Riyadh Metro, partially offset by the absorption of disbursements recognized in previous years through the development of production activities;

  – the reduction – by €43.0 million – of "negative work in progress" attributable to the Company Fisia Babcock Environment GmbH, definitively sold to third parties at the end of first quarter; and

  – the decrease in "negative work in progress" totaling approximately €84 million, mainly relating to Nigeria.

- The current receivables and payables decreased, totaling €108.7 million and €163.2 million respectively. In addition to the ordinary effects depending on the trend of the industrial activities during the period and the ordinary relations with clients and suppliers related to those activities, this change reflects the adjustment to the values expressed in Venezuelan currency to the official exchange rate ("SICAD 2") adopted by the Group from June 30, 2014, which depreciated substantially compared to the prior official exchange rate ("CENCOEX", formerly known as "CADIVI"). As a result of this adoption, for which more details are provided in the Notes to the Consolidated financial statements should be consulted for more information, the effective value of the receivables (net of payables) denominated in Venezuelan currency decreased by €47.8 million compared to December 31, 2013.

- Other assets increased €248.1 million mainly due to advances to suppliers and insurance costs paid in advance with regard to the Group's new projects. Other current liabilities increased by €41.2 million compared to December 31, 2013 and related in particular to payables for indemnifications and expropriations of new contracts.

Net financial position

At December 31, 2014, the consolidated net financial position of the Group's continuing operations amounted to €89.2 million (negative by €210.4 million), while that of the non-current assets held for sale amounted to €81.3 million (negative by €53.9 million). The net financial position also includes the cash and equivalents with non-consolidated SPVs, equal to €65.9 million (€44.5 million). Specifically, this item recognizes the portion of net payables and receivables pertaining to non-controlled consortia and/or consortium companies and operating under a cost recharging system, which corresponds to the Group's share of cash and cash equivalents or financial debt with SPVs.

At the end of the period, the Net Debt/Equity ratio (based on the Net financial position of continuing operations), on a consolidated basis, was 0.08.

The net financial position for non-current assets held for sale refers to the held-for-sale business units of Todini Costruzioni Generali S.p.A.

The change in the financial position net of the cash resulting from the capital increase (commented previously) and the disposal of equity investments was generated by the investments in property, plant and equipment and intangible assets made on contracts at the launch stage and the use of cash by operating activities, especially in relation to the increase in working capital. Net financial position was also positively affected by the business units of Todini Costruzioni Generali S.p.A. that were not part of the disposal plan and therefore were recognized in continuing operations in 2014, in accordance with IFRS 5.

Gross debt decreased by €304.4 million compared to December 31, 2013, and amounted to €1,426.9 million.

Lastly, Salini Impregilo provided guarantees in favor of non-consolidated subsidiaries for a total of €312.4 million against loans granted by banks and lending institutions.

The Group's net financial position at December 31, 2014 is summarized in the following table.

Tab. 3 - Net financial position of the Salini Impregilo Group

(Amounts in thousands of euros)	Note (*)	December 31, 2014	December 31, 2013 (§)	Change
Non-current financial assets	4	89,124	48,909	40,215
Current financial assets	9	156,908	303,513	(146,605)
Cash and cash equivalents	12	1,030,925	1,127,276	(96,351)
Total cash and cash equivalents and other financial assets		**1,276,957**	**1,479,698**	**(202,741)**
Bank loans and other facilities	15	(456,209)	(643,871)	187,662
Bond issues	16	(394,326)	(552,542)	158,216
Finance lease payables	17	(102,310)	(109,876)	7,566
Total non-current indebtedness		**(952,845)**	**(1,306,289)**	**353,444**
Bank account overdrafts and current portion of financing facilities	15	(247,522)	(349,884)	102,362
Current portion of bond issues	16	(166,292)	(11,154)	(155,138)
Current portion of finance lease payables	17	(60,231)	(63,954)	3,723
Total current indebtedness		**(474,045)**	**(424,992)**	**(49,053)**
Derivative assets	9	-	1,016	(1,016)
Derivative liabilities	18	(5,244)	(4,354)	(890)
Net financial assets held by SPVs and unconsolidated project companies (**)		65,953	44,545	21,408
Total other financial assets (liabilities)		**60,709**	**41,207**	**19,502**
Total net financial position – continuing operations		**(89,224)**	**(210,376)**	**121,152**
Net financial position for assets held for sale		(81,292)	(53,868)	(27,424)
Net financial position including non-current assets held for sale		**(170,516)**	**(264,244)**	**93,728**

(*) The note numbers refer to the notes to the Consolidated financial statements where the items are analyzed in detail.
(**) This item recognizes the portion of net payables and receivables pertaining to consortia and/or consortium companies over which no entity has control and operating under a cost recharging system, which corresponds to the Group's share of cash and cash equivalents or financial debt with SPVs. In the financial statements, the balances are included in Trade Receivables.
(§) The data at December 31, 2013 were reclassified due to the adoption of the new standards IFRS 10 and IFRS 11.

Performance of the Parent Company Salini Impregilo S.p.A.

Tab. 4 - Reclassified separate income statement of the Parent Company Salini Impregilo S.p.A.

(Amounts in thousands of euros)	Note (*)	2014	2013 (§)	Change
Operating revenue		2,247,516	1,230,898	1,016,618
Other revenue		94,345	43,227	51,118
Total revenue	26	**2,341,861**	**1,274,125**	**1,067,736**
Operating costs	27	(2,115,972)	(1,101,195)	(1,014,777)
Gross operating profit (EBITDA) (**)		**225,889**	**172,930**	**52,959**
EBITDA % (**)		9.6%	*13.6%*	
Amortization and depreciation	27	(99,959)	(19,792)	(80,167)
Operating profit (EBIT) (**)		**125,930**	**153,138**	**(27,208)**
Return on Sales (**)		5.4%	*12.0%*	
Financing income (costs) and gains (losses) on investments				
Net financing income (costs)	28	(113,315)	26,841	(140,156)
Gains (losses) on investments	29	28,791	(13,245)	42,036
Net financing costs and net gains on investments		**(84,524)**	**13,596**	**(98,120)**
Earnings before taxes (EBT)		**41,406**	**166,734**	**(125,328)**
Income taxes	30	(10,713)	(50,248)	39,535
Net profit (loss)		**30,693**	**116,486**	**(85,793)**

(*) The note numbers refer to the notes to the Separate financial statements of Salini Impregilo S.p.A. where the items are analyzed in detail.
(**) The Section "Other information" gives a definition of these indicators.
(§) The income statement data for 2013 were reclassified due to theadoption of the new standards IFRS 10 and 11.

Revenue

The revenue booked in 2014 totaled €2,341.9 million (€1,274.1 million). Revenues in Italy were €529.0 million (€645.4 million) and €1,812.9 million abroad (€628.7 million).

Other revenues mainly comprise revenues from support and coordination activities carried out by the Parent Company on behalf of its subsidiaries and charged to them, and contingent assets.

Operating profit (EBIT)

The operating profit is €125.9 million (€153.1 million) with a Return on Sales of 5.4% (12.0%).

The operating profit is affected by the corporate structure's costs of €142.9 million.

Financing income (costs) and gains (losses) on investments

Net financing costs totaled €113.3 million (income of €26.8 million) while net gains on investments amounted to €28.8 million (losses of €13.2 million).

Net financing costs include:

- interests on the bond issue totaling €25.8 million. The nominal €400 million bond was issued on July 23, 2013 and matures in August 2018, incurring interest at a rate of 6.125%;
- interest on bank loans and current account overdrafts totaling €60.5 million. Bank loans include a Term Loan Facility with a 3-year expiry subscribed on December 10, 2013, taken out to refinance debt assumed for the public tender offer. The interest maturing in 2014

includes the portion of transaction costs relating to the loan described above, amounting to €16.9 million, recognized in profit or loss on the basis of the effective interest method;

- interest paid to Group companies totaling €15.7 million including in particular the €10.4 million in interest paid to the subsidiary Impregilo International Infrastructures NV;
- other financial expenses of €15.2 million, including interest on finance leases of €5.6 million and bank charges of €5.2 million.

Net exchange rate losses totaled €35.2 million. This reflects the charge of about €97 million resulting from the adoption by Salini Impregilo of the new official SICAD 2 exchange rate to translate its net assets denominated in the Venezuelan currency (called Bolivar Fuerte or VEF), effective as of June 30, 2014. The overall effect of €97 million comprises €55 million calculated upon adoption of the new exchange rate and the remaining €42 million linked to changes in balances and the exchange rate during the second half of 2014. This situation was necessary in light of the continuing financial/currency crisis being experienced in the country, as part of a more reliable approach to estimating the realizable value of these net financial assets, also in consideration of the regulatory characteristics of the local currency market, which enforces significant limitations on movement of Venezuelan currency. Further details about this situation are provided in the notes to the accounts, which should be consulted for more information.

Net gains on investments in 2014 stood at €28.8 million (net losses of €13.2 million), mainly reflecting:

- the payment of dividends by Group companies totaling €53.2 million including in particular the €50 million paid by the Netherlands-based subsidiary Impregilo International Infrastructures NV;
- the overall net effect was negative and amounted to €24.4 million, resulting from adjustments to the carrying values of certain investments in subsidiaries determined under the impairment testing procedures. In this context, more fully described in the notes to the Separate financial statements of Salini Impregilo S.p.A. presented elsewhere in this Report, impairment reversals (positive effect) of €12.2 million and impairment losses (negative effect) of €36.6 million are recorded.

Income taxes

Income taxes amounted to €10.7 million, corresponding to an effective rate of 25.9%.

Financial position of the Parent Company Salini Impregilo S.p.A.

Tab. 5 - Reclassified statement of financial position of the Parent Company Salini Impregilo S.p.A.

(Amounts in thousands of euros)	Note (*)	December 31, 2014	December 31, 2013 (§)	Change
Property, plant and equipment, intangibles and non-current financial assets	1-2-3	1,055,488	549,174	506,314
Provisions for risks	19	(36,952)	(134,228)	97,276
Post-employment benefits and employee benefits	18	(11,322)	(11,690)	368
Tax assets (liabilities)	5-10-22	18,629	(13,086)	31,715
Inventories	*6*	*192,130*	*33,833*	*158,297*
Contract work in progress	*7*	*765,792*	*441,444*	*324,348*
Advances on contract work in progress	*20*	*(803,169)*	*(198,484)*	*(604,685)*
Receivables (**)	*8*	*986,438*	*795,502*	*190,936*
Payables	*21*	*(863,255)*	*(476,228)*	*(387,027)*
Other current assets	*11*	*318,956*	*116,219*	*202,737*
Other current liabilities	*23*	*(137,152)*	*(63,619)*	*(73,533)*
Working capital		459,740	648,667	(188,927)
Net invested capital		**1,485,583**	**1,038,837**	**446,746**
Shareholders' equity	**13**	**942,987**	**1,193,825**	**(250,838)**
Net financial position		**542,596**	**(154,988)**	**697,584**
Total financial resources		**1,485,583**	**1,038,837**	**(948,422)**

(*) The note numbers refer to the notes to the Separate financial statements of Salini Impregilo S.p.A. where the items are analyzed in detail.
(**) This item includes €65.9 million (€44.5 million at December 31, 2013) representing the portion of net receivables pertaining to consortia and/or consortium companies over which no entity has control and operating under a cost recharging system, which corresponds to the Group's share of cash and cash equivalents or financial debt with SPVs.
(§) The statement of financial position data at December 31, 2013 were reclassified due to the adoption of the new standards IFRS 10 and IFRS 11.

Net invested capital

For the Parent Company, this item increases overall by €446.7 million compared with the previous year.

The main variations of the year contributing to the decrease are described below.

Property, plant and equipment, intangibles and non-current financial assets

Property, plant and equipment, intangibles and non-current financial assets increased overall by €506.3 million, including the amount deriving from the merger of Salini S.p.A. into Impregilo S.p.A., of €267.4 million. This item is broken down in the table below:

(amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Property, plant and equipment	268,805	19,975	248,830
Intangible assets	84,058	44,948	39,110
Investments in associates	702,625	484,251	218,374
Total property, plant and equipment, intangibles and non-current financial assets	**1,055,488**	**549,174**	**506,314**

Property, plant and equipment increased by €248.8 million, including €224.6 million deriving from the merger. The other changes mainly related to depreciation of €77.0 million, investments of €108.9 million mainly referring to foreign contracts, disposals of €9.0 million, and other gains – including exchange rate gains – totaling €1.3 million.

Intangible fixed assets referred mainly to costs for obtaining contracts, which increased by €39.1 million. Within this item, €25.4 million relates to the acquisition of a portion of the works on the Riyadh metro system and €36.7 million relates to future profits from orders in the backlog of the former Impregilo S.p.A. recognized after the merger, in line with the Consolidated financial statements. Depreciation for the period amounted to €23.0 million.

Equity investments increased by €218.4 million, of which €42.6 million pertaining to equity investments held by the former Salini as at December 31, 2013 and €112.4 million due to the greater value of the equity investments of former Impregilo recognized at the merger.

Provisions for risks

Provisions for risks amounted to €36.9 million and show a net decrease of €97.3 million in total, mainly due to the receivable that the parent Company claims is due from the associate Grupo Unidos por el Canal SA (Panama) being shown net of the provisions for risks on equity investments recognized in line with the assessment of the loss to complete the contract; in 2013, the net receivable had a negative value and was recognized in the item provisions for risks on equity investments for €76.6 million, while in 2014, following the increase in the receivables for loans granted during the year, it was positive and classified in the item equity investments.

Post-employment benefits and employee benefits

This item amounted to €11.3 million, with little change compared with the previous year. The contribution deriving from the merger was €1.9 million. Ordinary operations saw provisions of €7.6 million, payments and financing of reserves of €10.2 million and other changes of €0.3 million.

Tax assets (liabilities)

At December 31, 2014, net tax assets were positive at €18.6 million, against a negative net balance of €13.1 million for the previous financial year. The breakdown and variations for this item are as follows:

(amounts in thousands of euros)	**December 31, 2014**	**December 31, 2013**	**Change**
Prepaid tax assets	57,527	36,434	21,093
Deferred tax liabilities	(97,872)	(98,932)	1,060
Total net deferred assets (liabilities)	***(40,345)***	***(62,498)***	***22,153***
Current tax assets	46,581	46,541	40
Current tax liabilities	(27,292)	(45,750)	18,458
Total net current tax assets (liabilities)	***19,289***	***791***	***18,498***
Other tax receivables	47,091	52,963	(5,872)
Other tax payables	(7,406)	(4,342)	(3,064)
Total other current tax assets (liabilities)	***39,685***	***48,621***	***(8,936)***
Total tax assets (liabilities)	**18,629**	**(13,086)**	**31,715**

A more detailed examination of the variations affecting these items is provided in the notes to the separate financial statements of Salini Impregilo S.p.A. for the year 2014 provided elsewhere in this Annual Report.

Working capital

Working capital at December 31, 2014 amounted to €459.7 million, a decrease of €188.9 million compared with the previous year. The main changes in working capital related to developments in the Company's operating activities and the greater production on certain domestic and international contracts during the year. They are summarized below:

- inventories totaled €192.1 million, an increase of €158.3 million, of which €132.1 million as a result of the merger;
- contract work in progress moved from €441.4 million to €765.8 million, an increase of €324.3 million, of which €251.4 as a result of the merger;
- advances on work in progress amounted to €803.2 million, an increase of €604.7 million, of which €557.6 as a result of the merger;
- receivables totaled €986.4 million, an increase of €190.9 million. The merger added €306.5 million in receivables, while the year in question saw a reduction of €115.6 million;
- payables increased by €387.0 million, of which €286.9 million deriving from the merger;
- other current assets increased by €202.8 million, including €75.9 million as a result of the merger. The changes during the year are due mainly to increases in advances to suppliers and prepayments, mainly as a result of new contracts begun during the year;
- other current liabilities increased by €73.5 million compared to last year, of which €26.7 million as a result of the merger.

Net financial position

The net financial position of the Parent Company at December 31, 2014 was negative at -€542.6 million, compared with the previous year's figure which was positive and amounted to €154.9 million.

The following table shows Salini Impregilo S.p.A.'s net financial position at December 31, 2014 compared with the previous year-end.

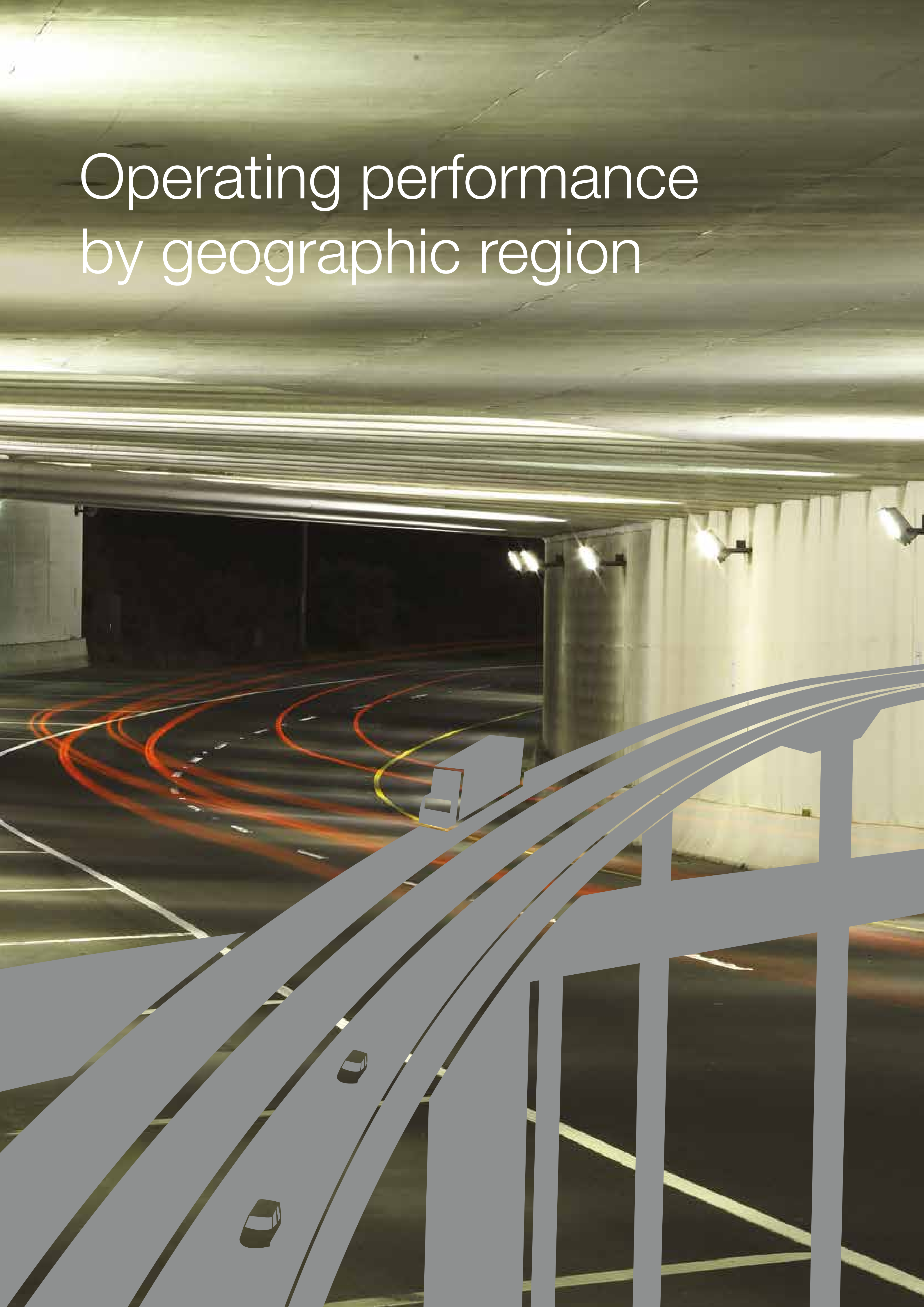
Tab. 6 - Net financial position of the Parent Company Salini Impregilo S.p.A.

(Amounts in thousands of euros)	Note (*)	December 31, 2014	December 31, 2013	Change
Non-current financial assets	4	39,083	29,810	9,273
Current financial assets	9	435,927	225,973	209,954
Cash and cash equivalents	12	380,867	310,442	70,425
Total cash and cash equivalents and other financial assets		**855,877**	**566,255**	**289,652**
Bank loans and other facilities	14	(405,086)	(98,839)	(306,247)
Bond issues	15	(394,326)	-	(394,326)
Finance lease payables	16	(88,673)	(12)	(88,661)
Total non-current indebtedness		**(888,085)**	**(98,851)**	**(789,234)**
Bank account overdrafts and current portion of financing facilities	14	(529,102)	(357,925)	(171,177)
Current portion of bond issues	15	(10,203)	-	(10,203)
Current portion of finance lease payables	16	(36,742)	(22)	(36,720)
Total current indebtedness		**(576,047)**	**(357,947)**	**(218,100)**
Derivative assets	9	-	1,016	(1,016)
Derivative liabilities	17	(294)	-	(294)
Net financial assets held by SPVs and unconsolidated project companies (**)		65,953	44,545	21,408
Total other financial assets (liabilities)		**65,659**	**45,561**	**20,098**
Net financial position including non-current assets held for sale		**(542,596)**	**154,988**	**(697,584)**

(*) The note numbers refer to the notes to the Consolidated financial statements where the items are analyzed in detail.
(**) This item recognizes the portion of net payables and receivables pertaining to consortia and/or consortium companies over which no entity has control and operating under a cost recharging system, which corresponds to the Group's share of cash and cash equivalents or financial debt with SPVs. In the financial statements, the balances are included in Trade Receivables.
(§) The data at December 31, 2013 were reclassified due to the adoption of the new standards IFRS 10 and IFRS 11.

Directors' Report
Part II

Operating performance by geographic region



This chapter presents the main events that characterized the Group's operating performance in 2014, both in terms of the areas of operation and the main projects currently under way.

The important events affecting the development of the Group's corporate governance structure in recent years, with specific reference to the integration of the Impregilo Group into the Salini Group - which, with effect from January 1, 2014, became fully effective with the merger between the former parent Company and former subsidiary - resulted in the initiation of a major organizational development process. This process, whose main drivers have already been presented to the market in previous periods, provided for, among other things, both the concentration of the Group's industrial activities in its core business involving the construction of complex large-scale infrastructures with the gradual disposal of assets no longer considered strategic, and a comprehensive review of the organizational and business management processes. This activity, which is currently in an advanced stage of development, became necessary also due to the following circumstances:

- changes in the Group's organizational structure and operations structures according to a 'domestic market' and 'international market' logic;
- gradual standardization of the different analysis and reporting structures for presenting consolidated financial and operating data of the two groups which are now fully integrated;
- harmonization of the functional architecture underlying the measurement of industrial objectives at both budget and actual level according to a new common disclosure standard in full compliance with current best practices.

Consistent with the information provided below, therefore, for the purposes of this Annual Report, the segment reporting is presented according to macro-geographical regions, based on the management review principles adopted by top management, for the two main segments: 'Italy' and 'Foreign'.

The highlights in the Section 'Other assets' are also subject to separate disclosure, along with any financial data, related to central corporate units. The units of the Group currently classified as Non-current assets held for sale and discontinued operations are subject to disclosure in the relevant section.

ITALY

Pedemontana Lombarda Highway

The work calls for the final construction design and the construction of the first section of the Como and Varese Bypasses, and the link between the A8 and A9 highways (from Cassano Magnago to Lomazzo), with the construction of approximately 26 km of highway and secondary roads, including about 7 km of tunnels.

During fiscal year 2010, the final design was approved and Contract Amendment No. 1 was entered into in February. The Amendment not only sets the total contractual amount at €880 million, it also calls for and governs the advance construction of certain works and executive design portions without including any contractually specified completion times. In December 2010, not only was the executive plan approved, an addendum to Contract Amendment No. 1 was entered into (which effectively increased the activities defined as advance works), and partial delivery of the work took place on December 7, 2010.

Starting with fiscal year 2011, however, and continuing into fiscal year 2012, the client experienced growing issues with its ability to meet its contractual financial commitments. In spite of these difficulties, the general contractor continued with construction according to the work schedule defined with the client, while initiating the contractually specified procedures provided for its own protection in connection with these issues. By the early part of fiscal year 2013, the client had largely overcome these financial difficulties and activities continued normally according to the program time line over the remainder of the fiscal year. In particular, on November 30, 2013, the link between the A8 and A9 highways reached substantial completion, as called for in the contractual documents.

On March 6, 2014, the Company signed Contract Amendment no. 3, the related Addendum and the delegation of payment of the Grantor CAL. These acts mainly involved:

- the determination of the new contract value of €922 million;
- confirmation of substantial completion of the A8 – A9 road link on November 30, 2013;
- extension of the deadline for the substantial completion of the Como and Varese Bypasses to June 30, 2014;
- the definition of the following new procedures for pre-financing payment arrangements: €128 million by March 30, 2014 through the delegation of payment of the grantor CAL, €32 million no later than 30 days before the substantial completion of the bypasses through the delegation of payment of the grantor CAL, €40 million, with interest, by January 31, 2015, by the client APL.

On December 11, 2014, Contract Amendment no. 4 was signed, which:

- redefined the total value of the contract as €930 million;
- acknowledged the substantial completion of Varese bypass and the Como bypass on October 31, 2014.
- set January 31, 2015 as the final deadline for the completion of the finishing, restoration and dismantling works on all sections.

Further, on December 11, 2014, a contract was signed with the Client for the executive design, plus associated works, to build the facilities necessary for implementing a toll-paying system for journeys using the "Free – Flow" system along section A – the first lot of the Como and Varese bypasses, for a total value of approximately €10 million.

Having delivered the works early, the Varese bypass was opened to traffic on January 24, 2015, and the A8 – A9 road link was opened on January 26, 2015.

Lastly, on March 6, 2015, a contract was signed with the Client for the planning and associated works to install a dynamic toll-paying system without barriers on the metal gateways of the A8 – A9 section and the 1st lot of the Como and Varese bypasses, for a total value of approximately €19 million.

The percentage of completion as of December 31, 2014 was 95.9%.

Line 4 of the Milan Metro

Impregilo, leader and lead contractor of a joint venture, was definitively awarded the tender called by the City of Milan for the selection of a private partner in a public/private partnership, which will be granted a concession for the engineering, construction and subsequent operation of Line 4 of the Milan Metro. The new line, which will be fully automated (there will be no engineer on board), will encompass a total of 15.2 km along the Linate-Lorenteggio section. The project calls for the final detailed design and construction of two single-track tunnels, one in each direction, with 21 stations and 32 structures (ventilation shafts, safety exits, and a depot/workshop).

The total value of the investment – consisting primarily of civil engineering works, providing technological services, and mechanical – is approximately €1.7 billion, with about two thirds of the funding coming from public State and City contributions.

In order to coordinate works activities, Salini Impregilo S.p.A. created the MM4 Consortium (EPC Contractor) together with builder partners only. The Consortium in turn assigned the civil engineering and non-system facilities, for a total of approx. €960 million, to consortium members, which are in turn equal partners in Metroblu S.c.r.l.

On June 20, 2013, the Addendum to the Ancillary Agreement was signed between SP M4 S.c.p.A. (a project Company under ATI consisting of the same participating companies) and the Client. This Addendum redefined the work schedule, focusing solely on the work for the "EXPO Section" and, among other things, increased the total investment to approximately €1.8 billion.

On December 16, 2014, the mixed Company M4 SpA – the operator – was formed between Municipality of Milan (66.67%) and the Private Members (33.33%); Salini Impregilo holds 9.67% of the capital.

On December 22, 2014, M4 SpA and the Municipality of Milan signed the Concession Agreement, and M4 SpA and CMM4 Consortium signed the Engineering Procurement and Construction (EPC) Contract for the entire project. The Project Financing Agreement was signed on the same date between the operator and the lending banks.

The percentage of completion as of December 31, 2014 was 11.0%.

Port of Ancona

On September 12, 2013, Salini Impregilo as head of a consortium was definitively awarded the contract for the construction and operation under concession of the road link between the Porto di Ancona, the A14 motorway and the SS 16 trunk road (the "Adriatica"). The value of the project is approximately €480 million and the concession period is 30 years from completion of the work. The initiative under concession anticipates a total revenue of about €2,540 million over the infrastructure management period. The project financing proposal submitted by the grouping of companies was declared of public interest by the ANAS Board of Directors in April 2008.

On December 2, 2013, the operator Company, the concession-holding Company Passante Dorico S.p.A. was incorporated, in which Salini Impregilo has 47.00% equity.

Passante Dorico SpA and the Ministry of Infrastructure and Transport signed the Concession Agreement on December 18, 2013.

By a letter dated February 27, 2015, the Ministry of Infrastructure and Transport informed the operator of the successful outcome of the approval process of the Agreement and its validity.

Consequently, the necessary actions began for the completion of the final design for the project.

Construction work on the new infrastructure will begin in late 2015, upon completion of the procedure for designing and approving the final design, and will be completed within five years. The new roadway will be about 11 km long, including main and linking roads, and will represent a strategic undertaking aimed at optimizing traffic flow between the Port of Ancona, the city, and the major roadway consisting of the A14 highway, allowing for adequate growth of the Ancona logistics system based on the port, intermodal freight terminal and airport.

Milan-Genoa High Speed/Capacity Railway Line Project

This project involves construction of the Milan to Genoa High Speed/Capacity railway line, which was awarded to the CO.C.I.V. Consortium as the general contractor with a TAV (as operator of the State Railways)/CO.C.I.V. Agreement dated March 16, 1992. Impregilo is the project leader.

As we know, the project underwent a complex, articulated pre-contractual phase which evolved on a number of fronts from 1992 to 2011, many of which were contentious.

The contract for work on the Giovi Third Railway Crossing - Milan-Genoa High Speed/High Capacity Line, was signed in November 2011. The total value of the works awarded to the General Contractor CO.C.I.V., led by Salini Impregilo with 68.25%, comes to approximately €4.8 billion. The first and second lots of the project, already under way, include construction works and activities for €1,047 million. On September 13, 2014, Decree Law 133/2014 ("The Unblock Italy Decree"), converted by Law 164/2014, allotted funding of €200 million to the 'Terzo Valico dei Giovi' high-speed railway between Milan and Genoa. Law 190/2014 ("The Stability Law"), which came into force on January 1, 2015, allotted an additional €400 million in financing for the project. The above financial resources are destined to be used to begin the third construction lot, expected to become effective shortly.

Toward the end of the first half of 2013, arbitration proceedings started in previous years were successfully concluded; these concerned payment to the Consortium of fees owed to it in relation to activities carried out prior to the entry into force of the aforementioned Decree Law 112/2008 in relation to which the Consortium had recorded only the item relating to the costs actually incurred. In addition, upon conclusion of the aforementioned arbitration proceedings, the Consortium's obligation to return the contractual advance which it had cashed, including eligible late payment charges, went into effect. This obligation was fulfilled early in the third quarter of 2013 by offsetting with the amounts owed to the Consortium according to the aforementioned arbitration proceedings, in keeping with the provisions of the Addendum to the November 2011 Agreement.

Lastly, the Salini Impregilo Group's share in the CO.C.I.V. Consortium was increased to 64% as a result of the finalization of the agreements signed with the partner Tecnimont S.p.A. in September 2013. An additional 4.25% was indirectly acquired through the subsidiary CIV S.p.A. in the first half of 2014.

The percentage of completion of the Active Lots (1 and 2) was approximately 22.4% as of December 31, 2014.

Salerno-Reggio Calabria Highway Project: Lots 5 and 6

The project involves the improvement and modernization of the last section of the Salerno-Reggio Calabria Highway in the stretch between the cities of Gioia Tauro and Scilla (Lot 5), and between Scilla and Campo Calabro (Lot 6). The Group is involved in the project with a 51% share.

With regard to Lot 5, which involved serious disputes with the client which ultimately came to a positive resolution, new critical situations were encountered starting with the second half of 2012. These are due to both the difficulty of obtaining the desired levels of productivity and to the social and environmental conditions that remain critical in the entire area of operation of the work sites, and have led to the need to revise the corresponding estimates in the quotation covering the entire life of the contract, resulting in losses, which were already fully reported in the income statement for the year 2012. In this regard, no new significant critical elements requiring that changes be made to past measurements arose in 2014. The signing of contract amendment no. 5 set a new deadline for the completion of the works at November 30, 2015. The percentage of completion of the work on lot 5 as of December 31, 2014 was 96.2%.

With reference to lot 6, the terms of a new survey are currently being defined, which will result in the deadline for the completion of works being moved to September 30, 2015. The percentage of completion as of December 31, 2014 was 93.5%.

Ionica State Highway

At the end of 2011, the Group, in partnership with other major sector companies, won the ANAS competitive bidding for construction work on the third maxi-lot of the Ionica State Highway ("SS-106") to be assigned to a general contractor. The value of the new contract is about €791 million (of which 40% for Salini Impregilo). The new infrastructure involves the development of a total of 38.0 km from the junction with state road 534 (SS-534) to Roseto Capo Spulico (Cs). The contract includes the construction of about 13 km of tunnels, 5 km of viaducts and 20 km of embankments as the main works. The overall duration of the work is expected to be about 7 years and 8 months, including 15 months to develop the design (final and construction) and to prepare for the start of work, with the remaining 6 years and 5 months for the construction phase.

The percentage of completion as of December 31, 2014 was 2.4%.

Third lane of Venice-Trieste A4 Highway (Quarto d'Altino-San Donà di Piave)

In November 2009, the grouping of companies led by Impregilo S.p.A. as agent won the competitive bidding for the executive design and construction of the extension to the third lane of the Venice-Trieste A4 Highway in the section between the cities of Quarto d'Altino and San Donà di Piave (VE). The total value of the contract is €224 million.

The works include widening the highway over a distance of 18.5 km with construction of a third lane, and, in particular, construction of two new viaducts over the Piave River for a total length of about 1.4 km, construction of 4 bridges, 9 overpasses, 4 highway underpasses, and refurbishing of the San Donà di Piave highway junction.

The percentage of completion as of December 31, 2014 was 93.4%, with completion expected within the first half of 2015 – six months ahead of the contractual deadline.

Verona-Padua High Speed/Capacity Railway Line Project

The IRICAV DUE consortium, of which Salini Impregilo holds 27.28% interest, is the general contractor of RFI S.p.A. for the design and construction of the Verona - Padua line, under the agreement dated October 15, 1991; role confirmed by the arbitration award of May 23-26, 2012, res judicata.

By resolution no. 94 passed on March 29, 2006, the CIPE had already approved the preliminary project for the first phase of the High Speed HS/ High Capacity HC Verona - Padua line from Verona to Montebello Vicentino and from Grisignano di Zocco to Padua, rendered functional by the requirements and recommendations proposed by the Ministry of Infrastructures and Transportation and implemented by the CIPE which ensures the connection from Montebello to Grisignano through Vicenza station.

Article 1, para 76 of the 2014 Stability Law (Law no. 147/2013), establishes that the aforementioned Verona - Padua line is to be constructed: «*with the procedures laid down by the letters b) and c) of section 232 and sections 233 and 234 of Article 2 of the Law of December 23, 2009, no. 191, "adding that, CIPE may approve the preliminary project" even if the financing of the construction phase, and the related final design is pending provided that there are sufficient funds to finance the first construction lot worth not less than 10 percent of the total cost of the works. To that end, spending through direct payment has been authorized for €120 million for each year from 2015 to 2029. The above contributions are not permitted for financial transactions with expenses borne by the State*».

The Verona - Montebello and Grisignano di Zocco-Padua sections are both functional. Specifically, the construction of the Padua - Grisignano section, quadrupling the existing line by about 17 km and worth approximately € 400/500 million, was repeatedly called for by the Veneto region as it would allow for a further expansion of the Regional Metropolitan Railway System (Sistema Ferroviario Metropolitano Regionale - SFMR), toward Vicenza, thus resulting in stronger support of the territory and local authorities.

On December 23, 2014, the agreement for the final design of the Verona-Padua section of the High-Speed/ High Capacity railway line was signed, regarding the first subsection of Verona-Vicenza. The signed agreement calls for the delivery of the final design for the first Verona–Vicenza subsection by May 15, 2015, leading to the start of works by the end of December 2015.

The Verona-Vicenza subsection – the subject of the signed agreement – has already been financed with €1.5 billion under the Stability Law 2015 and €369 million set aside under the Stability Law 2014. The works will cover around 50 km in an area that spans the provinces of Verona and Vicenza.

On December 31, 2014, Salini Impregilo and Lamaro Appalti – a member of the Consorzio IRICAV DUE with an interest of 6.82% – signed a "Preliminary Agreement" for the transfer of the interest held by Lamaro Appalti in the consortium to Salini Impregilo. The validity of the Agreement – whose capital, income-related and financial impacts will become effective December 31, 2014 – is subject a series of conditions in line with the bylaws of the consortium and the agreement with RFI, which must be satisfied by June 30, 2015, although this date may be extended to December 31, 2015.

Lastly, in relation to this project and the fact that the Group was represented in it, even before the merger between Salini and Impregilo by shares held separately by the companies in the consortium, the period prior to that reviewed in this report reflected the portfolio value limited to the portion attributable to the former parent. This circumstance, which took account of the substantial standstill of the dispute with the client prior to the events described below, as well as the different assumptions made in previous years in relation to the probability of restoring the correct contractual situation of the consortium, was considered to have passed in the light of these events and the portfolio value was presented in a homogeneous manner, including all of the shares attributable to the Group, currently estimated to be approximately €1,200 million.

Rome Metro Line B

On June 13, 2012 – having passed static testing and obtained all authorizations – the new section of line B1 connecting Piazza Bologna to Piazza Conca d'Oro was put into operation, with the Mayor of Rome and the city's top dignitaries in attendance.

Temporary acceptance was completed in February 2013, while legal proceedings started for the recognition of the reserves posted in the final account.

As regards the Jonio section, the work was substantially completed at December 31, 2014, except for the external areas, and several works which require permission from third-party entities for it to be performed. This section is expected to open by April 30, 2015. Also for the Conca d'Oro – Jonio section legal proceedings were initiated for the recognition of the reserves posted until IPC no. 12.

The Group was also awarded the contract for extension of Rome Metro Line B for the Rebibbia-Casal Monastero section. The project, commissioned by Roma Metropolitane to a grouping of companies including Vianini and Ansaldo, will be carried out partly through the technique of real estate development, and its value is set at approximately €948 million.

The main works will be the Rebibbia shunting neck, the stations of S. Basilio and Torraccia/Casal Monastero, with about 3.8 km of tunnels, an interchange, and parking for 2,500 cars. On December 21, 2012, the Service Conference for approval of the final design and variants put forth during the competitive bidding phase was completed.

On December 31, 2012, the commissioner's ordinance was issued in which the Mayor approved the preliminary integrated design, defined the purpose of the areas, and approved the expropriation plan in connection with the work project.

In January 2013, the grantor Roma Metropolitane provided a provision for a simultaneous start of the final and construction design.

In June 2013, the grantor Roma Metropolitane ordered the suspension of the executive design, requiring that further work be carried out on the final design already submitted.

On August 8, 2013, the final design was delivered to grantor Roma Metropolitane, revised according to the provisions received from Roma Capitale; its approval is currently pending.

The urban development variants, which are required in order to start the work, have not been adopted by the Municipal Administration. For this reason a letter was sent to the Grantor on July 24, 2014, with formal notice to comply, subject to termination for damages.

Given the lack of reply from Roma Metropolitane, on September 16, 2014 a further request was sent, without prejudice to the final deadline for the Grantor to comply (September 22, 2014).

Roma Metropolitane replied to the notice by letter on September 22, 2014, inviting Metro B Srl to a meeting to attempt to prevent the start of litigation. Negotiations between the parties were, therefore, suspended in view of the forthcoming conclusion of the administrative proceedings brought by the temporary association of companies CMB to challenge the award of the concession in question to the Salini Impregilo temporary association, the hearing for which was set to take place November 18, 2014 before the Council of State. The CMB temporary association's appeal was rejected in the court of first-instance.

Most recently, through a judgment issued on March 3, 2015, the Council of State confirmed the findings of the first-instance judge, confirming the legitimacy of the definitely award of the contract to the Salini Impregilo temporary association and, therefore, Metro B Srl's entitlement to the concession.

ABROAD

Greece

Thessaloniki Metro Project
This project is for construction of the Thessaloniki automated metro. The contract was signed in 2006 and the Group participates in it with other companies. The project involves construction of an automated subway with construction of two tunnels, each 9.5 km long, and 13 new underground stations.

The percentage of completion as of December 31, 2014 was 31.7%.

Stavros Niarchos Foundation Cultural Center
At the end of 2012, Impregilo was awarded the construction of the new Stavros Niarchos Foundation Cultural Center in Athens, Greece, as part of a joint venture with the Greek Company Terna S.A. The contract value is approximately €325 million with Impregilo's share being 51%, fully guaranteed and paid by the Foundation. The design, created by the architectural firm Renzo Piano Building Workshop, calls for the construction of an ecologically sustainable multi-purpose center located about 4.5 km from downtown Athens, which will occupy a total area of 232,000 m2, most of which devoted to a public park, to be completed in 38 months after work starts. The initiative also provides for construction of the new headquarters of the Greek National Opera, which includes a 1400-seat main theater and a 400-seat experimental theater, and the National Library, which will be open to the public and will contain up to 750,000 volumes. Lastly, under the contract, the activities of managing and maintaining the Cultural Center for a period of five years for an additional value of about €10 million will be allocated, once construction of the opera is completed.

The percentage of completion as of December 31, 2014 was 46.7%.

Denmark

On January 7, 2011, the subsidiary Copenhagen Metro Team I/S, a Danish Company in which Salini Impregilo S.p.A., Tecnimont Civil Construction, and Seli are shareholders, signed a contract to build the new Copenhagen Metro, one of the most modern transit infrastructures in the world.

The "Copenhagen Cityringen Project" consists of the design and construction of the new metro loop located in the city center, including 17 stations and two tunnels for about 17 km, with an expected traffic of 240,000 passengers per day.

The original contract value of €1,497 million, was updated to €1,657 million following other addenda, the latest of which, on October 22, 2014, assigned additional works for a total amount of approx. €240 million. About €55 million in price revisions must be added to this amount, bringing the total contract value to approx. €1,872 million.

The main activities in progress pertain to the excavation of underground sections and construction work on all the 22 contractually agreed sites (17 stations and 5 shafts).

Lastly, in 2013, 39.995% of Tecnimont Civil Construction's share in Copenhagen Metro Team I/S was bought out, allowing the Group to hold nearly 100% of the partnership of companies involved in the work.

The percentage of completion as of December 31, 2014 was 52.1%.

Romania

Orastie-Sibiu motorway
In April 2011, Impregilo won the competitive bidding for the design and construction of lot three of the Orastie-Sibiu highway from the Romanian National Highway Company (CNADNR). The value of the contract is approximately €144 million, 85% funded by the European Community and the remaining 15% by the Romanian government. The contract calls for the construction of 22.1 km of four-lane highway plus an emergency lane for an overall width of 26 meters. The Orastie-Sibiu project is part of a broader project called the "Highway 4 Corridor," which will connect the city of Nădlac located on the Hungarian border to

the city of Constance located on the western shore of the Black Sea.

The percentage of completion as of December 31, 2014 was 91.8%.

Lugoj-Deva
On October 11, 2013, the joint venture consisting of Salini Impregilo S.p.A. and S.E.CO.L. signed a contract with the Romanian National Highway Company (CNADNR) for construction of the Lugoj-Deva road lot 2.

The project, valued at approximately €127 million, will last 30 months, the first six of which for design activities.

The percentage of completion as of December 31, 2014 was 9.9%.

Poland

The Group, in conjunction with the local Company Kobylarnia, signed a contract on April 3, 2013, regarding the completion of construction work of the A1 "Torun – Strykow" section of A1 highway, composed of 2 lots and about 64 km long, connecting the cities of Czerniewice and Kowal.

The project has a total value of approximately €255 million.

Work on the first lot was completed on May 23, 2014; the Taking Over Certificate was issued on December 4, 2014.

Work on the second lot was completed on July 23, 2014, and the Taking Over Certificate is dated December 19, 2014.

The percentage of completion as of December 31, 2014 was 100.0%.

The initiative, led by the Polish General Directorate of Roads and Highways and co-funded by the European Union, constitutes full implementation of the strategic agreement signed with the Group in September 2012.

Turkey

On November 17, 2011, the subsidiary SKG, in which Kolin and Generali Costruzioni Ferroviarie also hold a stake, received the order to start work on the "Rehabilitation and reconstruction of the Kosekoy-Gezbe section of the Ankara Istanbul high speed train project".

The initiative, emblematic of the remodernization of Turkey's transportation system, includes dismantling of the current railway line and subsequent construction of a new dual-track line some 55.6 km long connecting the country's two "capitals". The new railway line will have an operating speed of 160 km/h.

Construction of the railway superstructure and the signaling, electrification, and telecommunication works are part of the project.

In August 2012, the Client issued a new service order to widen the railway for the addition of a future third line.

The funding body has formally authorized the works and on December 2, 2014 the contract amendment for €54 million was issued, making the value of the contract €201 million.

Removal of the existing railway section and civil engineering works has been completed, while the railway works and electromechanical works are at an advanced stage.

Despite the absence of the signaling system, on July 24, 2014 the Client issued the Take Over certificate for the infrastructure, superstructure and electrification subsystems. On July 25, 2014 the railway was inaugurated and opened to the public.

The percentage of completion as of December 31, 2014 was 92.2%.

On March 26, 2013, the Health Ministry of the Republic of Turkey awarded Salini S.p.A. (now Salini Impregilo S.p.A.), as part of a joint venture with the Korean Company Samsung C&T, the Dutch Company Simed, and the local Company Kayi Insaat, a concession to build and manage an important hospital complex in the city of Gaziantep with a total of 1,875 beds on a surface area of just over 500,000 square meters.

The initiative will be carried out based on the PPP (Public Private Partnership) model through an SPV (Special Purpose Venture) in which the Group held 28%, subsequently increasing to 35.5% due to the exit of the Dutch Company Simed. In turn, the SPV will assign the design, construction and supply work to a joint venture consisting of the subsidiary Salini Insaat and other companies, for a total value of approximately €510 million.

The operator was duly registered with the Istanbul Chamber of Commerce on June 20, 2013 under the name of Gaziantep Hastane Sagalik Izmetleri Isleteme Anonim Sirket.

The preliminary design of the healthcare facility (Conceptual Design) was completed at the end of February 2014 and the next phase is currently underway.

Belarus

A contract was signed on July 19, 2011 for the resurfacing of roughly 53 km of the M5 Minsk-Gomel road stretch, for a total value of approximately €93 million.

Physical production started in November 2011, after the Client delivered the four acquired lots, and was completed on November 15, 2013.

The contract is currently in the maintenance period, which will end on November 15, 2015.

Malaysia

The Ulu Jelai hydroelectric project is currently under way in Malaysia, about 200 km north of Kuala Lumpur in the state of Pahang. The project consists of a first lot for the access roads (CW1) and a second lot (CW2+EM1) for construction of an RCC (roller-compacted concrete) dam 90 meters high, an underground hydroelectric power plant capable of housing two Francis turbines with a combined installed capacity of 382 MW, including with hydroelectric and mechanical equipment with catchment works, and approximately 25 km of tunnels, 15 km of which created using TBM (Tunnel Boring Machine) technology.

In December 2013, a third lot of the project consisting of protection of the basin’s shores using filters and micropiles was awarded, valued at about €80 million, bringing the value of the contract to approximately €680 million.

The construction work, carried out by the subsidiary Salini Malaysia Sdn Bhd as part of a consortium with local partner Tindakan Mewah Sdn Bhd (Salini Malaysia 90%), will continue until 2016. The first lot of the project for the access road has been completed and delivered in the second half of 2013 (final certificate in September 2013). As for the main lot consisting of the dam and hydroelectric plant, dam excavation and the river diversion works, excavation on the underground plant and tunnels of the plant headrace and tailrace system have been completed (only 20 meters of the intake tunnel remain to be finished). About 80% of the concrete has been laid (592,000 m3 out of an estimated total of 750,000 m3), the structure of the plant is nearing completion and the installation of electromechanical components has now begun in various parts of it.

For the third lot of the project, the mobilization phase has been completed and the consolidation works using rockfill have started with about 510,000 m3 of rockfill, filters and drains placed. The construction of access roads and the diversion of the river in three places has been completed. The installation of micropiles in the areas adjacent to the dam have begun, with the placement of 42 micropiles (corresponding to around 1,250 meters). The percentage of completion as of December 31, 2014 was 72.8%.

Kazakhstan

Almaty-Khorgos

In July 2013, Impregilo S.p.A. and Todini Costruzioni Generali S.p.A., in a joint venture with a local Company, were awarded the construction of four lots of motorway linking the city of Almaty to Khorgos.

The project, promoted by the Ministry of Transport and Communications of the Republic of Kazakhstan, is worth approximately €272 million.

The work, funded by the World Bank, consist in the construction and dualization of the existing motorway for a total of about 193 km and in the construction of two overpasses and four bridges.

The four lots are part of a larger project called "Western Europe - Western China International Transit Corridor", which is the road corridor between Western Europe and Western China, the so-called new "Silk Road", to improve the network infrastructure of the area, developing trade to and from Europe.

The work is currently fully under way and completion is expected in 2016.

The percentage of completion as of December 31, 2014 was 22.7%.

Almaty-Ust-Kamenogorsk

The ability of the Group to play a strategic role in the implementation of infrastructure projects in the country is testified by the award to the subsidiary Todini Central Asia - always in July 2013 - of the project for the reconstruction of a 41 km lot of the Almaty - Ust - Kamenogorsk road, including three bridges and two overpasses worth about €92 million.

At December 31, 2014, the section of road covered with the final layer of concrete measures 25.4 km on the left side (2 lanes) and 17.7 km on the right side (2 lanes).

The percentage of completion as of December 31, 2014 was 49.8%.

United Arab Emirates

Abu Dhabi Hydraulic Tunnel - Lots 2 and 3

Salini Impregilo is currently completing construction on two lots of the STEP (Strategic Tunnel Enhancement Program), which involves the construction of a tunnel that will serve to collect waste water from the island and the mainland of Abu Dhabi by gravity and convey it to the treatment facility located in Al Wathba. The Group is building 25 km of the tunnel, which will ultimately measure 40 km. The total value of the contracts comes to approximately $445 million.

Lot 3 was completed during 2013, while lot 2 was completed in the first half of 2014.

United Arab Emirates-Dubai R881

After a slow down period of about two years caused by the economic recession that kept the country from being able to maintain regular progress payments, the "R881 Comprehensive Improvements of the Parallel Roads" project for construction of a highway section (lots 2C and 3A) in the city of Dubai resumed full production activity in 2012, thanks in part to the Client's recognition of certain claims for lot 2C (AED 40 million) and additional advance disbursements for lot 3 (AED 20 million).

The project mainly includes building 30 bridges, 2 underpasses, resurfacing more than 400,000 square meters of road and providing a large number of subservices.

All structures and roads were opened to traffic in December 2013. "Taking Over Certificates" were issued for lot 3A and lot 2C on April 15, 2014 and December 7, 2014, respectively.

Lastly, it should be noted that an additional agreement for AED 20 million was reached with the client as compensation for additional costs incurred in lot 3A during the "slow down" period caused by the economic downturn of the Emirates mentioned earlier.

At December 31, 2014 the AED 20 million had been received in full.

Abu Dhabi Highway Lot B - Dubai

On December 20, 2013, Salini Impregilo was awarded lot B of the new Abu Dhabi-Dubai highway in the United Arab Emirates. The work was commissioned by the Abu Dhabi General Services (the so-called "Musanada") and is one of the largest infrastructure projects in the country as part of the innovative "Plan Abu Dhabi 2030". The contract awarded to a consortium consisting of Salini Impregilo S.p.A. and the local builder Tristar Engineering & Construction (TE&C) involves the construction of a total of 28 km of the Abu Dhabi-Dubai highway, to be completed in 27 months. Work on lot B of the project is valued at approximately 840 million United Arab Emirates Dirhams (AED), which, at the current exchange rate, is about €168 million.

Qatar - Red Line North Underground

On May 17, 2013, Impregilo, as leader of a partnership of companies with a 41.25% share, won the competitive bidding launched by Qatar Railways Company for the design and construction of the "Red Line North Underground" of Doha. The "Red Line North" will extend northward for about 13 km from the Mushaireb station, with the construction of seven new underground stations. In particular, the project calls for the excavation of two parallel tunnels, one in each direction, which will be about 11.6 km long and have an inside diameter of 6.17 meters. The new project, along with 3 other metro lines, is part of a program led by Qatar to build a new infrastructure mobility system as part of the National Development Plan for 2030 ("Qatar National Vision 2030"), which provides for significant investments to ensure sustainable economic growth over time within the country and abroad.

The total value of the "Red Line North" contract comes to approximately 8.4 billion Qatari Rial, equal to about €1.7 billion, of which approximately €630 million for design and civil engineering works and about €1.1 billion for provisional sums for preparation work, electromechanical systems, and architectural work on the stations.

The percentage of completion as of December 31, 2014 was 9.6%.

Saudi Arabia - Riyadh Metro Line 3

On July 29, 2013, Impregilo, as the leader of an international consortium whose members include the Italian Company Ansaldo STS, the Canadian Company Bombardier, the Indian Company Larsen & Toubro, and the Saudi Company Nesma, won, with a 18.85% share, a major contract issued by the Riyadh Development Authority for the design and construction of the new Riyadh Metro Line 3 (40.7 km), the longest line of this major project in the Saudi Arabian capital's new metro network.

The lot assigned to the Consortium is an important part of the broader concurrent project for construction of the new Riyadh metro network (consisting of 6 lines with an overall length of about 180 km), worth a total of about $23.5 billion, in which another two global groups, including some of the largest companies in the world, are awardees for two other mega lots awarded at the same time as the lot awarded to the Consortium, which will be led by Salini Impregilo: one led by the American Company Bechtel consisting of Almabani, CCC, and Siemens, and the other led by the Spanish Company FCC consisting of Samsung, Freyssinet Arabia, Strukton, and Alstom.

The overall value of the works to be done by the Consortium for design and construction of the entire Line 3 is about $6.0 billion, of which about $4.9 billion for civil engineering works.

The percentage of completion as of December 31, 2014 was 2.5%.

Libya

For a review of the main types of critical issues identified within the Group's operations in Libya, refer to the information provided later in this section under the heading "Segment's risk areas".

Lidco contracts

The subsidiary Impregilo Lidco Libya General Contracting Company (Impregilo Lidco), active in Libya since 2009, is a mixed Company established by Impregilo with a 60% interest. A local partner owns the remaining 40%.

In the past, Impregilo Lidco won important contract for the construction of:

- Infrastructural projects in Tripoli and Misuratah;
- University campuses in Misuratah, Tarhunah and Zliten;
- Tripoli's new "Conference Hall".

A description of the status of these contracts is provided in the aforementioned paragraph "Segment's risk areas".

Libyan Coastal Highway
In September 2013, a consortium of Italian companies, with the Group as the leader with 58%, including Società Italiana per Condotte d'Acqua, Impresa Pizzarotti & C, and Cooperativa Muratori & Cementisti (CMC), signed a contract to build the first lot of the new Libyan coastal highway called "Ras Ejdyer-Emssad Expressway project," with a total value of approximately €945 million.

The new highway will traverse 1,700 km of the Libyan territory from the Tunisian border to the Egyptian border, and its construction will be an integral part of the agreements reached between the Italian Government and the Libyan Government with the signing of the Friendship and Cooperation Treaty on August 30, 2008.

The lot to be built by the Group will be 400 km long and will run from the city of Al Marj to Emsaad on the Egyptian border.

The motorway will have two lanes in each direction plus an emergency lane, and the most significant works will include the construction of 14 bridges and 52 viaducts, 8 service areas and 6 parking areas. The contract will be financed by the Italian government.

Koufra airport
In 2010, a contract was signed for rehabilitation of the Koufra Airport runways, in the amount of approximately €57 million.

After a long period of political instability that prevented the project from starting, the country's client administrations resumed the previous commercial and contractual relations in order to relaunch the project.

The requisite guarantees have been provided and the contractual advance payment was received in July 2013.

As a result of the social and political instability in the country, the initial worksite setup works have been suspended.

The percentage of completion as of December 31, 2014 was 18.6%.

Other contracts
The contract for the Koufra urban development project was signed during 2013.

Design work will only start upon normalization of the country. The agreement for construction of the new runway at Tripoli Airport still needs to be formalized, with the Company awaiting receipt of the signed document. Orders related to the Impregilo Lidco General Contracting Company are described in the 'Segment's risk areas' section.

South Africa - Ingula Hydroelectric Plant

The procedures for Impregilo's participation in the construction of a hydroelectric plant in South Africa, together with CMC of Ravenna and a local Company, were finalized in March 2009. The overall value of the project, in which Impregilo has a 39.2% stake, is currently equal to about €948 million. The initiative, called the "Ingula Pumped Storage Scheme," involves the construction of a generation and pumping plant with a total installed power of 1100 MW, which will generate electricity during peak hours and will reuse the same water by pumping it into an upstream basin during off-peak hours.

The percentage of completion as of December 31, 2014 was 92.1%.

Ethiopia

Gibe III Hydroelectric Plant
The contract was signed on July 19, 2006 and on the reporting date was worth about €1,607 million. It includes the construction of a 1,870 MW hydroelectric power plant consisting of an RCC (Roller Compacted Concrete) dam measuring 243 meters high with an open-air power plant. Other permanent works consist of a total of 75 km of access roads, a new bridge over the Omo River, and camps and structures for the Client.

In addition, an agreement was signed with the Client in 2010 for construction of the 66 kw electrical power line from the Sodo-Wolayta substation to the Gibe III site.

This line and its substations will remain the property of the Client EEPCo, but as compensation Salini will receive electrical power at a preferred rate compared to the national standard.

The percentage of completion as of December 31, 2014 was 82.3%.

"Grand Ethiopian Renaissance Dam" (GERD) Hydroelectric Power Plant

On December 30, 2010, Salini Costruttori S.p.A. and EEPCo (Ethiopian Electric Power Corporation) entered into an agreement to construct the "Grand Ethiopian Renaissance Dam" (GERDP), which will be the largest dam in Africa (1,800 m long, 170 m high and with an overall volume of 10 million cubic meters), along with two plants located on the banks of the Blue Nile, equipped with a total of 16 turbines each with installed capacity of 375 MW.

Addendum no. 2 was signed on March 12, 2012, to formalize the Client's request to increase the voltage of the power line between Beles and the GERDP from the originally planned 132 kw to 400 kw. This change led to an increase in the contract value to €42 million, bringing the overall total of the project to the current €3.6 billion.

Excavation on the main dam and power plants is currently in progress, where around 2 million cubic meters of RCC have been cast and compacted, while the new bridge over the Nile has been completed and was opened to traffic in September 2012. Likewise, excavation for the foundations of the Saddle Dam have been started and substantially completed.

Construction work on the riverbank power plants, the permanent camp, and the construction site roads is mostly completed, as well as work on diverting the Nile into the special channel.

The percentage of completion as of December 31, 2014 was 33.8%.

Nigeria

Work on the "Gurara Dam and Water Transfer Project, Lot A – Dam and Associated Works" project is in the completion phase. The current value of the contract, including the various contractual additions issued over the years (the contract was signed on January 30, 2001) comes to about €622 million. The 9 million m^3 earth and rockfill dam, intake works, and 30-MW hydroelectric plant are complete; the power transmission line, the irrigation perimeter, and some road work still need to be completed.

The percentage of completion as of December 31, 2014 was 97.9%.

Work is continuing on the "Development of Idu Industrial Area Engineering Infrastructure" contract (valued of approximately €251 million), consisting of the primary urban development works in a new district of the capital Abuja, intended for industrial use. The sewer and drainage networks are complete, 60% of the road network, including 4 viaducts, is paved, and construction is starting on the water supply and power supply grids.

The percentage of completion as of December 31, 2014 was 73.9%.

Work on designing and building the "Nigeria Cultural Centre and Millennium Tower" is also progressing (contract value of approximately €409 million). The tower structure has reached its final height of 170 m, the sails have been completed and the restaurant and glazing are nearly finished. The underground parking garage beneath the square has been completed, the tunnel linking the two plots of the project is complete, and the structures of the 7 buildings that make up the Cultural Centre and the Auditorium are at an advanced stage of construction. The steel covering of the auditorium has been finished. At the date of preparation of this Report, the installation of the multifunctional station and the planning setup remained still to do.

The percentage of completion as of December 31, 2014 was 36.6%.

The urban highway stretch of the "Extension of Inner Southern Expressway (ISEX)" for a value of roughly €70 million by the Federal Capital Development Authority with a contract signed on January 13, 2010, is in an advanced stage of construction. So far, 3 of the 4 major bridges have been completed, the drainage works are nearly finished, and most of the road is paved. The road lighting has also been installed.

The percentage of completion as of December 31, 2014 was 91.9%.

The "Dualization of Suleja Minna Road in Niger State", a contract obtained in November 2010 with a value of approximately €55 million, is under way. The earthwork and drainage works are currently in the completion phase, paving is partially completed and construction of all five bridges in the project has been completed.

The percentage of completion as of December 31, 2014 was 81.1%.

The "Development of District 1 Abuja North Phase IV West" project, worth a total of about €227 million, is ongoing. The bidding process was conducted in two phases (phase 1 – December 30, 2010, and phase 2 – March 5, 2012). Construction of one of the main bridges of the project is complete and the remaining culvert boxes of quadrant 1 have been made. In the same quadrant, the earth-moving and underground works (drainage and sewerage) are being finalized.

The percentage of completion as of December 31, 2014 was 12.6%.

On September 12, 2012, the "Adiyan Waterworks Phase II" project worth €232 million was acquired. This project consists of the design and construction of a water treatment plant with a capacity of 320,000 m3/day, intended to meet a portion of the Lagos population's water needs. The civil works on the treatment plant are at an advanced phase of construction. The civil works for the intake structure from the river and the conduit are yet to be started.

The percentage of completion as of December 31, 2014 was 25.9%.

Namibia

In 2013, a contract was acquired for construction of the Neckartal dam, with a value of approximately €192 million. The dam will exploit the waters of the Fish River to generate power and to create a reservoir to irrigate 5,000 hectares of land for the area's agricultural development.

A crossing (360 meters long and 9 meters high) and a pumping station, along with the relevant intake structure, will be built 13 km downstream from the dam. The water will flow through an 8.7 km steel pipe with a diameter of 1,100 mm to reach a reservoir (with 90,000 cubic meters of water) that is also part of the project.

The order to start work was issued on September 11, 2013 and the percentage of completion as of December 31, 2014 was 15.7%.

Sierra Leone

Routine management and maintenance of the Bumbuna hydroelectric plant and its transmission line to the city of Freetown are progressing normally. Electrical power generation is being handled in cooperation with the National Power Authority in charge of power distribution in the country.

The contract value, which was originally €10.2 million, has been increased to €26.1 million by way of two addenda signed on November 18, 2011 and December 18, 2013, respectively.

A new contract worth €3.3 million was signed with the Government of Sierra Leone on June 25, 2014, for the installation of a substation in Lunsar.

Similar observations can be made for the "Rehabilitation of 21.2 km of urban town roads" contract for the rehabilitation of several stretches of road in the four major cities of Sierra Leone. With the signing of five new additions to the contract in June and October 2011, March 2012, and October 2013, the value of the project has gone from the original €10.3 million to €30.2 million.

In addition, an addendum to the original contract was signed in 2013 for the rehabilitation of some roads in the Lunsar area, for an additional value of €4.5 million.

Variation Order no.6 , worth €5.6 million was signed on September 2, 2014. The total value of the contract comes to about €44.1 million.

The percentage of completion as of December 31, 2014 was 88.1%.

Lastly, a new contract was signed on May 24, 2013 with the Sierra Leone Road Authority for the rehabilitation of 70 km of road as part of the "Sefadu roads rehabilitation project section 1 - Matotoka-Yiye," valued at approximately $30.7 million and funded by the African Development Bank.

The percentage of completion as of December 31, 2014 was 34.1%.

Zimbabwe

On April 8, 2011, the Addendum for completion of the Tokwe Mukorsi dam was signed with the Zimbabwean government, represented by the Ministry of Water Resources Development and Management. The addendum, worth about €66 million, also provided for the full payment of delayed receivables owed by the client for previous addenda, amounting to about €11 million, which has been collected in full.

In 2012 and 2013, four new contract changes were also approved, thus resulting in a change in the value of the contract due to the approval of new designs, an increase in the amount of excavation, and an extension of the contractual deadlines.

The project, which will include the highest dam in the country and will create the largest man-made lake in Zimbabwe, involves the construction of a rockfill embankment with a maximum height of 90 meters, a capacity of 1.8 billion cubic meters, and the potential to irrigate 25,000 hectares of agricultural land.

The project has completed the roadwork, with the construction of about 43 km of roads, excavation of the main dam and the five saddle dams, the intake tower, and the diversion tunnel. The embankment for the main dam and those for the 5 saddle dams have also been completed, with a relevant Taking Over Certificate being issued.

At December 31, 2014 four Variation Orders were issued by the Customer in the light of which the value of the Project has changed to €154 million.

At December 31, 2014, all activities at the worksite have been halted due to non-payment.

The percentage of completion as of December 31, 2014 was 92.5%.

United States

Lake Mead Tunnel

In 2008, Impregilo won the competitive bidding launched by the Southern Nevada Water Authority (SNWA) for the construction of an articulated collection and transport system for the water of Lake Mead, one of the largest man-made lakes in the United States, in order to increase the supply of water for drinking and household use in the Las Vegas metropolitan area. The value of the contract is $447 million.

The percentage of completion as of December 31, 2014 was 84.9%.

San Francisco Metro

At the end of the first half of 2011, the Board of Directors of the San Francisco Municipal Transportation Agency awarded a contract to the Impregilo Group (in a grouping with the American Company Barnard) for construction of the "Central Subway" metro line extension in the city of San Francisco. The overall value of the contract is $233 million; Impregilo, through its subsidiary SA Healy, has a total stake of 45%. The project involves an underground extension of the current surface line in the city's downtown area, with construction of two new single-track tunnels having a total length of 5 km, which will be made with two 6.40 m diameter TBMs. The expected duration of the work is 35 months.

The percentage of completion as of December 31, 2014 was 97.0%.

Anacostia River Tunnel

On May 8, 2013, the Impregilo Group, in partnership with Parsons Corporation, a leading construction Company in the United States, won the competitive bidding to design and build a section of the wastewater collection and treatment system of the city of Washington DC. The high-tech project is valued at approximately $254 million (the Group's overall share is 65%). Impregilo will be the leader of the project, which is expected to be completed in about four and a half years after the start of works.

The "Anacostia River Tunnel" project is part of DC Waters' "Clean Rivers Project." It calls for the construction of a hydraulic tunnel running largely beneath the Anacostia, a tributary of the Potomac River. The tunnel will be about 3.8 km long and 7 m in inside diameter; there are also plans for the construction of 6 water uptake wells to a depth of about 30 m. The tunnel will carry wastewater and stormwater separately to prevent river pollution during floods (*Combined Sewer Overflows* or "CSO") that occur in periods of heavy rainfall.

The percentage of completion as of December 31, 2014 was 23.6%.

Gerald Desmond Bridge

In July 2012, Impregilo was awarded the tender called by the Long Beach port authority for the construction of a cable-stayed bridge with the main span of 300 m and two 150 m high towers. The development of the project will take place in the port of Long Beach. The present value of the contract is $659 million. The foundations for the piles are currently under construction.

The percentage of completion as of December 31, 2014 was 22.5%.

Venezuela

For a review of the main types of critical issues identified within the Group's operations in Venezuela, refer to the information provided later in this section under the heading "Risk areas".

Puerto Cabello Railway - La Encrucijada

The work consists in building the civil engineering works of a railway stretch of about 110 km, connecting Puerto Cabello to La Encrucijada.
In June 2014, Salini Impregilo signed a new contract addendum with the Railway Institute for electromechanical works on the Puerto Cabello-La Encrucijada line. The value of the work included in the addendum, taking into account the new changes adopted by the Group, mentioned in the first part of this report, is roughly €350 million. The percentage of completion as of December 31, 2014 was 84.4%.

San Juan de los Morros-San Fernando de Apure Railway and Chaguaramas-Cabruta Railway

Impregilo, with a 33.33% share, is involved in the construction of two additional railway lines, "San Juan de los Morros-San Fernando de Apure" (252 km) and "Chaguaramas-Las Mercedes-Cabruta" (201 km).
In addition to the 453 km of new lines, the projects include rail design and installation and construction of 11 stations and 9 logistics centers.
Work was 44.0% complete for the "San Juan de los Morros - San Fernando de Apure" section at December 31, 2014.
It was 57.6% complete for the "Chaguaramas - Cabruta" section at December 31, 2014.

Expansion of the Panama Canal

In July 2009, Impregilo, through Grupo Unidos por el Canal Consortium – a consortium with members Sacyr Vallehermoso (Spain), Jan de Nul (Belgium), and the Panamanian Company Constructora Urbana (Cusa) – received official notification of the competitive bidding award to build a new system of locks as part of the Panama Canal extension project. The bid came to $3.22 billion.
The project, referred to as Post Panamax, is one of the largest civil engineering projects ever undertaken, calling for the construction of two new sets of locks, one on the Atlantic side and one on the Pacific side. It will allow commercial traffic through the canal to increase and meet growth in the maritime transport market, characterized by a trend toward the construction of larger and heavier vessels than those which can currently pass through the existing locks.
For a review of the main types of critical issues identified for this project, refer to the information provided later in this section under the heading "Risk areas".
The percentage of completion as of December 31, 2014 was 84.2%.
Under the new IFRS 10 and 11, in these financial statements the Company that performs the works relating to this project is measured at equity.

Colombia

Hydroelectric project on the Sogamoso River

In December 2009, Impregilo won the competitive bidding to build the hydroelectric project on the Sogamoso River in north-western Colombia, about 40 km from the city of Bucaramanga.
The project involves the construction of a dam measuring 190 m high and 300 m long, and an underground power plant which will house three turbines totaling 820 MW of installed power. The value of the project is currently about €590 million and the client is ISAGEN SA, a mixed public/private funding operator involved in electrical power generation in Colombia.
Furthermore, Impregilo has already completed the preliminary work on the dam, involving the construction of two diversion tunnels measuring about 870 m long and 11 m in diameter, and a system of plant access roads and tunnels.
As for the main project of dam construction, critical issues were already encountered during the second half of fiscal year 2011, with a negative impact on both the production level and profitability. In particular, these events included exceptional adverse weather which struck a significant portion of the Colombian territory, substantially delaying the river diversion work, and, at the same time, the presence of geological conditions differing substantially from the contractually specified conditions, not to mention changes in the *scope of work* requested by the client. In the early part of 2012, some of the most substantial claims submitted by the contractor were acknowledged, and in 2013 a new contract change was obtained for the construction of new accessory works in the basin affected by the dam. The additional reservations submitted to the client are still under discussion.
The percentage of completion as of December 31, 2014 was 99.2% and on January 16, 2015 the hydroelectric power station was inaugurated.

"Ruta del Sol" Highway Project

At the end of July 2010, the Impregilo Group won the competitive bidding to manage the concession of the third highway lot of the "Ruta del Sol" project in Colombia. The concession, awarded to a grouping of companies led by Impregilo and consisting of the Colombian companies Infracon, Grodco, and Tecnica Vial, and the private investment fund RDS (owned by Bancolombia and the Protección Pension Fund), calls for the adaptation, widening to four lanes, and management of two highway stretches between the cities of San Roque and Ye de Cienaga, and between the cities of Carmen de Bolivar and Valledupar. The overall amount of the investment is about $1.3 billion. The concession contract provides for a total revenue of about $3.7 billion (40% for Impregilo's share), including income from tolls and a public contribution of $1.7 billion, which will be paid out starting with the construction phase. The concession will run for 25 years, including 6 years for the infrastructure design and adaptation phase and 19 years for the management phase.

The percentage of completion as of December 31, 2014 was 19.4%.

Chile – Angostura Hydroelectric Project

At the end of June 2010, Impregilo won the competitive bidding launched by the client Colbun SA, a Chilean Company involved in electrical power generation, to build a hydroelectric project in Chile, with an overall value currently standing at approximately €250 million.

The plant is located in the Angostura area about 600 km south of the capital Santiago.

In particular, the project involved the construction of a main dam measuring 152 meters long and 63 meters high, a secondary dam measuring 1.6 km long and 25 meters high, and the underground power plant which houses three generators for 316 MW of installed power. The electrical power output is about 1540 GWh per year.

Starting with the second half of fiscal year 2011, the project started to run into some critical issues due to growing socio-economic problems differing substantially from the projections shared during the bidding phase, and site working conditions resulting in part from changes in the work required by the client. The litigation actions taken against the client allowed for a partial containment of the effects that these critical issues have had on the profitability of the project. As of the reference data of this Annual Report as at December 31, 2014, the project's profitability was still in the red, and fully reflected in the balance sheet values already posted for previous fiscal years.

The construction works are completed.

Argentina - Riachuelo

On July 15, 2013, Impregilo, in partnership with its US subsidiary Healy S.A., won the competitive bidding for a lot to build a new wastewater collection system in the capital of the country, as part of the environmental remediation program of the metropolitan region of Buenos Aires Province. The value of the project, led by AySA (Agua y Sanamientos Argentinos SA), one of the major players in the Argentine water sector, is approximately €360 million.

The project involves the collection of wastewater from the Riachuelo treatment plant by means of a pit about 40 m deep. The wastewater will then be conveyed through a tunnel measuring 11 km long and 3.8 m in diameter to an outlet that will be built on the bed of Rio de la Plata.

The initiative has a strong social and environmental value. It is the first part of a broader program funded by the World Bank for sustainable development of the Matanza-Riachuelo Basin, aimed at cleaning up the Riachuelo River and the regions it passes through, which are considered to be among the most polluted in the world.

Australia - Skytrain

On December 18, 2013, the Group won the first contract in Sydney to design and build the so-called "Skytrain" viaduct, as well as other civil engineering works which will form one of the main sections of the new North West Rail Link (NWRL). The project has a value of about 340 million Australian Dollars, equal to about €220 million at the current exchange rate. It has a total length of about 6.2 km and includes construction of a viaduct measuring 4.6 km long and an iconic cable-stayed bridge 270 m long over one of the city's busiest streets. Completion of the work is scheduled for the first half of 2017.
NWRL is the biggest infrastructure project under way in Australia and the most significant public transportation project in Sydney since construction of the Harbour Bridge nearly 100 years ago.
Overall the project includes a new 20 km railway line – 15 km of which in tunnels – and eight new stations with 4,000 parking spaces. It is expected to be open to the public in 2019, for total investment of about 8.3 billion Australian Dollars. This is the first fully automated high-speed train system on the continent, the first step toward a new, more efficient, rapid transit network for Sydney and the metropolitan area.
The percentage of completion as of December 31, 2014 was 14.5%.

Order backlog

The order backlog relating to construction contracts at December 31, 2014, was as follows:

Region/Country (Salini Impregilo's share in millions of euros)	Project	Residual backlog at December 31, 2014	% of the total	Completion progress (%)
High Speed/High Capacity		**5,747.5**	**22.7%**	
Italy	Mestre Bypass Salerno-Reggio di Calabria	1.8	0.0%	99.5%
Italy	Highway, Lot 5 Salerno-Reggio di Calabria	46.8	0.2%	96.2%
Italy	Highway, Lot 6 Salerno-Reggio di Calabria	35.0	0.1%	93.5%
General Contracting		**83.6**	0.3%	
Italy	State Highway 36 connector	2.5	0.0%	99.1%
Italy	Spriana Landslide	2.0	0.0%	95.2%
Italy	Pedemontana Lombarda - Lot 1	18.1	0.1%	95.9%
Italy	A4 building of third lane	5.6	0.0%	93.4%
Italy	Milan Metro M4	428.9	1.7%	11.0%
Italy	State Highway 106 Ionica	338.2	1.3%	2.4%
Italy	Broni - Mortara	981.5	3.9%	0.0%
Italy	Port of Ancona	223.5	0.9%	0.0%
Italy	Isarco underpass	123.3	0.5%	0.2%
Italy	Metro B	946.3	3.7%	0.1%
Italy	Metro B1	2.9	0.0%	98.7%
Italy	SGF	1.1	0.0%	n.d.
Italy	other	4.0	0.0%	n.d.
Other projects in Italy		**3,077.9**	**12.1%**	
Total projects in Italy		**8,909.0**	**35.2%**	
Greece	Achelos Support Tunnel	0.3	0.0%	95.7%
Greece	Acheloos	0.9	0.0%	99.2%
Greece	Thessaloniki Metro	218.6	0.9%	31.7%
Greece	Stavros Niarchos Cultural Center	157.1	0.6%	46.7%
Romania	Orastie-Sibiu Highway	15.1	0.1%	91.8%
Romania	Lugoi Deva	118.7	0.5%	9.9%
Poland	A1 Motorway Torun - Strykow	1.5	0.0%	100.0%
Poland	Road S8 Marki - Radzymin Lot 1	64.5	0.3%	0.0%
Poland	S3 Nowa Sol	109.4	0.4%	0.0%
Poland	S7 Checiny	114.0	0.4%	0.0%
Slovakia	Lietavska Lucka - Visnove - Dubna Skala	408.0	1.6%	0.4%
Turkey	Gaziantep	136.2	0.5%	0.0%
Turkey	Kosekoy	15.2	0.1%	92.2%
Turkey	Cetin hydroelectric project	243.3	1.0%	0.1%
Denmark	Cityringen	896.9	3.5%	52.1%
Austria	Brenner Tunnel	180.4	0.7%	2.4%
Switzerland	Transalp Tunnel (Tat)	7.0	0.0%	98.0%
Switzerland	CSC	124.0	0.5%	82.4%
Projects in Europe		**2,811.1**	**9.6%**	

Region/Country (Salini Impregilo's share in millions of euros)	Project	Residual backlog at December 31, 2014	% of the total	Completion progress (%)
Dominican Republic	Acquedotto Oriental Consortium	0.9	0.0%	99.4%
Dominican Republic	Guaigui hydraulic system	74.4	0.3%	15.3%
Venezuela	Puerto Cabello - Contuy Ferrocarriles	206.0	0.8%	84.4%
Venezuela	Puerto Cabello - Contuy Ferrocarriles stations	366.0	1.4%	18.2%
Venezuela	Puerto Cabello Sistema Integral	328.2	1.3%	0.0%
Venezuela	Chaguaramas Railway	113.5	0.4%	57.6%
Venezuela	San Juan de Los Morros Railway	320.8	1.3%	44.0%
Venezuela	OIV Tocoma	230.9	0.9%	83.0%
Chile	Metro Santiago	28.3	0.1%	73.7%
Colombia	Sogamoso	4.6	0.0%	99.2%
Colombia	Quimbo	46.7	0.2%	85.8%
Colombia	Ruta del Sol Highway	576.7	2.3%	19.4%
Brazil	Serra Do Mar	1.7	0.0%	98.3%
USA	Vegas Tunnel - Lake Mead	58.7	0.2%	84.9%
USA	San Francisco Central Subway	2.5	0.0%	97.0%
USA	Gerald Desmond Bridge	137.8	0.5%	22.5%
USA	Anacostia	101.6	0.4%	23.6%
USA	Dugway Storage Tunnel Cleveland	126.0	0.5%	0.0%
Argentina	Riachuelo	380.2	1.5%	0.4%
Projects in Americas		**3,105.5**	**16.0%**	
Arab Emirates	Step Deep Tunnel Sewer Contract T-03	0.2	0.0%	99.9%
Arab Emirates	Tristar JV - subcontract	19.9	0.1%	8.5%
Qatar	Abu Hamour	62.3	0.2%	33.5%
Qatar	Red Line North	1,785.7	7.0%	9.6%
Saudi Arabia	Metro Ryiadh	1,642.2	6.5%	2.5%
Kazakhstan	Almaty - Khorgos (S)	115.0	0.5%	22.7%
Kazakhstan	Almaty - Khorgos (T)	112.6	0.4%	10.9%
Kazakhstan	Almaty - Kamengorsk	40.3	0.2%	49.8%
Malaysia	Ulu Jelai	183.7	0.7%	72.8%
Projects in Asia		**3,961.7**	**9.6%**	
Australia	NW Rail Link Project	196.9	0.8%	14.5%
Projects in Australia		**196.9**	**1.0%**	
Nigeria	Suleja Minna	10.5	0.0%	81.1%
Nigeria	Adiyan	172.3	0.7%	25.9%
Nigeria	District 1	198.4	0.8%	12.6%
Nigeria	Isex	5.7	0.0%	91.9%
Nigeria	Cultural Center	256.0	1.0%	36.6%
Nigeria	Idu	65.6	0.3%	73.9%
Nigeria	Gurara	12.1	0.0%	97.9%
Nigeria	Ogoni	28.2	0.1%	85.5%
Libya	Lidco	1,170.0	4.6%	12.0%
Libya	Libyan Coastal Highway	1,101.5	4.3%	0.1%
Libya	Kufra Urbanizzazione	210.9	0.8%	0.3%
Libya	Kufra airport	46.8	0.2%	18.6%
Libya	Tripoli Airport	99.4	0.4%	0.0%
South Africa	Ingula	35.5	0.1%	92.1%

Region/Country (Salini Impregilo's share in millions of euros)	Project	Residual backlog at December 31, 2014	% of the total	Completion progress (%)
Ethiopia	Gerd	2,414.0	9.5%	33.8%
Ethiopia	Gibe III	258.4	1.0%	82.3%
Zimbabwe	Mukorsi Dam	11.6	0.0%	92.5%
Sierra Leone	Matotoka	18.3	0.1%	34.1%
Sierra Leone	Rehabilitation of urban road	5.2	0.0%	88.1%
Sierra Leone	Operation & Maintenance	1.8	0.0%	100.0%
Namibia	Neckartal Dam	189.6	0.7%	15.7%
Africa	SGF - Il nuovo Castoro	6.8	0.0%	n.d.
Fisia Italimpianti		36.2	0.1%	n.d.
Total international projects		**16,430.0**	**64.8%**	
Total portfolio continuing operations		**25,339.0**	**100.0%**	
Total Group backlog at december 31, 2014		**25,339.0**	**100.0%**	

For information about the order backlog in Libya totaling €2,628.5 million, see the "Risk areas" section of this Report.

Concessions

The portfolio of concession activities held by the Salini Impregilo Group includes two main business areas: a first one, comprised of investments in already active concession holder companies in Argentina, Peru, Colombia and the United Kingdom, and a second one, consisting of Greenfield projects, which includes contracts for infrastructures in Italy and Peru that are still under construction and with regard to which the activities under concession will begin in the future.

In 2014, it is worth mentioning the important award of the contract for the construction of Line 2 of the Lima Underground. However, the inability to reach an agreement with the Argentinian Government over the necessary restructuring of the Puentes del Litoral contract meant that the shareholders were required to put the Company into liquidation, consequently revoking the concession agreement. The tables that follow show the key figures of the concession portfolio at the end of the period, broken down by type of activity.

Highways

Country	Concessionaire Company	% of investment	Total km	Stage	Start date	End date
Italy	Broni - Mortara	61.08	50	Not yet active	2010	2057
	Port of Ancona	47		Not yet active	2014	2050
Argentina	Iglys S.A.	98		holding Company		
	Autopistas Del Sol	19.82	120	Active	1993	2020
	Puentes del Litoral S.A.	26	59.6	in liquidation	1998	
	Mercovia S.A.	60	18	Active	1996	2021
Colombia	Yuma Concessionaria S.A.(Ruta del Sol)	40	465	Active	2011	2036

Subway systems

Country	Concessionaire Company	% of investment	Total km	Stage	Start date	End date
Italia	Milan subway Line 4	31.05	15	Not yet active	2014	2045
Peru	Lima Underground	18.25	35	Not yet active	2014	2049

Energy from renewable sources

Country	Concessionaire Company	% of investment	Installed capacity	Stage	Start date	End date
Argentina	Yacilec S.A.	18.67	T line	Active	1992	2091
	Enecor S.A.	30.00	T line	Active	1995	2094

Integrated water cycle

Country	Concessionaire Company	% of investment	Pop. served	Stage	Start date	End date
Argentina	Aguas del G. Buenos Aires S.A.	42.58	210,000	Liquidation		
Peru	Consorcio Agua Azul S.A.	25.50	740,000	Active	2000	2027

Hospitals

Country	Concessionaire Company	% of investment	Car parking Beds	Stage	Start date	End date
Great Britain	Impregilo Wolverhampton Ltd.	20.00	150,000 medical visits	Active	2002	2032
	Ochre Solutions Ltd.	40.00	220	Active	2005	2038
	Impregilo New Cross Ltd.	100.00		holding Company		
Turkey	Gaziantep Hospital	35.50	1875	Not yet active		

Car parks

Country	Concessionaire Company	% of investment	Car parking spaces	Stage	Start date	End date
Great Britain	Impregilo Parking Glasgow Ltd.	100.00	1,400	Active	2004	2034
Italy	Corso del Popolo S.p.A.	55.00		Not yet active		

Other

Country	Concessionaire Company	% of investment	Stage	Start date	End date
Italy	Piscine dello Stadio Srl	70.00	Active	2014	2041

Acquisition of new orders

Peru - Lima Underground

On March 28, 2014, the international consortium formed by the Salini Impregilo Group (19%), Ansaldo Breda (12%) and Ansaldo STS (15%) - a Finmeccanica Company - the Spanish ACS Dragados Group (leader of the consortium with 25%), FCC (19%) and the manufacturer Peruvian Cosapi (10%) was awarded the contract maxi promoted by P - Agencia de promoción de la Inversion Privada for the granting of the construction and management of the enlargement of the London Underground network the city of Lima in Peru. The concession has a total value of approximately $9 billion of which approximately 4.7 for the construction of the works and the remaining infrastructure management during 35 years of the concession period. Salini Impregilo construction is equal to 25.5% of the civil works. The project, to be completed in 5 years, includes 35 km of underground line.

Austria - Brenner Tunnel, lot Tulfes-Pfons

The Salini Impregilo Group - in a grouping with the Austrian Company STRABAG - was awarded a contract on April 7, 2014, for the construction of the main Tulfes-Pfons lot in Austria of the Brenner Base Tunnel. This project, which is part of one of the main segments of the Trans-European Networks (TEN), will consist of underground civil engineering construction for a segment of the exploratory access shaft, the emergency access shaft for the Innsbruck bypass and two interconnecting tunnels. A total of 38 km in tunnels will be constructed. The value of the project is about €380 million and Salini Impregilo holds 49% interest in the grouping.

Slovakia – Design and construction of the Lietavská Lúčka – Dubná Skala stretch of highway

The Company, leading a grouping of companies, with a share of 75%, was awarded the tender on April 17, 2014 for the design and construction of a 13.4 km section of the D1 highway in the northern part of Slovakia. The main items to be constructed include five viaducts, for a total length of 2.5 km, and a twin-tube tunnel 7.5 km in length. This stretch of highway is part of the Transportation Corridor No. 5 of the Trans- European Networks (TEN), which links Bratislava with Uzhhorod in Ukraine, and is financed by the European Union, through the European Investment Bank, and the government of Slovakia. The contract is worth about €410 million. Planning is at an advanced stage and excavation of the tunnel is expected to begin in the second quarter of 2015. The project will run for approximately five and a half years.

The contract will allow Salini Impregilo to break ground in a new market, where an important transportation development program is foreseen that will be financed by the European Union.

Italy - Brenner Base Tunnel, "Isarco river underpass" Lot

On October 23, 2014, Salini Impregilo, in a grouping with the Austrian Company Strabag, and the client BBT SE – Brenner Base Tunnel/Brenner Basistunnel – signed the agreement to commence works for the construction of the "Isarco River Underpass – southern segment of the railway tunnel mega-project" for the Brenner Base Tunnel, the most important project to be contracted on the Italian side to date. The Brenner Base Tunnel is the primary element of a new railway line that will connect Munich and Verona. Once completed, at 64 kilometers, it will be the longest underground railway connection in the world. The contract value is about €301 million and Salini Impregilo holds 41% interest in the grouping. Construction is expected to take 8 years.

Poland

Design and construction of the S8 Expressway section from the "Marki" junction to the "Kobylka" junction

The Contract includes the design and construction of the ring road north of Warsaw on the S8 expressway to Bialystok between Marki and Radzymin (Lot I) for a length of 8.13 km. The project aims at relieving urban traffic congestion and includes the construction of 2 junctions (the 'Zielonka' junction and 'Kobylka' junction), 9 major engineering structures (5 bridges, 2 flyovers and 2 underpasses), and the resurfacing of other secondary and local roads. The contract is worth about €80 million and the work will last 32 months.

The project, of European importance, was included in the "Program for the construction of state roadways in 2011-2015". The key benefits of the new expressway, besides relieving urban traffic congestion, include shorter travel times, a lower risk of accidents, fuel savings and less exhaust emissions and noise pollution.

Design and construction of the Lot 3 of the S3 Nowa Sòl – Legnica expressway

The Group, together with local Company Pribex S.A., has won the contract to design and build a circa 14.4 km section of the S3 Expressway between the "Kazmierzow" and "Lubin Polnoc" junctions, located in Lower Silesia, about 450 km south-west of Warsaw. The lot is part of the larger project to resurface the S3 expressway from Świnoujście to Lubawka, which runs north to south through Poland, parallel with the German border. The S3 is part of the European Route E65 and is supposed to speed up transport by reducing traffic in the numerous towns served by the old road.

The contract is managed by GDDKiA (Generalna Dyrekcja Dróg Krajowych i Autostrad) and follows the conditions set out in FIDIC Yellow (Design-Build). It was signed on December 22, 2014, which also marked the start of the estimated 30 months of work, including winter stoppages.

The project has a total value of approximately €135 million and is more than 50% financed by the European Union. It involves the creation of 3 junctions ("Kazmierzow", "Polkowice" and "Lubin Polnoc") and 25 major infrastructural works including bridges, overpasses and animal crossing points, and various minor works for the management of environmental impacts, drainage of surface water and interferences with various underground utilities. Two motorway service areas ("MOPs") are also included.

The design must take into consideration both the protection of the environment, given the numerous forests crossed and the impact on – and interference with – mining activities, which are highly important for the economy of the city of Lubin.

USA - Construction of the Dugway Storage Tunnel

The project is part of a broader plan for the collection, storage and treatment of water, with the objective of reducing the level of environmental pollution in Lake Erie. The Dugway Storage Tunnel in Cleveland, Ohio, is 4.5 km long, with a diameter of 8 meters. The contract involves the construction of 6 shafts of various diameters and depths, connections between the tunnel and the shafts and a series of concrete structures for the collection and transport of wastewater and rainwater. The value of the contract is USD 153 million (approximately €123 million).

Turkey - Cetin hydroelectric project

The Group has an 85% share in a contract worth approximately €260 million, won with the local Company NTF, for the realization of the civil works relating to the "Cetin" hydroelectric plant on the Botan River, a tributary of the Tigris River in the province of Siirt, in the southeastern part of Turkey. The contract entails the construction of a rockfill dam with an asphalt core, 145 meters in height, with a volume of 11.5 million m^3, intake works, spillway and open-air power plant for an installed power of 400 MW and 1100GWh/year.

Poland - S3 Expressway Nowa Sol-Legnica

The Salini Impregilo Group has a 95% share in a contract worth approximately €135 million for the design and construction of a 14.4 km section of the S3 Expressway in western Poland, not far from the city of Wroclaw. The works, which will last for 30 months, include three junctions: Kazmierzow, Polowice and Lubin Polnoc. It is the Group's fourth award in Poland this year, amounting to a total of €574 million.

Risk areas

ITALY

Ente Acque Umbre Toscane (Imprepar)

On December 29, 2010, the Group was informed that part of the sill above the surface discharge of the Montedoglio Dam, in the Province of Arezzo, had been damaged. In January 2011, the Umbria-Tuscany Irrigation Authority (now Ente Acque Umbre Toscane) informed Imprepar that "*investigations and tests are being carried out to ascertain the reasons and responsibilities for the damage*". As the transferee of the "sundry activities" business unit, which includes the "Montedoglio dam" contract, Imprepar informed the body that the activities related to the damaged works were carried out by another Company in 1979 and 1980, from which Impregilo (then COGEFAR) only took over the contract in 1984. In addition, the structure in question had been tested and inspected in the past with positive results. In its response to the Ente Acque Umbre Toscane, Imprepar specifically explained why it was not liable for any damages caused by the event and, comforted by the opinion of counsel, believes that, at this point, there are no reason to amend the relevant assessments.

During 2012, the management of the Ente Acque Umbre Toscane and the Project Manager signed a service order requesting the contractor to immediately prepare executive designs and commence the related work at its own expense and under its own responsibility. Imprepar challenged these actions in their entirety, even though the amounts involved were not material.

As part of a Prior Technical Assessment resulting from a third-party complaint claiming damages of a minor amount (around €80,000), the judge ordered a technical appraisal by a court-appointed expert to determine the causes of the subsidence of the dam.

Imprepar, with the aid of its legal advisors, is defending the correctness of its conduct in all the competent forums.

Strait of Messina bridge and roadway and railway connectors on the Calabria and Sicily sides

In March 2006, Impregilo, in its capacity as Lead Contractor and general partner (with a 45% interest) of the Temporary Business Association established for this specific purpose, executed with Stretto di Messina S.p.A. a contract to entrust to the general contractor the final and executive design for the construction of a bridge on the Strait of Messina, with the related roadway and railway connectors.

In addition, a pool of banks signed the financial documents required by the General Specifications, after the Association won the tender, for the supply of credit lines totaling €250 million earmarked for the services subject of the awarded project. In addition, as contractually stipulated, the client was also given performance bonds of €239 million. A reduction of the credit line to €20 million was approved in 2010.

In September 2009, Stretto di Messina S.p.A. and Eurolink S.c.p.A. executed a rider that took into account the suspension of project activities from the time when the contract was signed until that date. As provided for by the rider, the project's final design was also delivered to the client. On July 29, 2011, the Board of Directors of Stretto di Messina S.p.A. approved the final design.

Decree Law 187 was issued on 2 November 2012 providing for "Urgent measures for the renegotiation of the contracts with Stretto di Messina S.p.A. (the client) and for local public transport". Further to the enactment of this decree and in light of the potential implications for the contractual position of the Eurolink General Contractor, of which Salini Impregilo is the leader, Eurolink decided to send to the client, pursuant to the contractual provisions in effect, a notice of its intention to withdraw from the contract also to protect the positions of all Italian and foreign partners in the Association. Nevertheless, given the preeminent interest in constructing the project, the General Contractor also communicated its willingness to review its position, should the client demonstrate a real commitment to pursuing the project. Despite the efforts made, the negotiations carried out by the parties were unsuccessful. Eurolink commenced various legal proceedings in Italy and at the EU level, on the one hand, arguing that the provisions of the above-mentioned decree are unconstitutional and contrary to EU laws and thus injurious to Eurolink's legally acquired rights under the contract and, on the other hand, asking that Stretto di Messina be ordered to pay the amounts claimed, under various titles by the General Contractor due to the termination of the contract for reasons for which it was not responsible. With regard to the actions filed at the EU level, it is worth mentioning that, in November 2013, the European Commission communicated its decision to suspend the lawsuit, as no treaties were violated, and confirmed it on January 7, 2014, with a communication dismissing the lawsuit. As regards the civil action in Italy, Salini Impregilo S.p.A. and all the members of Eurolink have jointly and severally asked that Stretto di Messina be ordered to pay the amounts claimed, under various titles, due to the termination of the contract for reasons for which it was not responsible. Consistent with the developments described above, the order backlog of the Salini Impregilo Group at the end of 2012 was restated to reflect the elimination of the above-mentioned project. Considering the complex nature of the various legal proceedings and although the legal advisors assisting Salini Impregilo and the general contractor are reasonably confident about the outcome of the proceedings and the recoverability of the remaining assets recognized for this contract, it cannot be excluded that events not currently foreseeable may arise in the future which would require the current assessments to be revised.

ABROAD

Impregilo Lidco Libya General Contracting Company (Libya)

Salini Impregilo S.p.A. is present in Libya through a permanent establishment and a subsidiary, Impregilo Lidco Libya General Contracting Company (Impregilo Lidco), active in Libya since 2009 and owned 60% by Salini Impregilo and 40% by a local partner.

The permanent establishment's contracts are described in the paragraphs, "Libya – Koufra Airport" and "Libya – Other Contracts" of the Directors' Report. No significant risks are believed to exist in relation to these contracts as activities have yet to begin, except at Koufra Airport. Even so, for this contract the total exposure is not material, having received a contractual advance in July 2013. Lastly, the Group is part of the "Libyan Coastal Highway" project, which at the date of this Annual Report has not yet been started.

With reference to Impregilo Lidco, it is noted that the subsidiary won important contract for the construction of:

- Infrastructural projects in Tripoli and Misuratah;
- University campuses in Misuratah, Tarhunah and Zliten;
- Tripoli's new "Conference Hall".

With regard to the political upheaval in Libya from the end of February 2011 to the date of this Report, it is worth mentioning that the subsidiary was always able to operate in accordance with contractual terms and that the investments made up until the deterioration of the country's political situation were fully covered by contractually stipulated advances.

In addition, the projects subject of the contracts executed by the Libyan subsidiary represent projects of national interest with regard to which, at the moment, it would not seem reasonable to presume that they would be abandoned by the client. It is also clear that the subsidiary will face significant challenges in developing the projects in accordance with the schedule planned before the crisis erupted. Accordingly, Salini Impregilo does not expect significant new growth in the production activities of its subsidiary Impregilo Lidco in the near future.

The procedures necessary to restart industrial activities started in 2012 were halted due to the resurgence of conflict in the latter part 2014. In 2012, more precise information became available once again about the balance sheet and income statement items that impact the Consolidated financial statements of the Group. Consequently, in the consolidated statement of financial position, income statement and statement of cash flows of the Impregilo Group at December 31, 2012 the asset, liability and income statement items attributable to the Libyan subsidiary were restated in accordance with Group principles, based on the evidence developed during the period and the support of assessments provided by the independent counsel that is assisting the subsidiary. Compared with the situation reported in Impregilo's 2011 Consolidated financial statements, which reflected the latest available information at March 31, 2011, the value adjustments made to reflect the gradual impairment losses suffered by the subsidiary's net assets as a result of the events described above were estimated as constituting charges totaling €47.9 million. These charges were included in contract work in progress, as the Group deems them recoverable, considering that relationships with the clients have been reinstated. Net cash and cash equivalents held in Libya decreased by roughly €15.2 million due to costs incurred locally in the period from March 31, 2011, to December 31, 2014.

In addition, early in 2013, a physical inventory was taken of plant, machinery and supplies at the main worksites, with a total carrying amount of €29.9 million, but not all inventory sites could be accessed for security reasons. Taking also into account the fact that costs that may arise following completion of the inventory taking procedures would be covered by clients, consistent with force-majeure contract terms, as determined by the counsel that is assisting the subsidiary, no significant risks are deemed to exist in this context with regard to the recovery of the net assets attributable to the subsidiary, thanks in part to actions and claims filed with the clients contractually or otherwise.

Currently, also in view of the recent unrest in various areas of the country during the period under review, the social and political situation in the country remains extremely complex and marked by critical conditions. In spite of this, an important agreement was reached with the client during the first months of 2014. Under this agreement, the parties expressed their willingness to resume industrial activities as soon as security measures could be implemented, while at the same time fully maintaining the claims for damages filed by the subsidiary as a result of force majeure, provided for under contract and based on which the activities were suspended.

Lastly, Salini Impregilo continues to monitor the country's situation very closely and it cannot be ruled out that, after the reporting date of this Annual Report, events may occur that are unforeseeable at present and liable of resulting in changes to the assessments made to date.

Iceland - Tax dispute

In connection with the contract for the construction of a hydroelectric power plant in Karanjukar (Iceland), which the Group successfully completed in previous years, please keep in mind that, in 2004, a dispute arose with the local tax authorities with regard to the party required to act as the withholding agent for the compensation of foreign temporary workers employed at the worksite. Salini Impregilo (then Impregilo) was initially wrongly held liable for the payment of the withholdings on this remuneration, which it therefore paid. Subsequent to the final ruling in the proceedings activated in this dispute before the local lower court, the Company obtained full satisfaction of its claims. Nevertheless, the local authorities filed a new lawsuit with a similar scope and, based on a decision handed down by the Icelandic Supreme Court in February 2010, which blatantly contradicted the previous decision issued in 2006 on the same matter by the same judicial authority, rejected the claims filed by the Company, which expected to be reimbursed the unduly paid withholdings totaling €6.9 million (at the original exchange rate). Following the latest ruling, the Company pursued all available judicial avenues, both at the international level (appeal filed with the EFTA Surveillance Authority on June 22, 2010) and, as far as possible, again at local level (new reimbursement claim filed with the local tax authorities on June 23, 2010), in the belief, comforted by the opinion of counsel, that the decision previously handed down by the Icelandic Supreme Court was incorrect in respect of local legislation, the international agreements that govern trade relations between EFTA countries and international conventions that prohibit the adoption of discriminatory treatments for foreign entities (both individuals and companies) working in signatory countries. On February 8, 2012, the EFTA Surveillance Authority sent the Icelandic government a communication notifying an infraction regarding the free exchange of services and requesting the government to provide its response. In April 2013, at the conclusion of this process, the EFTA Surveillance Authority issued its reasoned opinion finding the provisions of the Icelandic legislation applied to the dispute in question to be inconsistent with the regulations governing trade relations between member countries and asking that Iceland take action consistent with this position; As a result the Company formally requested the re-opening of the case. In view of the above, Impregilo does not believe that objective reasons currently exist to change the valuations made about this dispute.

Panama Canal extension project

With regard to this project, certain critical issues have arisen during the first stage of full-scale production which, due to their specific characteristics and the materiality of the work to which they relate, have made it necessary to significantly revise downwards the estimates on which the early phases of the project had been based. The most critical issues relate, inter alia, to the geological characteristics of the excavation areas, specifically with respect to the raw materials necessary to produce the concrete and the processing of such raw materials during normal production activities. Additional problems arose due to the adoption by the client of operational and management procedures substantially different from those contractually stipulated, specifically with regard to the processes for the approval of technical and design solutions suggested by the contractor. These situations, which were the subject of specific disclosures in previous financial documents published by the Group, continued in 2013. Faced with the client's persisting unwillingness to reasonably implement the appropriate tools available pursuant to the contract to manage such disputes, the contractor, and thus the original contractor partners, was forced to acknowledge the resulting impossibility to continue at the contractor's full and exclusive risk the construction activities needed to complete the project, with assumption of the full financial burden required for this purpose without any guarantee of the resumption of objective negotiations with the counterparty. In this context, at the end of 2013, formal notice was sent to the client to inform him of the intention to immediately suspend work if the client refused once again to address this dispute in accordance with a contractual approach based on good faith and the willingness of all parties to reach a reasonable agreement.

Negotiations between the parties, supported by the respective consultants and legal/contract experts, were carried out through February 2014 and, on March 13, 2014, the minutes of an agreement were signed. The key elements of the agreement include, in exchange for the contractor's commitment to resume work activities and complete them by December 31, 2015, a commitment on the part of the client and the contractor companies to provide the funding for the portions of the project not yet completed, for a maximum amount of about $1.4 billion. This commitment will be honored by the client through (i) a moratorium on the refunding of already disbursed contractual advances totaling about $800 million and (ii) the disbursement of additional advances amounting to $100 million, while the Group of contractor companies will contribute (i) a direct contribution of their own financial resources in the amount of $100 million and (ii) a contribution of additional financial resources, through the conversion into cash of existing contractual guarantees totaling $400 million. The reimbursement of the amounts stipulated to finance the work to be performed was postponed, so as to make it compatible with the expected outcome of the arbitration proceedings, launched concurrently to determine the responsibilities of the parties for the extra-costs already incurred and to be incurred due to the situation described above. In this regard, already in previous years, the Group had applied a reasonably prudent valuation approach to the project, which was clearly supported by its legal advisors, on the basis of which significant end-of-project losses were recognized, mitigated in part by the corresponding recognition of the additional consideration claimed from the client and determined based on the expectation that recognition of such consideration could be deemed to be reasonably certain. Bearing in mind that at the end of the previous year, the generally problematic situation existing at that time, far from being resolved, was continuing, as described, while the agreements mentioned above were being finalized, an overall update was performed of the contract's full-life economic projections. At the end of 2014, the Dispute Adjudication Board (DAB) established by the parties for the project awarded GUPC compensation in the amount of US$234 million, which was paid in the early months of 2015.

In this context, also with the support of the Group's legal advisors in handling the complex litigation procedures initiated, no specific and new conditions arose that required changes be made to past valuations.

Under the new IFRS 10 and 11, in these financial statements the Company that performs the activities relating to this project is measured at equity.

Venezuela

The Salini Impregilo Group has been active in Venezuela through a stable organization that, directly or in association with international partners, carried out several railway and hydroelectric projects, with a presence in the local territory consolidated in the Country over a span of more than 30 years.

In recent years, relationships with clients, all government entities, were generally characterized by delays in payments. This problem became more pronounced this past year due to a change in the country's government leadership, at the beginning of 2013, and the resulting heightened social tensions that accompanied this political transition.

In response to the virtual suspension of activity by clients in this context, the Group suffered a significant slowdown in production activities.

With regard to the railway works, particularly for the P.Cabello-La Encrucijada project, two agreements have been drawn up, one in March and the other in May 2013, (called "Puntos de Cuenta") both signed by the Chairman of IFE (the client) and ratified by the President of the Republic, which provided for the progressive payment of 85% of the receivable accumulated in Bolivares and 47% of the receivable in Euro, accumulated at September 2013. To date, 94% the proceeds due in local currency have been received and 34.6% for the Euro receivable (with reference to the percentages above).

In this context, an Addendum to the contract for the Puerto Cabello – La Enrcuijada line and related to electromechanical works was signed at the end of the first half of 2014.

As for hydroelectric projects, built through the OIV Tocoma consortium, in view of the expiration of the contractual deadline for completing the project, scheduled for mid-November 2013, at the customer's request, a new schedule was developed for the work remaining to complete the project, with work scheduled to resume at the beginning of November 2014 and be completed by the end of 2017. This proposal was agreed by the Customer who, also in light of legitimate requests for payment of the certified debt and the identification of the future financial resources needed to ensure the normal performance of the remaining work, proceeded to the recovery of payments in favor of the consortium and the signing of a new *addendum* to the contract under which the work to be completed and the related outlays have been rescheduled.

An *addendum* is currently being negotiated with the Customer, which will set out the claim for the contractual extension of the works and form of payment for these works and for the work to be completed.

The projects that are being developed by the Salini Impregilo Group are priority infrastructures of the utmost importance, both in economic-industrial and social terms. With this in mind and based on a constant and careful monitoring of the situation in the country, carried out together with its partners and through meetings with clients and local government authorities with the aim of defending and protecting the positions of the Salini Impregilo Group, there appears to be no particular problems at this stage with regard to the realizable value of the Group's net assets, except for the lengthening of collection time, which was duly taken into account in the measurements performed for Financial statement purposes and for the issues relating to the new exchange rates adopted for the translation of the net financial assets expressed in local currency, as reflected in the full-life projections of projects under construction.

In view of the delicate and complex situation that developed at the political level, the possibility that events not foreseeable at the date of preparation of this Annual Report may arise in the future requiring an update of the existing measurements cannot be excluded.

Chile - Metro Santiago

The project for the construction of two sections of line 6 of the Santiago Metro was acquired in 2013 by the Salini Impregilo Group, through its subsidiary Empresa Constructora Metro 6 Limitada, worth (in local currency) 3.3 million Unidad de Fomento (equivalent to €122 million). During the implementation of the project, a series of events interfered with the work, such as unexpected geological conditions that were very different from those reported by the client, project engineering changes, archaeological finds and the prohibition of the client to work at night despite the fact that it would not exceed the maximum permitted noise levels.

These factors caused delays in the execution times which were partially recognized by the Operations Management Team, but never formalized by the Client. The client, on its own initiative and on the basis of a program different from the one agreed on, started imposing fines in November 2013. These fines were all challenged.

In addition to the above, relations with the client were characterized by complex situations that first led to five requests to extend the delivery date of the work and, in 2014, to the revision of its scope.

In view of this situation, Empresa Constructora Metro 6 Limitada, presented various claims to the client in July 2014, and requested an Extension of Time, with the request that they be assessed by the designated organization contemplated in the agreement.

In August 2014, the client refused the requests and submitted our claim directly to Arbitration at the Chamber of Commerce of Santiago, failing to respect the contractual agreements requiring prior consultation between the parties for the selection of the arbitrator.

The first hearing was scheduled for September 25, 2014, but the client asked to postpone it to October 6. In the meantime, on October 3, 2014, the client informed Empresa Constructora Metro 6 Limitada of the early termination of the contract based on grounds that are contested in full and are currently the subject of the aforementioned arbitration. It is noted that the client has the contractual right to terminate the contract with Empresa Constructora Metro 6 Limitada at any time, regardless of any breaches denied by it.

On the same date, the client presented a request to the Chilean banks, for the enforcement of the contract guarantees (local contract guarantees secured by European banks) for a total of 912,174 Unidad de Fomento (the equivalent of €28.9 million). These amounts also include the full enforcement of the guarantee for advance payment, despite the fact that 156,323 Unidad de Fomento (the equivalent of €5.1 million) had already been repaid to the client through the monthly certifications (a criminal suit to this effect has been brought in Chile).

The subsidiary responded to the client's initiatives by requesting that the enforcement order regarding the guarantees be suspended and that the operational and contractual conditions be reinstated to those existing on October 2, 2014.

The Arbitrator did not find grounds for an urgent order to suspend enforcement of the guarantees and reserved final judgment, prolonging the suspension of the works.

Therefore, the amounts corresponding to the guarantees referred to above have been paid.

In view of the complexity of the existing situation, with regard to both the legal assessments and the relations with the client, the directors (supported by counsel) believe that the Company's operations were correct and that any further valuation of the risk other those already recognized in the valuations of the contract is not necessary. The Group cannot exclude that events may arise in the future which could require that changes be made to these assessments.

United Kingdom - Ochre Solutions

The associate Ochre Solutions – of which Impregilo International Infrastructures NV holds a 40% stake and owner of the concession contract for Oxford University Hospitals – received two warning notices this year, concerning the quality of services offered. Several parts of these notices are being disputed by the directors, despite the fact that the receipt of three notices within a six month period constitutes an event of default under the contractual agreements between the Company and the grantor. An event of default would allow the grantor to terminate the concession contract, resulting in the transfer of all rights under the contract to the grantor against compensation as contractually determined.

Ochre Solutions maintains regular contact with the grantor and, together with its service providers, is taking all the necessary steps to restore the quality of the services to the agreed levels and to prevent the events that were cause for the above-mentioned notice from happening again. The grantor has been cooperative and the directors are confident that a solution to the problems during the period will be found, even if there is a degree of uncertainty regarding the corrective actions taken.

Additionally, the receipt of two notices is considered a potential event of default under the loan agreement for the concession, which could result in the lending bank taking action, which may include demanding payment of the amount due. Here too the directors are implementing the corrective measures required to prevent an event of default.

The directors of Ochre Solutions are engaged in ongoing dialog with the grantor and believe they will be able to reach an agreement to resolve the problems identified and improve business relations with the parties involved in managing the contract. As things currently stand, in view of the corrective measures recently taken, the directors believe that there are no other risks, besides those reported in relation to Ochre Solutions, that would jeopardize the restoration of the operating conditions required by the contract. Given the uncertainty of the results of the actions taken, it cannot be ruled out that events may occur in the future requiring changes to be made the existing assessments.

Other activities

Corporate

The activities included in this category, which are centrally operated by the Salini Impregilo S.p.A., the Group's Parent Company, include the following:

- coordination, control and strategic planning of the Group's activities;
- centralized planning and management of human and financial resources;
- compliance with administrative, tax, legal/corporate and corporate communication requirements;
- administrative, tax and managerial support for Group companies.

Share buy-back

The Ordinary Shareholders' Meeting of Salini Impregilo S.p.A., held on September 19, 2014 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:

(a) buying ordinary treasury shares with a view to medium and long term investment;

(b) 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;

(c) establishing a portfolio of treasury shares to service the remuneration and retention plans for management and personnel;

(d) 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.

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;

- 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 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. At the date of preparation of this Annual Report, a total of 3,104,377 shares have been purchased, worth a total of €7,676,914.46.

Risk areas

Tax litigation

Regarding the dispute with the Italian tax authorities opened by the Company (then Impregilo), it is noted that:

- it is still pending before the Court of Cassation due to the appeal filed by the opposing party, concerning the notice of assessment challenging the tax treatment of impairment losses and capital losses recorded by the Company during financial year 2003. As previously reported, the main observation concerning the sale – made by Impregilo S.p.A. to Impregilo International NV – of the investment held in the Chilean Company Costanera Norte SA was dismissed by the Milan Regional Tax Commission on September 11, 2009;

- a first instance ruling is still pending for a dispute related to 2005, concerning the technical instrument for the so-called realignment of equity investments referred to in Article 128 of Presidential Decree No. 917/86;
- a further dispute is pending relating to the same tax period referred to in the previous point and concerning the costs incurred by a participatory association established in Venezuela. The Company lost the case at first instance and has submitted an appeal.
- an additional charge was identified by the Italian tax authorities for the year 2006 concerning (a) the costs incurred by a participatory association established in Venezuela, (b) a loss realized on an equity investment, and (c) costs for services not attributable to the year. In the ruling at second instance, the Milan Regional Tax Commission – with decision on May 28, 2014 – cancelled almost all of the tax claim. The Italian tax authorities did not challenge the ruling, which therefore became definitive.

Regarding the pending disputes, the Company – comforted by the option of its tax counsel – believes that its actions were proper and, consequently, treated the associated risk as improbable, but not impossible.

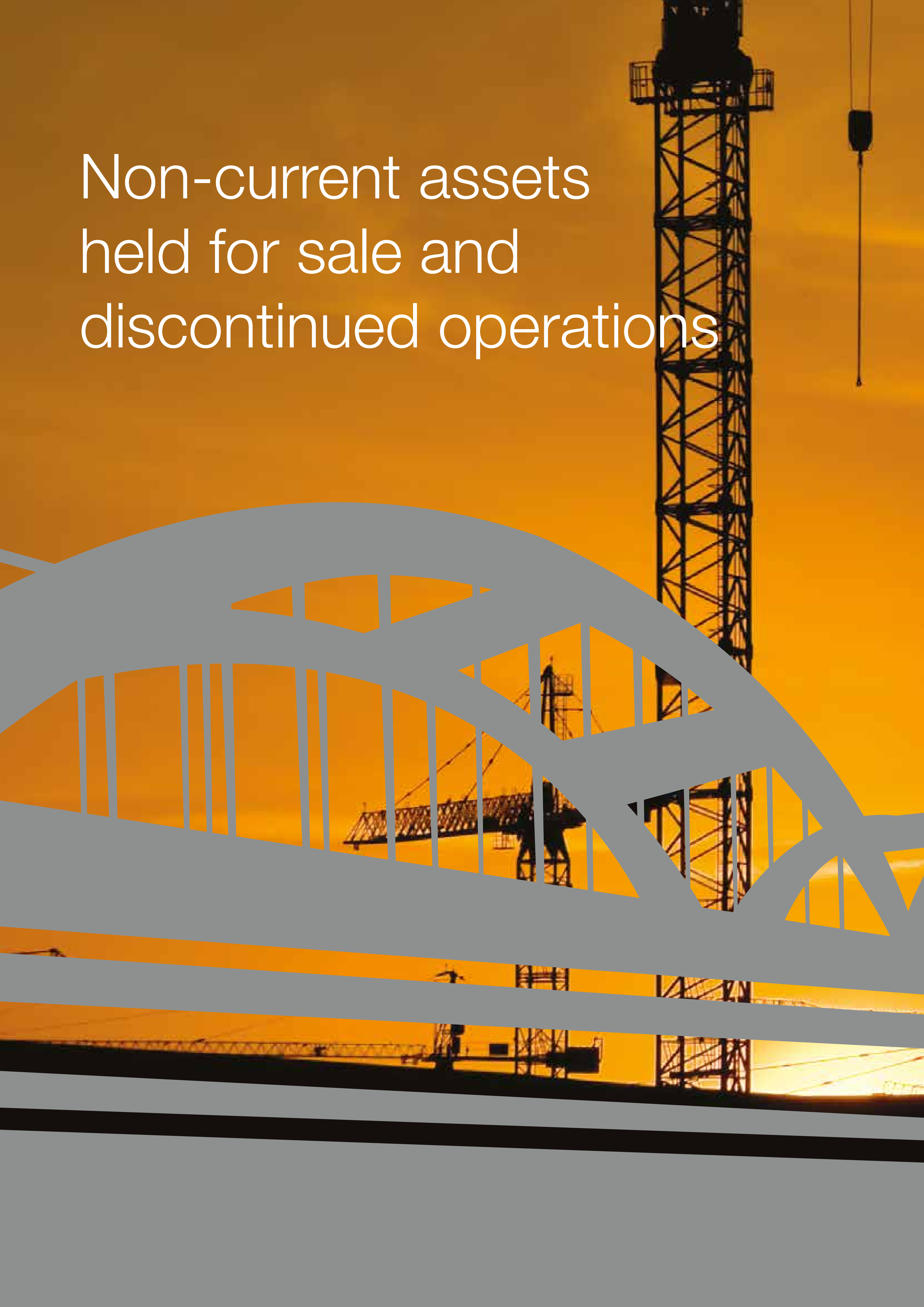
In addition, the Italian Finance Police – Milan Tax Police Unit have begun a tax audit of the Company regarding IRES tax, IRAP tax and VAT for the years 2011 and 2012. While in progress, the audit was extended to the year 2010.

Other litigation

The Corporate functions are not currently involved in any major litigation. Except for that disclosed in greater detail later in this report with regard to the SUW Campania Projects, the only other litigation arose in 2009 with the lessor of the building where the old head office was located, in connection with the relocation of the Parent Company’s head office from Sesto San Giovanni (Milan) to Milan. The dispute was decided in December 2012 by an arbitration award that upheld the lessor’s claims, ordering the Parent Company to pay rent for the entire duration of the lease expiring in July 2012. This award was promptly challenged before the relevant Milan Court of Appeals, before which the proceedings are currently pending. However, in 2012, before the expiration of the appeal deadline, the Parent Company had already recognized the impact of the arbitration award on its statement of financial position. Moreover, while the appellate proceedings were pending, the Parent Company was forced to pay the amount awarded to the lessor, reserving the right to a refund.

With regard to this dispute, Salini Impregilo S.p.A. (formerly Impregilo S.p.A.), by virtue of the provisions of the contract executed with Immobiliare Lombarda S.p.A., in its capacity as the original lessor of the premises where the head office is currently located, holds the right to be held harmless from claims made by the previous lessor in excess of €8 million, which it exercised by means of a payment injunction. The payment injunction was issued by the Court of Milan and challenged by Immobiliare Lombarda. However, while the proceedings are in progress, the opposing party paid the full amount of the claim, as the court refused to stay the enforcement of the payment injunction.

Non-current assets held for sale and discontinued operations



The item 'Non-current assets (Liabilities) held for sale and discontinued operations' in the consolidated statement of financial position, income and cash flows of the Salini Impregilo Group as at December 31, 2014 includes the following main elements:

- the remaining net assets of the SUW Campania Projects;
- the net assets pertaining to business units of the subsidiary Todini Costruzioni Generali S.p.A. and its controlling interests earmarked for sale to Third Parties;
- an asset owned by the subsidiary Co.Ge.Ma. S.p.A., whose sale was finalized in the early days of 2015.

Furthermore, as regards Fisia Babcock Environment GmbH, in view of the fact that during the second quarter of 2014 it was sold to external parties, the profit (loss) from discontinued operations at December 31, 2014, includes the profit from the sale which, net of taxes and other directly associated costs, totaled €89.2 million.

The main information about the performance of these disposal groups in 2014 is presented below in this chapter, in accordance with an approach consistent and homogeneous with the information presented in the Annual financial report of the Salini Group for the 2013 reporting year.

Part one - SUW Campania Projects

Introduction

The Group became involved in the solid urban waste disposal projects in the Province of Naples and other provinces in Campania (the "SUW Campania Projects") at the end of the 1990s through its subsidiaries FIBE and FIBE Campania.

The main phases of the SUW Campania projects were as follows:

(i) the "Contractual" phase which started in the 2000-2001 period with the signing, by the two project companies FIBE and FIBE Campania, of the service contracts for the disposal of urban waste in the provinces of Campania and ended on December 15, 2005 with the cancellation "by power of law" of these contracts pursuant to Decree Law No. 245/2005 (converted into Law No. 21 of January 27, 2006);

(ii) the "Transitional" phase which started upon conclusion of the Contractual phase and lasted until the enactment of Decree Law No. 90 of May 23, 2008 and Decree Law No. 107 of June 17, 2008, both converted into Law no. 123 of July 14, 2008. The latter measure officially marked, among other things, the Group's exit from the waste disposal business, by transferring the title to the RDF facilities to the Provincial Administrations; and

(iii) the "post-transitional" phase which, launched at the end of the "Transition "phase and to date is still underway, is defined more concisely as the "Current" phase.

On the reporting date of this financial report, the financial position of the Group regarding the SUW Campania Projects was concentrated mainly in the components of working capital, consisting of the net receivables due to FIBE in connection with the Contractual and Transitional phases amounting to €106 million at December 31, 2014.

At the same time, the major problems that, since 1999-2000, have characterized the Companies' activities within the service contracts and that have been discussed in detail and reviewed in all of the financial reports published by the Group starting from that period, have evolved and became more complex over the years, giving rise to a large range of disputes, some of which major and in part still ongoing. Albeit having observed positive developments in the last few years, the general situation in terms of pending litigation is still particularly complex. A brief overview is provided below, especially in relation to the existing risk positions.

Since FIBE Campania S.p.A. was incorporated into FIBE S.p.A. in 2009, in the rest of this chapter, unless otherwise stated, reference is made exclusively to FIBE S.p.A., even with regard to positions and events that affected the Company dissolved through the merger.

Administrative litigation

Recovery of the amounts owed to FIBE by local administrations for waste disposal fees up to the date of termination of the contracts

The Special Commissioner appointed by the Regional Administrative Court to recover the receivables owed to the former assignees of the waste disposal service carried out until December 15, 2005, in November 2014 filed its final report.

Given the outcome of the investigations carried out and all the accounting records produced in the proceedings, the latter determined that against the entire amount of receivables due to Fibe for fees for services provided up to December 15, 2005, amounting to €138,288,117, the administration has already directly collected, without transferring it to Fibe, the amount of €46,363,800, that the amount as yet to be recovered and paid to Fibe amounts to €74,317,550 and that directly collected by Fibe by way of fees amounts to €17,606,767.

With order no. 2517/2015, the Regional Administrative Court of Lazio confirmed that the obligation to recover receivables due to Fibe for the administration and, on its behalf, the Commissioner appointed in its place, still stands and deemed that:

- the Commissioner's request, who asked the Court to clarify whether he/she could proceed to materially pay the sums already collected by public authorities as fees as a substitute, also believing that such execution order was already included in the appointment ruling, was inadmissible;
- that it was unable to rule on the issues raised by the public authorities, which challenged the calculation criteria and the results of the investigation by the Commissioner, believing that they related to technical matters that fell outside the scope of the judge's cognitive powers, as well as in no position to rule on the possibility of offsetting the debt with additional presumed receivables toward Fibe about which, incidentally, the Regional Administrative Court of Lazio had already ruled with order no. 8889/2014, establishing the non-countervailability of such claims as they were subject to other pending proceedings.

On February 26, 2015, the Special Commissioner resigned for serious health reasons.

Request that FIBE take back ownership of certain areas and storage sites by the parties appointed by the Government Commissioner to handle technical and operating activities

Starting from 2008 FIBE had to deal with a series of actions by the entities delegated ex lege with the technical-operational management of provisional and final storage areas transferred by FIBE to these entities in August 2008. These actions, aimed at forcing FIBE to retake possession of some sites, were based on the assumptions that such areas were not functional to service provision. The Regional Administrative Court of Lazio and the Council of State, following the appeals by FIBE, confirmed the operability of the assets in question. The civil proceedings before the Court of Naples initiated by S.A.P.NA. S.p.A., a local Company set up by the Naples provincial authorities, are part of this situation. S.A.P.NA. S.p.A challenged its takeover of title to certain temporary and definitive areas and stocking sites in roughly 40 proceedings. It also requested to be reimbursed and held harmless by FIBE S.p.A. and/or the government commissioner from the operating costs incurred in the meantime and yet to be incurred, including possible site reclamation. FIBE appeared in each of those cases, some of which have been closed by a ruling of lack of jurisdiction of the Ordinary Court in favor of the Administrative court and have therefore been reopened before the Regional Administrative Court by SAPNA, while others are still in progress before the Court.

Administrative procedures for the recording and recognition of the costs for activities carried out and the work ordered by the Administration during the transitional management period

As early as 2009 FIBE filed a complaint with the Regional Administrative Court of Lazio regarding the slowness by the Administration in completing the administrative procedures for the recording and recognition of the costs incurred by the former service contractors for activities carried out pursuant to law and the work ordered by the Administration and performed by the companies during the transitional management period.

Via the various applications to the Regional Administrative Court, FIBE in particular proposed an initiative for the issue of the necessary declaration and satisfaction orders against the local public authorities, also on an admonitory basis. The admonitory motion was denied, as the Regional Administrative Court did not find that there was a justification for issuing a payment injunction. The merits hearing is yet to be held.

The "La Sapienza" University of Rome, as technical consultant appointed by the Regional Administrative Court, made a survey of the amounts indicated by FIBE in its appeal and the underlying documentation, finding substantial correspondence. In addition, the auditor left the Regional Administrative Court to decide the judicial validity of the documents submitted by FIBE, which provide evidence of the work carried out and, lastly, did not render an opinion (because it had not been requested) regarding the amounts reported but not subject to review by the Commissioner's entities in charge at the time. To review these entries, the Regional Administrative Court will need to raise new specific questions. The appeal remains pending, while awaiting a hearing date to be set.

Delivery of waste to the Acerra waste-to-energy plant

Despite the belief that the obligation to dispose of all the bales produced and stored in Campania (regardless of the solution chosen by the PA concerning which waste to be disposed of first and which subsequently), lies solely with the Administration, with appeal notified on May 18, 2009, RG 4189/09, OPCM no. 3748/09 was appealed against before the Regional Administrative Court of Lazio which established that the delivery of waste to the Acerra waste-to-energy plant of only waste produced and stored after the date of termination of the service contracts (after December 15, 2005) and establishment of the related hearing date is pending.

Payment of the RDF plants

The Regional Administrative Court of Lazio issued ruling No. 3886 on May 5, 2011, on FIBE's appeal (RG No. 9942/2009) for the local public authorities' non-payment of FIBE's non-amortized costs at December 15, 2005, for the Campania RDF plants. It upheld FIBE's appeal and ordered the local public authorities to pay FIBE €204,742,665.00 plus legal and default interest from December 15, 2005, until settlement.

The Administration proposed several initiatives to avoid payment of the amount due until, with the decision of July 24, 2013, the Enforcement Judge of the Court of Rome awarded FIBE the amount of 240,547,560.96 euros to cover the receivables claimed for the principal amount and statutory interest and suspended the enforcement procedure for the additional amount of interest requested.

Both Parties initiated proceedings and, at the hearing of January 19, 2015 the judge gave the Parties the customary deadlines for submitting their closing statements and relevant counter-arguments.

Still on the subject of payment of the costs not depreciated at December 15, 2005, for the Campania RDF plants measures are being taken to recover the VAT paid on the principal amount collected of €204,742,665.00 ordered to be paid by the judge. The enforcing judge that the Company relied on to successfully settle its claim, after concluding that there were some doubts on whether or not the amount recognized was subject to VAT, suspended the enforcement procedure. This ruling was confirmed by the Court en banc session, with its ruling on September 23, 2014. For the recovery of VAT a separate legal action was therefore initiated which on January 28, 2015 led to obtaining an injunction to the Office of the Prime Minister, opposed by the Office of the Prime Minister on March 13, 2015.

Environmental disputes

During the various stages of the SUW Campania projects, the Group had to deal with a large number of administrative measures regarding reclamation and the implementation of safety measures at some of the landfills, storage areas and RDF facilities. The unsuccessfully resolved proceedings are on hold pending the merit hearings. For the proceedings regarding the characterization and emergency safety measures at the Pontericcio site, the RDF facilities in Giugliano, the temporary and permanent storage area at Cava Giuliani, the Regional Administrative Court of Lazio, with rulings 5831 and 6033 of 2012, rejected the appeals filed by Fibe. These decisions, moreover based on contamination found at a site different from those covered by the ruling, was appealed against to the Council of State and the date of the merit hearing is pending. Meanwhile, Fibe is continuing with the characterization operations for the above sites, but this does not constitute any admission of liability whatsoever.

Civil litigation

By a summons served in May 2005, the Government Commissioner filed an action requesting compensation from FIBE, FIBE Campania and FISIA Italimpianti for alleged damages of about €43 million. In the course of the proceedings, the Government Commissioner increased its damage claims to over €700 million, plus a further to claim for damages to its image quantified at €1 billion.

The Companies joined the proceedings and, in addition to disputing the claims made by the Government Commissioner, filed a counterclaim requesting compensation for damage and sundry charges determined in the initial filing at more than €650 million, plus a further to claim for damages to their image of €1.5 billion. More specifically, the respondent Companies complained about the significant delay (compared with the schedule of the 2000 and 2001 contracts) in issuing the permits required to build the waste-to-energy facilities and the resulting delay in the construction of such facilities. These delays led both to a lengthening of the temporary storage period of the so-called "eco-bales" produced and an increase in the volume of stored "eco-bales," which resulted in the need to find bigger storage areas: circumstances that caused the contractors FIBE and FIBE Campania to incur greater costs.

In the same proceeding, the banks that issued FIBE and FIBE Campania's performance bonds to the Government Commissioner also moved for the Commissioner's claim to be denied and, in any case, asked to be held harmless by Impregilo from the commissioner's claims. Salini Impregilo (then Impregilo) joined the proceedings contesting the request of the guarantor banks.

The public prosecutor appealed against the ruling of April 11, 2011, which found that jurisdiction rested with the administrative court and not with the ordinary court. The case was postponed to February 2, 2017.

On August 1, 2012, the Ministry of Justice and the Cassa Ammende summarized before the Court of Milan the ruling concerning the enforcement of guarantees, totaling €13,000,000.00, issued by a number of major banks to guarantee implementation of the requirements imposed by the Public Prosecutor of Naples, in the seizure procedure of the RDF plants.

With decision no. 6907/14 the Court of Milan denied the requests made by Cassa Ammende and by the Ministry of Justice against the banks, UniCredit and ABC International Bank PLC, accordingly declaring the claims for recourse filed by the banks against IMPREGILO and Fibe and the latter against the Office of the Prime Minister absorbed.

This decision was appealed against by the Ministry of Justice and the Cassa Ammende before the Court of Appeal of Milan and the related proceedings were postponed to December 13, 2016 for clarification of the conclusions.

There were also a number of cases recently initiated by public administrations in various capacities interested in challenging the work of FIBE in relation to complex receivables/payables relationships pertaining to the "Contractual" period and to the same issues subject to claims by FIBE in the administrative courts and on which the activity of the Special Commissioner is still ongoing. Accordingly and comforted by the advice of counsel that supports it in this complex context, the Group believes that FIBE's fully compliant conduct during the "contractual" period can reasonably be confirmed and that the risk of a negative outcome of these proceedings is merely possible, bearing in mind both the counterclaims and, in any case, the admissibility in the specific case of legal compensation.

Lastly, pending proceedings include a lawsuit in opposition to a payment injunction issued by FS Logistica (formerly Ecolog) against the Office of the Prime Minister for the payment of consideration owed for assignments it received from 2001 to 2008 by the then Government Commissioner for shipment of waste outside Italy. The claim, made through a summary procedure, was lodged against the Office of the Prime Minister which turned to FIBE as guarantor. FIBE, on the one hand, objected pointing out that this request for guarantee was the same as the one already subject of lawsuit filed by the Office of the Prime Minister/Government Commissioner before the Court of Naples and concluded with Decision No. 4253/11, as mentioned above, in which the Court found that it lacked jurisdiction, and, on the other hand and with regard to the counterclaims lodged by the Office of the Prime Minister, noted both the inadmissibility of the counterclaims due to the totally different titles compared with the original claim of FS Logistica and the fact that these counterclaims had already been put forth by the Office of the Prime Minister in numerous other proceedings that are still pending. The judge allowed a court ordered technical expert's report only with regard to the claims of FS Logistica toward the Office of the Prime Minister and subject of the injunction. The hearing is set for March 20, 2015.

Criminal litigation

In September 2006, the Public Prosecutor of the Court of Naples served Impregilo S.p.A., Impregilo International Infrastructures N.V., FIBE S.p.A., FIBE Campania S.p.A., FISIA Italimpianti S.p.A. and Gestione Napoli in liquidation with a "*Notice of the completion of the preliminary investigation about the administrative liability of legal entities*" related to the alleged administrative violation pursuant to Article 24 of Legislative Decree No. 231/2001, within the framework of criminal proceedings against some former Directors and employees of the above-mentioned companies, who were being investigated for the crimes subject of Article 640, Sections 1 and 2, No. 1, of the Italian Criminal Code in connection with the contracts for management of the urban solid waste disposal cycle in the Campania region. Following the preliminary hearing of February 29, 2008, the Preliminary Hearing Judge at the Court of Naples granted the motions for indictment made by the Public Prosecutor.

The Court excluded the possibility of allowing parties to seek damages from the public entities involved pursuant to Legislative Decree No. 231/2001 and, consequently, declared that all filings to seek damages from the companies were inadmissible.

As part of these proceedings, the Judge for the Preliminary Investigation ordered, in his ruling on June 26, 2007, the precautionary seizure of the profit from the alleged crime, estimated to amount to about €750 million.

The precautionary proceedings continued for five years and finally ended in May 2012, without any action taken against the Group. On November 4, 2013, the Court of Naples handed down a decision finding all defendants not guilty on all charges. In March 2014, the Naples Public Prosecutor appealed the decision; the date of the related hearing before the court of Appeal of Naples is pending.

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In 2008, as part of a new investigation by the Court of Naples into waste disposal and related activities in the region carried out after the termination of the contracts by force of law (on December 15, 2005), the Preliminary Investigations Judge, upon a request by the Public Prosecutor issued preventive measures against some managers and employees of FIBE, FIBE Campania and FISIA Italimpianti and managers in the Commissioner's office. As part of this investigation, which in the record is described both as a continuation of an earlier investigation and as separate proceedings based on new charges, the former contractors and FISIA Italimpianti are again charged with the administrative liability attributable to legal entities pursuant to Legislative Decree No. 231/01.

The preliminary hearing was completed on January 29, 2009 with the indictment of all defendants, while at the hearing held on March 21, 2013, the Preliminary Hearing Judge indicted all defendants and legal entities involved pursuant to Legislative Decree No. 231/2001 for all of the charges in the proceedings before the Court of Rome scheduled for July 16, 2013.

The Court of Rome has acquired the above ruling of acquittal of the defendants issued by the Court of Naples on November 4, 2013, and the trial has been postponed to March 19, 2015 for the beginning of the investigation hearing.

The Group companies involved in the new proceedings firmly believe that their actions were lawful, because their activities were not only expressly mandated by Law No. 21/2006 but were also carried out "merely at the behest" of the Delegated Commissioner.

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On December 23, 2011, FIBE S.p.A., in its capacity as the legal entity involved pursuant to Legislative Decree No. 231/01, was served with a notice of completion of the preliminary investigations related to another investigation by the Naples Public Prosecutor. The charges are based on a violation of Article 24 of Legislative Decree No. 231/01, concerning commission of the crime pursuant to Article 640, Sections 1 and 2, of the Italian Criminal Code, committed jointly and with the prior agreement of the defendants (individuals) and other parties to be identified, in connection with the management of an urban wastewater purification service based on treatment facilities.

Specifically, certain individuals from the Commissioner's Officer and FIBE S.p.A. allegedly actively encouraged and induced other competitors to implement stratagems and tricks to hide and conceal the very poor management of the above-mentioned wastewater treatment facilities.

FIBE S.p.A. is a defendant because it allegedly submitted expense reports that, among the other items related to the disposal of USW, included the cost of transporting leachate, while failing to mention the fact that the leachate was transported to facilities without the requisite proper permit and lacked the technical qualifications and residual treatment capacity.

The Preliminary Hearing Judge at the Court of Naples, in the hearing on May 19, 2014, ruled that it lacked jurisdiction, ordering transmission of the documents to the Public Prosecutor of Rome.

We are awaiting the Rome Public Prosecutor's decision on prosecution.

As it relates to events challenged in the period after the contracts were terminated, when the companies' activities were not solely specifically covered by Law 21/2006 but also carried out on behalf of the commissioner, the Company is fully convinced that it acted in accordance with the law.

Assessment by the Board of Directors regarding the status of the SUW Campania Projects at December 31, 2014

The general situation of the Salini Impregilo Group with respect to the SUW Campania projects at December 31, 2014 still continues to be extremely complex and uncertain (as can be seen from the complexity of the above information).

The rulings by the administrative courts regarding the claims put forth for the costs of the RDF facilities that had not been amortized when the service contracts were cancelled (December 15, 2005), as discussed earlier in this Report, are positive and extremely important factors, because they support the Group's arguments regarding the correctness of its conduct and the resulting assessments made to date.

Taking also into account the recent rulings handed down by the administrative judges regarding the previously mentioned environmental issues (which are still pending with regard to merit) and for which the Directors, with the support of the counsel assisting FIBE in the various disputes, deem the risk of an unfavorable outcome to be in the realm of mere possibility, at this time, an accurate timing for the end of the various pending proceedings cannot be reasonably determined.

In view of the complexity and development of the different disputes described in detail in the preceding paragraphs, the possibility that future events, unforeseeable at this point, could occur requiring changes to the assessments made thus far cannot be excluded.

Part two - Todini Costruzioni Generali Group

In the latter part of 2013, the Board of Directors of Salini S.p.A. resolved to realize the value of the entire interest held in Todini Costruzioni Generali S.p.A. (hereinafter "Todini") through its divestment.

On the basis of the agreements signed during 2013 with Todini Finanziaria S.p.A. (hereinbelow "Todini Finanziaria"), Salini Impregilo S.p.A. exercised the option to acquire the remaining 22.29% share capital of Todini on July 28, for a total consideration of €5 million.

The aim of creating a global player in the sector of complex infrastructures capable of competing with the main international competitors, in terms of economies of scale, size and geographic complementarities made the development of the business and order backlog of Todini no longer strategic for the purpose of achieving the objectives of the Business Plan.

As illustrated above, following expressions of interest made in relation to operating activities both in Italy and abroad, it was decided to divide the Todini Group into business units, each with their own assets & liabilities and with the specific technical-administrative skills, in line with the expressions of interest received.

The following illustrates the composition of the various businesses:

Business A – Italian operating contracts

Includes the Metrocampania contracts (Naples Alifana and Secondigliano), the Variante di Valico and Naples Sarno River contracts, the plant and machinery situated at the Lungavilla Depot.

Business B – Foreign business unit

Includes all the foreign branches (operational and otherwise) with the exception of the portion of the Kazakhstan branch leader of the Almaty Khorgos JV (contract 50% attributable to Todini Costruzioni Generali and 50% attributable to Salini Impregilo), the foreign subsidiaries (with the exception of Todini Central Asia), the investments in foreign affiliates of Todini Costruzioni Generali, as well as all relationships with foreign entities included in the business unit.

Business C – Sale of business unit to Salini Impregilo

Includes the following contracts: Cagliari Capo Boi, Rome-Fiumicino, Milan-Lecco, Corso Del Popolo, Piscine dello Stadio and residues of closed Italian contracts, as well as the investees operating in the concessions (Piscine dello Stadio Srl – Piscine S.c.a.r.l. – Corso del Popolo SpA – Corso del Popolo Engineering S.c.a.r.l.).

Business D – Sale of business unit to Imprepar

Includes the non-operating subsidiaries and relationships with the non-operational associates of Todini Costruzioni Generali.

Business E – Residual part of Todini Costruzioni Generali S.p.A.

Includes the subsidiaries Maver (under closure) and Todini Central Asia, as well as the portion of the Kazakhstan branch, leader of the Almaty Khorgos JV.

It also includes the balance sheet balances of the "headquarters" with reference to contracts with third parties and the entities included in this business.

In accordance with IFRS 5, businesses A and B – which are destined for sale to third parties – have again been classified under Non-current assets held for sale and under Profit (loss) from discontinued operations, while the businesses to be sold to the Parent Company and to Imprepar as well as the residual part (Business E) have been restated under continuing operations. For comparison purposes, again in accordance with IFRS 5, the income statement data for the previous year has been shown in a consistent manner.

The tables below show the highlights from the financial statements of the Todini Group classified into non-current assets and liabilities held for sale:

Income statement data

(in milioni di euro)	2014	2013
Revenue	209.7	312.9
Operating profit (EBIT)	(59.5)	(78.5)
Financing income (costs)	(1.2)	(9.6)
Net profit (loss) for the period	(66.8)	(86.3)

Financial position figures

(in millions of euros)	December 31, 2014	December 31, 2013
Non-current assets	*34.4*	*87.6*
Provisions for risks, post-employment benefits and employee benefits	*(7.6)*	*(7.4)*
Working capital	*128.3*	*203.5*
Net invested capital	**155.1**	**283.7**
Net financial position	**(81.3)**	**(53.9)**
Net assets	**73.8**	**229.9**

Risk areas

Naples, construction of a railway section for an urban railway system, Piscinola-Secondigliano segment

Construction of the civil engineering structures for the Piscinola – Secondigliano railway segment, part of a project to modernize and upgrade the Naples – Alifana railway, was suspended in the second half of 2011 due to the failure of the client Metrocampania Nordest Srl (now Ente Autonomo Volturno) to pay the consideration owed for the work. As a result, the only activities carried out concerned ensuring the safety of the jobsites.

The client, while aware of the strategic significance of the project for the purpose of completing the railway system ringing the City of Naples, was unable to honor its commitments due to the financial difficulties that characterized the budget of the Campania region, which, ultimately, created a shortage of financial resources at the Metrocampania Nordest Srl subsidiary, making the disbursements of the consideration owed extremely difficult.

In light of this situation, the Ministry of Infrastructures and Transportation, in accordance with the provisions of Decree Law No. 83 of June 22, 2012 (converted into Law No. 134 of August 7, 2012), appointed and ad acta Commissioner tasked with determining the amounts of the payables and receivables of the companies that operate the regional railway services, with the aim of developing a plan to cover the ascertained deficit.

At this point, the appointed Commissioner has apparently completed his task regarding the investigative and planning phase and is now expected to announce his subsequent determinations.

Considering that, in order to allow the Commissioner to carry out his activities, the above-mentioned Decree Law specified that no payment enforcement actions may be activated or pursued against the companies owned by the regional administration that operate railway transportation services for 12 months from the effective date of the above-mentioned Decree Law No. 83 (which deadline was extended several times and recently confirmed until December 31, 2015 by art. 41 paragraph 5 of Decree Law 133/2014), the subsidiary Todini Costruzioni Generali S.p.A. nevertheless took all actions that it deemed necessary to obtain satisfaction of its rights, while maintaining a non-confrontational relationship with its client, who still considers completion of the railway segment in question as a priority for the effective operation of the metropolitan railway ring.

Finally, with a document of June 30, 2014 notified to the Client, Todini Costruzioni Generali S.p.A. sold to the parent Company Salini Impregilo S.p.A. all receivables covered by the outstanding invoices issued to Ente Autonomo Volturno.

During 2014, and before formalization of the sales deed, the Client made partial payments, to Todini Costruzioni Generali SpA, of approximately €8.5 million.

Finally, negotiations were initiated with the Client aimed at:

- paying the outstanding receivables;
- settling the claims for compensation due to the anomalous progress of works on the railway stretch;
- allowing completion of the works.

In the same negotiation, the Client requested that of the dispute concerning implementation of the lot adjacent to the Naples-Alifana railway (Secondigliano-Di Vittorio), contracted to a temporary consortium of which Todini Costruzioni Generali S.p.A. is the lead contractor, be included in the settlement.

In relation to said second contract - whose works were never initiated - the temporary consortium awarded the same took legal proceedings to have the contract declared terminated, claiming compensation for all damages.

At present, we waiting to receive a formal proposal from the client.

Ukraine

This country is currently going through a phase of social and geopolitical instability caused by the suspension by the Ukrainian government of the negotiations for the agreement of association with the European Union.

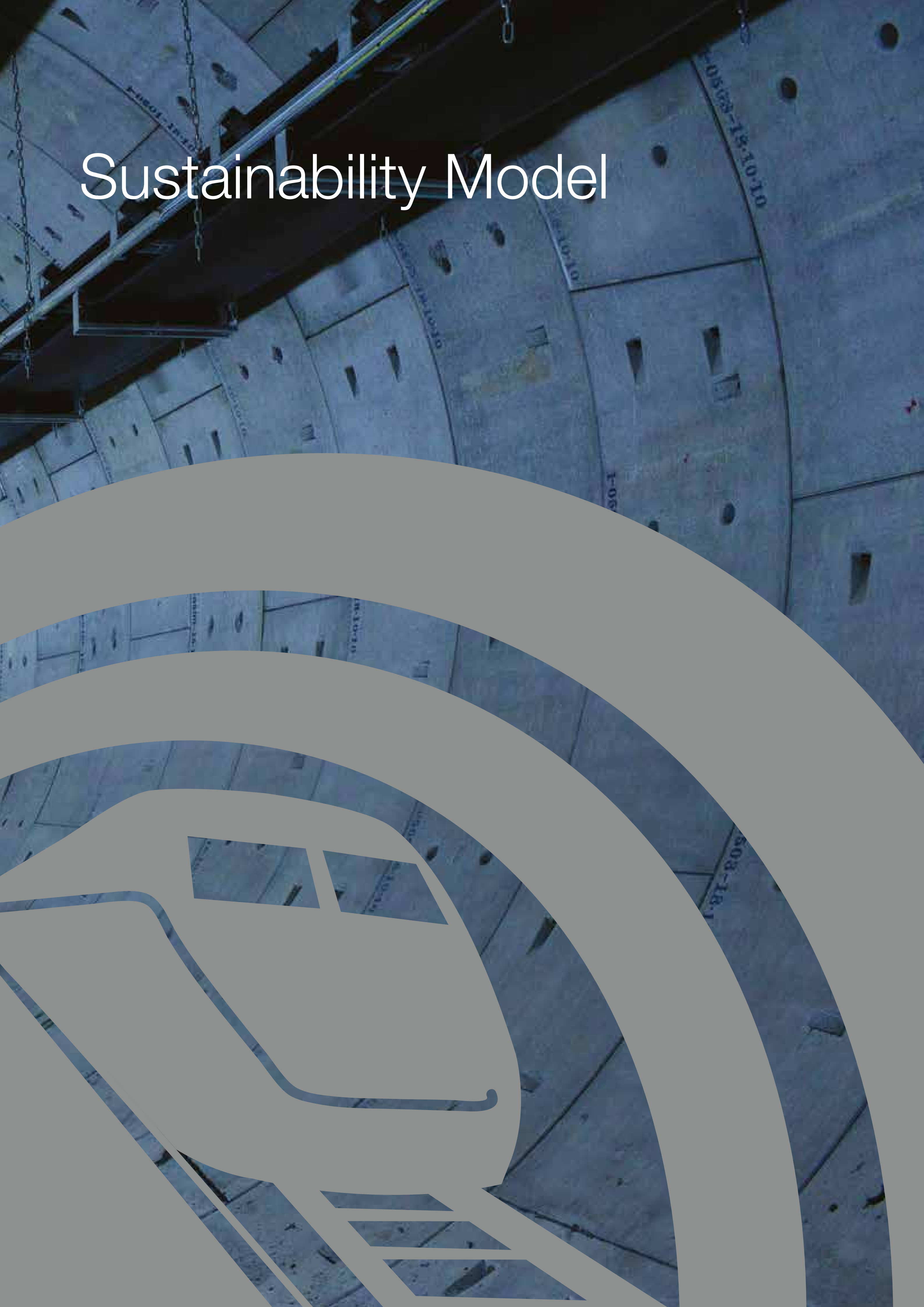
The Todini Costruzioni Generali subsidiary operates in Ukraine with a permanent organization, which was awarded a project to rehabilitate a section of the M03 Highway, and through a joint venture with Salini S.p.A. (now Salini Impregilo S.p.A.) and Akkord, a local partner, through which the modernization of Highway M06 has been virtually completed.

Because the jobsites are located near the cities of Poltava and Zhytomyr, geographically removed from the areas most affected by the current social crisis, production activities were not affected to any significant degree.

However, the weakness of the new political class and uncertainty about the country’s immediate political future, coupled with a steady weakening of Ukraine’s position versus its Russian neighbor for the supply of natural gas, caused a dramatic financial crisis that could be solved only with the intervention of the international community.

The Group management reasonably believes to be able to assess the profitability of the contracts awarded in Ukraine with a perspective of continuity, while constantly and continuously monitoring the internal developments in the country and without excluding that in the future currently unforeseeable events may occur that may require a change in these assessments.

Sustainability Model



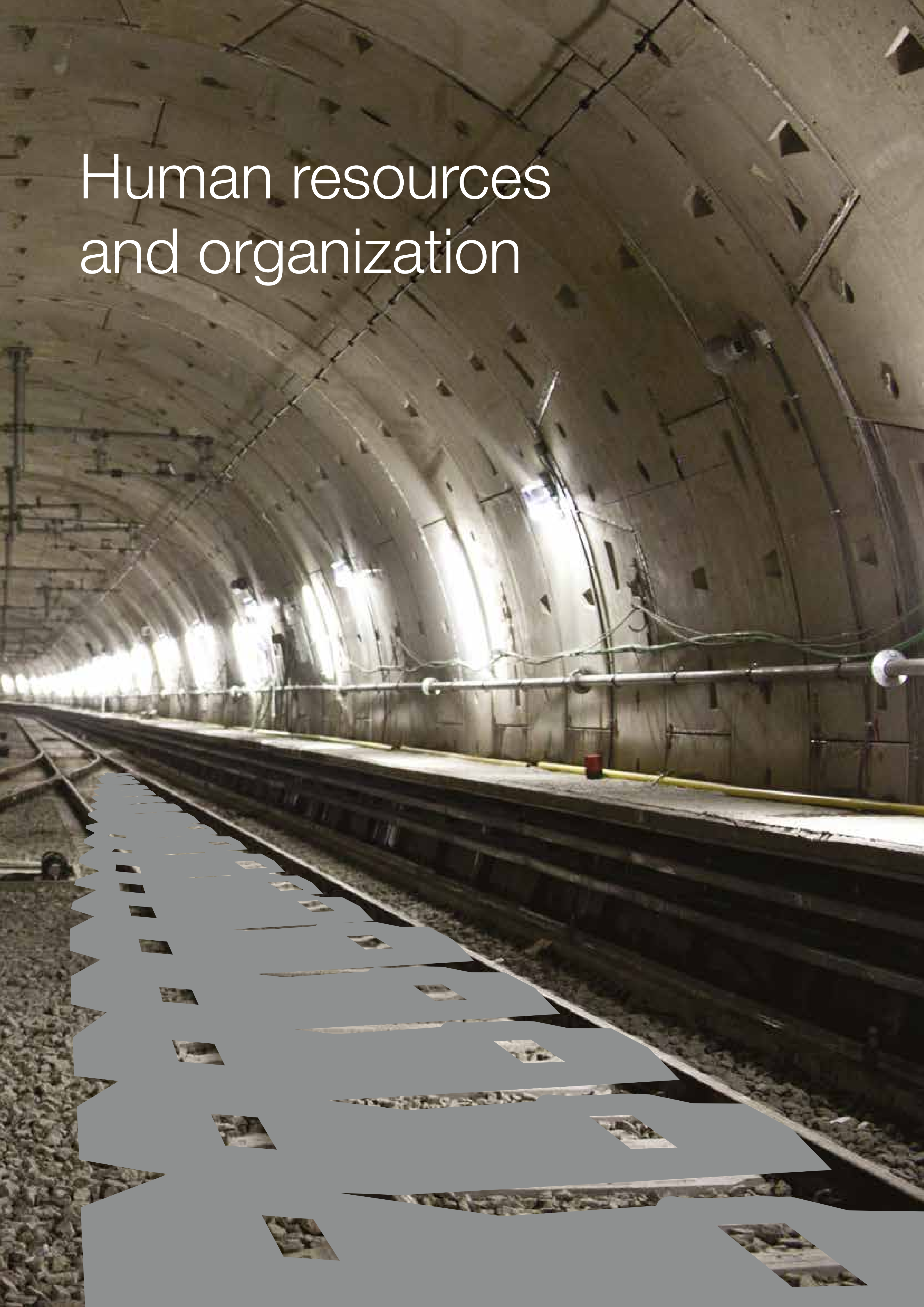
The Salini Impregilo Group, with its cosmopolitan corporate culture focused on the value of people and respect for the environment, the communities and the areas in which it operates, bases its operations on the principles of sustainable development.
Their application to corporate strategies and processes allows the Group to operate and grow in numerous and diversified environments, interpreting and respecting the expectations of institutions, clients, local communities, employees and technical and operational counterparts who all have different histories and cultures.
The Company has adopted a sustainability model that supports its business, is based on the creation of value for all stakeholders and aims at achieving the following objectives:

- developing complex infrastructural projects that meet and exceed clients' expectations with respect to operational, technological innovation and sustainability performance;
- contributing to the growth of the local economy through job creation, the use of local suppliers and development of community initiatives;
- protecting workers' health and safety at work, as well as promoting equal opportunities and the professional development of employees;
- contributing to finding a solution to the global challenges posed by climate change and pollution by developing innovative infrastructure and mitigating the impact of construction activities;
- maintaining excellent relationships with all stakeholders, both internal and external, through ongoing dialog and engagement;
- creating value for shareholders and investors, sharing future development plans with them.

The sustainability model adopted by the Group, moreover, supports the wider management of operational, financial and reputational risks, apart from creating new opportunities and competitive advantage in a market that increasingly focuses on these aspects.
Salini Impregilo has formalized its commitment in a coordinated set of policies, procedures and organizational structures aligned with major international benchmark standards.
Specifically, in January 2015 the Company adopted a new Sustainability Policy, which establishes ten principles that enshrine an equal number of commitments by the Group to its stakeholders.

Moreover, Salini Impregilo is a member of the United Nations "Global Compact", a global sustainable development initiative through which the Group undertakes to align its strategies and operations to ten universal principles concerning human rights, work, the environment and the fight against corruption.
In 2014, the Group voluntarily subscribed to the Carbon Disclosure Project (CDP), the global platform supported by over 800 institutional investors that allows users to measure, compare and share information about the environmental performance (climate change) of over 2,000 companies all over the world.
At national level, Salini Impregilo is a founding member of the Global Compact Network Italy Foundation and collaborates with other member organizations and companies to develop specific projects and initiatives aimed at promoting the priorities set by the Global Compact.
The commitment to sustainability, the initiatives implemented and the results achieved in this area are accounted for on an annual basis in the Group's Sustainability Report, available on the **www.salini-impregilo.com** website.
Salini Impregilo was one of the first European construction companies to prepare an Environmental Report on a voluntary basis, starting from 2002. In the first years of its publication, this report came to be an important reference for the entire sector, since up until then few companies had dealt with the relationship between the environment and the execution of large infrastructural projects in a systematic way. At a later stage, the Group extended its reporting activities to other areas, such as the health and safety of workers, the quality of the structures erected, personnel policies and interactions with local communities.
The 2014 Sustainability Report, which you are invited to read for more in-depth information, has been prepared in accordance with the guidelines of the new Global Reporting Initiative (GRI-G4), the most advanced sustainability reporting standard currently available.
It should be noted that Salini Impregilo is one of the first construction companies in the world to have adopted the GRI-G4 standard - since 2013 - which will replace the previous framework (GRI-G3) from 2016.
The document complies with the GRI's Comprehensive option, which guarantees maximum disclosure about the Group's significant impacts and is independently certified by Reconta Ernst & Young.

Human resources and organization



Employment figures at December 31, 2014, referring to the entire Salini Impregilo Group is shown in the table below:

Total workforce by category

	December 31, 2014	December 31, 2013
Management	365	300
Office workers	6,865	6,186
Construction workers	26,907	24,686
Total	**34,137**	**31,172**

Organization

During 2014, the Company, following completion of the merger process, identified the key elements of the new organizational structure based on:

- five Strategic Departments, in particular:
  - the Domestic Operations and the International Departments which coordinate and manage business activities in Italy and abroad, respectively;
  - the Group Finance and Corporate Department which coordinates administration, finance and control activities and certain corporate activities (legal and corporate affairs, investor relations and corporate communication);
  - the Administration Finance and Corporate Department which, reporting to the Group Finance and Corporate Department, manages administration, finance and control activities;
  - the Group HR and Organization Department which ensures definition and implementation of the guidelines for human resource management at the Group level.
- structures in staff to the Chief Executive Officer which, with a matrix approach, provide technical and methodological support to the Strategic Departments and to business activities.

The merger process also involved the launch of specific projects and activities dedicated to the definition of the new process model and corporate procedures in line with the strategic guidelines established by the management and with current legislation. In this context, a number of procedures that regulate key corporate processes and activities have been defined and issued; a process that will continue throughout 2015 in order to complete the set of corporate regulations.

Training

Salini Impregilo, with the objective of ensuring availability of the skills necessary for proper performance of activities and achievement of business objectives, during 2014 continued to invest in the development programs, in place in the respective companies prior to the merger, in individual and role training activities, aimed at acquiring and consolidating knowledge and skills as well as regulatory updating necessary for the specific job of the resource.

In parallel with this attention toward the professionalism of the individual and his specific needs, the Group also promotes and outlines Institutional Training programs, an inter-functional activity specifically dedicated to providing all the knowledge required in order to operate consistently and in compliance with regulatory provisions and to transfer knowledge concerning the organizational and operational functioning of the Company and the business environment in which the Group operates.

With regard to this latter area, consistent with the attention and the importance placed by the Group on the issues of occupational health and safety, in addition to the normal classroom activities for new recruits in accordance with the provisions of Legislative Decree no. 81/08 aimed at providing a description of the existing regulatory framework and information, both on the key figures for safety management in the Company, as well as management of the various types of risks, including those relating to health and biological risks, implementation continued, as in the first half of 2014, of e-learning courses specifically dedicated to Senior Managers (new recruits and/or newly appointed), as required by the State Regions Agreement of December 12, 2011. An intense planning activity for further institutional and professional role training, the implementation of which was in part carried out in the second half of 2014 and in part is planned to be delivered during the first half of 2015, was also conducted.

In particular, training programs with reference to the Organization, Management and Control Model and the Anti-corruption Model were outlined, with different delivery modes according to the recipient (classroom for top management, e-learning for all headquarters and project resources) with the objective of acquiring basic knowledge on the subject of Administrative Liability of Companies, pursuant to Legislative Decree 231/2001, and on the main international anti-corruption standards (UK Bribery Act, FCPA, etc.), in order to prevent commission of the crimes envisaged by the legislation, together with full knowledge of Company regulations and ethical standards on which conduct within the Company must be based.

Moreover, as part of the integration and Change Management projects, during the second half of 2014 numerous training activities closely related to migration to an integrated information system both for projects and headquarters and, in parallel, initial Team Coaching training sessions were implemented . Also in this specific area of the Integration and Change Management process, during 2014, a great deal of planning was carried out for further activities during 2015 that will be mainly dedicated to the issues of Communication and Management using various training methods, also including specific Business Coaching and Mentoring interventions.

A Video Tutorial Project will also be launched with the aim of encouraging and supporting dissemination and understanding of the new procedural and organizational structure, through user friendly and more exploitable means, with the aim of facilitating the integration and adoption of a common and shared operational language and mentality.

It is also envisaged, as a function of the increasing degree of definition of the organizational structures and quantitative and qualitative progress of the integration process, to implement additional activities with specific reference to:

- awareness-building among top management who determine, in exercising their powers, occupational health and safety or significantly influence the same with regard to the corporate role, training addressed to Employers and Managers who are responsible for processes directly connected with occupational health and safety;
- ad hoc training projects related to specific professional families (QHSE – Compliance – Internal Audit);
- “Induction” for new recruits;
- individual and role professional training.

Attraction and development of talent

The “Courage of work to build the future” recruitment campaign

During 2014 Salini Impregilo launched a long-term recruitment program called “Courage of work to build the future”, which expresses the Group’s vision of growth in the infrastructure sector and, in general, in the economy.

Being part of Salini Impregilo means participating in the construction of unique, high-level international engineering projects; working in a multicultural environment where relationships are based on dialog, respect, transparency and trust; developing skills and expertise in a dynamic and competitive environment and interacting with the best industry professionals in the world.

100 Young Engineers

The program also includes the campaign to recruit 100 young engineers among the best students and recent graduates, mainly from the faculties of Civil, Mechanical, Environmental, Electronic and Production Management Engineering. The youngsters will follow cross-functional career paths allowing them to acquire the future skills necessary to occupy key roles in the organization in order to develop the pipeline of talented individuals who could become the Project Managers of tomorrow.

To this end, a structured induction and training program is envisaged for 100 new recruits which will include cross-functional training in construction sites and management development initiatives.

Tutoring Project

The program also envisages a long-term tutoring project for 500 talented university students in Italy and abroad, to be implemented through professional guidance and on-the-job training.

By establishing strategic agreements with leading Italian and international universities, Salini Impregilo aims to identify and recruit the most talented individuals in the local and international job markets and facilitate their professional growth and development through the implementation of tutoring and curricular internship programs for top performers.

News concerning trade union aspects at the national level

Renewal of the national collective bargaining agreement for employees of construction and related companies

On July 1, 2014 the agreement between ANCE and the unions for renewal of the industry national collective bargaining agreement was signed.

In addition to a number of innovations concerning variable pay, secondments, APE, fixed-term contracts, Protocol on Bilateral institutions and the Code of Ethics, at the financial level, in summary, the following salary increases with the following deadlines are envisaged:

- increase of 15 euros gross per month with parameter 100 with effect from July 1, 2014;
- increase of 25 euros gross per month with parameter 100 with effect from July 1, 2015.

In addition, for all employees, with effect from January 1, 2015, payment of a monthly contribution borne by the Company to PREVEDI of 8 euros with parameter 100. The total increase, therefore, amounts to 40 euros gross of increase with parameter 100, plus 8 euros per month to PREVEDI, again with parameter 100.

Renewal of the national collective bargaining agreement for senior managers in industrial companies

On December 30, 2014, the agreement for the renewal of the national collective bargaining agreement for senior managers in companies producing goods and services, expiring on December 31, 2014, was signed between Federmanager and Confindustria.

The new collective bargaining agreement, which will have validity until December 31, 2018, has among its new features:

- abolition of the second level of "minimum overall guaranteed remuneration" (TMCG), which, under the previous collective agreement, was reached after six years of service with the position of senior manager in the same Company;
- the consequent remuneration adjustment mechanism, applicable from 2015, in order to meet the expectations of senior managers with seniority of less than 6 years;
- the obligation for companies to provide variable remuneration systems (MBO) for senior managers with remuneration equal to the TMCG;
- significant changes in the system of termination of employment with senior managers, both in terms of the notice period of dismissal, as well as the amounts due in the event of unjustified dismissal;
- the envisaged increases, from January 1, 2015, of contribution rates due to FASI by companies and senior managers.

Industrial relations and management of headquarters personnel

Reverse merger between Impregilo S.p.A. and Salini S.p.A.

Following approval by the Boards of Directors of Impregilo S.p.A. and Salini S.p.A. of the plan to merge the latter with the former, after carrying out the necessary procedure under Article 47 of Law 428/90, the transaction ended with the constitution, with effect from January 1, 2014, of the new legal entity Salini Impregilo S.p.A.

Relationships with international trade unions

On October 14, 2014, following the similar agreement signed in 2004, the Company and the national and international trade construction unions, Feneal Uil, Filca CISL, CGIL Fillea and BWI, signed a Framework Agreement that commits the parties to promotion and respect, in all construction sites in which the Group operates, of the fundamental principles of human rights, as defined by the main international declarations of the United Nations, the International Labour Organisation and the OECD.

Meeting pursuant to Article 111 of the National Collective Bargaining Agreement

On December 10, 2014, the meeting pursuant to Article 111, paragraph 1.7 of the National Collective Bargaining Agreement took place between Salini Impregilo S.p.A., the Company union representatives and the national and regional trade unions, in which information was provided concerning:

- organizational and employment situation of the Rome and Milan sites in relation to the merger which took place on January 1, 2014;
- situation of direct orders and Consortia/Project Companies of the Impregilo Group in Italy;
- position of the Group on foreign markets considered strategic and with high potential;
- accident situation of the Company as of September 30, 2014;
- employment data of Salini Impregilo S.p.A. as at October 31, 2014, with breakdown by age, gender and level.

Industrial relations and management of operational project personnel

COCIV

On May 27, 2014, the Consortium signed with the relevant trade unions a second Addendum to the Memorandum of Understanding already signed on May 14, 2012; with this agreement it was established that Cociv, starting from June 1, 2014, would include in its contracts a specific clause obliging contractors to register, from the first actual day of work, its entire workforce employed in the construction site in the relevant Construction Workers' Fund (Genoa or Alessandria).

On November 3, 2014 an agreement was signed with the trade unions at the Liguria Region with which the Consortium undertook by the end of the year to hire 50 workers from Genoa. This agreement was duly fulfilled by the Consortium.

On January 31, 2015, the Consortium signed a Memorandum of Understanding with the Piedmont Region and the trade unions with which it was agreed, inter alia, to monitor the issue of safety, activating a special working Group, ensure attentive, strenuous and continuous action to prevent criminal infiltration and to give priority to local companies and labor.

Milan MM4 Line

On March 31, 2014, Metro Blue S.c.a.r.l. signed with the Provincial trade unions the memorandum of understanding with which, inter alia, a system of labor relations divided into various levels was established, agreement was reached on the contract law applicable to the employment contract, certain aspects related to working hours were regulated (e.g.: "hour bank", shifts, collective holidays, etc.), certain types of allowances on fulfillment of certain conditions were determined, certain logistical aspects of the construction site were regulated, a transport allowance was established and important aspects relating to health and safety and outsourcing/subcontracting contracts were regulated.

Following an examination conducted jointly with the Company union representatives and with the relevant trade unions during the meeting of October 7, 2014, an agreement was signed with which it was agreed, inter alia, that in the period provided for by Law 223/1991, the Company would proceed with the dismissal only of personnel declared redundant which had rejected forms of management of the employment relationship other than dismissal.

Subsequent events

Election of the Company union representatives for the Rome headquarters

Through a letter dated January 21, 2015, the trade union confederations initiated the procedure for the establishment of the Company Union Representatives of Salini Impregilo S.p.A., Todini Costruzioni Generali SpA, Co.Ge.Ma. S.p.A. at the operational headquarters in Rome. The elections were held on February 20 and 23.

Quality, safety, the environment

The Quality, Safety and Environmental Management System of Salini Impregilo, is increasingly integrated into the Group and applied to all its contracts. It complies with the UNI EN ISO 9001 (quality), UNI EN ISO 14001 (environmental) and BS OHSAS 18001 (health and safety) regulations, as the quality management system was certified in 1997, the safety management system in 2003 and the environmental management system in 2007.

The Salini Impregilo Group has an important socio-economic role in the markets in which it operates by contributing to local economic development, with investments in the areas of health, safety and the environment, as well as support to local communities.

To ensure that all Stakeholders (shareholders, employees, clients, suppliers, local communities, government administrations, etc.) obtain increasingly effective and efficient services (this is the inherent objective of standards), the Group has adopted a Quality, Environment and Safety Management System compliant with the following set of standards: UNI EN ISO 9001 (quality), ISO 14001 (environment) and BS OHSAS 18001 (health and safety), launched in 1997 with certification of the quality management system, expanded in 2003 with certification of the safety management system and completed in 2007 with certification of the environmental management system.

Adoption of the QES Management System has assisted the Group to meet the objectives set out in its QES policy, specifically:

- maintaining the quality of products and services, through respect for the environment and the health and safety of workers in all workplaces and labor sectors. This commitment also extends to third party companies and subcontractors;
- the availability of resources (human, technological, financial) necessary for the development and implementation of the Quality, Health and Safety and Environmental Management System;
- the performance of work based on the latest construction technologies available in the industry and the fundamental concept of building "to best industry standards", the use of processes, technologies and materials that allow the rational and sustainable use of natural resources (e.g. water, energy and raw materials);
- the involvement and active participation of all staff working for the Company or on its behalf, through information, education and training, for proper dissemination and understanding of the principles expressed on the issues of quality management, environmental respect and protection, the health and safety of workers, with the commitment to continual improvement;
- compliance with the applicable legal provisions and any other regulations which might be adopted, with the application of more stringent standards wherever possible;
- continuous dialog with clients and their representatives throughout the technical and administrative process of delivering services and the performance of works, the involvement of Interested Parties in analysis of the environmental performance of the Company through the opening of channels of communication concerning sustainable development, the promotion of all initiatives with Employees, Clients, Suppliers, Authorities and Interested Parties designed to achieve the highest levels of health and safety protection;
- the identification and assessment of risks to the health and safety of workers caused by their activities;
- the identification and assessment of the environmental aspects of the Group's activities and the identification of those aspects that have or could have a significant impact on the environment;
- effective waste management through the re-use of products and materials where possible, and the use of products with low environmental impact;
- the identification of all technical and organizational measures useful to eliminate the possibility of pollution, through the careful analysis of the risk of spillage, uncontrolled release into soil/water/air;

- the prevention of occupational diseases and the elimination or reduction of accidents in the workplace for employees, service providers and subcontractors, based on the principle that all accidents are preventable.

The issue of new editions of the ISO 9001 and 14001 (ed. 2015) standards – expected this year – will introduce, among the most significant developments, the so-called "risk-based approach" in Management Systems. It is planned to define and launch the project to adapt QES Systems during 2016 (which must comply with the new standards, presumably, within three years of the date of issue).

For the correct application of the QES management system the Group has appointed a Management Representative who, assisted by the Quality, Environment and Safety Organizational Unit and top management, is responsible for:

- updating personnel and the entire organization about management's commitments taken on with the "Quality, Environment and Safety Policy", also by using the "The Bridge Impregilo Global Intranet" portal;
- scheduling regular internal audits to check the organization's working;
- proposing possible changes to improve the Group's performance to senior management.

In the reporting period, the QHSE Function conducted a series of audits according to the annual plan of the Function, with the aim of verifying effective application of QES systems in contracts.

The interventions were carried out mainly on contracts in full operation, with less interest on those starting up (where, nevertheless, interventions were made, taking part in the deployment program) or under completion.

Altogether 9 audits were performed, of which 2 in the operational areas of the subsidiary Todini Costruzioni SpA.

Environmental protection

Protecting the environment has always been a priority for the Group, formalized since 2002 - among the first companies in Europe - in a specific Environmental Policy. Since then, the Group has implemented in all its operating companies an environmental management system certified to the ISO 14001 standard and able to ensure that environmental impacts are adequately identified and mitigated, in response to legislative requirements and the expectations of the communities affected by our projects.

Specifically, this system complies with Salini Impregilo's policy to protect the environment, not only for the purposes of sustainable development and success in global markets, but also for:

- its strategic priority;
- ongoing improvement in performance and conduct;
- additional information and training for employees;
- the assessment and prior limitation of the effects of its operations on the environment;
- research and development, to identify increasingly sustainable techniques;
- dialog with employees and local communities, to jointly resolve any contingent environmental issues;
- commitment to involving clients, suppliers and subcontractors in a more correct and evolved environmental management of their products and services.

The environmental management system allows Salini Impregilo to continue its current policy aimed at:

- ongoing improvement of environmental performances;
- utilization of an internal organization to circulate and promote the system's guidelines and instructions with all Group companies and in building sites, ensuring their correct application;

- developing the capacity to identify and monitor key environmental aspects of its core business, including by setting up special data bases;

- the faster use of the results of technological research, encouraging adoption of increasingly efficient solutions to recycle materials, contain the movement and consumption of raw materials and energy, protect water resources and reduce waste and the clean-up of sites after work.

Large civil engineering projects have, by their very nature, very strong interrelationships with the anthropic and environmental environments in which they are implemented, modifying them to make them accessible (as in the case of transport infrastructures), to increase their economic potential (as in the case of dams for irrigation or energy) or to improve public utility services (as in the case of hydraulic engineering works).

The Salini Impregilo Group is committed to providing the highest level of environmental protection in all stages of their construction works: from design to the construction phase, until clearing of the work sites and environmental restoration. Adopting the most advanced tools available, the Group evaluates all potential impacts arising from its activities, in order to eliminate or minimize them.

During project implementation, the Salini Impregilo Group adopts specific environmental management plans in accordance with the requirements of ISO 14001, which allow all engineering works which could have effects on the environment to be monitored. The procedures of the environmental management system are applied in all our contracts and are constantly assessed and monitored, sometimes through direct audits by the QES Organizational Unit.

When a new contract is started and based on the work to be carried out, the Group identifies significant environmental aspects, i.e., those aspects that could significantly impact the environment. Their identification and subsequent assessment take place using specific procedures designed by the Health, Quality, Environment and Safety Unit, applicable to all contracts.

The significance of environmental impacts is assessed using a methodology prepared considering criteria that are given different weights, depending on their importance. These criteria are:

- the probability that the event will occur;

- the seriousness for the environment;

- how long the impact will last;

- how difficult it will be to restore the original situation;

- the effects on the Group's reputation.

Once the significant environmental impacts have been identified, the main effects of the contract on the different environmental components are analyzed:

- atmosphere;

- natural resources and energy consumption;

- surface and underground watercourses;

- soil and subsoil;

- waste generation;

- noise and vibrations;

- biodiversity,

which differ depending on the type of work carried out (underground tunnels and works, bridges and viaducts, railway and road works and dams).

Following the significance analysis, an Environmental Protection Plan will be prepared for each contract, describing the management and monitoring activities (Environmental Control Plans) for all the environmental components involved.

Atmosphere

During construction of infrastructure, the most significant direct effects on the atmosphere relate to dust dispersion due to the nature of the key processes: excavation, earthwork, movement of heavy vehicles on dirt tracks, crushing plants and the demolition of existing structures and buildings. In addition, the engines of the building site equipment and self-generating power plants release atmospheric emissions.

The Group adopts different methods to limit the creation and dispersion of dust: it regularly dampens access dirt tracks to building sites, vehicles are required to maintain a low speed. Industrial sites and quarries are equipped with tire washing systems to prevent trucks from spreading dirt on roads, which would cause dust dispersion.

To reduce emissions of combustion gases and particulates low-impact methods are used: performing regular maintenance, periodically renewing plant, machinery and vehicles with more efficient and environmentally friendly models. However, the main opportunities for reducing emissions derive from the connection of the plant and installations of the Group to local power networks, reducing, where possible, the use of diesel generators. For this reason, Salini Impregilo carefully assesses the possibility and means of connecting their sites to existing electrical networks.

Natural resources and energy

Construction of motorways, bridges, dams and railway lines requires the use of large quantities of concrete, water, iron and backfill: all raw materials which are mostly not renewable.

Salini Impregilo is committed to ensuring the most efficient use of these resources and the use of alternative materials, when possible, without affecting the quality, security and functioning of the finished product.

In order to improve its environmental performance, Salini Impregilo has fine-tuned systems to recycle and reduce consumption: When possible, it recycles debris as part of the same contract or uses systems that allow the reuse of water for other specific activities, such as, for example, washing vehicles.

Energy consumption, both in the form of fossil fuels and electric energy, has a strong impact during construction of infrastructure. Reduction of energy consumption is possible by using more efficient equipment or low-consumption vehicles.

Salini Impregilo uses state-of-the-art power rationalization systems both in the works it constructs and at its building sites, preferring high efficiency means and equipment.

Water environment

The effects of construction of a large-scale work on surface or underground watercourses are never insignificant. The impact varies depending on the type of work. Construction of a bridge or a dam inevitably leads to interference of watercourses. In these cases, Salini Impregilo implements procedures to limit any impacts on water quality as much as possible.

Tunnel boring also unavoidably leads to interference of underground watercourses. This is normal in all tunnel work but may become a critical issue if there are large waterbeds. Salini Impregilo adopts the necessary techniques to prevent any type of contamination.

To prevent contamination, wastewater is properly channeled and collected in leak-proof sedimentation tanks and treatment plants, where sediment and oily residues are removed. Prior to their release into the environment, the Group closely monitors the quantity and quality of its water discharges, to ensure compliance with local laws.

Even the water from underground excavations is collected and treated in treatment plants constructed at the entrance to the excavation windows, in order to eliminate any trace of pollutants or suspended matter before the water is returned to the environment.

Soil and subsoil

Large-scale works and infrastructure always affect the soil: use of the surfaces, sealing, excavations and backfills, contamination risks.

Earthwork and excavations are one of the most obvious and typical aspects during construction: construction of embankments, cuttings or certain types of dams require the movement of large earth quantities. Large volumes of soil have to be moved to the work front or removed. When the earth does not come from excavations at the building site, the effect on the environment of using earth from quarries or other natural environments has to be considered.

The primary and most visible environmental impact in the case of underground works is the large quantity of material created by the tunnel boring activities and the related traffic due to transport of the muck.

The excavated earth and rock are classified and stored on the sites for possible re-use within them, where possible and in compliance with the regulations, or sold to third parties to be re-used externally.

Waste

Waste generated during construction of large-scale infrastructure and engineering works can be grouped into two separate categories: urban or similar waste and special waste. Urban or similar waste is generated by logistics sites where all the support activities for the industrial production are carried out such as offices, accommodation for non-resident workers, canteens and recreational facilities for workers.

Salini Impregilo avails of the services of local authorized companies for the collection, recycling and disposal of this type of waste.
Special waste is generated by the actual industrial activities. It includes cement residue and iron scraps, which are usually recycled.

On industrial sites, waste materials are collected and sorted, and stored in specific enclosed areas, from which they are then taken to be reused or to be sold to third parties authorized to carry out disposal and treatment of waste.

Other types of waste generated in large quantities are packaging (plastic and wood) and sludge from the water purification systems, which are transferred to specific authorized third party systems.

Hazardous waste is a marginal part of the waste generated in a large-scale infrastructure contract. Normally it involves paint, additives and solvents, used oil and oil filters from vehicle maintenance, batteries, rechargeable batteries and, in some cases, earth, mud and other materials containing hazardous substances.

Impregilo transfers its hazardous waste to authorized third parties.

In all cases, Salini Impregilo operates in compliance with the current legislation and with maximum care, using qualified suppliers if necessary.

Noise and vibrations

The aspects relating to noise and vibration have a double significance for the Group: internally, in terms of the health of workers, and externally, in terms of impacts on the environment and local communities.

Within its management system, there are specific procedures to evaluate and monitor these aspects, adopting the most appropriate measures to ensure protection of the health and safety of workers (use of personal protection equipment, soundproofing, etc.) and of the surrounding environment.

With regard to the effects on the environment surrounding the sites, the areas most subject to noise interference are protected by noise barriers, which can be artificial dunes made of backfill material or support structures and absorption panels made of various materials. The noise barriers could also be one or more rows of trees or shrubs which both absorb the noise and reduce the visual impact.

Vibration is also a feature of work on civil engineering sites. The effects of pressure waves that propagate in the soil can cause damage to buildings or other structures located in the vicinity of the works. During the works, periodic monitoring of both noise and vibration is carried out.

Biodiversity

The performance of infrastructure projects requires the implementation of special protection measures when the sites are adjacent to or within sites of special natural interest, so that construction activities interfere as little as possible with the fauna and flora present. In these situations, the Group commits to preserving and protecting the biological diversity of the areas surrounding its operating sites.

Employee health and safety

Employee health and safety is one of Salini Impregilo's core values. The Group carries out many different types of work at its sites involving different risks for the employees involved. Salini Impregilo, therefore, is strongly committed to providing its employees with ongoing training about their duties, also making them aware of the risks they may face. Salini Impregilo has put in place and puts in place all the human and technical resources necessary to meet the objectives set in its QES policy and in accordance with BS OHSAS 18001.

Thanks to its adoption of a BS OHSAS 18001 certified health and safety management system, Salini Impregilo has achieved important milestones, such as:

- development of a safety culture;
- reduction of work-related accidents;
- prevention of occupational illnesses;
- decrease in administrative and criminal sanctions.

Moreover, integration of the health and safety management system with the other rules for quality (ISO 9001) and the environment (ISO 14001) has meant that Impregilo can continue its main goal of construction with quality and respectful of the environment and its employees' health and safety.

Salini Impregilo complies with prevailing regulations in each country in which it operates and guarantees high standards of health and safety in the workplace. All internal departments are required to contribute to ensuring the correct implementation of the management system, pursuant to the relevant regulations and the organizational, management and control model as per Legislative decree no. 231/2001.

Operational control of the management system is implemented through a specific procedure, which requires that, at each Group office and site, safety risks and emergencies are properly identified and managed, preventive and protective measures are defined, responsible corporate functions are identified. The basic documentation required to operate the system is as follows:

- Risk assessment documents;
- Operational Safety Plans (OSP);
- Emergency and evacuation plans;
- Fire prevention and control plans;
- First aid plans.

To ensure the coherence, uniformity and rigor of the documentation prepared by the individual sites, the Group has established guidelines and principles to be adopted in the preparation of the OSP, which must take into account the characteristics of the work, the specific processes, particular performance risks, the contractual specifications and local regulations.
The head office Quality, Environment and Safety Unit carries out periodic audits on specific safety procedures used at Group sites and evaluates the application of corporate rules concerning health and safety in the workplace.

Safety numbers

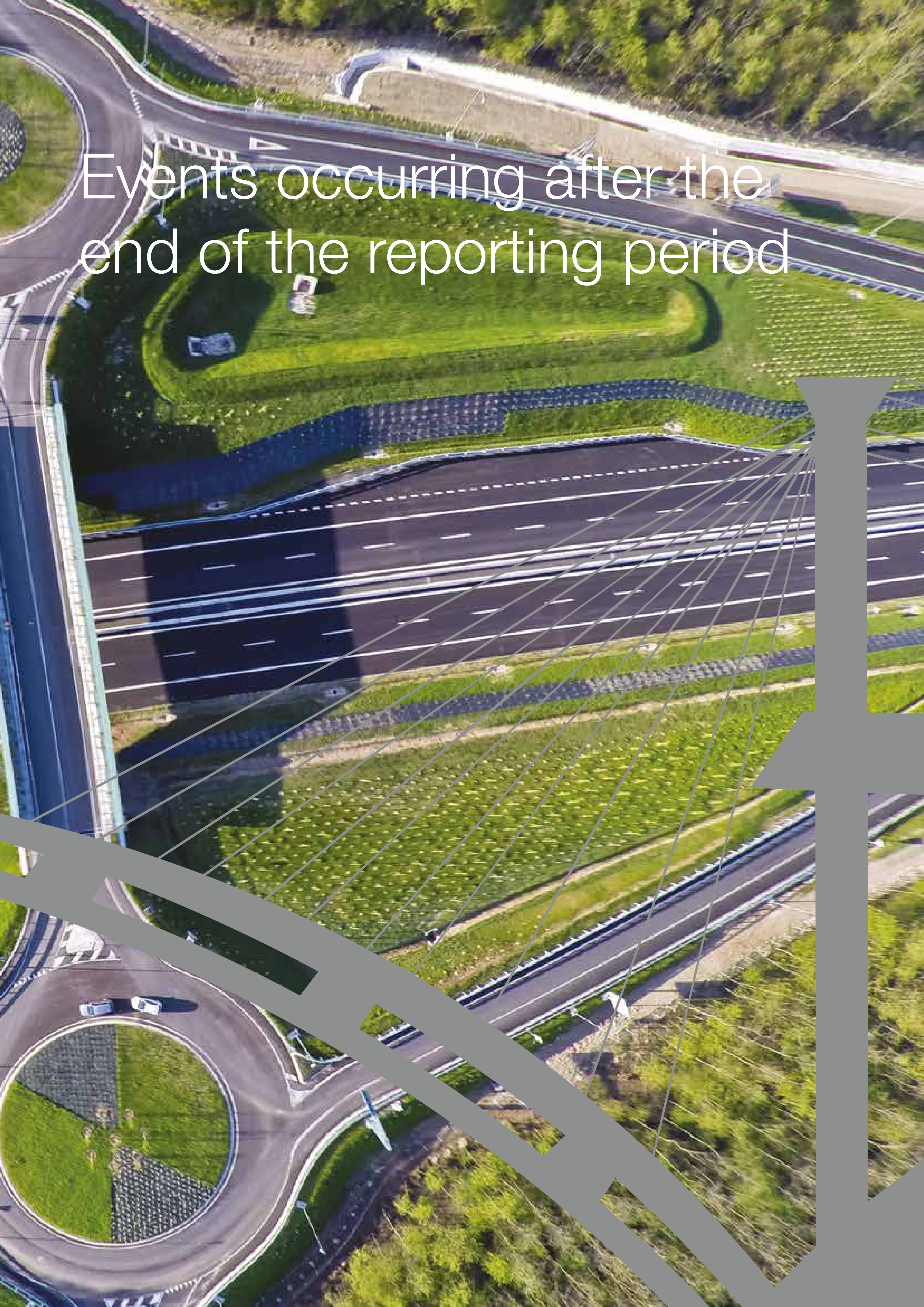
With respect to accident figures, it should be pointed out that the data analyzed also refers to the consolidated entity Salini Impregilo for the period prior to the date of the merger (January 1, 2014).

The table summarizes data and key indicators for the past five years in a single statement, considering both employee and subcontractor data.

Indicator / Year	2010	2011	2012	2013	2014
Total man hours worked	62,260,153	70,208,728	94,326,344	106,065,213	102,198,842
LTI (Lost Time Injuries)	527	472	1,436	1,197	743
Total number of lost workdays	14,675	15,005	14,883	13,391	10,195
LTRIF / UNI - ANSI Total recordable incident frequency = ((LTI + F) / Hours Worked)X 1,000,000	8.64	6.87	15.42	11.40	7.39
Severity rate / UNI - ANSI = (Lost Days Injuries / Hours Worked) X 1,000	0.24	0.21	0.16	0.13	0.10

The analysis of the figures shows an ongoing declining trend in the Severity Rate, whereas the LTRIF frequency index, after reaching a peak 2012, continued to decrease, returning to previous levels.

Events occurring after the end of the reporting period



This section presents the main facts that took place after the reporting period and not yet commented on in the previous sections of the Financial Report of the Salini Impregilo Group as at December 31, 2014.

On January 23, 2015, the Salini Impregilo Group was awarded the contract for the doubling of the carriageway of the Suleja Minna road (Phase II) in Nigeria. This is an important communication route since it provides access from the capital Abuja to the Northwest of the country. The project's function is to improve mobility and to facilitate the potential development of the entire region. The contract involves the construction, in 48 months, of a new carriageway and the complete rehabilitation of the existing one. The client is the Ministry of Public Works of Nigeria. The value of the works is approx. €112 million euros.

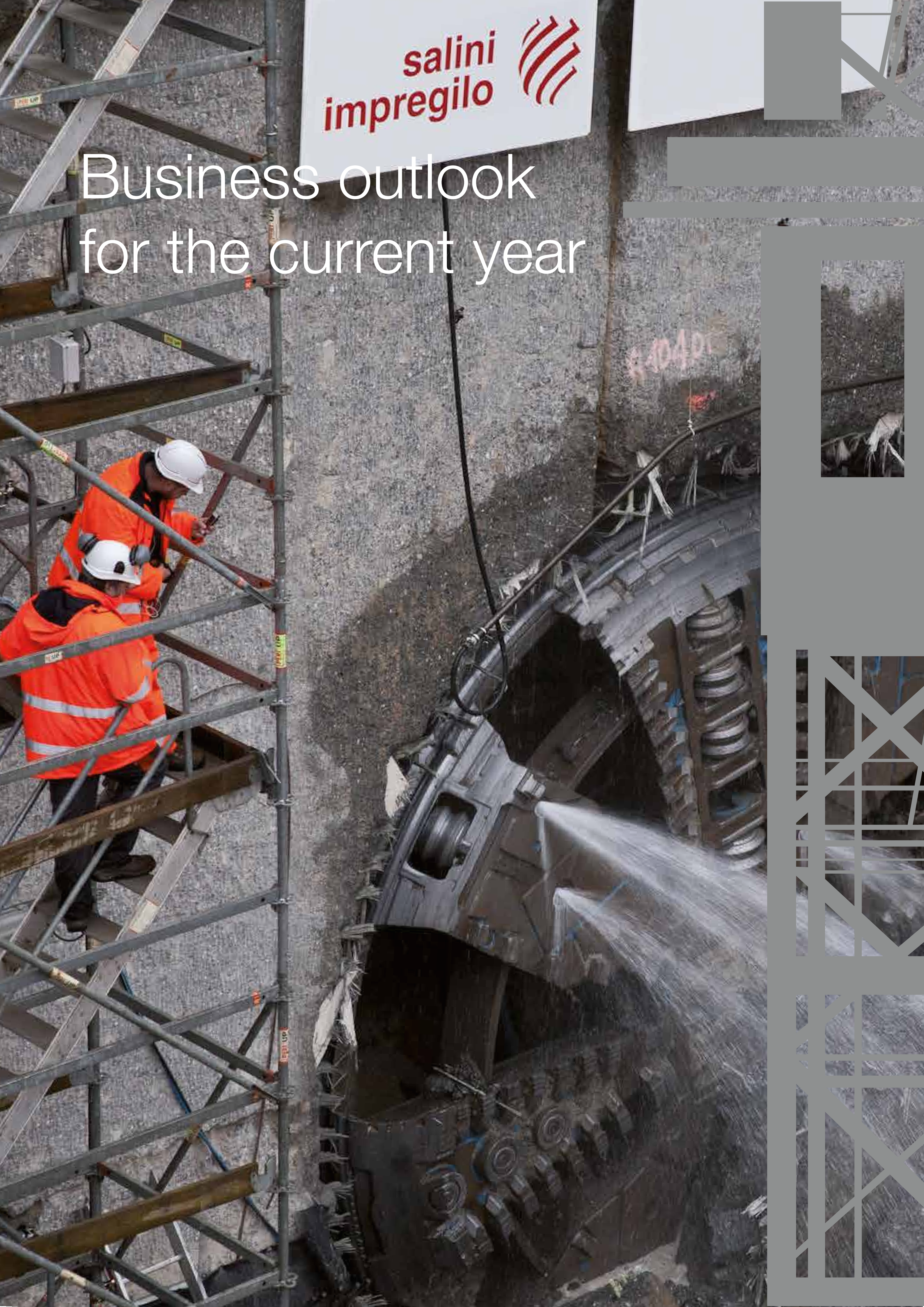
On February 25, Salini Impregilo reached agreement with a pool of banks comprising Banca Intesa, BNP Paribas, Natixis and Unicredit to renegotiate a significant portion of existing bank debt. The agreement concerns approximately €630 million. Under the deal, the term for repayment of €267 million of the existing debt has been extended from 2016 to 2019, with an amortization schedule starting in 2017. As part of the refinancing of the existing debt, a five-year credit line of €165 million with repayment at term was provided. Finally, the "Revolving credit facility" was increased from the current €100 million to €200 million, available for 5 years.

With reference to the changes in the exchange rates used in Venezuela since December 31, 2014, refer to the paragraph of this financial report titled "Analysis of the income statement and statement of financial position of the Salini Impregilo Group and the Parent Company".

With regard to the events that have occurred after December 31, 2014 concerning the SUW Campania Projects, reference should be made to the section of this Annual Report on "Non-current assets held for sale - SUW Campania Projects".

No other significant events occurred after December 31, 2014, beyond those described the previous sections of this Financial Report.

Business outlook for the current year



The most significant events of the period under review include in particular the share capital increase, successfully completed in the first half of 2014 and described above in this document. This transaction completed the events that characterized the Group's governance during the previous year and that led to the merger between the former controlling Company and now incorporated Company Salini S.p.A. and the incorporating Company Impregilo S.p.A. and the consequent change of Company name to Salini Impregilo S.p.A.

The above transactions, in addition to strengthening the Group's financial position, will further improve its strategic position and competitive edge in its target markets over the medium term, consistent with the strategic guidelines and objectives of the 2014-2017 Business Plan.

At the end of 2014, a truly outstanding order portfolio, both in qualitative and quantitative terms, and a well-balanced financial structure, continue to be important growth and development factors that the support the directors' expectation of results that will be in line with the guide lines announced to the market.

Other information

Investigation by the judiciary – Court of Milan (proceedings activated before the Court of Monza)

Following the proceedings initiated by the Public Prosecutor of the Court of Monza - in which the Chairman of the Board of Directors and the Chief Executive Officer of Impregilo in office at time of the events in question are being investigated for the crimes covered by Articles 81 and 110 of the Italian Criminal Code and Articles 2621 and 2637 of the Civil Code - Impregilo S.p.A. and Imprepar S.p.A. were the targets of a preliminary investigation in connection with an alleged administrative violation related to the crimes subject of Article 25-ter, Letters a) and r), and Articles 5 and 44 of Legislative Decree No. 231/2001.

The charges against the targets of the investigation were announced by the relevant Public Prosecutor with a notice dated October 13, 2005.

The alleged charge against Impregilo is to have “prepared and implemented an organizational model unsuitable to prevent the crimes” allegedly attributed to the officers target of the investigation, from which the Company is alleged to have benefited.

The proceedings progressed through a series of interconnected and complex procedural phases, at the end of which, at a hearing held on July 12, 2007, concurring with the objections that the counsel for the defendants and the companies involved in these proceedings had raised since the preliminary hearing, the Court of Milan, ruling on a preliminary basis, declared that “the indictment issued by the Preliminary Hearing Judge at the Court of Milan on February 21, 2007, in the proceedings pursuant to Article 416 of the Code of Criminal Procedure, was null and void” and, consequently, ordered that the record of the proceedings be sent back to the Public Prosecutor at the Court of Milan.

Consequently, the Milan Public Prosecutor reactivated the proceedings and, in November 2007, filed with the Judge for Preliminary Investigations in Milan a motion to end the proceedings. On February 13, 2009, the Judge for Preliminary Investigations granted the motion of the Public Prosecutor limited to a portion of the charges, which were dismissed. As a result of this decision, the proceedings targeting Imprepar S.p.A. ended. At the same time, the judge sent the record of the proceedings back to the Public Prosecutor for a filing of charges for the portion of the motion that had not been granted. Specifically with regard to the charges that were not dismissed by the Judge for Preliminary Investigations, the Company filed a motion for summary judgment and, at a hearing held on September 21, 2009, the Public Prosecutor requested a decision of dismissal of the remaining charges.
At the hearing of November 17, 2009, Impregilo was found not guilty both of the first charge, due to the lack of an element of the crime, and of the second charge, as it was not punishable pursuant to Article 6 of Legislative Decree No. 231/01, having adopted adequate organizational models.

On March 21, 2012, the Milan Court of Appeals denied the appeal motion filed by the Public Prosecutor against the lower court’s decision, which found Impregilo not guilty of the charge of violating Legislative Decree No. 231/01, and fully confirmed the above-mentioned decision by the lower court judge, who found, inter alia, that the organizational model adopted by the Company was adequate. The Public Prosecutor appealed this decision to the Court of Cassation, which on December 18, 2013 handed down Decision No. 4677/14 cancelling the decision of the Milan Court of Appeals, returning the proceedings to a different section of the same Court for a new merit review. The ruling was summarized before the Court of Appeal of Milan which, in the hearing of November 19, 2014, acquitted the Company and confirmed the rest of the acquittal of the preliminary investigation judge of the Court of Milan of November 17, 2009.

Other proceedings – Court of Florence

With regard to the criminal proceedings activated against the C.A.V.E.T. Consortium and certain individuals, including some former managers of the Consortium, it is worth mentioning that the appellate proceedings (ended in June 2011) with a decision handed down in June 2011, which reversed in full the lower court’s decision, thus reversing the convictions handed down by the lower court and finding both the Consortium and the indicted individuals not guilty of any of the charges.

The Public Prosecutor of the Court of Florence appealed this decision to the Court of Cassation, which, on March 18, 2013, set aside in part the decision of the Florence Court of Appeals ordering that the case be returned to the Court of Appeals. The reinstated proceedings before the Florence Court of Appeals got under way on January 30, 2014 and, on March 21, 2014, the Court of Appeals handed down a decision by which it rejected most of the charges levied by the Public Prosecutor, but upheld them in some important cases. The ruling of the Courts of Appeal of Florence, whose grounds were filed on May 29, 2014, was challenged by all the defendants and by C.A.V.E.T, as a party liable under civil law, and the related appeals were filed for Cassation in September this year. The Consortium, in protecting its interests, is confident that it will be able to demonstrate, again, in the subsequent courts of instance, the correctness of its actions.

A1 Milan-Naples Highway, work to upgrade the Apennine Mountains section between Sasso Marconi and Barberino di Mugello, La Quercia-Aglio segment

This project refers to the work to enlarge and modernize the A1 Highway, Base tunnel – Lot 9-11 – Valico Bypass. This order is part of a larger project being implemented by Autostrade per l’Italia S.p.A. to upgrade the A1 Highway with the construction of the Valico Bypass to improve traffic conditions and reduce travel time between Bologna and Florence. The iconic work of the Valico Bypass is the Base Tunnel: a tunnel with separate lanes (cross-section of 160 m2 and length of about 8.6 km) that will link the Emilia Romagna and Tuscany regions, connecting the future Badia Nuova rest area in the north with the new Poggiolino interchange in the south.

The works have been substantially completed with the exception of finishing work and some minor works to be carried out in the Tuscany Region. Starting in June 2011, the Florence Public Prosecutor, at the end of an investigation launched in 2005, charged some employees/senior managers of Todini Costruzioni Generali S.p.A. with environmental crimes allegedly related to the construction of the Valico Bypass.

By a decision dated November 5, 2012, the Preliminary Hearing Judge ruled for all the accused that the statute of limitations had run out on the alleged crimes regarding water control and effluent management and indicted the above-mentioned defendants for the alleged crimes concerning the management of excavated soil and rocks and environmental damage.

In the hearing of March 26, 2013, before the Court of Florence, the Italian Ministry of Environment joined the proceeding as plaintiff seeking damages from the parties liable under civil law, that is Todini Costruzioni Generali, Autostrade per l’Italia S.p.A., and the other contractors involved (in addition to the said defendants) by claiming damages "for equivalent assets" of no less than €810 million or such amount as the Court considers just and appropriate.

In support of its claim, the Ministry of the Environment filed a report by the I.S.P.R.A. (an institute established within the Ministry), which was deleted from the record of the proceedings at a hearing on December 9, 2013, as the Judge ruled that the introduction of this document could not be allowed because it had not been developed through an adversary process and lacked the name of the party who wrote it.

Since the civil plaintiff failed to produce documents or consultants, at this point, the damage claim is not supported by any evidence as to its amount.

The investigation phase began in January 2014 and is still ongoing.

The Group denies having any responsibility for the disputed issues, emphasizing that its conduct was completely lawful and that the charges levied against it are groundless. It also objects to the outrageous amount of the damage claim filed by the Ministry of the Environment, which, in addition to being put forth without first requesting the adoption of any environmental remediation measures that might have been necessary, does not appear to be compliant with Italian law and European Directive No. 2004/35/EC. In that regard, the European Commission activated infraction proceedings against Italy in 2007 (No. 2007/4679), confirmed on January 27, 2012 with a complementary reasoned opinion, which recently resulted in the adoption, with Law No. 97 of August 6, 2013, of amendments to the Uniform Environmental Code enacted with Legislative Decree No. 152 of April 3, 2006, which include the elimination from the text of Article 311 of the above-mentioned Legislative Decree No. 152/2006 of the reference to the damage claim "for equivalent asset value," due to the fact that compensation for environmental damages can first of all be achieved with specific remediation measures.

In view of the foregoing considerations and comforted by the opinion of counsel, the Group believes that the above-mentioned damage claim is devoid of merit and, consequently, that the risk of the claim being granted is remote. Consequently, management did not find it necessary to recognize a provision in its financial statements.

Compliance with the requirements of Article 36 of the Market Regulations

Salini Impregilo confirms that it is in compliance with the requirements of Article 36 of Consob Regulation No. 16191 (the "Market Regulations"), based on the procedures adopted before the above-mentioned regulations went into effect and the availability of the related information.

Research and development activities

In accordance with the requirements of Article 2428 of the Italian Civil Code, the Company discloses that it did not carry out any research and development activities in 2014.

Alternative performance indicators

As required by Consob Communication No. 6064293 of July 28, 2006, information about the composition of the performance indicators used in this document and in the corporate communications of the Salini Impregilo Group is provided below.

Financial ratios

Debt/Equity ratio: This indicator corresponds to the ratio of net financial position as the numerator (with a negative sign signifying net debt) to shareholders’ equity as the denominator. The consolidated statement of financial position items making up the financial position are listed in the corresponding accounting schedules, where they are marked with an asterisk (*). The shareholders’ equity items are those included in the relevant section of the consolidated statement of financial position. On a consolidated basis, the shareholders’ equity used for this ratio includes the amount attributable to minority interests.

Performance indicators

1. EBITDA or Gross operating profit: This indicators is the algebraic sum of the following items included in the income statement for the period:

   a. Total revenue.

   b. Total costs, except for depreciation and amortization.

   This indicator can also be shown in percentage form, as the ratio of EBITDA to Total revenue.

2. EBIT or Operating Profit: This indicator corresponds to the operating profit shown in the income statement and is equal to the algebraic sum of Total revenue and Total costs.

3. Return on sales or R.o.S.: This indicator, stated as a percentage, shows the ratio of EBIT, computed in the manner described above, to Total revenue.

Directors' Report - Part II

Report on corporate governance and the ownership structure

Pursuant to article 123-bis of Legislative Decree 58/1998
(Consolidated Finance Act - TUF)
(traditional management and control model)

1 ISSUER PROFILE

Salini Impregilo S.p.A. (hereinafter **"Salini Impregilo"** or the **"Issuer"**) is an Issuer with shares **listed** on the Mercato Telematico Azionario (electronic stock exchange) managed by Borsa Italiana S.p.A., resulting from the merger of Salini S.p.A. into Impregilo S.p.A., with effect from January 1, 2014[1].

With this merger the *Campione Nazionale®* project was finalized. This project aims to create a global leader with the expertise, skills, track record and dimensions necessary to compete in the global construction industry through more efficient and effective business management.

Salini Impregilo is currently an industrial Group specializing in the construction of major, complex projects, a dynamic Italian Company able to compete with leading global players. Through its business and organizational skills, technical and financial expertise, risk management abilities and time and cost optimization capacity, Salini Impregilo has an unrivalled wealth of expertise and skills which enables it to play a leadership role in the civil engineering large-scale works market and large-scale infrastructure and plant construction business.

Operating in over 50 countries with 34,400 employees, an annual turnover of roughly €4 billion and an order backlog of €29 billion, the Group is a global player in the construction industry and a world leader for infrastructure projects in the water segment.

Salini Impregilo bases its activities on a strong passion for construction which is reflected in its wealth of international projects. The Group has been operating in the dams and hydroelectric plants, hydraulic works, railways and metro systems, airports and motorways, civil and industrial building sectors for over 100 years.

Management and the entire Group are committed to operating in accordance with environmental, ethical and professional principles, which comply with the highest international criteria for corporate governance and citizenship.

The *corporate governance* structure adopted by Salini Impregilo S.p.A. is based on the guidelines set out in the "Corporate Governance Code" approved in March 2006, amended in March 2010 and in December 2011 and most recently approved, in its current version, in July 2014 by the Committee for Corporate Governance and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria, available to the market on Borsa Italiana's website http://www.borsaitaliana.it/comitato-corporate-governance/codice/2014clean.pdf (the "Code"), as it believes that having a well structured governance system is a pre-requisite for maximum efficiency and also ensures greater levels of transparency, thus increasing investor confidence in the Issuer.

To facilitate the assessment of the Issuer's governance system and the information contained in this report, it should be noted that the shareholders' meeting called to approve the financial statements at December 31, 2014 will also be called on to express their views on several amendments to the bylaws. The proposed amendments mainly reflect the need to eliminate all procedural rigidity in the functioning of the corporate bodies and in the exercise of shareholders' rights.

The Articles of the Company Bylaws affected by the proposal of the Board of Directors are, in particular, Articles 7 (Share Capital - Bonds), 10 (Right of withdrawal), 16 (Convocation of Shareholders' Meeting), 18 (Powers of the Chairman), 20 (Management and Representation), 24 (Management and Representation) and 29 (Board of Statutory Auditors) of the Company Bylaws.

1. Deed of merger drawn up by Mr. Carlo Marchetti, notary public in Milan, filed under No. 10520 of Folder No. 5396.

These amendments to the bylaws shall be mentioned from time to time in the relevant sections of the report. At any rate, further details are provided in the various Board of Directors' Reports which will be published on the Company's website **www.salini-impregilo.com**, under the Shareholders' Meeting section.

The scope of this report on corporate governance and ownership structure (the "report") is to illustrate Salini Impregilo's corporate governance model and provide a brief description of how it has been implemented by the Issuer.

It is based on the specially designed form prepared by Borsa Italiana S.p.A. (Fifth edition - January 2015).

2 INFORMATION ON THE OWNERSHIP STRUCTURE (article 123-bis.1 of TUF) AS AT MARCH 19, 2015

a) Share capital structure (Article 123-bis. 1.a) of TUF)

This amount is the result of the share capital increase, in *tranches* pursuant to Article 2439 of the Italian Civil Code, and against payment, made, on the basis of the powers granted by the shareholders at their extraordinary meeting held on September 12, 2013, by the Board of Directors on June 20, 2014, passing from **€500,000,000.00** to €544,740,000.00, namely, for a nominal amount of €44,740,000.00 in addition to a premium of €120,798,000.00 with the issue of 44,740,000 new ordinary shares with no par value and with regular dividend entitlement.

The above increase became effective on July 8, 2014, with the registration at the Milan Companies Register of the certificate attesting that the share capital increase was implemented.

The share capital of Salini Impregilo consists of 492,172,691 **ordinary shares**, with no par value[2], and 1,615,491 **savings shares.**

The Company's shares are listed on the Mercato Telematico Azionario (electronic stock exchange) managed by Borsa Italiana S.p.A.

Share capital structure

	No. of shares	% of share capital	Stock exchange
Ordinary shares	492,172,691	99.67	MTA
Savings shares	1,615,491	0.33	MTA

Salini Impregilo has not issued other financial instruments that give the right to subscribe newly issued shares.

The Issuer does not have any share-based incentive plans in place which involve increases in capital, bonus issues included.

On March 19, 2015, the Board of Directors called an Ordinary Shareholders' Meeting for April 30, 2015, to approve a share incentive Plan in the form of Performance Shares, as detailed in the related Directors' Report and in the Information Document to be published, within the times set by law, on the Company's website **www.salini-impregilo.com** under the *"Governance – Shareholders' Meeting"* section as well as in the press release that will be published in the *"Investor Relations - Press Releases"* section.

2. The shareholders eliminated the nominal amount of the ordinary shares and savings shares in the extraordinary session of the shareholders' meeting on October 12, 2004.

The Board of Directors also called an Extraordinary Shareholders' Meeting for April 30, 2015, for the adoption of the amendment to Art. 7 of the Bylaws which involves including the following paragraph: *"Furthermore, it is also permitted, in the manner and forms required by law, to allocate profits and/or profit reserves to employees of the Company or its subsidiaries, through the issue of shares, pursuant to the first paragraph of Article 2349 of the Italian Civil Code".*

For further information on this item, please see the Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the *"Governance – Shareholders' Meeting"* section.

b) Restrictions on the transfer of securities (Article 123-bis. 1.b) of TUF)

Salini Impregilo does not have any restrictions on the transfer of securities.

c) Significant investments in share capital (Article 123-bis. 1.c) of TUF)

Based on the statements made in accordance with Article 120 of TUF, shareholders with investments of more than 2% in the Issuer's ordinary share capital are currently:

Significant investments in share capital

Declarant	Direct shareholder, if other than the declarant	% of ordinary shares
Salini Simonpietro	Salini Costruttori S.p.A.	**61.729**
	UBS AG	**2.025**
	UBS Global Asset Management (Australia) Limited	**0.001**
UBS GROUP AG	UBS Global Asset Management (UK) Limited	**0.003**
	TOTAL	**2.029**

d) Securities carrying special rights (Article 123-bis. 1.d) of TUF)

Salini Impregilo has not issued any securities with special control rights. The Issuer's Bylaws does not contain any provisions on multiple or majority voting rights.

e) Employee share ownership schemes: mechanism for the exercise of voting rights (Article 123-bis. 1.e) of TUF)

Salini Impregilo does not have any employee share ownership schemes in place.

As mentioned above, on March 19, 2015, the Board of Directors called the Ordinary Shareholders' Meeting for April 30, 2015, to approve an employee share ownership Plan in the form of Performance Shares, as detailed in the related Directors' Report and in the Information Document to be published, within the times set by law, on the Company's website **www.salini-impregilo.com** under the *"Governance – Shareholders' Meeting"* section, as well as in the related press release which will be published in the *"Investor Relations - Press Releases"* section.

The Board of Directors has also called the Extraordinary Shareholders' meeting, also for April 30, 2015, for the adoption of the amendment to Art. 7 of the Bylaws also by inserting the following paragraph: *"Furthermore, it is also permitted, in the manner and forms required by law, to allocate profits and/or profit reserves to employees of the Company or its subsidiaries, through the issue of shares, pursuant to the first paragraph of Article 2349 of the Italian Civil Code".*

For further information on this item, please see the

Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the *"Governance – Shareholders' Meeting"* section.

f) Restrictions on voting rights (Article 123-bis. 1.f) of TUF)

Salini Impregilo does not have any restrictions on voting rights.

g) Shareholder agreements (Article 123-bis. 1.g) of TUF)

The Issuer is not aware of any shareholder agreements, considered to be material under Article 122 of Legislative Decree no. 58 of February 24, 1998.

h) Change of control clause (Article 123-bis. 1.h) of TUF) and Bylaws provisions about takeover bids (Article 104.1-ter and Article 104-bis.1)

The Issuer and its subsidiaries have entered into some agreements of a financial nature or contracts which by taking effect, amend or terminate in the event of a change of shareholders controlling the Issuer. Disclosure of the specifics contained in the agreements could cause serious damage to the Company and its subsidiaries.

Salini Impregilo's Bylaws do not contain provisions on takeover bids and, therefore, do not depart from the measures about the *passivity rules* pursuant to Article 104.1 and 1 bis of the Consolidated Finance Act (TUF), nor do they provide for application of the breakthrough rules envisaged by Article 104-bis, 2 /3, of TUF.

i) Delegated powers regarding share capital increases and to authorize purchase own shares (Article 123-bis.1.m) of TUF)

Delegated powers to increase share capital

The extraordinary shareholders' meeting held on September 12, 2013, resolved to grant the following powers to the Board of Directors:

- pursuant to Article 2443 of the Italian Civil Code, to increase the share capital on one or more occasions before September 11, 2018, against payment and in *tranches* pursuant to Article 2439 of the Italian Civil Code, with the exclusion of the option right pursuant to paragraph 4.2 of Article 2441 of the Italian Civil Code, via the issue in one or more *tranches* of a number of ordinary and/or savings shares no greater than 10% of the total number of Salini Impregilo shares outstanding on the date that the power is exercised, and in any event by a nominal amount no greater than €50,000,000.00 (*fifty million*). The Board has the right to set an additional premium.

For the purpose of exercising the above-mentioned powers conferred, the Board of Directors is also granted all powers to *(a)* determine, for each *tranche*, the number of shares, the issue price per share (including any possible share premium) and the dividend rights of the ordinary and/or savings shares, subject only to the limitations set forth in paragraph 4.2 of Article 2441 and/or Article 2438 and/or paragraph 5 of Article 2346 of the Italian Civil Code, on the understanding that the above-mentioned issue price may be lower than the pre-existing book value of the shares, legal restrictions notwithstanding; *(b)* determine the deadline for subscription of the Company's ordinary and/or savings shares; and *(c)* implement the delegated powers mentioned above including, but not limited to, those necessary to make the pertinent and needed amendments to the Bylaws that may be necessary on each occasion.

- **(i)** pursuant to Article 2443 of the Italian Civil Code, to increase the share capital against payment, on one or more occasions before September 11, 2018, also in *tranches* pursuant to Article 2439 of the Italian Civil Code, by a maximum nominal amount of €100,000,000.00 *one hundred* million with the option to set a premium, via the issue of ordinary and/or savings shares, which may have cum warrants (which entitle their holders, at the Board's discretion, to receive ordinary and/or savings shares and/or bonds or convertible bonds issued by the Board itself to exercise a delegated power, either as a bonus or against payment, also from a new issue) to be offered to those entitled, with the exclusion or limitation - in full or in part - of the option right pursuant to paragraphs 4.1, 5 and 8 of Article 2441 of the Italian Civil Code, also to service:

(1) the exercise of the above-mentioned cum warrants; and/or

(2) convertible bonds (cum warrants if applicable) also issued pursuant to a delegated power pursuant to Article 2420-ter of the Italian Civil Code; and/or

(3) warrants (conveying the right to receive ordinary and/or savings shares and/or convertible bonds of the Company issued by the Board itself to exercise a delegated power, either as a bonus or against payment, from a new issue) added to bonds issued pursuant to Article 2410 of the Italian Civil Code and/or convertible bonds issued also pursuant to a delegated power pursuant to Article 2420-ter of the Italian Civil Code and/or independently.

For the purpose of exercising the above-mentioned delegated power, the Board of Directors is also granted all powers to *(a)* determine for each *tranche*, the number of shares, the issue price per share (including any eventual share premium) and the dividend rights of the ordinary and/or savings shares which may have cum warrants to be issued from time to time, subject only to the limitations set forth in Article 2438 and/or paragraph 5 of Article 2346 of the Italian Civil Code; *(b)* determine the deadline for subscription of the Issuer's ordinary and/or savings shares; *(c)* determine the number, procedures, terms and conditions and all other characteristics (including the allocation and conversion ratios and, if applicable, the exercise price) and the corresponding rules for any warrants issued in the exercise of this delegated power; *(d)* carry out all of the activities that may be necessary or appropriate to secure the listing on regulated markets in Italy or abroad of the warrants issued in the exercise of this delegated power, to be exercised at the Board's discretion for the entire duration of the warrants taking into account market conditions; and *(e)* implement the delegated powers mentioned above including, but not limited to, those necessary to make the pertinent and needed amendments to the Bylaws that may be necessary from time to time;

(ii) pursuant to Article 2420-ter of the Italian Civil Code, to issue convertible bonds, which may also have cum warrants (which entitle their holders, at the Board's discretion, to receive ordinary and/or savings shares and/or bonds or convertible bonds issued by the Board itself to exercise a delegated power, either as a bonus or against payment, also from a new issue), on one or more occasions and in *tranches* before September 11, 2018, to be offered to those entitled, with the exclusion or limitation - in full or in part - of the option right pursuant to paragraphs 4.1, 5 and/or 8 of Article 2441 of the Italian Civil Code, up to a maximum of €100,000,000.00 (*one hundred million*).

For the purpose of exercising the above-mentioned delegated power, the Board of Directors is also granted all powers to *(a)* determine for each *tranche*, number, issue price and the dividend rights of the convertible bonds (also cum warrants having the same characteristics as above) to be issued, and the number of financial instruments earmarked to accommodate the conversion or exercise of the bonds, subject only to the limits set forth in Article 2412 and/or Article 2420-bis of the Italian Civil Code, as applicable, and to allow the exercise of any warrants attached to the bonds; *(b)* determine the procedures, terms and conditions for conversion or exercise (including the allocation and conversion ratios and, if applicable, the exercise price and any additional paid-in capital for the shares that need to be issued for that purpose) and all other characteristics and the rules governing the convertible bonds (possibly with cum warrant having the same characteristics as above); *(c)* determine the number, procedures, terms and conditions and all other characteristics (including the allocation and conversion ratios and, if applicable, the exercise price, including any share premium for shares that need to be issued for such purpose) and the corresponding rules for any warrants attached to the bonds in question; *(d)* carry out all of the activities that may be necessary or appropriate to secure the listing on regulated markets in Italy or abroad of the warrants in the exercise of this delegated power, to be exercised at the Board's discretion for the entire duration of the warrants, taking into account market conditions; and *(e)* implement the delegated powers mentioned above including, but not limited to those necessary to make the pertinent and needed amendments to the Bylaws that may be necessary from time to time.

For the resolutions adopted by the Board of Directors to implement the preceding delegated powers pursuant to Articles 2443 and/or 2420-ter of the Italian Civil Code, the Board of Directors shall comply with the following criteria:

(A) The issue price, including any share premium, of the new ordinary and/or savings shares to be issued, in one or more *tranches*, in implementation of the delegated powers pursuant to Article 2443 of the Italian Civil Code (or to each *tranches*), including for use in connection with warrants and/or compensation plans based on the award of financial instruments, pursuant to Article 114-bis of TUF and/or the conversion of convertible bonds (including cum warrants) issued to implement the delegated powers pursuant to Article 2420-ter of the Italian Civil Code (or to each of their *tranches*), shall be determined by the Board of Directors taking into account, inter alia, the equity, the conditions prevailing in the financial markets at the time the transaction is actually launched, Salini Impregilo share stock market prices, and possibly the offering of a discount in line with market practice for similar transactions. The issue price may be lower than the pre-existing book value of the shares, subject to the formalities and limits referred to in paragraphs 4.1, 5 and 6 of Article 2441 of the Italian Civil Code, where applicable.

(B) For resolutions concerning compensation plans pursuant to Article 114-bis of Legislative Decree no. 58 of 1998 (TUF), based on the award of financial instruments, the unit subscription price (including any share premium) of the Issuer's ordinary shares, including the shares into which the above-mentioned financial instruments may be convertible or exercisable, will be determined at the time the options are awarded, taking into account the exercise price of the plan's options and the plan's regulations, without prejudice to the formalities and limits referred to paragraphs 4.1, 5 and 6 of Article 2441 of the Italian Civil Code, where applicable.

(C) For resolutions pursuant to paragraph 4.1 and/or paragraph 5 of Article 2441 of the Italian Civil Code, the option rights may be excluded or limited when such exclusion or limitation appears, even only reasonably, more beneficial to the Company's interest, on the understanding that, in any case, for the purposes of the requirements of paragraph 6 of Article 2441 of the Italian Civil Code, by virtue of the reference cited in paragraph 1 of Article 2443 of the Italian Civil Code:

1. the exclusion of the option right of Shareholders pursuant to paragraph 4.1 of Article 2441 of the Italian Civil Code will be allowed only if the new-issue shares are paid for through the contribution, by third parties, of business units, companies or physical plant facilities functionally organized to carry out activities consistent with the Company's corporate purpose, as well as receivables, equity investments, listed and unlisted financial instruments, and/or other assets that the Board of Directors believes to be instrumental for the pursuit of the corporate purpose;

2. the exclusion or limitation of the option right pursuant to paragraph 5 of Article 2441 of the Italian Civil Code will only be allowed if the Board of Directors deems it appropriate for new-issue shares to be offered for subscription to qualified parties, such as banks, institutions, finance companies, investment funds or operators who engage in activities in line with and/or functional to those of Salini Impregilo and/or having a purpose similar or related to that of the Company or otherwise functional to the development of the Company's activity.

In any event, the sum of the nominal amount of the share capital increase approved in the exercise of the delegated powers referred to in (i) above, and the amount of the convertible bonds issued in the exercise of the delegated powers referred to in (ii) above, shall not exceed the total maximum nominal amount of €100,000,000.00 (*one hundred million*). Likewise, the sum of the nominal amount of the share capital increase approved in the exercise of the delegated powers referred to in *(i)* and the total nominal amount of the share capital increase carried out to allow the conversion of the convertible bonds issued in the exercise of the delegated power referred to in *(ii)* above, and/or the exercise of any warrants issued in the exercise of such delegated powers, shall not in any event exceed the total maximum nominal amount of €100,000,000.00.

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The next Board of Directors meeting, held June 16, 2014, resolved, in the forms provided for in Article 2443 of the Italian Civil Code, in exercising and within the limits of the delegated power pursuant to Articles 2443 and 2441.4, second sentence, of the Italian Civil Code, resolved by the Extraordinary Shareholders' Meeting of Salini Impregilo S.p.A. of September 12, 2013 -as part of a broader offer concerning a maximum of 100,000,000 Salini Impregilo ordinary shares with no par value and with regular dividend entitlement held by Salini Costruttori -to launch pursuant to Article 2443 of the Italian Civil Code the capital increase establishing:

(i) to increase the share capital of the Company, in *tranches* pursuant to Article 2439 of the Italian Civil Code, against payment, with exclusion of the option right pursuant to Article 2441.4, part two, of the Italian Civil Code, within the maximum limit permitted by the delegated power, i.e., through the issue of new ordinary shares of Salini Impregilo, with regular dividend entitlement, in a maximum number of up to (but not equal to) 10% of the total number of Salini Impregilo shares outstanding on today's date and, thus, up to a maximum of 44,740,000 (forty four million, seven hundred forty thousand) new ordinary shares of Salini Impregilo and, in any event, for a total nominal amount not exceeding €50,000,000.00 (fifty million), in addition to any share premium;

(ii) to offer the resulting shares issued for subscription exclusively to qualified investors in Italy (as defined in Article 34-ter.1b, of the Consob regulation adopted with resolution no. 11971 of May 14, 1999, as amended) and institutional investors outside Italy (as defined pursuant to Regulation S and Rule 144A promulgated pursuant to the US Securities Act of 1933) excluding any jurisdiction in which the offering of shares is prohibited under applicable law;

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The Board of Directors meeting of June 20, 2014, held in compliance with the rules set out in Article 2443 of the Italian Civil Code, subject to the determination of the final conditions of the above mentioned capital increase, including the subscription price, and after determining the criteria for establishing it and acquiring the independent auditors ' report required under Article 2441.4, second sentence of the Italian Civil Code, therefore resolved:

(i) to approve the share capital increase of the Company, in *tranches* pursuant to Article 2439 of the Italian Civil Code, against payment, with exclusion of the option right pursuant to Article 2441.4, part two, of the Italian Civil Code, for a nominal amount of a maximum of €44,740,000 in addition to a share premium of a maximum of €120,798,000.00 and, thus, for a maximum value of €165,538,000.00, through the issue of a maximum of 44,740,000 new ordinary shares of Salini Impregilo with no par value, with regular dividend entitlement, equal to approximately 9.96% of the total number of Salini Impregilo shares outstanding as of the date of the Board of Directors meeting;

(ii) to offer the resulting shares issued for subscription exclusively to qualified investors in Italy (as defined in Article 34-ter.1b, of the Consob regulation adopted with resolution no. 11971 of May 14, 1999, as amended) and institutional investors outside Italy (as defined pursuant to Regulation S and Rule 144A promulgated pursuant to the US Securities Act of 1933) excluding any jurisdiction in which the offering of shares is prohibited under applicable law.

For anything not expressly mentioned herein, please see the minutes of the Salini Impregilo S.p.A. Board of Directors meeting held on June 20, 2014, (Notary Public Carlo Marchetti, filed under No. 10960 of Folder No. 5645), published on the Company's website **www.salini-impregilo.com**, under the *"Governance - Other Governance Documents"* section, as well as the Press Releases of June 16, 20, and 25, 2014, and July 4 and 11, 2014, available in the relevant section of the above website.

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Due to the full exercise, with the above-mentioned share capital increase in June 2014, the power granted by the Extraordinary Shareholders’ meeting held on September 12, 2013 and taking into account the need to provide the Company with additional instruments to obtain financial resources to help support the Issuer’s growth strategy, the Board of Directors, at their meeting held on March 19, 2015, called an Extraordinary Shareholders’ Meeting for April 30, 2015, in order to grant to the Board of Directors (i) the power to increase share capital, on one or more occasions and, in any event, in *tranches*, with the exclusion of option rights pursuant to Article 2443 and 2441.4, second sentence, of the Italian Civil Code, namely against payment and in cash, by issuing, also in *tranches*, a number of ordinary and/or savings shares that does not exceed 10% of the total number of Salini Impregilo shares outstanding on the date that the Delegated Power is exercised, as well as (ii) the power, pursuant to Articles 2443 and 2420 of the Italian Civil Code, to increase share capital, on one or more occasions and, in any event, in *tranches*, against payment or for free, and to issue convertible bonds, also with the exclusion of the option right pursuant to 2441.4, first part (i.e. to issue new ordinary and/ or savings shares to be paid through contribution in kind) and/or paragraph 5 (i.e. when the interest of the Company so requires) of the Italian Civil Code, subject to revocation of the power granted with the shareholders’ resolution on September 12, 2013, and (iii) the power, pursuant to Article 2443 of the Italian Civil Code, to increase share capital, on one or more occasions and, in any event, in *tranches*, against payment, also with the exclusion of the option right pursuant to Article 2441.5 (i.e. through the issue of new shares to be offered to individuals - including directors, contract workers and/ consultants – in respect of which there is no employee-employer relationship with the Company and/or its subsidiaries and/or parent companies), paragraph 6 and/or 8 (i.e. through the issue of new shares to employees of the Company and/or its subsidiaries and/or parent companies) of the Italian Civil Code and/or to increase share capital, free of charge, pursuant to Article 2349 of the Italian Civil Code (i.e. through the issue of new shares to offer free of charge to employees of the Company and/or its subsidiaries drawn from the profits or profit reserve), to service the remuneration plans based on financial instruments pursuant to Article 114-bis of Italian Legislative Decree no. 58 of February 24, 1998.

All of this, with the consequent amendment of Article 7 of the Bylaws.

Further details are provided in the Board of Directors’ Report that will be published on the Company’s website **www.salini-impregilo.com** under the *“Governance – Shareholders’ Meeting”* section.

Authorization to repurchase treasury shares

On September 19, 2014, the Shareholders’ Meeting of Salini Impregilo authorized the Board of Directors to repurchase treasury shares in view of a medium-long term investment, in order to (i) establish a portfolio of treasury shares to be used for any extraordinary transactions, (ii) establish a portfolio of treasury shares to service the remuneration and retention plans for management and personnel; and (iii) operate on the market to support the liquidity of the Company’s shares and for the purpose of stabilizing its price, in the presence of anomalous fluctuations compared with expected market trends.

The authorization was approved for the maximum period permitted by the applicable legal and regulatory provisions (established by Article 2537.3 of the Italian Civil Code as a maximum of 18 months from the date of the Shareholders’ Meeting) to purchase, on one or more occasions, up to a maximum number of ordinary treasury shares that does not exceed 10% of the 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, 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.

On the basis of the shareholders' resolution on September 19, 2014, the Issuer launched the program for the purchase of ordinary shares on October 7, 2014. The purpose of this program was to establish a portfolio of ordinary treasury shares with a view to medium and long term investment, in the context of any extraordinary financing transactions. In accordance with this program, the Issuer purchased, from October 7, 2014 to October 31, 2014, in several *tranches* and at an average price of €2.47, a total of 3,104,377 treasury shares, representing 0.631% of the ordinary share capital and 0.629% of the total capital, still in the portfolio at the end of the 2014 financial year. As of today's date, no shares have been purchased in 2015.

The purchases made were periodically communicated, in accordance with legal and regulatory provisions, in the notices published on the website **www.salini-impregilo.com** in the *"Investor Relations - Press releases"* section.

In addition to the above, the Ordinary Shareholders' Meeting, on the same date, authorized the Board of Directors to sell and/or in any event dispose of all the treasury shares held, also prior to the completion of the purchases for the maximum authorized amount, on one or more occasions and at any time, without time limits, for all the purposes specified above and using any of the methods permitted by the prevailing applicable regulations (also through subsidiaries) at a sale price to be established from time to time.

The Board of Directors, as at the present date, has not sold any of its treasury shares.

For anything not specified herein, please see the Directors' report drafted pursuant to Article 73 of Consob regulation no. 11971/99 and the minutes of the Shareholders' Meeting held on September 19, 2014, published on the Company's website **www.salini-impregilo.com** in the *"Governance - Shareholders' Meetings"* section as well as the press release dated September 19 and October 6, 2014 and the weekly notices of October 13, 20 and 27, 2014, as well as the press release of November 3, 2014, published on the Company's website **www.salini-impregilo.com** in the *"Investor Relations - Press Releases"* section.

l) Management and coordination (Article 2497 and following Articles of the Italian Civil Code)

The Company is subject to the management and coordination of Salini Costruttori S.p.A., as confirmed by the Board of Directors on December 12, 2013.

The information required by Article 123-bis.1.i) of TUF (*"agreements between companies and their directors .... that provide for compensation in the case of their resignation or dismissal without just cause or if their relationship is discontinued following a takeover bid"*) is set out in the remuneration report published pursuant to Article 123-ter of TUF.

The information required by Article 123-bis. 1.l) of TUF (*"the rules applicable about the appointment and replacement of directors ... and changes to the Bylaws, if different to those provided for by law and regulations applicable on a substitute basis"*) is disclosed in the section on the Board of Directors in this report (section 4.1).

3 COMPLIANCE (article 123-bis.2.A) of TUF)

Salini Impregilo has complied with the requirements of the original version of the Corporate Governance Code issued by the Committee for Corporate Governance of Borsa Italiana S.p.A. and the subsequent version published in July 2002.

Following publication of the new Corporate Governance Code in March 2006 by the Committee for Corporate Governance of Borsa Italiana, the Issuer's Board of Directors resolved, in their meeting on December 20, 2006, to ask the internal control committee to perform an in-depth comparative analysis of the Company's corporate governance structure with regard to the Code requirements and to provide the board with its assessments, opinions and proposals about alignment with the Code and necessary actions.

Based on the analysis and proposals of the internal control committee, the board resolved, in their meeting on March 12, 2007, to comply with the Corporate Governance Code drawn up by the Committee for Corporate Governance of Borsa Italiana S.p.A. (March 2006 version), with the methods and exceptions set out below.

Finally, on October 16, 2012, after analyzing the individual changes to the December 2011 Corporate Governance Code and considering the proposals by the Control and Risk Committee in the meeting held on September 21, 2012, the Board of Directors resolved to confirm the Issuer's compliance with the Corporate Governance Code, as revised in December 2011, using the methods set out below.

Lastly, on December 17, 2014, after examining the additional updates to the Corporate Governance Code of July 2014, the Board resolved to confirm the Issuers compliance with the July 2014 edition of the Corporate Governance Code.

Specifically, in order to align the Company's corporate governance structure with the standards and criteria of the Code (March 2006 version), on March 12, 2007, the Board of Directors resolved:

- with respect to criterion 1.C.1.b), to classify FISIA Italimpianti S.p.A., Impregilo International Infrastructures N.V. and EcoRodovias Infraestrutura e Logística (formerly Primav Ecorodovias) S.A. as "strategic subsidiaries".

  At present, the Group does not have an investment in Ecorodovias Infraestrutura e Logística S.A. and, therefore, it is no longer a strategic subsidiary of Salini Impregilo. On October 14, 2014, the Board of Directors also took note of the situation of the target market of Fisia Italimpianti SpA and ordered its reorganization. Therefore, that Company is no longer classified by the Issuer as a strategic subsidiary;

- with respect to criterion 1.C.1.f), to establish the general criteria concerning major transactions, as described in section 4.3 of this report;

- with respect to criterion 1.C.1.g), to perform once a year, during the meeting held to approve the financial statements, an assessment of the size, composition and working of the Board of Directors itself and its committees;

- with respect to criterion 1.C.3., to adopt the rules described in section 4.2 of this report;

- with respect to criterion 2.C.1., to confirm the previous assessment stated at the board meeting held on July 7, 2005, and therefore, to consider the directors who are members of the executive committee as non-executive, given that participation in this committee, considering the frequency of the meetings and subject of the related resolutions, does not entail the systematic involvement of its members in the day-to-day management of the Company nor does it lead to a significant increase in their remuneration compared to that received by the other non-executive directors; and, therefore, only the CEO qualifies as an executive director; this assessment was further confirmed by the Board on March 25, 2013, also in light of the opinion expressed by the corporate governance advisory board;

- with respect to criterion 2.C.2., as proposed by the chairperson, that the relevant internal functions provide all the directors and statutory auditors with access to the Company's intranet site to allow their direct access to the documentation and information posted thereon;

- with respect to criterion 3.C.4., to generally comply with the requirements set by the Code about directors' independence; and that any non-compliance therewith should be justified;

- with respect to criterion 3.C.5., that the outcome of the controls performed to check the correct application of the criteria and procedures put in place by the board to assess the independence of its members be communicated by the Board of Statutory Auditors to the market in its report to the shareholders. The Board of Statutory Auditors stated that it complies with this resolution during the board meeting;

- with respect to criterion 3.C.6., that the independent directors meet annually, before the board meeting held to approve the annual financial statements, for self-assessment purposes and that any remedial action to be taken be examined with respect to the role played by independent directors within the board; they report to the board on their findings;

- with respect to criterion 4.C.1., to approve a specific "Procedure for the internal management and external communication of documents and information" to replace the "Internal regulations for disclosing "price sensitive" documents and information to the market", approved by the Board of Directors on March 27, 2001, as described in paragraph 5 of this report.

- with respect to criterion 5.C.1.c), to make available to the internal control and remuneration committees (now the Control and Risk Committee and the Compensation and Nominating Committee, respectively) an annual budget of €25,000 per committee to be used for any necessary consultancy or other services to carry out their duties. The prior authorization of outlays is not necessary although the committees are required to document their expenses. They may also avail of internal information and personnel. The Board of Directors resolved to increase the Control and Risk Committee's budget from €25,000 to 50,000 on May 11, 2011. This amount can be increased up to €100,000 with the documented request by the committee chairperson and approval by the Board of Directors' chairperson;

- with respect to standard 6.P.2., not to set up an appointment committee as, to date, the shareholders have not encountered difficulties in proposing suitable candidates (and no such difficulties are envisaged) such that the composition of the Board of Directors complies with that recommended by the Code; following the amendments to the Code approved by the Committee for Corporate Governance in December 2011, the board resolved to rename the remuneration committee as the remuneration and appointment committee on July 18, 2012, giving it the duties envisaged by the Code for the appointment committee;

- with respect to criterion 6.C.1., to comply with the criterion proposing the related change in the Bylaws to the shareholders in their extraordinary meeting; the shareholders actually resolved to change the Bylaws in their extraordinary meeting of June 27, 2007; following the new rules introduced by Legislative Decrees nos. 27 and 39 of January 27, 2010, the Board of Directors amended Article 20 of the Bylaws again pursuant to Article 24 of the same Bylaws, as described in section 4.1 of this report;

- with respect to criterion 7.C.3., to assign the duties as per such criterion to the remuneration committee; that the committee shall appoint a chairperson from among its members and shall draw up operating rules; with its resolution of May 2, 2011, following renewal of the Board of Directors elected by the shareholders on April 28, 2011 and in order to set up a remuneration committee, the Board of Directors gave this new committee the duties set out by the Code drawn up by Borsa Italiana's Committee for Corporate Governance (March 2006 edition), as amended in March 2010; on July 18, 2012, the board elected by the shareholders on July 17, 2012, gave Compensation and Nominating Committee the following duties set out by the Code as revised in December 2011, when setting it up;

- with respect to criterion 8.C.1.a), considering changes in legislation over time and in the organizational structure, to postpone the procedure, and, when and if necessary, to update the "Guidelines for internal control policies" approved by the Board of Directors on March 21, 2000, with the assistance of the internal control committee; on March 25, 2009, the board resolved to adopt, on proposal of the internal control committee, a document setting out the ""Guidelines for the internal control system", replacing the "Guidelines for Internal Control Policies" approved by the Board on March 21, 2000. This document was updated to its current version by the Board of Directors on November 12, 2014. This document defines and sets out the objectives of the internal controls, the guiding principles and the parties in charge of it (the Board of Directors, the CEO as the Executive director in charge of internal controls, the internal control committee, the internal control supervisor, the Board of Statutory Auditors, the independent auditors, the manager in charge of financial reporting and the integrity board pursuant to Article 6 of Legislative decree no.231/01) and the components making up the internal controls being the organizational structure, the proxies and delegation system, the Organization, Management and Control Model, the Group Code of Ethics and internal organizational documents;

- with respect to criterion 8.C.1.b), to appoint the CEO as the "Executive director in charge of internal controls"; on July 18, 2012, following appointment of the current Board of Directors by the shareholders on July 17, 2012, the board confirmed the CEO as the "Director in charge of the internal control and risk management system", pursuant to criterion 7.P.3.a) (i) of the Code, as revised in December 2011;

- with respect to the last paragraph of criterion 8.C.1., to set the remuneration of the internal control supervisor after consulting the internal control committee and upon the proposal of the CEO, as the Executive director in charge of internal controls.

On August 26, 2011, with the approval of the Executive director in charge of internal controls and the directors making up the internal control committee, the Board of Directors approved the proposal of the remuneration committee and resolved on the internal control supervisor's remuneration; on September 25, 2012, and January 14, 2014, the Board of Directors resolved on the remuneration of the internal control supervisor and the chief internal auditor upon the proposal of the Director in charge of the internal control and risk management system and with the favorable opinion of the Control and Risk Committee and the Board of Statutory Auditors.

With respect to criteria 8.C.1. and 8.C.3., to give the internal control committee the duties and functions set out in letters a), b), c), f) and g) of criterion 8.C.3 and those of criteria 8.C.1 and 9.C.1; moreover, considering the positive opinion of the Board of Statutory Auditors (reiterated by the present statutory auditors in their meeting of May 2, 2011), to assign it the duties and functions set out in letters d) and e) of criterion 8.C.3. without altering the fact that the Board of Statutory Auditors shall carry out such duties and functions in compliance with the methods that allow the Board of Directors to review its work, which should be made available on a timely basis; that the committee shall appoint a chairperson from among its members and shall draw up operating rules; that the committee shall meet at least four times a year and always when the annual, interim financial and quarterly reports are being approved; on July 18, 2012, the Board of Directors elected by the shareholders on July 17, 2012, re-elected the Control and Risk Committee and assigned the committee the duties pursuant to Article 7 of the Code, as revised in December 2011;

- with respect to criterion 8.C.6., to define the duties of the internal control supervisor in line with such criterion; and that this person also reports to the CEO as the "Executive director in charge of internal controls";

- with respect to criterion 9.C.1., to replace the "Guidelines for transactions with related parties" ruling until then; the Board of Directors approved a specific new procedure on November 30, 2010, after receiving the favorable opinion of the committee for related -party transactions, pursuant to Article 2391-bis of the Italian Civil Code and Article 4.1/3 of the Consob regulation which sets out instructions for related party resolutions adopted with resolution no. 17221 of March 12, 2010 and subsequently amended with resolution no. 17389 of June 23, 2010; this procedure, described in section 12 of this report, sets out the rules, methods and criteria aimed at ensuring the transparency and substantial and procedural correctness of related party transactions carried out by the Issuer either directly or via its subsidiaries; subsequently, in its meetings held on April 20, July 9, 2012, May 13, 2013, and December 17, 2014, the Board of Directors amended the procedure for related party transactions after receiving the favorable opinion of the committee for related -party transactions which was supported by the Corporate Governance Advisory Board. The Board of Statutory Auditors of the Company ascertains compliance of the Procedure with the principles set out in Consob regulation, most recently on December 17, 2014;

- with respect to criterion 9.C.2., that, subject to the provisions of Article 2391 of the Italian Civil Code, directors with interests, either directly or on behalf of third parties, in a corporate transaction to be approved by the Board of Directors or executive committee may participate in the related discussions and vote thereon as such participation represents a reason for taking a responsible decision about a transaction about which the director may have greater knowledge than the other directors; that, however, the Board of Directors or executive committee may ask such directors to leave the meeting during the discussion on a case-by-case basis;

- in relation to standard 10.P.3. and criteria 10.C.6. and 10.C.7., to adopt the "Guidelines for relations with the Board of Statutory Auditors" after the latter's approval, available on the website: **www.salini-impregilo.com**, under the "Governance – Board of Statutory Auditors") section;

- with respect to criterion 10.C.7., to propose to the shareholders, in an extraordinary meeting, that the lists of candidate statutory auditors shall be deposited at the Company's registered office at least fifteen (rather than ten, as provided for on March 12, 2007) days before the date set for the meeting; in their extraordinary meeting of June 27, 2007, the shareholders actually modified the Bylaws; following the new rules introduced by Legislative Decrees nos. 27 and 39 of January 27, 2010, the Board of Directors amended Article 29 of the Bylaws again, pursuant to Article 24 of the same Bylaws, as described in section 13 of this report.

- with respect to criterion 11.C.1., that the document "Procedures for the attendance of shareholders at shareholders' meetings of Salini Impregilo and for exercise of voting rights" will be published and posted on the website **www.salini-impregilo.com** (under the "Governance – Shareholders' Meeting") section;

- to note that the Company's corporate governance system already complies with the other provisions of the Code.

Salini Impregilo S.p.A. and its strategic subsidiaries are not subject to non-Italian legislation that would affect the Issuer's corporate governance structure.

4 BOARD OF DIRECTORS

4.1 APPOINTMENT AND REPLACEMENT (article 123-bis.1.L) TUF)

Article **20)** of Salini Impregilo S.p.A.'s Bylaws require that *"the Company is managed by a Board of Directors consisting of 15 members.*

The candidates that meet the requirements set by the legislation and regulations in force at the time of their appointment may accept such appointment.

Directors are elected using lists submitted by the shareholders that comply with the applicable legislation on gender equality, according to the procedures detailed below, in which the candidates are listed in numeric sequence.

In order to be valid, each list includes at least two candidates that meet the independence requirements established by law. They are shown separately and one of the two heads the list.

The lists shall be deposited at the Issuer's registered office at least twenty-five days before the date of first call of the shareholders' meeting, as detailed in the notice calling the meeting.

Each individual shareholder, shareholders who are parties to significant shareholder agreements pursuant to Article 122 of Legislative Decree no. 58/1998 of February, the parent, subsidiaries and jointly controlled entities pursuant to Article 93 of Legislative Decree No. of 58/1998 February cannot submit or participate in the submission of more than one list, either directly or through a third party or a nominee, nor can they vote for more than one list, either directly or through a third party or a nominee. Moreover, each candidate may only be present in one list in order to be eligible. Acceptances or votes breaching such prohibition shall not be assigned to any list.

Lists may be filed only by Shareholders who, alone or together with other Shareholders, hold shares representing in the aggregate at least 2% of the share capital with the right to vote at Ordinary Shareholders' Meetings, or a lower percentage that may be required pursuant to imperative provisions of laws or regulations.[3]

Together with each list and within the respective time limits stated above, the shareholders must file: (i) statements whereby each candidate accepts their candidature and states, under their own responsibility, the inexistence of any reasons for ineligibility or incompatibility and the existence of the requirements for the relevant offices; (ii) a professional and personal profile of each candidate and mention of whether they qualify as independent and any offices held as director or statutory auditor in other companies; and (iii) any other information that is requested in the notice calling the shareholders' meeting and required under the applicable law or regulations.

A certificate issued by a legally-authorized intermediary must also be filed, within the time limit established in the rules governing the publication of lists by the Company, showing ownership of the number of shares necessary to submit lists at the date of filing of the list with the Company.

Lists that contain three or more candidates must be comprised of candidates of both genders, so that the gender with fewer representatives has at least one fifth (on the first term of office starting after August 12, 2012) and then one-third (rounded up) of the candidates.

Lists submitted that do not meet the above requirements will be treated as not having been submitted.

The following procedure is carried out to elect the directors: a) If at least one list obtains a number of votes representing at least 29% of the Company

3. Consob established the percentage as 1% for the presentation of lists for the election of the directors and statutory auditors of Salini Impregilo S.p.A., pursuant to the Consolidated Finance Act and the Issuer Regulation in its resolution no.19109 of January 28, 2015.

share capital entitled to vote at the ordinary shareholders' meeting, 14 directors shall be taken from the list with the highest number of votes, in the progressive order in which they are shown on the list, while 1 Director shall be taken from the minority list that has obtained the highest number of votes and is not connected in any way, even indirectly, with the shareholders who filed or voted the list that obtained the largest number of votes. If the first two lists receive the same number of votes, 7 Directors shall be drawn from each of the said lists, in the numerical sequence in which they are listed on the lists, while 1 Director shall be drawn from the list that obtained the third-highest number of votes and is not connected in any way, directly or indirectly, with the shareholders who filed or voted for the lists that received the highest number of votes If only two lists are submitted, the oldest candidate among those not already drawn from the first two lists shall be elected as the 15th Director;

b) If none of the lists receives votes equal to at least 29% of the share capital with voting rights at ordinary shareholders' meetings, the 15 directors are taken from all the lists submitted as follows: the votes received by the lists will be divided successively by progressive whole numbers from one to fifteen. The resulting scores shall be assigned to the candidates of each list in consecutive order using the order in which they are included in the lists. The candidates are then included in a single decreasing order list, based on the scores given to each one.

Those with the highest score are elected. If more than one candidate has the same score, the one from the list that has not had any director elected from it or has had the smallest number of directors elected is taken.

Lists that do not obtain a vote percentage equal to at least half that set by the Bylaws for the submission of lists shall not be considered.

Should the election of candidates using the above methods not ensure composition of the Board of Directors in accordance with the applicable legislation on gender equality, the candidate of the gender most represented elected last in consecutive order from the list that received most votes shall be replaced by the first candidate of the less represented gender not elected from the same list in sequential order. This replacement procedure shall be continued until the Board of Directors composition complies with the applicable legislation on gender equality. If this procedure does not produce this result, substitution shall take place on the basis of a resolution adopted by a relative majority of the Shareholders' Meeting, after candidates of the gender with lower representation are placed in nomination.

Should no list be filed or accepted, the Shareholders' Meeting shall adopt resolutions with the majorities required by law, without complying with the above-mentioned procedure, in order in any case to ensure the presence of the necessary number of Directors who meet the independence requirements prescribed by law[4], and compliance with the applicable legislation on gender equality.

The list voting procedure is only used when an entire board is being appointed.

Should one or more directors leave their position during the year, in order to ensure that the majority of the board is always made up of directors appointed by the shareholders, the Board of Directors shall replace them pursuant to Article 2386 of the Italian Civil Code, appointing candidates from the list to which the former director belonged, in consecutive order, and who are still eligible and willing to accept the position. Directors who have left office are always replaced: (i) ensuring the presence of the number of directors with the independence characteristics required by law necessary and (ii) in compliance with the applicable legislation on gender

4. Salini Impregilo S.p.A.'s Bylaws do not include additional requirements to those established by law.

equality. If the majority of Directors appointed by the Shareholders' Meeting cease to be in office, the remaining Directors shall be deemed to be no longer in office, effective as of the date when the Board of Directors is reconstituted through election by the Shareholders' Meeting".

For the Issuer, as it is subject to management and coordination by Salini Costruttori S.p.A., Article 37 of the Markets Regulation adopted by Consob under resolution no. 16191 of October 29, 2007 et seq. also applies. According to this Article, subsidiaries subject to management and coordination by another Company must have an internal control committee composed of independent directors. The above also applies for the other committees recommended by the Corporate Governance Code for listed companies approved by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., where established.

On March 19, 2015, the Board of Directors resolved to call an Extraordinary Shareholders' Meeting for the approval of the amendment to Article 20 of the Bylaws which will allow the shareholders in the future, during the renewal of the Board of Directors, to determine the number of members of the Board in the range between 7 to 15 members, as opposed to the current provision which requires 15 members, as well as to introduce further provisions regarding the procedures for the appointment of the members.

The above has been designed to meet the need to provide flexibility in the composition of the management body and grant the Shareholders' meeting the power to establish, from time to time, the number of its members, in any case within a range that allows it to maintain a suitable to generate the dialogue required for the management of a leading Issuer like the Company.

For further information on this item, please see the Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the *"Governance – Shareholders' Assembly"* section.

Succession plans

With respect to criterion 5.C.2 of the Code, the Board of Directors approved a succession plan (the "**Plan**") defined, also on the basis of the relevant proposals made by the Compensation and Nominating Committee on March 19, 2014, which handled the preliminary investigation, and subsequently updated by the board resolution on March 19, 2015.

The Plan includes the procedures to apply in order to ensure the continuity of Company management in the event the CEO leaves office before the end of his term of office, also making all decisions necessary for the immediate future, attributing the appropriate powers and proxies to the Chairperson.

The plan consists of: (i) compliance with the Bylaws concerning the replacement of Directors ceasing to hold office; (ii) compliance with the regulations approved by the Board of Directors concerning the maximum number of positions that can be held in other companies pursuant to criterion 1.C.3 of the Code; (iii) compliance with the principles set forth in criterion 2.C.5 of the Code concerning "cross directorship"; (iv) competence and experience requirements of the individual to be appointed; (v) a balance between enhancing internal management skills (though a structured management assessment procedure) and opening to the market.

The Plan provides for appointing the Chairperson of the Board of Directors to identify a possible successor of the CEO. The chairperson, after consultation with the Compensation and Nominating Committee, will also be required to prepare a proposal for the Board of Directors.

The role of the Compensation and Nominating Committee is to assess, on an annual basis, whether to revise the plan. However, the Board of Directors has the power to (i) call on, at any time, the Compensation and Nominating Committee to propose a revision of the plan providing guidelines or (ii) to revise the plan directly.

4.2 COMPOSITION (article 123-bis.2.D) of TUF)

COMPOSITION OF THE CURRENT BOARD AND COMMITTEES AT YEAR END

Position	Members	Year of birth	Date of first appointment	In office since	In office until	List (M/m)	Exec.	Non-exec.
Chairperson	Claudio Costamagna	1956	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X
CEO	Pietro Salini	1958	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M	X	
Director	Marina Brogi	1967	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X
Director	Giuseppina Capaldo	1969	06.11.2012	06.11.2012	Shareholders' meeting to approve 2014 financial statements	m		X
Director	Mario Cattaneo	1930	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X
Director	Roberto Cera	1955	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X
Director	Laura Cioli	1963	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X
Director	Alberto Giovannini	1955	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X
Director	Nicola Greco	1949	09.12.2013	09.12.2013	Shareholders' meeting to approve 2014 financial statements			X
Director	Pietro Guindani	1958	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X
Director	Geert Linnebank	1956	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X
Director	Giacomo Marazzi	1940	09.12.2013	09.12.2013	Shareholders' meeting to approve 2014 financial statements			X
Director	Franco Passacantando	1947	09.12.2013 effective from 12.15.2013	09.12.2013 effective from 12.15.2013	Shareholders' meeting to approve 2014 financial statements			X
Director	Laudomia Pucci	1961	07.17.2012	07.17.2012	Shareholders' meeting to approve 2014 financial statements	M		X

DIRECTORS WHO LEFT OFFICE DURING THE YEAR

Position	Members	In office since	In office until	List (M/m)	Exec.	Non-exec.	Indep. as per Code
Director	Simon Pietro Salini	07.17.2012	09.25.2014	M		X	

Quorum required to present lists at time of last appointment: 2%

No. of meetings held during the year:

Indep. as per Code	Indep. as per TUF	% BoD	No. of other positions	Control and risk committee	Compensation and nominating committee	Executive committee	Committee for related - party transactions
		100	4			M 80	
		100				P 100	
X	X	70.59	2		P 100		M 100
X	X	76.47	3	M 85.7 1			M 100
X	X	82.35	3	P 100			
		94.12				M 100 (II)	
X	X	83.25	3			M 95	
X	X	94.12	7				P 100
X	X	83.25	1		M 100		
X	X	64.71	3	M 95.2 4			
X	X	94.12	2		M 100	M 95	M 100
X	X	94.12	1				
X	X	94.12	2	M 90.4 8			
X	X	82.35	1		M 87.5		

Indep. as for TUF	% BoD	No. of other positions	Control and risk committee %	Compensation and nominating committee %	Executive committee	Committee for related - party transactions
	92.85	1			M 87.5	
		BoD: 17	CRC: 21	CNC: 8	EC: 20	RPTC: 2

In their meeting of July 17, 2012, the shareholders of Impregilo elected a new Board of Directors for a term of three years, i.e. until the shareholders' meeting to approve the financial statements as at December 31, 2014.

Fourteen directors were elected from the majority list presented by the shareholder Salini S.p.A. and the fifteenth member from the minority list presented by the shareholder Igli S.p.A.

Votes in favor of the new board approximated 51.98% of the voting rights for this resolution for the majority list and approximately 47% of the voting rights for this resolution for the minority list, equal to roughly 78.74% of the Company's overall voting rights.

Giuseppina Capaldo was elected director of the Issuer for the first time on June 11, 2012. The other directors were elected for the first time on July 17, 2012, except for Nicola Greco, Giacomo Marazzi and Franco Passacantando, as specified below.

Simon Pietro Salini, non-independent and non-executive Director, submitted his resignation from the offices of Director and member of the executive committee on September 25, 2014.

The Board of Directors did not co-opt a person to fill the vacancy of the resigned Director.

The Board, at their meeting held on October 14, 2014, also resolved to reduce from five to four the number of members of the executive committee, confirming the following members in office:

Executive Committee

Chairperson	Pietro Salini
Member	Claudio Costamagna
Member	Alberto Giovannini
Member	Giacomo Marazzi

The directors' personal and professional profiles are presented in their curricula vitae posted on the website **www.salini-impregilo.com**, under the *"Governance - Board and Committees"* section.

No change in the Board of Directors or its committees has taken place since year end.

MAXIMUM NUMBER OF POSITIONS HELD IN OTHER COMPANIES

In its meeting of December 12, 2007, the board resolved to adopt a specific rule:

"Whereas for the purposes of this rule, "companies of significant size" are":

a. *Italian companies **listed** on Italian or other EU state regulated markets;*

b. *banks, financial brokers pursuant to Article 107 of Legislative Decree no. 385 of September 1, 1993, stock brokerage companies pursuant to Article 1.1.e) of the Consolidated Act, variable capital investments companies (OEICs) pursuant to Article 1.1.i) of the Consolidated Act, fund management companies pursuant to Article 1.1.o) of the Consolidated Act, insurance companies pursuant to Article 1.1.s), t) and u) of Legislative Decree no. 209 of September 7, 2005, set up as companies as per paragraphs V, VI and VII, section V, chapter V of the Italian Civil Code **not listed** on Italian or EU state regulated markets;*

c. *companies as per paragraphs V, VI and VII, section V, chapter V of the Italian Civil Code that individually or collectively at Group level, if they prepare Consolidated financial statements, show: i) revenue from goods and services of more than €500 million; or ii) assets of more than €800 million, **not listed** on Italian or other EU state regulated markets,* *the maximum number of positions that Impregilo directors may hold is:*

Executive directors

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed four.

Non-executive directors members of the executive committee

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed six.

Non-executive directors who are not members of the executive committee

The maximum number of positions as director or statutory auditor in other significant size companies cannot exceed eight.

In order to calculate the number of positions:

- *positions in companies that are directly and/or indirectly controlled by Impregilo S.p.A., are its parent companies or are subject to joint control are not considered;*
- *positions as alternate statutory auditor are not considered;*
- *positions held in significant size companies belonging to the same Group which is not that of the Issuer are considered to have the following "weight":*

  – first position: one

  – second position: one and a half

  – from three up: two.

Should a director be offered new positions that would lead to their exceeding the above ceilings, they shall inform the board promptly of this so that the board can grant waivers (also temporary) to the maximum number of positions set in this rule. The waiver shall be adequately documented. It shall be described in the Company's corporate governance report together with the reasons therefor."

The current composition of the board complies with the above general criteria.

Induction Program
In order to provide the Directors and Statutory Auditors with an adequate background to the Issuer's sector, its characteristics and developments as well as the relevant legislative framework, the Chairperson ensures that:

- the Board of Directors and the committees (through their Chairpersons) are informed thereof during their meetings, also through the participation, at these meetings, of managers and technicians who have the necessary expertise to provide information on particularly complex or important issues;
- directors not part of committees are invited to attend committee meetings when this information is provided;
- the directors have access to the Company's intranet portal, where they can find information and documentation about the above topics (including the reports prepared by the integrity board as per Legislative Decree no. 231/01 about the legislative framework and standard practices);
- working sessions are held to illustrate specific business issues to the directors and statutory auditors.

Special sessions were held in 2014 for directors and auditors to help them gain insight into specific issues including, but not limited to, the interpretation and application of new accounting standards as well as on the application of the anti-corruption regulations within the Company. Technicians and experts on the issues to be discussed were invited to take part and speak at these sessions.

4.3 ROLE OF THE BOARD OF DIRECTORS (article 123-bis.2.D) of TUF)

Pursuant to Article **24** of the Bylaws (available on the website **www.salini-impregilo.com**, under the "Corporate Governance - Bylaws" section), the Board of Directors has the widest powers for the Company's ordinary and extraordinary management with no exceptions. It has the power to perform all those actions that it deems suitable to carry out the Company's activities as per its business object or related activities, except for those actions reserved exclusively for the shareholders by law.

The Board of Directors may resolve to set up or close branches in Italy or abroad, to decrease share capital if a shareholder withdraws therefrom, to adjust the Bylaws to reflect mandatory regulatory requirements, to transfer the legal offices within Italy and to merge other wholly controlled companies or companies, of which at least 90% control is held, into the parent. All of these transactions are to be carried out in accordance with Articles 2505 and 2505-bis of the Italian Civil Code.

The Board of Directors, at their meeting held on March 19, 2015, called an Extraordinary Shareholders' Meeting for April 30, 2015, in order to amend Article 24 of the Bylaws so as to include, within the powers granted to the Board of Directors, also powers related to spin-offs, as shown in the following text:

The Board of Directors may thus resolve to establish or close branches in Italy or abroad, reduce the share capital in the event of a shareholder withdrawal, amend the Bylaws to comply with changes in legislation, transfer the registered office within Italy, and carry out a merger and spin-off in compliance with the provisions of Articles 2505 and 2505 bis of the Italian Civil Code.

For further information on this item, please see the Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the *"Governance – Shareholders' Meeting"* section.

By law, the directors may not remain in office for more than three years and their term of office expires at the date of the shareholders' meeting held to approve the financial statements of the last year of their term. As not provided for otherwise in Salini Impregilo's Bylaws, the directors may be re-elected.

Pursuant to Article 21 of the Bylaws, the Board of Directors elects a chairperson from among its members and (possibly) one or two deputy chairpersons who substitute the chairperson in their absence or impediment.

Article 20 of the Bylaws provides that the Board of Directors has 15 members. As reported above, on March 19, 2015, the Board of Directors resolved to convene an Extraordinary Shareholders' Meeting to take the necessary decisions aimed at changing the number of members of the Board of Directors, proposing that the Board be composed of 7 to 15 members instead of the current fixed number of 15, as well as additional provisions concerning the appointment of the board members.

For further information on this item, please see the Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the *"Governance – Shareholders' Meeting"* section.

Salini Impregilo's Board of directors met 17 times in 2014; on average, each meeting lasted about one hour and forty minutes.

The 2015 financial calendar (available on the website **www.salini-impregilo.com**, in the *"Governance – Corporate Events"* section) shows that 5 meetings are scheduled to take place during the year, the first of which was held on February 25, 2015.

Four other Board meetings have been held in 2015.

The Board, as part of the self-assessment process carried out in 2014, acknowledged that the chairperson, assisted by the board secretary, has provided the directors with the available documentation and information about the issues to be discussed before each meeting, and to have ensured their confidentiality through specific safeguard measures for the Directors and Statutory Auditors to access documentation. When useful, the documentation was made available together with specific executive summaries to aid the directors' understanding and review of the matters to be discussed.

Specifically, the independent directors found that the information provided by the CEO to the board was satisfactory.

The board meetings were usually attended by the secretary and the manager in charge of financial reporting. When appropriate, experts and managers of the Issuer and its Group companies also participated, depending on the matters to be discussed, to ensure the proper and profitable working of the meetings and to provide any in-depth information necessary.

The chairperson ensured that the items on the agenda were each allowed enough time to allow their complete and constructive discussion and to analyze the supporting documentation, including the information provided before each meeting.

The directors expressed their positions and contributed to the meetings.

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With respect to criterion 1.C.1.a) of the Code, with which the board has resolved to comply, the board is authorized to examine and approve:

- the strategic, business and financial plans of the Issuer and its Group, and to periodically monitor their implementation;
- the Issuer's corporate governance system;
- the structure of the Group headed by the Issuer.

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- Given the role of Impregilo International Infrastructures N.V as a subholding of the "Concessions" business sector, the Board classified it as a "strategic subsidiary" at its board meeting held on October 14, 2014.
- With respect to criterion 1.C.1.c) of the Code, in its meeting of March 19, 2015, and after the Control and Risk Committee's positive assessment, the board found the organizational, administrative and accounting structures of the Issuer and Impregilo International Infrastructures N.V. to be adequate, with particular respect to the internal control and risk management system.
- During its meetings, the board assessed the company's performance, comparing it to the budget objectives and considering information received from the empowered bodies.
- On December 12, 2013, the Board of Directors resolved to retain responsibility for the following actions and transactions:
  1. exercise of voting rights: (a) at extraordinary meetings of the shareholders of the strategic subsidiaries and (b) at ordinary meetings of the aforementioned shareholders of the strategic subsidiaries called to appoint their directors;
  2. the review and approval of the business plan, budget and industrial plan;
  3. the performance of all More important transactions that do not require shareholder approval as per the "Regulations for related party transactions", approved from time to time;
  4. the purchase and sale of investments in companies, consortia or other entities, as well as in businesses or business units.

With respect to criterion 1.C.1.g) of the Code and as resolved by the Board of Directors on March 12, 2007, and set out in section 3 of this report, during its meeting of March 19, 2015, the board assessed the size, composition and working of the board itself and its committees, following the review of the Compensation and Nominating Committee that met on March 18, 2015. It considered aspects such as the professional characteristics, experience (including of a management nature) and the gender of the Board and related committees, and their length of term of office.
The self-assessment process, which involved each director completing a questionnaire, was prepared by the Compensation and Nominating Committee, with the support of the internal audit unit, in a way to ensure that the opinions provided were received in anonymous form as well as the opportunity to propose actions to improve performance.

In short, the results obtained from the above analysis showed that:

- the composition of the Board is such that each Director has adequate professional experience, both in management and at an international level, in the various issues providing the greatest support to the activities of the corporate bodies, including technical, economic, financial and legal issues. Thanks to this combination of professional experience, the Board of Directors has fulfilled and will continue to fully discharge all of its functions and duties;

- the documentation and information available on the issues to be discussed have been provided to the directors in a clear and comprehensive manner, ensuring sufficient confidentiality of the pre-board meeting information, in adequate time before each meeting. The directors participate in the work of the Board appropriately and actively contribute to the discussion and decisions taken;

- the number of board meetings held, their duration, interval and frequency appear to be adequate;

- the issues to be resolved by the Board of Directors have been thoroughly examined and the empowered bodies have provided information to the Board of Directors on the activities carried out in exercising the powers conferred upon them;

- the directors take part in initiatives aimed at increasing their awareness of the Company's situation and dynamics, also with respect to the relevant legislative framework;

- the number of independent directors is considered appropriate in relation to the composition of the Board of Directors and for the activities carried out by the Company;

- in the performance of the duties of their office, the Board of Directors is supported by the internal committees described below. The dimensions, expertise and experience of these committees are such that they are able carry out their respective tasks effectively.

In light of the results of self-assessment, the Board of Directors has prepared, in view of the expiration of the term of office of the Board of Directors and of the expected renewal with the approval of the financial statements as at December 31, 2014, also taking into account the opinion of the Compensation and Nominating Committee, its own recommendation to shareholders on the professional profiles whose presence is deemed appropriate for the composition of the Board. Details of which are available on the Company's website **www.salini-impregilo.com** in the *"Governance – Shareholders' Meeting"* section.

With respect to criterion 1.C.4., Article **20** of the Bylaws provides that, unless otherwise resolved by the Shareholders' Meeting, Directors are not subject to the ban referred to in Article 2390 of the Italian Civil Code. In 2014 and 2015, to the present date, there were no critical issues or needs of an organizational nature that required the need to request to the Shareholders' meeting to make exemptions from the abovementioned ban.

4.4 EMPOWERED BODIES

Chief executive officers

The Board of Directors may delegate part of its powers to one or more directors, setting limits and proxy operating methods. It may appoint directors and representatives, who do not necessarily have to be board members, and establishes their powers (Article **25** of the Bylaws).

The Board of Directors appointed Pietro Salini as **CEO** on July 18, 2012. It gave him the legal power to represent the Company and signatory powers with third parties and in court. He also has powers to manage the Company and may delegate responsibility for the organization and running of certain business activities.

The Board also reserved for itself, in addition to those powers reserved exclusively to it by law, also the exclusive authority for any decisions related to:

- the exercise of voting rights (a) at extraordinary meetings of the shareholders of the strategic subsidiaries and (b) at ordinary meetings of the aforementioned shareholders of the strategic subsidiaries called to appoint their directors;
- the review and approval of the Group's business plan, budget and industrial plan;
- the performance of all significant transactions that do not require shareholder approval as per the "Regulations for related party transactions", approved from time to time;
- the purchase and sale of investments in companies, consortia or other entities, as well as in businesses or business units.

The CEO and General Director, Mr. Pietro Salini, is in charge of running the Company (Chief Executive Officer). As required by criterion 2.C.5, it should be noted that no *interlocking directorate* situation exists, given that the CEO does not hold directorships in any other Italian **listed** companies.

Chairperson of the Board of Directors

The chairperson is the Company's legal representative and has signatory powers with third parties and in court pursuant to Article **28** of the Bylaws. The chairperson does not have special strategic decision-making powers.

The chairperson of the Board of Directors is not the chief executive officer nor is he the majority shareholder of the Issuer.

Executive committee (Article 123-bis.2.d) of TUF)

Pursuant to Article **25** of the Bylaws, the Board of Directors may delegate all or part of its powers (not reserved to it by law) to an executive committee consisting of a number of members to be less than half that of the Board of Directors, including the CEO, who acts as chairperson of the executive committee.

The Board of Directors set up an executive committee, in accordance with Article **25** of the Bylaws.

The executive committee in office, appointed by the Board of Directors on September 12, 2013, comprised, until September 25, 2014, the following members of the Board of Directors:

Executive Committee

Chairperson	Pietro Salini
Member	Claudio Costamagna
Member	Alberto Giovannini
Member	Giacomo Marazzi
Member	Simon Pietro Salini

On October 14, 2014, the Board of Directors, further to Simon Pietro Salini's resignation as member of the executive committee on September 25, 2014, resolved to bring the number of members of this committee to five. The members of the current executive committee are:

Executive Committee

Chairperson	Pietro Salini
Member	Claudio Costamagna
Member	Alberto Giovannini
Member	Giacomo Marazzi

The executive committee is convened as required and meetings are not scheduled for each year.

The executive committee met 20 times during the year and each meeting lasted an average of approximately one hour.

Five meetings have been held by the executive committee in 2015.

Please see the Table provided in section 4.2 for information on the percentage of meetings attended by each member of the executive committee during the year.

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The Board of Directors delegated all the ordinary and extraordinary administrative powers reserved to it to the executive committee, except for those powers reserved exclusively to it by law and those related to the performance of the following actions and transactions, reserved to the board:

i. the exercise of voting rights (a) at extraordinary meetings of the shareholders of the strategic subsidiaries and (b) at ordinary meetings of the aforementioned shareholders of the strategic subsidiaries called to appoint their directors;

ii. the review and approval of the Group's business plan, budget and industrial plan;

iii. the performance of all significant transactions that do not require shareholder approval as per the "Regulations for related party transactions", described in section 12 of this report, approved from time to time;

iv. the purchase and sale of investments in companies, consortia or other entities, as well as of businesses or business units.

Information to be provided to the Board of Directors
The Board of Directors meets at least every three months. The CEO, also as chairperson of the executive committee, reported to the board and the Board of Statutory Auditors on the activities carried out under proxy and key transactions at these meetings and whenever required by the specific circumstances.

4.5 OTHER EXECUTIVE DIRECTORS

The Board of Directors currently consists of one executive director (the CEO) and 13 non-executive directors.

As described in section 3 about criterion 2.C.1., the directors making up the executive committee are considered to be non-executive as involvement in the committee, given the subject of the related resolutions, does not entail the systematic participation of its members in the day-to-day management of the Company nor does it lead to remuneration such that would compromise their independence.

4.6 INDEPENDENT DIRECTORS

The Issuer's Board of Directors is composed of the following 11 independent directors:

Independent Directors

Marina Brogi
Giuseppina Capaldo
Mario Giuseppe Cattaneo
Laura Cioli
Alberto Giovannini
Nicola Greco
Pietro Guindani
Geert Linnebank
Giacomo Marazzi
Franco Passacantando
Laudomia Pucci

The Board, applying all of the criteria envisaged by the Corporate Governance Code, assessed, at the first opportunity after their appointment, specifically:

- on July 18, 2012 for Directors Marina Brogi, Mario Cattaneo, Laura Cioli, Alberto Giovannini, Pietro Guindani, Geert Linnebank, Laudomia Pucci and Giuseppina Capaldo;

- on September 12, 2013, for Directors Nicola Greco, Giacomo Marazzi and Franco Passacantando and during the meeting held to approve the annual draft financial statements, the Board of Directors assessed that each non-executive director met the independence requirements set by the Code applying each criterion established thereby. They then disclosed the results of their assessment to the market.

The Issuer's **11** independent directors meet the independence requirements pursuant to both the Consolidated Finance Act and the Code.

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The Board of Statutory Auditors checked the correct application of the criteria and procedures adopted to check independence by the board. The outcome of such process will be communicated by the Board of Statutory Auditors to the market in its report to the shareholders.

As resolved by the Board of Directors about criterion 3.C.6. of the Code in its meeting of March 12, 2007, the independent directors meet annually before the board meeting held to approve the annual financial statements for self-assessment purposes and so that any remedial action to be taken can be examined with respect to the role played by independent directors within the board. They met on March 19, 2015 and reported to the board on the same day. The independent directors met once during the year for the activities described below.

When agreeing to their inclusion in the lists of candidate directors, the independent directors have not agreed to maintain their independence throughout their term of office and, if necessary, to resign.

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During the meetings held during the year, the independent directors also:

- expressed a favorable opinion on the qualification as non-executive of the directors who serve on the executive committee;
- carried out a self-assessment with respect to the role played by independent directors within the Board of Directors.

4.7 LEAD INDEPENDENT DIRECTOR

As the requirements of the Code are not met, the board has not deemed it necessary to designate an independent director as lead independent director.

5 HANDLING OF COMPANY INFORMATION

On December 12, 2007, the Board of Directors approved a special "Procedure for the internal management and external communication of documents and information" as proposed by the CEO. This procedure substituted the "Internal regulations for disclosing price sensitive documents and information to the market" approved by the Board of Directors on March 27, 2001.

The Procedure includes the guidelines for the internal management and external communication of documents and information, especially inside information as per Article 114.1 of TUF ("Inside information").

It covers all those parties who, based on their employment or professional activities or duties, have frequent or infrequent access to Company information about the Issuer. These parties are obliged to: (i) maintain such confidential information secret; (ii) use such information solely to carry out their employment or professional activities; and (iii) not use such confidential information contrary to the current legislation.

Specifically, the directors and statutory auditors of Salini Impregilo and its subsidiaries are required to maintain information and documents obtained by them during the execution of their duties confidential as well as the contents of any discussions carried out during board meetings and as part of the work of the Board of Statutory Auditors.

In order to ensure a coordinated and standard approach, any contact with the press or other mass media or with financial analysts and institutional investors that involves information (even when not confidential) about Salini Impregilo or its subsidiaries can only take place after authorization by the chairperson or CEO of Salini Impregilo or the Investor Relations and Corporate Identity units of Salini Impregilo, in accordance with the Procedure.

The chairperson and CEO of the Issuer are responsible for managing privileged information.

The related administrative bodies are responsible for management of privileged information about the subsidiaries, which may be disclosed in accordance with the Procedure.

Only the chairperson and CEO of Salini Impregilo may disclose privileged information to the market.

The communication of privileged information must respect the criteria of completeness, timeliness, transparency, adequacy and continuity. Investors should be provided with the same information to avoid discontinuity or the creation of situations that could affect the **listed** share price.

The chairperson is responsible for ensuring compliance with the Procedure, which provides for penalties to be applied to the parties that violate it.

6 BOARD COMMITTEES (article 123-bis.2.D) of TUF)

The Board of Directors has set up a Control and Risk Committee, a Compensation and Nominating Committee (which carries out the duties assigned by Article 5 of the Code to the nomination committee and Article 6 to the compensation committee, as the Code rules for the composition of the two committees are complied with and attainment of the objectives is guaranteed) and a committee for related - party transactions as described in section 12, together with the executive committee described in section 4.4.

The decision to set up just one committee to combine the nomination and remuneration functions is based on organizational and efficiency requirements as the functions are complementary and comply with the provisions of Article 4 of the Code.

The Board of Directors has not retained functions attributed to one or more of its committees by the Code.

The Board of Directors set up a corporate governance advisory board (see section 17.1) on July 30, 2012.

7 NOMINATING COMMITTEE

As noted in section 6 of this report, the board set up a Compensation and Nominating Committee (previously called the remuneration and appointment committee) on July 18, 2012. In addition to the duties assigned under Article 6 of the Code to the compensation committee, it also carries out the duties assigned by Article 5 of the Code to the nominating committee, as the Code rules for the composition of the two committees are complied with and attainment of the objectives is guaranteed.

Composition and duties of the nominating committee (Article 123-bis.2.d) of TUF)

The Compensation and Nominating Committee meets whenever the chairperson deems it necessary and in order to carry out its mandate, as there is no calendar for the year. It is coordinated by its chairperson.

During the year, the Compensation and Nominating Committee met 8 times with meetings averaging roughly one and a half hours.

Three meetings of the Compensation and Nominating Committee have been held in 2015.

Please see the Table provided in section 4.2 for information on the percentage of meetings attended by each member of the Compensation and Nominating Committee during the year.

The Compensation and Nominating Committee is currently composed of the following independent directors:

Compensation and Nominating Committee

Chairperson	Marina Brogi
	Nicola Greco
	Geert Linnebank
	Laudomia Pucci

The Chairperson (on four occasions), the CEO (on 2 occasions, for issues related to the compensation of the Key Management Personnel) and the managers of the Issuer attended committee meetings upon invitation when the committee deemed it was necessary and appropriate for the more effective discussion of the items on the agenda.

Duties of the nominating committee
In its meeting of July 18, 2012, the Board of Directors resolved to give the Compensation and Nominating Committee the following duties:

a) the presentation to the Board of Directors of opinions about the board's size and composition as well as recommendations about suitable board members;

b) the presentation to the Board of Directors of candidates when directors need to be co-opted or independent directors replaced.

The committee also provides advice about the issues as per criteria 1.C.3 and 1.C.4 of the Code and the procedures for preparation of a succession plan for the executive director pursuant to criterion 5.C.2 of the Code.

The Compensation and Nominating Committee, pursuant to Article 5 of the Corporate Governance Code, presented proposals on the composition of the Board of Directors, with specific reference to the on the professional profiles whose presence is deemed appropriate for the composition of the Board, taking into account the professional competence, experience, (including managerial experience) gender of its members, number of years as director, also and above all in the light of the upcoming expiry of the term of office of the Board, which will take place with the approval of the financial statements as at December 31, 2014.

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Minutes of its meetings are drawn up regularly.

The committee may access information and internal functions as required to carry out its duties. It may also avail of the services of external consultants: During the year, no need arose for the use of external consultants to perform the duties assigned to the committee with respect to appointments.

On March 12, 2007, the Board of Directors resolved to give the committee an annual budget of €25,000 to cover the costs of any necessary consultancy or other services required to carry out its duties. The prior authorization of outlays is not necessary although the committee is required to document its expenses. It may also avail of internal information and functions.

8 COMPENSATION COMMITTEE

As noted in section 6 of this report, the board set up a Compensation and Nominating Committee which, as mentioned above, in addition to the duties assigned under Article 5 of the Code to the nominating committee (see section 7), also carries out the duties assigned by Article 6 of the Code to the compensation committee, as the Code rules for the composition of the two committees are complied with and attainment of the objectives is guaranteed.

Composition and duties of the Compensation and Nominating Committee (Article 123-bis.2.d) of TUF) The Compensation and Nominating Committee meets whenever the chairperson deems it necessary and in order to carry out its mandate, as there is no calendar for the year. It is coordinated by its chairperson.

As concerns the related activities, specifically the definition of the 2015 remuneration policies, the committee met during the year on the basis of a detailed work plan, a total of 8 times, with each meeting lasting about one hour and thirty minutes, on average.

Three meetings of the Compensation and Nominating Committee have been held in 2015.

Please see the Table provided in section 4.2 for information on the percentage of meetings attended by each member of the Compensation and Nominating Committee during the year.

The Compensation and Nominating Committee is currently composed of the following directors, all independent:

Compensation and nominating committee

Chairperson	Marina Brogi
	Nicola Greco
	Geert Linnebank
	Laudomia Pucci

Given the personal and professional characteristics of its members, the board has found that the members of the Compensation and Nominating Committee have suitable financial or remuneration policy knowledge and experience. The directors did not attend the committee meetings held to decide on their remuneration to be proposed to the Board of Directors. The chairperson (on four occasions), the CEO (on two occasions) and managers of the Issuer attended committee meetings, upon invitation when the committee deemed it was necessary and appropriate for the more effective discussion of a number of items on the agenda.

The committee approved rules for its working which establish that its works are coordinated by the chairperson and that all the members of the Board of Statutory Auditors may always attend its meetings as may the CEO, other directors, managers and external consultants, upon invitation and depending on the items on the agenda; Moreover, the other directors may always be present at the meetings.

The chairperson of the Board of Statutory Auditors or another statutory auditor designated by him participated in the committee meetings and the other statutory auditors were also able to participate.

Duties of the Compensation and Nominating Committee

In line with the resolutions passed by the Board of Directors on July 18, 2012, the committee has consulting and proposing duties on the matters provided for under Article 6 of the Code, specifically related to:

- the presentation to the Board of Directors of the remuneration report and, specifically, the remuneration policy for the directors and key management personnel for presentation to the shareholders in their meeting called to approve the financial statements, within the legal terms;
- regularly assessing the adequacy, overall consistency and actual application of the general policy adopted for the remuneration of the directors and key management personnel; the latter's conduct is assessed based on the information provided by the CEOs; making the relevant proposals to the Board of Directors;
- the presentation to the Board of Directors of proposals about the remuneration of the executive directors and other directors with special positions, setting performance objectives tied to the variable part of the remuneration; monitoring the decisions taken by the board and ensuring specifically that the performance objectives are met.

During 2014, for the activities related to the definition of the 2015 remuneration policies, the Compensation and Nominating Committee was assisted by an advisor after checking that the advisor was not in situations that could interfere with his/her exercise of independent judgment.

During 2014, the compensation and nominating Committee, pursuant to Article 6 of the Corporate Governance Code, presented proposals to the board concerning: a) the compensation system for the CEO; b) the guidelines for the remuneration of key management personnel; c) the remuneration report pursuant to Article 123-ter of Legislative Decree no. 58/1998.

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Minutes of its meetings are drawn up regularly.

When carrying out its duties, the committee had access to internal information and functions, as necessary, and to external consultants.

On March 12, 2007, the Board of Directors resolved to give the committee an annual budget of €25,000 to cover the costs of any necessary consultancy or other services required to carry out its duties. The prior authorization of outlays is not necessary although the committee is required to document its expenses. It may also avail of internal information and functions.

9 DIRECTORS' REMUNERATION

The information in this section is included in the Remuneration report published pursuant to Article 123-ter of TUF and available on the Internet site **www.salini-impregilo.com**, under the "*Corporate governance - Shareholders' Meetings*" section.

Compensation for directors in the case of their resignation, dismissal, retirement or termination of the relationship following a takeover bid (Article 123-bis.1.i) of TUF)
The Issuer does not have agreements with its directors for their compensation in the case of their resignation, dismissal, retirement, removal from office without just cause or termination of the relationship following a takeover bid.

During the year there were no cases of termination of office or the termination of employment of executive directors or general directors.

10 CONTROL AND RISK COMMITTEE

As noted in section 6 of this report, the board has set up a Control and Risk Committee.

Composition and duties of the Control and Risk Committee (Article 123-bis.2.d) of TUF)
The Control and Risk Committee meets whenever the chairperson deems it necessary and in order to carry out its mandate, as there is no calendar for the year. It is coordinated by its chairperson.

It also meets when a committee member, the chairperson of the Board of Statutory Auditors or the internal control supervisor makes a documented request to the chairperson.

The Control and Risk Committee met 21 times during the year and each meeting lasted an average of approximately two hours and thirty minutes.

The Control and Risk Committee held 6 meetings in 2015.
Please see the Table provided in section 4.2 for information on the percentage of meetings attended by each member of the Control and Risk Committee during the year.

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The Control and Risk Committee is currently composed of the following independent directors:

Control and Risk Committee

Chairperson	Mario Giuseppe Cattaneo
	Giuseppina Capaldo
	Pietro Guindani
	Franco Passacantando

The Board, considering the personal and professional characteristics of the members of the Control and Risk Committee, has concluded that the committee is composed entirely of independent directors who have suitable financial or remuneration policy knowledge and experience.

On September 21, 2012, the Control and Risk Committee approved rules for its working which establish that its proceedings are coordinated by the chairperson and that the chairperson of the Board of Statutory Auditors or another statutory auditor designated by him participate.

All the members of the Board of Statutory Auditors have standing invitations to attend meetings, as does the chief internal auditor. Depending on the items on the agenda, the CEO, other directors, managers of the Issuer, external consultants and representatives of the independent auditors may also be invited to attend; Moreover, the other directors may always be present at the meetings.

The Control and Risk Committee meetings have always been attended by the chairperson of the Board of Statutory Auditors or another statutory auditor designated by him (and the other statutory auditors were also free to attend).

The chief internal auditor participated in 17 of this committee's meetings. Upon invitation and to make its working more efficient, the committee invited the chairperson of Salini Impregilo, the CEO, the designated accounting officer, the relevant internal functions, the integrity board, external consultants and the representatives of the independent auditors to attend certain meetings.

Duties of the Control and Risk Committee

As resolved by the Board of Directors on July 18, 2012, as regards criteria 7.C.1 and 7.C.2 of the Code, the Control and Risk Committee has the following duties:

- providing the Board of Directors with opinions on:
  - the guidelines for the internal control and risk management system, so that the main risks affecting Salini Impregilo and its subsidiaries are correctly identified, properly measured, managed and monitored, defining the degree of compatibility of these risks with Company management and its strategic objectives;
  - assessment at least once a year of the adequacy of the internal control and risk management system considering the Company's characteristics and risk profile and their efficiency;
  - approval at least once a year of the audit plan prepared by the chief internal auditor;
  - review of the main audit reports and their implementation;
  - description of the main characteristics of the internal control and risk management system in the corporate governance report, expressing its assessment of their adequacy;
  - assessment of the findings presented by the auditor engaged to carry out the legally-required audit in its management letter (if prepared) and in the audit report;

   - appointment and removal from office of the chief internal auditor;
   - Reporting to the Board of Directors on the suitability of the resources of the internal audit unit for carrying out their duties;
   - definition of remuneration of the chief internal auditor in line with internal policies;
- assessment with the manager in charge of financial reporting, and after consulting the auditor engaged to carry out the legally-required audit and the Board of Statutory Auditors, of the correct application of the accounting policies, and in the case of a Group, their consistency for the preparation of the Consolidated financial statements;
- expression of opinions on specific aspects related to the identification of key business risks;
- review of the periodic reports on the internal control and risk management system, especially those prepared by the internal audit unit;
- monitor the independence, adequacy, effectiveness and efficiency of the internal audit unit;
- it may ask the internal audit unit to carry out checks of specific operating areas and it reports thereon to the chairperson of the Board of Statutory Auditors;
- reporting to the Board of Directors at least twice a year, during the meetings held to approve the annual and interim reports, on its activities and the adequacy of the internal control and risk management system.
- performance of the other duties assigned to it by the board.

During the year, the Control and Risk Committee reviewed and assessed the work plan and reports prepared by the chief internal auditor, and the reports drawn up by the integrity board as per Legislative Decree no. 231/2001; it expressed, in agreement with the Board of Statutory Auditors, a favorable opinion, together with the manager in charge of financial reporting and the representatives of the independent auditors, on the correct application of the accounting policies and their consistency during preparation of the Consolidated financial statements, reporting thereon to the Board of Directors. During approval of the draft annual financial statements and the interim financial report, the committee informed the Board of Directors about its activities and the adequacy of the internal control and risk management system taking into account the characteristics of the Company and its risk profile, as well as its effectiveness. This opinion was shared by the Board of Statutory Auditors. Furthermore, the committee found the organizational, administrative and accounting structure of the Issuer and its strategically significant subsidiaries Impregilo International Infrastructures N.V. and Fisia Italimpianti S.p.A. to be adequate. It approved the revisions of the Organization, Management and Control model required by Article 6 of Legislative Decree no. 231/01. It ascertained that the members of the integrity board met the subjective requirements of the Organization, Management and Control Model and, therefore, that the entire body met these requirements. It examined the draft interim financial report at June 30, 2014, and the draft interim financial report at March 31, and September 30, 2014; it met certain Company functions.

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Minutes of the committee meetings are drawn up regularly.

In the performance of their duties, the Control and Risk Committee has the right to access the necessary Company's information and functions, for the performance of their duties. To gain further insight on the interpretation and application profiles of the new accounting principles, the committee organized a focus meeting with an expert in the field. This meeting was held on December 17, 2014, and was also attended by other directors and statutory auditors.

On May 11, 2011, the Board of Directors resolved to give the internal control committee an annual budget of €50,000 to cover the costs of any necessary consultancy or other services required to carry out its duties, which can be increased to €100,000 with the documented request by the committee chairperson and approval by the Board of Directors' chairperson. The prior authorization of outlays is not necessary although the committee is required to document its expenses. It may also avail of internal information and functions.

11 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The guidelines for internal controls were defined by the Board of Directors on March 21, 2000, and subsequently updated and approved on March 25, 2009, and November 12, 2014.

As required by the Code, the Company's internal control and risk management system consists of a set of rules, procedures and organizational structures put in place to ensure business operations in line with the objectives defined by the Board of Directors, which is able to identify measure, manage and monitor the main risks. The objective is to ensure the safeguarding of the Company's assets, an efficient and effective operating system, reliable financial information and compliance with the laws and regulations as well as the Bylaws and internal procedures.

The internal control and risk management system is based on standards that require that business activities be based on applicable internal and external rules, can be traced and documented, that the allocation and exercise of powers as part of a decision-making process be matched to the positions of responsibility and/or with the size and/or significance of the underlying transactions, that those parties that take or implement decisions, that record transactions and those that are required to perform the controls over such transactions provided for by law and procedures envisaged by the internal control and risk management system be different parties and that confidentiality and compliance with the privacy legislation be ensured.

The parties involved in the internal control and risk management system are the Board of Directors, the CEO as the Director in charge of the internal control and risk management system, the Control and Risk Committee, the chief internal auditor, the manager in charge of financial reporting, the Board of Statutory Auditors, the independent auditors and the integrity board, each by carrying out their duties and roles.

Following the merger between Impregilo and Salini changes were made to the organizational structure of the system; today it includes "second level" control functions, represented by the manager in charge of financial reporting, the compliance function, the risk management function and the quality, environment, health and safety function, which report to the Chief Executive Officer.

The Company's internal control and risk management system consist of the organizational structure, the proxies and delegation system, the Organization, Management and Control Model (pursuant to Legislative Decree 231/01), the Group Code of Ethics, the organizational documents such as the organizational chart, the guidelines, the standard (or interfunctional) procedures, the organizational instructions, the organizational communications, the operating procedures, the manuals and executive instructions.

Main characteristics of the existing internal control and risk management system in relation to the financial reporting process, pursuant to Article 123-bis.2.b) of TUF

I. Introduction

The scope of the internal control and risk management system in relation to the financial reporting process (hereinafter the "System") is to ensure the credibility, accuracy, reliability and timeliness of financial reporting.

Salini Impregilo has designed, implemented, monitored and updated its system over time in accordance with guidelines based on international frameworks and best practices.

These guidelines have been specified to comply with the characteristics of the Issuer and its operating units that contribute to financial reporting (both those for the parent and the Group). This process of integrating the general model with the Company's specific model considered that the Group is composed of entities that are separate in legal terms from the parent for the purposes of the financial reporting referred to herein. Specifically, the Group is composed of legally separate entities (e.g. Italian and foreign companies) and entities that, although they are not legally separate from the parent under Italian law (e.g. foreign branches), have their own administrative and organizational structures and produce their financial reporting independently due to their industrial characteristics.

Accordingly and based on the logic underlying the reference model, the Group defined the criteria to ensure the System's actual application.

These criteria provide for the dissemination of the application procedures, the training of the personnel involved in the different stages of the process and a monitoring plan whereby the effective use of the application procedures is checked and any developments and integrations necessary due to the wide-ranging operating scope in which the Group works are identified.

The model, with the appropriate adaptations, is currently being updated and implementation following the changes to the organizational structure made as a result of the merger.

II. Description of the main characteristics of the existing internal control and risk management system in relation to the financial reporting process

II.1 The System's main stages

The main stages of the System are:

1. *Identification of financial reporting risks*: completion of this stage firstly entailed the analysis of all the more important internal processes in terms of their potential impact on the Company's financial reporting and, secondly, identification of the specific processes that are significant for the Group as a whole due to the specific nature of the different business segments in which the Group companies operate, even though they may not be applicable to the parent.

   The analysis considered the criteria to identify risks of non-attainment of control objectives ("financial statements assertions": existence and occurrence, completeness, measurement and recognition, presentation and disclosure, rights and obligations) for each financial statements item (separate and consolidated). The possible risks of error and fraud that could potentially impact financial reporting were also considered.

2. *Assessment of financial reporting risks*: the assessment of the intrinsic risk (inherent risk assessed regardless of the related controls) for each financial statements item entails the analysis of: (i) the significance of the above financial statements objectives for each item, (ii) the importance of each individual item in its category (e.g., assets or liabilities, revenue, operating expense, financial income and expense and income taxes) in order to identify their significance; and (iii) the materiality of the item compared to the pre-tax profit and equity.

3. *Identification of controls for the identified risks*: the intrinsic risk associated with each financial statements item as identified above was subsequently analyzed considering the existing control environment of each Group Company. Specifically, based on the analysis of the process generating the financial statements item, the collective or individual controls envisaged by the process to ensure compliance with the related financial statements objectives ("financial statements assertions") were identified. These controls, which mitigate the intrinsic risk, determine the residual risk for each financial statements item.

4. *Assessment of controls for the identified risks*: a specific monitoring process was carried out regularly to assess the effectiveness of the control's mitigating actions and the actual working of the control as part of the analyzed process.

Its checks are carried out (pursuant to Law 262/05) every six months and are planned so as to involve the most significant operating units. Evaluation of the significance of an operating unit for the purposes of the controls considers its business volumes as a percentage of those of the parent and the Group and any specific factors that, although not material in quantitative terms, are important with respect to their measurement or that are deemed worthy of analysis.

When issues arise or processes are identified that could be improved as a result of the above monitoring, they are described in the supporting documentation and a remedial plan is prepared. This plan is suitably illustrated in the report and monitored until the set objectives are achieved.

II.2 Roles and units involved

Starting from the year end, the internal audit unit was entrusted with the coordination of the control activities *pursuant to Law* 262/05, following a specific assignment given to the manager in charge of financial reporting. The internal audit department carries out checks on the implementation of key controls in accordance with the "Administrative, accounting and operational procedures model for drawing up the Group's financial statements" and, in the performance of such activities, it can also use external specialist resources. It prepares documentation supporting its activities every six months and a report to be used by the manager in charge of financial reporting, who assesses its content and findings and then reports to the relevant internal bodies.

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After approving the business and strategic plan, which sets out the new management team's strategic objectives, on March 19, 2014, the Board of Directors commenced a procedure to define the nature and level of risk compatible with these objectives. It was assisted by the Control and Risk Committee.

During the meeting to approve the 2014 financial statements, the Control and Risk Committee expressed its favorable opinion of the adequacy and effectiveness of the internal controls and risk management system to the Board of Directors following its review of the reports drawn up by the chief internal auditor and the integrity board and based on interviews with them and the assistance provided by the Manager in charge of financial reporting and the independent auditors.

The Board of Directors agreed with and adopted this positive assessment.

The Board of Statutory Auditors also agreed with this positive assessment.

Operational Risks - Salini Impregilo Group

The Salini Impregilo Group has launched a project for the development and implementation of a Risk Management model that will be gradually extended to all operating companies and make it possible to address and manage the risks in accordance with the industry best practices.

The project is structured to involve all operating units in order to take into account the differences between the countries and the different economic, regulatory and socio-cultural environments in which Salini Impregilo operates.

Under this project a *Chief Risk Officer* will be appointed who, with the support of a work Group that is already operating, aims to identify the main Company risks and assess the effectiveness of the controls put in place by the structures of the operating units through a common method.

I. Risk Assessment

A Risk Assessment was conducted in 2014, aimed to identify the risks that could affect the achievement of the Business Plan targets, with a special focus on the assessment of operating risks.

The Group's *Senior* and *Top Management* involved therefore assessed both the level of exposure to a potentially negative event in terms of impact and probability of risk, and the suitability of the internal control system based on the effectiveness of existing controls.

The methods used for the *Risk Assessment* included the following stages:

1. *Identification of the risks*

   This phase was based on an initial mapping of business processes and the identification of significant risks associated to them and potentially impede the achievement of Group targets.

   As a result of this activity, a catalogue of risks has been developed which is based on the sharing and integration of the combined experience of Salini and Impregilo Group over the years in risk management in the engineering and construction sector, as well as the contribution by relevant Management through interviewing them.

   The catalogue of risks, through the interviews, resulted in a list of risks stemming from the experience of the two groups. New risks were identified during the process also by comparing the risks from external sources in the same sector.

2. *Risk assessment*

   The assessment of inherent risk, i.e. assessed independently of related controls, was performed by combining the probability of occurrence of the risk event and the potential impact on the targets generated by such risk.

3. *Identification and assessment of controls for the identified risks*

   The inherent risk was subsequently analyzed on the basis of the assessment of the effectiveness of the existing control system in the different Company processes. Specifically, using the initial mapping of processes as a basis, the level of effectiveness of the control activities was assessed. On the basis of the application of these controls to mitigate the risk, the residual level of each risk analyzed was determined.

4. *Verification of the effectiveness of the controls for the identified risks*

   As part of the Company's organization and the requirements of the internal control and risk management system there are different bodies and Company functions dedicated to the verification of the effective functioning of the System. Specifically, the internal audit function, as part of the annual audit plan approved by the control and risks Committee (the "Audit plan"), checks compliance of the Company processes with respect to internal control and risk management system procedures, also considering the results of the risk assessment activities and by monitoring the development of the programs implementing improvements identified with reference to the design of the controls.

II. Results

The results of the risk assessment are described below based on the nature of the risk and in order of the importance of the residual risk on the basis of management evaluations, including an overview of the most significant factors.

Counterparty

The main risks concern the changes in relationships with the Client during the tender process and during the operational management of the contract when it is awarded. These aspects are characterized by an external risk factor mainly linked to the structure, the competence and characteristics of the Customer.

Project management therefore requires, in all its phases, a strong coordination between the operating units and headquarters to identify and resolve any issues with the counterparty in a timely manner and in accordance with the contract.

Operational (*)

These risks are associated with the Group's operational processes, including the organization of the project management structures, planning production and completing the actual work. These risks concern both construction projects and concessions. The project kickoff, in particular, is a crucial phase of contract management that requires the timely definition of the organizational structure of the project and detailed knowledge of the country's situation and the local production system.

Strategic

This category includes risks related to business management, assessment of the competitive environment and the conditions of what the Group considers target countries from a social, political and economic standpoint. Moreover, this category also includes the risks associated with drawing up agreements with any partners and setting up Joint Ventures, also taking in to account the effect that some organizational choices could have at Group level.

Salini Impregilo is present in several countries that have a certain level of economic, political and social instability. This factor is assessed when developing the strategic plan and is carefully studied for each project.

During the project study phase, special attention is paid to the social and cultural context of the relevant country, the type of customer, the type of contract and the sources of funding to finance the projects.

Compliance

These are the risks associated with regulatory compliance, whether based upon external factors, such as legislative, fiscal or contractual requirements in a broad sense, or internal factors, such as compliance with the Group Code of Ethics and Company procedures.

Considering the size and complexity of the Company, the aspects related to completing the integration process between the two companies existing prior to the merger are very important, especially as concerns the dissemination and application of a common system of procedures, as well as the coordination and monitoring of intercompany transactions.

Reporting

The risks associated with reporting activities specifically relate to the preparation and monitoring of the economic and financial information disclosed to the market.

Due to several recent changes in legislation concerning IFRS, management is now involved in the assessment, for reporting issues, of the aspects tied to the correct application of the accounting principles.

Liquidity (*)

This category includes risks related to the ability to gain access to financial markets, treasury management, at both central and peripheral level, insurance and tax management, paying close attention to the different local laws of the countries where the Group operates.

Financial risk management is subject to strict controls in line with the Company strategies covering a considerably longer timeframe, and with due regard for the short term needs of the operating companies. As regards contract management with customers, verification indices are defined to protect against risks related to price variation. In general, it is also important to monitor the "foreign exchange balance", i.e. the alignment between the portion of contract work paid by the customer in local currency and the purchases in the country of reference. Headquarters, on a central basis, plays a significant role in the coordination of the peripheral facilities in order to ensure control of the financial resources available.

Legal

Legal risks refers to meeting requirements of a legislative nature, but especially concerns the aspects related to contract management in terms of accounts receivables for Customers and accounts payable to subcontractors and suppliers.

Management has emphasized the importance of monitoring contract management from the very first stages of a project, as well as defining a standard contract for supplies and subcontracting, which reduce counterparty default risks.

Reputation

This category includes the risks associated with events that could tarnish the image of the Group, both nationally and internationally.

In assessing these risks, management has underlined the importance of having successfully achieved the integration process between the two companies that existed before the merger, nearing completion.

Fraud

The Group has adopted a system of policies, procedures and controls, from the Code of Ethics to the Anti-corruption Model, designed to ensure a suitable internal control system to prevent fraud, both internal and external.

Finally, the internal audit unit, as part of the annual audit plan approved by the Board of Directors, checks compliance of the Company processes with the rules of the internal control and risk management system, also considering the results of the risk assessment activities performed on an annual basis and by monitoring the development of the programs implementing improvements identified (and agreed) with reference to the design of the controls.

11.1 DIRECTOR IN CHARGE OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

As described in section 3 of this report, the Board of Directors appointed the CEO as "*Executive director in charge of internal controls*", assisted by the internal control committee on March 12, 2007.

The Board of Directors elected by the shareholders on July 17, 2012, confirmed the CEO as the "Director in charge of the internal control and risk management system" with all the powers and duties envisaged in Article 7 of the Code.

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The Director in charge of the internal control and risk management system:

- supervises identification of the key business risks (strategic, operating, financial and compliance), considering the activities carried out by the Issuer and its subsidiaries, and presents them regularly to the board;
- implements the guidelines established by the Board of Directors and manages the previously designed and created internal control and risk management system, checking its overall adequacy, and effectiveness on an ongoing basis, assisted by the chief internal auditor;
- adapts the System to reflect operating conditions and the legislative and regulatory framework, again assisted by the internal audit head;
- requests the internal audit unit to perform checks of specific operating areas and the compliance with internal rules and procedures during business activities (when necessary); he informs

the chairperson, the chairperson of the Control and Risk Committee and the chairperson of the Board of Statutory Auditors thereon;

- reports to the Board of Directors promptly about the checks requested by the internal audit unit.

11.2 CHIEF INTERNAL AUDITOR

Giacomo Galli, appointed by the Board of Directors on January 14, 2014, was the chief internal auditor until May 14, 2014. Subsequently, Francesco Albieri was appointed as chief internal auditor by resolution of the Board of Directors on May 14, 2014.

Giacomo Galli, a person external to the Issuer, endowed with adequate professionalism, independence and organization, verified by the Board at the time of his appointment, held the office of internal office head for the time needed to identify a person qualified for the role to hire as an employee of the Issuer. The person so appointed was Francesco Albieri.

The Board of Directors also approved the remuneration to be paid for carrying out above mentioned position.

The above appointments and related remuneration, were approved, on proposal of the Director in charge of the internal control and risk management system , after receiving the favorable opinion of the Control and Risk Committee and consulting the Board of Statutory Auditors.

The chief internal auditor reports to the Board of Directors alone and is not in charge of any business areas; the chief internal auditor is completely autonomous in terms of his actions and in operating and control terms.

The structure of the internal audit unit is composed of persons with different levels of experience necessary to carry out their duties. Under the assigned budget and subject to the approval of the Board of Directors, the above unit engages external consultants when necessary to fulfil specific requirements of the audit plan.

The internal audit unit operated in 2014 within the remit of its mandate approved on August 26, 2011, by the Board of Directors, with the favorable opinion of the Board of Statutory Auditors, and further updated on November 12, 2014.

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The chief internal auditor checks that the internal controls and risk management system is operational and adequate. He/she performs this check using an audit plan, approved by the Board of Directors, based on a structured procedure to analyze and prioritize the key risks, integrated with specific tasks requested by the management and control bodies.

In performing the activities under his responsibility, the chief internal auditor had direct access to all information useful to carry out his duties, he prepared regular reports providing suitable information about his activities and the methods used to manage risk and compliance with risk containment plans. He also assessed the suitability of the internal controls and risk management system. The chief internal auditor provided timely reports upon the request of the Director in charge of the internal control and risk management system, and delivered them, as part of his remit, to the members of the Control and Risk Committee, the Board of Statutory Auditors and the chairperson of the Board of Directors, as well as to the Director in charge of the internal control and risk management system.

During 2014, the internal audit unit checked the reliability of the information systems, including the accounting systems. It also monitored the integration process of the technology platforms which were subject to an assessment and found to be the most appropriate for the intended purpose. As a result thereof, the unit can continue carrying out checks based on an internationally accepted control-based framework.

The chief internal auditor is financially independent with his own budget approved each year by the

Board of Directors after consulting the Control and Risk Committee.

The Board, on proposal of the Director in charge of the internal control and risk management system, following the favorable opinion of the Control and Risk Committee and consulting with the Board of Statutory Auditors, defined the remuneration of the chief internal auditor in line with Company policies and ensured that he would be provided with adequate resources for the fulfilment of his responsibilities, on January 14, 2014, for Giacomo Galli and on May 14, 2014, for Francesco Albieri.

Moreover, the chief internal auditor worked together with the other control bodies, as explained in section 11.6 below.

11.3 ORGANISATION MODEL PURSUANT TO LEGISLATIVE DECREE NO. 231/2001

On January 29, 2003, the Company adopted the "Organization, Management and Control Model" required by Article 6 of Legislative Decree no. 231/01, based on the Confindustria guidelines, approved on March 7, 2002.

Following the changes in legislation after adoption of the first model, the Board of Directors revised the model on March 30, 2005 reflecting the update to the Confindustria guidelines of May 18, 2004, the code of conduct and the model drawn up by the National Association of Building Constructors (ANCE), approved on March 31, 2003, and subsequently revised on September 1, 2004.

On September 12, 2006, July 21, 2008, March 25, 2009, August 28, 2009, March 25, 2010, August 26, 2011, March 26, 2012, October 16, 2012 , August 5, 2013, and May 14, 2014, following the extension of the offenses covered, the internal reorganizations that had taken place in the meantime, and the update of the "Activities at risk" and in accordance with best practices, the Board of Directors approved the new "Organization, Management and Control model" (the general section of which is available on the Internet site **www.salini-impregilo.com**, under the "*Governance - Internal Control and Risk Management*" section) and related updates.

In order to comply with the specific provisions of Legislative Decree no. 231/01 and considering the analysis of the Company's situation and activities potentially at risk, the offenses committed when dealing with the public administration, forgery of coins, public credit notes and duty stamps, corporate crimes, terrorist acts or subversion of democratic order, crimes against the individual, market abuse and international crimes, handling of stolen goods, laundering and use of money, assets or other illegally gained goods, crimes against safety in the workplace, cybercrimes and the unlawful processing of data, organized crime, induction to not make statements or to make false statements to judicial authorities, counterfeiting, crimes against industry and trade, copyright crimes, environmental crimes, employment of illegally staying third-country nationals, offences relating to undue incitement to give or promise anything of value and corruption between individuals.

On September 12, 2006, the Board of Directors set the number of members of the integrity board as per Article 6 of Legislative Decree no. 231/2001 as three, in line with that required by the new Organization, Management and Control Model and appointed them, consisting of the internal control supervisor (internal employee) and two external persons. Previously, the board had been monocratic (internal control supervisor). These appointments were confirmed by the Board of Directors on May 14, 2014 for three years and, therefore, until its approval of the interim financial report at June 30, 2015. As required by the model, the integrity board's chairperson is a member who is not an employee of the Issuer. The integrity board's members have specific expertise in inspections, analyses of control systems and legal issues (in particular, criminal proceedings) so that they can properly carry out their duties. The Board of Directors deemed it appropriate not to give the Board of Statutory Auditors the integrity board functions.

The strategically significant subsidiary Impregilo International Infrastructures N.V. is a Company under Dutch law and therefore it is not subject to the provisions of Italian Legislative Decree 231/2001.

The Salini Impregilo Group Code of Ethics forms part of the Model (available on the website **www.salini-impregilo.com**, under the "Governance – Governance system") section. The present version was approved by the Salini Impregilo's Board of Directors on May 14, 2014.

11.4 INDEPENDENT AUDITORS

Salini Impregilo and its main subsidiaries have engaged independent auditors to perform the statutory audit of their financial statements and to check that their accounting records are kept correctly as required by Legislative Decree no. 58 of February 24, 1998, and Legislative Decree no. 39 of January 27, 2010. Their interim financial reports are reviewed.

The independent auditors audit Salini Impregilo in accordance with the applicable legislation.

As part of the general audit plan for the Group, the subsidiaries that do not exceed the thresholds set by Consob have nonetheless engaged the independent auditors on a voluntary basis.

The shareholders of Salini Impregilo S.p.A. appointed PricewaterhouseCoopers S.p.A. as independent auditors in their meeting on May 3, 2006 for the period from 2006 to 2011. On May 3, 2007, they extended the independent auditors' engagement for the period from 2012 to 2014, pursuant to Article 8.7 of Legislative Decree no. 303 of December 29, 2006.

As a result of the above, the Board of Statutory Auditors initiated a tender process involving several of the leading players in the field of independent audits. At the end of this process, the control body identified the independent auditors that meet the requirements set out in Legislative Decree 39/10 to be submitted, with a reasoned opinion, for approval by the Shareholders' Meeting.

The shareholders' meeting called to approve the financial statements as at December 31, 2014, will also be called on to appoint the independent auditors for 2015-2023.

11.5 MANAGER IN CHARGE OF FINANCIAL REPORTING AND OTHER ROLES AND FUNCTIONS

On June 27, 2007, the shareholders approved Article **26**, to be included in Salini Impregilo's Bylaws. This new article regulates the appointment and removal from office of the manager in charge of financial reporting, his term of office, related fee and relevant professional characteristics.

Article **26** requires that the board appoint, and remove from office, after consulting the Board of Statutory Auditors, a manager to be in charge of financial reporting, setting his term of office and fee. The candidates shall have at least three years' experience in: (a) administration and finance or administration and control or management duties with responsibility for financial, accounting and control matters, with companies that have a share capital of at least €2 million or consortia of companies with a total share capital of not less than €2 million; or (b) legal, economic or financial aspects closely related to the Company's activities; or (c) management at a state body or public administration office active in the credit, financial or insurance sectors or in sectors closely related to that of the Company.

Aspects and sectors closely related to the Company's activities are those set out in the last paragraph of Article 29 (which states: *"As required by Article 1.2.b) and c) and paragraph 3 of Ministerial Decree no. 162 of March 30, 2000, fields and sectors of activity closely connected with those of the businesses operated by the Company shall be understood to mean the fields (legal, economic, financial and technical-scientific) and the sectors of activity connected with or relating to the activity carried out by the Company as set forth in the corporate purpose"*).

On this point it should be noted that on March 19, 2015, the Board of Directors called an Extraordinary Shareholders' Meeting for April 30, 2015, to approve the amendment of the last paragraph of Article 29 of the Bylaws, as shown in section 13 below.

The position of Manager in charge of financial reporting pursuant to Article 154-bis of Legislative Decree no. 58 of February 24, 1998, is currently held, with an open term, by General Director Group Finance & Corporate Massimo Ferrari, who was granted all the powers and authority required to effectively carry out his functions and duties, within the budget limits approved from time to time and which were provisionally fixed at €50,000.00.

The Board of Directors granted powers Massimo Ferrari specifically including:

- direct access to all information required to produce accounting data;
- unlimited use of internal communication channels that ensure the correct intragroup exchange of information;
- a free hand in organizing his unit in terms of both human and technical resources (materials, IT and any other resources);
- creation and adoption of administrative and accounting procedures independently, also by availing of the assistance of other Company functions when necessary;
- assessment and modification of internal administrative and accounting procedures;
- participation at meetings of the board and executive committee, especially those which discuss issues related to his function and for which he is responsible;
- engaging external consultants, when necessary for specific issues;
- interacting with employees with control duties and exchanging information to ensure the ongoing mapping of risks and processes and the proper monitoring of the correct working of administrative and accounting procedures.

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Section 11.2 describes the roles, appointment criteria, powers and tools of the chief internal auditor, who has specific responsibilities for internal controls and risk management.

11.6 COOPERATION BETWEEN PARTIES INVOLVED IN THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In order to maximize the efficiency of the internal control and risk management system and reduce duplication of activities, the Issuer has provided that:

- the Board of Directors acts as a guide and assesses the System's adequacy using the information provided directly by the Director in charge of the internal control and risk management system, the Control and Risk Committee, the Board of Statutory Auditors, as the internal control and audit committee, and the manager in charge of financial reporting;
- the chief internal auditor and the integrity board as per Legislative Decree no. 231/01 report on their activities to the Control and Risk Committee so that it, in turn, can report to the Board of Directors;
- the chief internal auditor, the head of the compliance function and the Board of Statutory Auditors take part in the meetings of the Control and Risk Committee;
- the chief internal auditor sends his reports (both periodic and on special issues as requested by the Director in charge of the internal control and risk management system) to this Director, the chairpersons of the Board of Statutory Auditors, the Control and Risk Committee and the Board of Directors;

- the head of the compliance function as per Legislative Decree no. 231/01 reports on his activities to the Integrity Board;

- the head of the compliance function reports to the Director in charge of the internal control and risk management system, the Control and Risk Committee and the Board of Statutory Auditors on his activities and on the progress of the Compliance Plan every six months;

- the head of the compliance function informs, whenever he considers it to be necessary, the Director in charge of the internal control and risk management system and the Control and Risk Committee about significant facts and circumstances related to his work;

- the head of the compliance function sends his reports on the checks carried out to the Director in charge of the internal control and risk management system, top management and the control bodies. In the event critical issues or shortcomings come to light or it is determined that further analysis is required, the compliance function informs the internal audit unit, in order to assess whether any specific checks need to be carried out.

12 DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS

On November 30, 2010, the Board of Directors approved a specific new procedure for related party transactions, the "Procedure", (which replaced the previous procedure approved by it on July 7, 2005), after receiving the favorable opinion of the committee for related - party transactions, pursuant to Article 2391-bis of the Italian Civil Code and Article 4.1/3 of the Consob regulation which sets out instructions for related party transactions adopted with resolution no. 17221 of March 12, 2010 and subsequently amended with resolution no. 17389 of June 23, 2010 (the "Regulation"). On November 29, 2010, the Board of Statutory Auditors assessed the new procedure's compliance with the criteria set out in the Regulation.

The Board of Directors, at the meetings held on April 20, 2012, July 9, 2012, and May 13, 2013, changed the Procedure, after obtaining the favorable opinion of the committee for related-party transactions and the conformity assessment made by the Board of Statutory Auditors on compliance with the principles of the Regulation.

The Board of Directors, assisted by the corporate governance advisory board referred to in section 17.1 below, further modified the procedure on December 17, 2014, after receiving the favorable opinion of the committee for related - party transactions and the compliance assessment made by the Board of Statutory Auditors.

The Procedure (available on the Internet site **www.salini-impregilo.com**, under the "*Corporate Governance - Related party transactions*" section) sets out the rules, methods and criteria aimed at ensuring the transparency and substantial and procedural correctness of related party transactions carried out by the Issuer either directly or via its subsidiaries.

The Board of Directors set up a committee for related - party transactions, consisting of independent directors appointed from the from the minority list that received the most amount of votes, if appointed, and three other independent directors. This committee elected a chairperson, Alberto Giovannini, and his deputy, Giuseppina Capaldo, to be acting chair should the chairperson be absent or in their impediment.

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As described in section 3 of this report, on March 12, 2007, the directors resolved that, subject to the provisions of Article 2391 of the Italian Civil Code, directors with interests, either directly or on behalf of third parties, in a corporate transaction to be approved by the Board of Directors or executive committee may participate in the related discussions and vote thereon as such participation represents a reason for taking a responsible decision about a transaction about which the director may have greater knowledge than the other directors; however, the Board of Directors or executive committee may ask such directors to leave the meeting during the discussion on a case-by-case basis.

13 APPOINTMENT OF STATUTORY AUDITORS

Article. **29**) of Salini Impregilo S.p.A.'s Bylaws requires that *"the shareholders elect a Board of Statutory Auditors, consisting of three standing and two alternate statutory auditors.*

The Statutory Auditors must meet the requirements prescribed by law, the Bylaws and other applicable statutes.

Appointment of the Board of Statutory Auditors takes place using lists submitted by the shareholders using the methods and within the timeframe set out below in accordance with the applicable legislation on gender equality. The candidates shall be listed in numerical sequence in each list. The lists have two sections: one for the candidate for the office of statutory auditor and one for the candidate for the office of alternate statutory auditor. They shall include at least one candidate for each position and may comprise up to a maximum of three candidates for the office of statutory auditor and up to two for the office of alternate auditor.

Lists submitted by the shareholders are filed at the Company's registered office to be available for public consultation as indicated in the notice calling the shareholders' meeting. They shall be filed at least twenty-five days before the date of first call of the meeting, unless other mandatory terms are established by legislative and regulatory provisions.

Lists that have a total number of candidates of three or more must contain candidates of both genders, so that the gender with fewer representatives has at least one fifth (on the first term of office starting after August 12, 2012) and then one-third (rounded up) of the candidates to the office of Statutory Auditor, and at least one fifth (on the first term of office starting after August 12, 2012) and then one-third (rounded up) of the candidates to the office of Alternate Auditor.

Shareholders, shareholders forming part of significant shareholder agreements as per Article 122 of Legislative Decree no. 58 of February 24, 1998, the parent, subsidiaries and jointly controlled entities as per Article 93 of the same decree may not present, or be involved in presenting (also via trustees or nominees), more than one list. Nor can they vote (also via trustees or nominees) for more than one list. Moreover, each candidate may only be present in one list in order to be eligible. Acceptances or votes breaching such prohibition shall not be assigned to any list.

Only those shareholders that, either individually or together with other shareholders, own shares making up the percentage of share capital required for presentation of lists for candidate directors, may present lists (see section 4.1 of this report).

Together with each list, and within the timeframe described earlier, the shareholders deposit: (i) information about the shareholders presenting the list; (ii) statements whereby each candidate accepts their candidature and states, under their own responsibility, the inexistence of any reasons for ineligibility or incompatibility and the existence of the requirements for the relevant offices, including compliance with the ceiling for the number of positions that can be held under the current law and regulations; (iii) a professional and personal profile of each candidate; and (iv) any other information that is requested by the applicable law or regulations given in the notice calling the shareholders' meeting.

A certificate issued by a legally-authorized intermediary must also be filed, within the time limit established in the rules governing the publication of lists by the Company, showing ownership of the number of shares necessary to submit lists at the date of filing of the list with the Company.

Lists submitted that do not meet the above requirements will be treated as not having been submitted.

Candidates who are ineligible or incompatible or who do not meet the requirements established by the applicable laws and regulations or hold more offices than the maximum limits established in the applicable laws and regulations cannot be included in the lists.

The Statutory Auditors are elected as follows:

1. two Statutory Auditors and one Alternate Auditor are taken from the list that obtains the highest number of votes in the shareholders' meeting, according to the numerical sequence in which they are listed in the sections of the list;

2. the remaining Statutory Auditor and the remaining Alternate Auditor are taken from the list that receives the second highest number of votes and is submitted and voted by parties who are not connected, directly or indirectly, with the reference shareholders, pursuant to Article 148.2 of Legislative Decree no. 58 of February 24, 1998, according to the numerical sequence in which the candidates are listed in the sections of this list ("Minority list"). If two lists receive the same amount of votes, the elected candidates shall be taken from the list submitted by the shareholders holding the largest ownership stake or, subordinately, from the list submitted by the largest number of shareholders.

If the above method does not ensure the composition of the Board of Statutory Auditors in accordance with the applicable legislation on gender equality, the elected candidates shall be substituted accordingly using the list that obtained the most votes, according to the numerical sequence in which the candidates are listed.

When the list system is not used, shareholders elect statutory auditors by majority vote, subject to the applicable legislation on gender equality.

The candidate listed first on the Minority List shall serve as Chairman of the Board of Statutory Auditors.

Statutory Auditors shall cease to hold office in the cases contemplated in the applicable laws and regulations and whenever they no longer meet the requirements for election prescribed by these Bylaws.

When one of the Statutory Auditors needs to be replaced, the Alternate Auditor from the same list is co-opted. If both the St atutory and Alternate Auditors from the Minority List are no longer in office, the vacancy shall be filled by the candidate listed next on that list or, if not available, by the first candidate on the Minority List that obtained the second largest number of votes.

In all cases, the replacement procedure detailed above must ensure that the composition of the Board of Statutory Auditors complies with the applicable legislation on gender equality.

The Shareholders' Meeting held pursuant to Article 2401, Section 1, of the Italian Civil Code, shall elect or replace Statutory Auditors in compliance with the principle of necessary representation of minorities, and in compliance with the applicable legislation on gender equality.

Outgoing Statutory Auditors may be re-elected.

As required by Article 1.2.b) and c) and paragraph 3 of Ministerial Decree no. 162 of March 30, 2000, fields and sectors of activity closely connected with those of the businesses operated by the Company shall be understood to mean the fields (legal, economic, financial and technical-scientific) and the sectors of activity connected with or relating to the activity carried out by the Company as set forth in the corporate purpose".

On March 19, 2015, the Board of Directors called an Extraordinary Shareholders' Meeting for April 30, 2015, in order to amend the last paragraph of Article 29 of the Bylaws as follows:

"As required by Article 1.2.b) and c) and paragraph 3 of Ministerial Decree no. 162 of March 30, 2000, the fields (legal, economic, financial and technical-scientific) and the sectors serving areas of engineering, geology, construction of public and private works, building, and construction in general are considered strictly relevant to the scope of activities of the Company".

For further information on this item, please see the Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the "*Governance – Shareholders' Meeting*" section.

14 COMPOSITION AND DUTIES OF THE BOARD OF STATUTORY AUDITORS (article 123-bis.2.D) of TUF)

The members of Salini Impregilo's Board of Statutory Auditors as at December 31, 2014 are listed below. Details are also provided on their appointment, participation at meetings and other positions held as director or statutory auditor in other companies **listed** on Italian regulated markets.

BOARD OF STATUTORY AUDITORS AS AT DECEMBER 31, 2014

Position	Members	Year of birth	First appointed on	In office since	In office until	List (M/m)	Independent as per Code	% participation	No. of other positions
Chairperson	Trotter Alessandro	1940	7.5.2008	30.4.2014	Shareholders' meeting to approve 2016 financial statements	M	X	100	11
Statutory auditor	Naddeo Teresa Cristiana	1958	30.4.2014	30.4.2014	Shareholders' meeting to approve 2016 financial statements	M	X	100	3
Statutory auditor	Villa Gabriele	1964	30.4.2014	30.4.2014	Shareholders' meeting to approve 2016 financial statements	M	X	100	8
Alternate auditor	Tabellini Marco	1967	30.4.2013	30.4.2014	Shareholders' meeting to approve 2016 financial statements	M	X		31
Alternate auditor	Battistin Roberta	1971	30.4.2014	30.4.2014	Shareholders' meeting to approve 2016 financial statements	M	X		6

Quorum required to present lists at time of last appointment: 2%

No. of meetings held during the year: 18

STATUTORY AUDITORS WHO LEFT OFFICE IN 2014

Position	Members	Year of birth	Date of appointment	In office since	In office until	List (M/m)	Independent as per Code	% participation	No. of other positions
Statutory auditor	Gatti Fabrizio	1961	04.28.2011	04.28.2011	01.10.2014	SOLE	X		8
Statutory auditor	Miglietta Nicola	1967	04.28.2011	04.28.2011	04.30.2014	SOLE	X	100	15
Statutory auditor	Spanò Pierumberto	1961	04.30.2013	04.30.2013	04.30.2014	SOLE	X	83,33	8

At Salini Impregilo Shareholders' Meeting held on April 30, 2014, the shareholders appointed the current Board of Statutory Auditors, including the chairperson on the Board of Statutory Auditors, electing all the candidates on the sole list presented by the shareholder Salini Costruttori S.p.A. The term of office of the current board of auditors will end on the date of approval by the shareholders of the financial statements as at December 31, 2016. The appointment of the new Board of Statutory Auditors was unanimously approved by the voting capital, equal to 91.25% of the Company's overall voting rights.

The statutory auditors' personal and professional profiles are presented in their curricula vitae posted on the Internet site **www.salini-impregilo.com**, under the "*Governance - Board of Statutory Auditors*" section.

The Board of Statutory Auditors met 18 times during the year, with meetings averaging one hour and thirty minutes.

Meetings are called when necessary and a calendar does not exist.

Three meetings have been held in 2015.

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The shareholders appointed the new statutory auditors in their meeting on April 30, 2014. The Board of Statutory Auditors confirmed on May 14, 2014, that each statutory auditor met the independence requirements set out in the Code. On March 12, 2015, the Board of Statutory Auditors confirmed they had continued to meet such requirements throughout the year. The Board of Statutory Auditors applied all the criteria set out in the Corporate Governance Code in assessing independence.

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Salini Impregilo complies with the guidelines of criterion 8.C.3 of the Code, whereby statutory auditors that either directly or on behalf of third parties have an interest in a specific transaction shall inform the other statutory auditors and the chairperson of the Board of Directors promptly and completely about the nature, scope, origin and terms of their interest.

In the meetings held during the year, the statutory auditors met the independent auditors who described the scope of their engagement, their responsibilities and independence (in writing) as well as the procedures carried out for Salini Impregilo and the Group companies that have engaged them. As part of its duties, the Board of Statutory Auditors worked with the internal audit unit and the Control and Risk Committee.

The Board of Statutory Auditors, in carrying out its activities, worked together with the internal audit unit and with the Control and Risk Committee, and took part, along with the chief internal auditor, in the meetings of the Control and Risk Committee. The chief internal auditor also participated in several Board of Statutory Auditors' meetings when it his work.

15 INVESTOR RELATIONS

The Company believes that it is in its interests and also that it has a duty to the market to have an ongoing dialogue with its shareholders and institutional investors based on a common understanding of their roles. Such dialogue takes place within the boundaries established for confidential information to ensure that investors and potential investors receive information upon which they can base their investment decisions.

Therefore, it set up Investor Relations unit in July 2001 which reports to the head of the Investor Relations unit (currently Fabrizio Rossini) whose specific duties include managing relations with investors. This person has an e-mail address specifically for receiving communications and requests from shareholders (investor.relations@salini-impregilo.it). The Investors Relations section in Company's website **www.salini-impregilo.com** contains all the financial information as well as up-to-date documents of interest to the shareholders, so that they may exercise their rights in an informed manner.

Salini Impregilo posts information of interest to its shareholders on its Internet site **www.salini-impregilo.com**.

16 SHAREHOLDERS' MEETINGS (article 123-bis.2.C) of TUF)

The document providing an overview of the procedures for participating at Salini Impregilo S.p.A. shareholders' meetings and the exercise of voting rights is posted on the Company's website **www.salini-impregilo.com** (under the "*Corporate Governance - Shareholders' Meetings*" section).

Article **12**) of the Bylaws establishes that meetings can take place in Italy and not necessarily at the registered office. Ordinary meetings are called every year within one hundred and twenty days of the reporting date and, at the very latest, within one hundred and eighty days if the legal conditions for doing so are met. Ordinary and extraordinary meetings are also called whenever the Board of Directors deems it suitable and when provided for by law.

Pursuant to Article **14**) of the Bylaws, each holder of a right to vote who is eligible to attend a Shareholders' Meeting can be represented at the Shareholders' Meeting by means of a written proxy given to another party, pursuant to law. The Chairman of the Shareholders' Meeting is responsible for verifying the validity of the proxies and the rights of those present to attend the Meeting.

Article **15**) of the Bylaws establishes that both ordinary and extraordinary shareholders' meetings shall be constituted and pass resolutions according to law. Sections 4 and 13 of this report set out the conditions for electing members of the Board of Directors and the Board of Statutory Auditors.

Article **16**) of the Company Bylaws states that the notice may indicate the day of a second call or of any subsequent calls. The admittance document issued for the first call is also valid for the subsequent calls. The Board of Directors may nonetheless decide, if it deems it appropriate and by giving express indication of this in the notice of call, that the ordinary and extraordinary shareholders' meeting are to be held in a single call.

It also states that Shareholders' meetings shall be called through publication of a notice containing the information required by applicable regulations, within the times set by law:

- on the Company's website;
- in the Official Gazette of the Italian Republic or the Corriere della Sera newspaper, when required by a compulsory order or so decided by the Board of Directors;
- in any other manner required by the laws and regulations in effect at any given time.

Shareholders may notify the Company of their proxies by sending the document to the e-mail address indicated in the notice. The Bylaws do not require that the shares, for which the communication pursuant to Article 2370.2 of the Italian Civil Code is required, remain unavailable until the meeting has been held, nor do they allow voting by post or on-screen or video link-up.
With respect to the meeting held on April 30, May 9 (special savings shareholders' meeting)

and September 12, 2013, pursuant to Article 135-undecies of TUF, the Company appointed a Designated representative to which the shareholders may give proxies with voting instructions for all or some of the issues on the agenda.

On March 19, 2015, the Board of Directors convened an Extraordinary Shareholders' Meeting for April 30, 2015, for the purpose of amending Article 16 of the Bylaws. For further information on this item, please see the Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the "*Governance – Shareholders' Meeting*" section.

Pursuant to Articles **17**) **18**), and **19**) of the Bylaws, the meeting is chaired by the chairperson of the Board of Directors, or in his absence, by one of the deputy chairpersons. If this is not possible, the meeting appoints a chairperson from among the directors or shareholders present. The chairperson of the Shareholders' meeting has full powers to verify the eligibility of holders of voting rights to attend the meeting and, more specifically, the validity of proxies, so as to ascertain whether the meeting is duly convened and with the required quorum, as well as the power to manage and govern the proceedings and establish the voting procedures.

The meeting appoints a secretary who need not be a shareholder and, if necessary, two vote-counters among shareholders and statutory auditors. Resolutions are recorded in minutes entered in a special register signed by the Chairman, the Secretary and the vote-counters, if appointed. The minutes of the Shareholders' Meeting, if drawn up by a notary public, are subsequently recorded in the aforementioned register.

On March 19, 2015, the Board of Directors convened an Extraordinary Shareholders' Meeting for April 30, 2015, for the purpose of amending Article 18 of the Bylaws. For further information on this item, please see the Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the "*Governance – Shareholders' Meeting*". The Issuer's Bylaws do not provide that the meetings have to approve specific actions taken by the directors.

As described in section 4.3 of this report, under Article 24 of the Bylaws, the Board of Directors is granted the power to resolve to establish or close branches in Italy or abroad, reduce the share capital in the event of a shareholder withdrawal, amend the Bylaws to comply with changes in legislation, transfer the registered office within Italy, and carry out a merger by absorption of a wholly owned subsidiary or a Company in which at least a 90% ownership stake is held, all of the above in compliance with the provisions of Articles 2505 and 2505 bis of the Italian Civil Code.

On March 19, 2015, the Board of Directors convened an Extraordinary Shareholders' Meeting for April 30, 2015, for the purpose of amending Article 24 of the Bylaws to include, among the powers reserved to the Board of Directors, also powers related to spin-offs. For further information on this item, please see the Board of Directors' Report that will be published on the Company's website **www.salini-impregilo.com** under the "*Governance – Shareholders' Meeting*" section.

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The shareholders approved the "Rules for Impregilo S.p.A. shareholders' meetings" (now Salini Impregilo) during their ordinary meeting on May 8, 2001. These rules are available at **www.salini-impregilo.com**, under the "*Corporate Governance - Shareholders*' Meeting" section, and were drawn up using the format proposed by Assonime.

Their scope is to ensure the orderly conduct of meetings with respect to each shareholder's fundamental right to request clarifications about matters on the agenda, to express its opinion and make proposals.

These rules set out the methods used to ensure each shareholder's right to take part in discussions about the matters on the agenda.

Eight directors (including the Chairperson and CEO) participated at the Shareholders' Meeting held on April 30, 2014. Eight directors (including the Chairperson and CEO) participated at the Shareholders' Meeting held on September 19, 2014. The Board of Directors reported to the shareholders about the activities both carried out and planned for the future in the meetings. It took the necessary steps to ensure that the shareholders receive adequate information about the matters in order to be able to make informed decisions. None of the shareholders asked the chairperson of the compensation committee to report on how the committee works.

In accordance with current Bylaws requirements, changes in the Issuer's market capitalization during the year did not impair the exercise of actions or privileges designed to protect the minority shareholders.

17 ADDITIONAL CORPORATE GOVERNANCE PRACTICES (article 123-bis.2.A) of TUF)

17.1 THE CORPORATE GOVERNANCE ADVISORY BOARD

On July 30, 2012, the Board of Directors set up the corporate governance advisory board (the "board") which is responsible for analyzing the existing corporate governance structure and subsequently to propose any changes to be made to the Board of Directors. The board provides proposals and opinions to the Board of Directors and each committee, assisted by independent experts, so that the corporate governance rules are in line with best practices, especially the Bylaws and internal regulations and procedures, starting with the related party transactions procedure, the management of any conflicts of interest and protection of minorities.

As of October 14, 2014, the board members are Francesco Carbonetti, as coordinator, and Marina Brogi and Giuseppina Capaldo and Massimo Tezzon, as directors.

The Board of Directors reformulated the composition of the Board in their meeting held on October 14, 2014. It is currently composed solely of external consultants: Mr. Francesco Carbonetti, as Coordinator, and Mr. Massimo Tezzon.

During the year, the board prepared reports for the Board of Directors on the review of the Procedure for related party transactions and the identification of related party transactions.

17.2 ANTI-CORRUPTION MODEL AND RELATED STAFF TRAINING

The Board of Directors approved the Anti-Corruption Model in their meeting held on June 16, 2014. This model provides an overview of Salini Impregilo's commitment to ensure compliance with the principles introduced by anti-corruption laws and Best Practices at an international level. It has been adopted with the aim of providing a systematic frame of reference for anti-corruption regulations and policies, which Salini Impregilo intends to pursue in order to eliminate active or passive corruption, thereby ensuring compliance with anti-corruption regulations. The Model is thus intended to act as a guide in dealing with any risks of corruption that may arise during the course of business activities.

The application of the Anti-corruption Model is a direct responsibility of all employees and all third parties that collaborate with Salini Impregilo. All recipients are required, therefore, to comply, with the utmost care and attention, with all the principles and provisions set forth therein. In order to ensure appropriate awareness and understanding of the Model, Salini Impregilo, all employees are required to take an anti-corruption training course. The course has been designed with different levels of detail, according to the qualification of the recipients and the different level of involvement in at-risk activities.

18 CHANGES SINCE YEAR END

No changes in the Company’s corporate governance structure other than those described in this report have taken place since the year end.

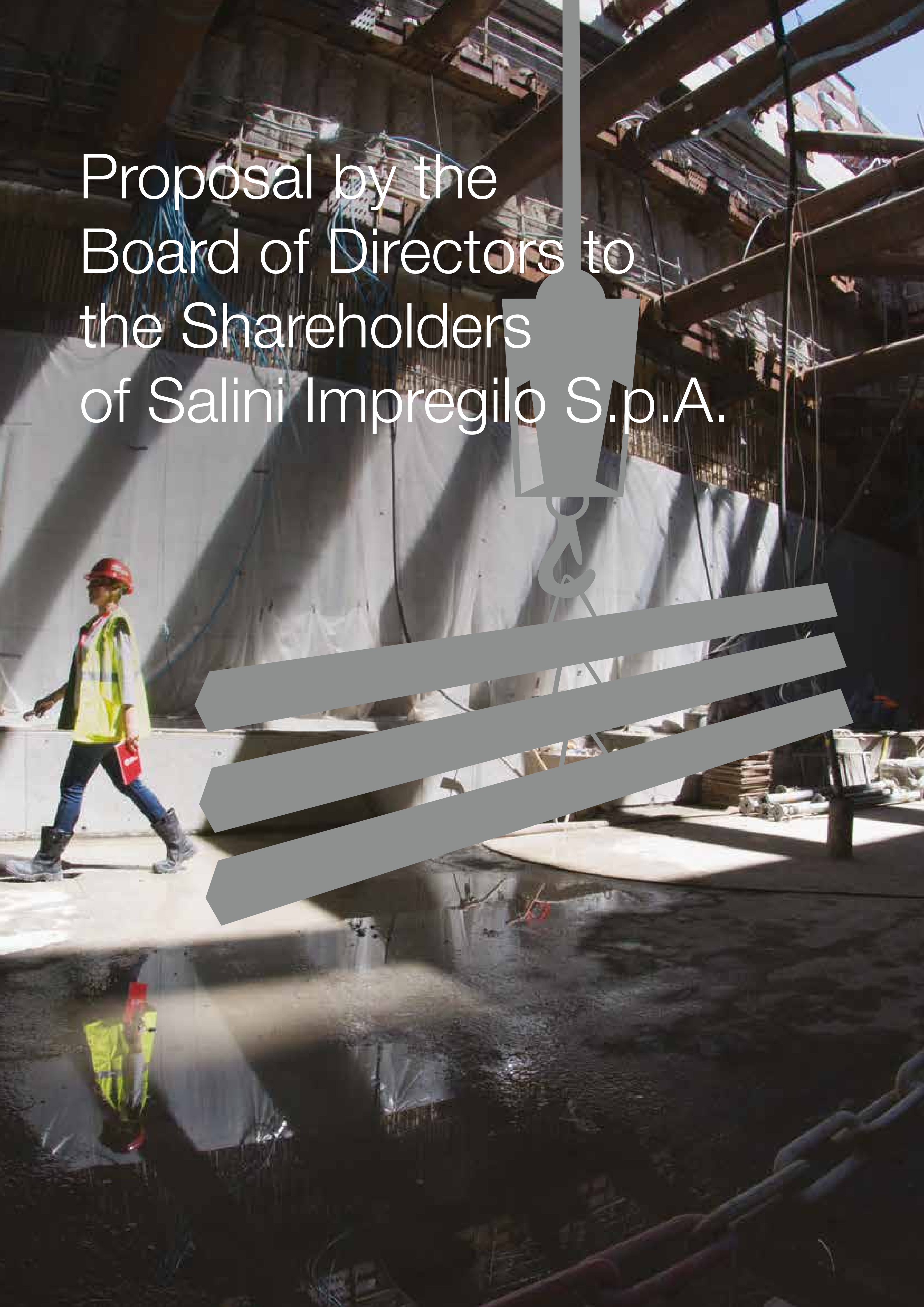
List of positions held in other companies listed on regulated markets (also foreign), in financial companies, banks, insurance companies or companies of significant size (the companies in question are not part of the Issuer’s Group).

Director	Company	Position
Claudio Costamagna	CC & SOCI Srl	Chairperson
	AAA S.A.	Chairperson
	LUXOTTICA GROUP S.p.A.	Director
	FTI CONSULTING INC.	Director
Pietro Salini	NTD	
Marina Brogi	UBI BANCA S.c.p.a.	Director
	PRELIOS S.p.A.	Director
Giuseppina Capaldo	EXOR S.p.A.	Director
	CREDITO FONDIARIO S.p.A.	Director
	ARISCOM Compagnia di Assicurazione S.p.A.	Director
Mario Cattaneo	LUXOTTICA GROUP S.p.A.	Director
	BRACCO S.p.A.	Director
	MICHELIN ITALIANA S.A.M.I. S.p.A.	Statutory auditor
Roberto Cera	NTD	
Laura Cioli	CARTA SI S.p.A.	CEO
	Telecom Italia S.p.A.	Director
	WORD DUTY FREE S.p.A.	Director
Alberto Giovannini	UNIFORTUNE ASSET MANAGEMENT SGR S.p.A.	Chairperson
	MTS S.p.A.	Chairperson
	THE WAREHOUSE TRUST COMPANY LLC (US)	Director
	DTCC DERIVATIVES REPOSITORY LTD (UK)	Director
	DTCC DERIV/SERV LLC (US)	Director
	DTCC DATA REPOSITORY (US)	Director
	NETOTC HOLDINGS	Director
Nicola Greco	PERMASTEELISA S.p.A.	Director
Pietro Guindani	VODAFONE OMNITEL N.V.	Chairperson
	ENI S.p.A.	Director
	FINECOBANK S.p.A.	Director
Geert Linnebank	INDEPENDENT TELEVISION NEWS	Director
	CARTESIUS ADVISORY NETWORK AG-ZUG	Director
Giacomo Marazzi	BENI STABILI SIIQ	
Franco Passacantando	EUROCLEAR PLC	Director
	EUROCLEAR SA/NV	Director
Laudomia Pucci	FASHION FLORENCE INTERNATIONAL	Chairperson

DIRECTORS NO LONGER IN OFFICE

Director	Company	Position
Simon Pietro Salini	IMPREBANCA S.p.A.	Deputy Chairman

Proposal by the Board of Directors to the Shareholders of Salini Impregilo S.p.A.



Dear Shareholders,

The Separate financial statements of Salini Impregilo S.p.A. at December 31, 2014 prepared for your approval show a profit for the year of €30,692,694.72 , which we propose be allocated as follows:

- €1,534,634.74, equal to 5% of the profit for the year, to the legal reserve;
- €19,562,732.56 as a dividend to the holders of ordinary shares, equal to €0.04 per share;
- €420,027.66 as a dividend to the holders of savings shares, pursuant to the applicable Bylaws, equal to €0.26 per share, as per article 33.b) of the Company Bylaws, and to set the ex-dividend date as May 25, 2015 and the payment date at May 27, 2015 (record date May 26, 2015);
- €9,175,299.76 to be carried forward.

The Board of Directors

The Chairman

Consolidated financial statements at December 31, 2014

Consolidated statement of financial position

ASSETS (Amounts in thousands of euros)	Note	December 31, 2014	of which: related parties	December 31, 2013 (§)	of which: related parties
Non-current assets					
Property, plant and equipment	1	567,919		460,160	
Intangible Fixed Assets	2	160,014		164,690	
Investments in associates	3	104,422		73,619	
Non-current financial assets	4	89,124	*15,657*	48,909	*81*
Deferred tax assets	5	138,402		121,246	
Total non-current assets		**1,059,881**		**868,624**	
Current assets					
Inventories	6	262,740		224,380	
Contract work in progress	7	1,252,769		1,157,014	
Trade receivables	8	1,680,303	*259,714*	1,767,620	*420,160*
Derivatives and other current financial assets	9	156,908	*105,284*	304,529	*231,841*
Current tax assets	10	95,477		87,599	
Other tax receivables	10	96,489		133,533	
Other current assets	11	689,997	*103,544*	441,877	*73,839*
Cash and cash equivalents	12	1,030,925		1,127,276	
Total current assets		**5,265,608**		**5,243,828**	
Non-current assets held for sale and discontinued operations	13	344,154		661,160	
Total assets		**6,669,643**		**6,773,612**	

(§) Figures restated following the application of the new IFRSs 10 and 11.

SHAREHOLDERS' EQUITY AND LIABILITIES (Amounts in thousands of euros)	Note	December 31, 2014	of which: related parties	December 31, 2013 (§)	of which: related parties
Shareholders' equity					
Share capital		544,740		62,400	
Share premium reserve		120,798		141,484	
Other reserves		88,489		16,063	
Other components of comprehensive income		12,115		1,103	
Retained earnings		249,988		309,453	
Net profit (loss)		93,773		168,924	
Equity attributable to the owners of the parent		**1,109,903**		**699,427**	
Non-controlling interests		76,513		221,995	
Total shareholders' equity	**14**	**1,186,416**		**921,422**	
Non-current liabilities					
Bank loans and other facilities	15	456,209		643,870	
Bond issues	16	394,326		552,542	
Finance lease payables	17	102,310		109,876	
Non-current derivatives	18	4,951		4,350	
Post-employment benefits and employee benefits	19	23,320		21,755	
Deferred tax liabilities	5	80,435		74,015	
Provisions for risks	20	97,527		176,194	
Total non-current liabilities		**1,159,078**		**1,582,602**	
Current liabilities					
Bank account overdrafts and current portion of financing facilities	15	247,522	*5,795*	349,884	*1,334*
Current portion of bond issues	16	166,292		11,154	
Current portion of finance lease payables	17	60,231		63,954	
Derivatives and other current financial liabilities	18	293		4	
Advances on contract work in progress	21	1,725,884		1,733,988	
Trade payables to suppliers	22	1,426,743	*153,924*	1,263,495	*292,808*
Current tax liabilities	23	47,484		77,232	
Other tax payables	23	53,751		49,493	
Other current liabilities	24	335,918	*30,334*	294,767	*13,773*
Total current liabilities		**4,064,118**		**3,843,971**	
Liabilities directly associated with non-current assets held for sale and discontinued operations	13	260,031		425,617	
Total shareholders' equity and liabilities		**6,669,643**		**6,773,612**	

(§) Figures restated following the application of the new IFRSs 10 and 11.

Consolidated income statement

(Amounts in thousands of euros)	Note	2014	of which: related parties	2013 (§)	of which: related parties
Revenue					
Revenue	27	4,096,337	*246,078*	3,173,291	203,381
Other revenue	27	97,774	*13,415*	89,086	*24,143*
Total revenue		**4,194,111**		**3,262,377**	
Costs					
Purchasing costs	28.1	(593,330)	*(7)*	(514,785)	*(3,719)*
Subcontracts	28.2	(1,469,859)		(929,079)	
Service costs	28.3	(1,066,814)	*(354,978)*	(1,072,425)	*(120,741)*
Personnel costs	28.4	(494,101)		(383,163)	
Other operating costs	28.5	(131,852)	*(11)*	(62,770)	
Amortization, depreciation, provisions and impairment losses	28.6	(179,772)	*(327)*	(159,468)	
Total costs		**(3,935,728)**		**(3,121,690)**	
Operating profit		**258,383**		**140,687**	
Financing income (costs) and gains (losses) on investments					
Financial income	*29.1*	*37,836*	*9,990*	*30,194*	*6,009*
Financial expense	*29.2*	*(128,718)*	*(91)*	*(115,173)*	*(189)*
Net exchange rate gains (losses)	*29.3*	*(51,146)*		*27,013*	
Net financing income (costs)		(142,028)		(57,966)	
Gains (losses) on investments	30	8,973		195,135	
Net financing costs and net gains on investments		**(133,055)**		**137,169**	
Profit (loss) before taxes		**125,328**		**277,856**	
Income taxes	31	(39,635)		(19,484)	
Profit (loss) from continuing operations		**85,693**		**258,372**	
Profit (loss) from discontinued operations	13	17,427		(102,140)	
Net profit (loss)		**103,120**		**156,232**	
Net profit (loss) attributable to:					
Owners of the parent		93,773		168,924	
Non-controlling interests		9,347		(12,692)	
Earnings (loss) per share					
From continuing and discontinued operations	*33*				
Basic		0.2		0.42	
Diluted		0.2		0.42	
From continuing operations	*33*				
Basic		0.16		0.67	
Diluted		0.16		0.67	

(§) Figures restated following the application of the new IFRSs - please see Section “Effects of the application of the new financial reporting standards”. Furthermore, the income statement data was reclassified in accordance with IFRS 5 following the decision to hold Todini Costruzioni Generali and Fisia Babcock Environment available for sale.

Consolidated statement of comprehensive income

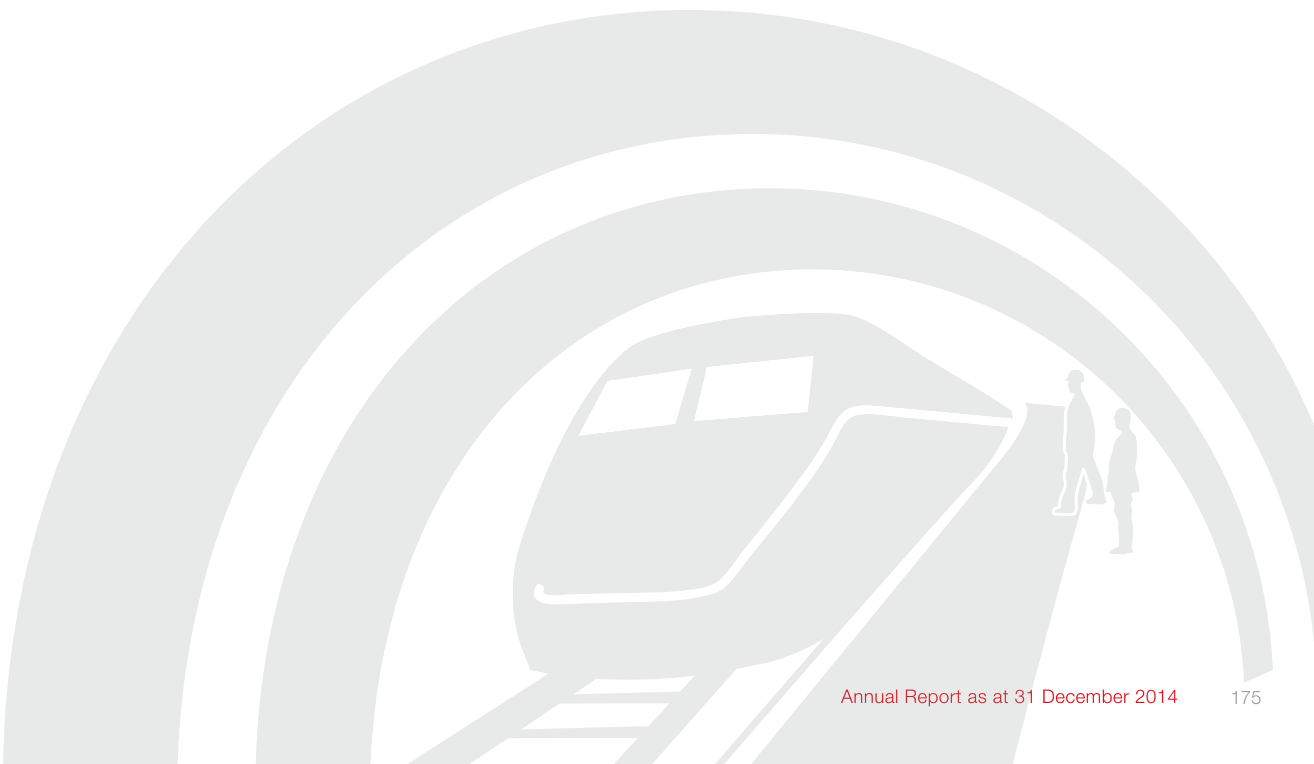
(Amounts in thousands of euros)	Note	2014	2013
Profit for the year (a)		**103,120**	156,232
Items that may be subsequently reclassified to profit or loss, net of the tax effect:			
Gains (losses) on translation of foreign operations	14	**17,006**	(7,102)
Net gains (losses) on cash flow hedges, net of the tax effect	14	**(613)**	1,989
Other comprehensive income related to equity-accounted investees	14	**(721)**	3,614
Items that may not be subsequently reclassified to profit or loss, net of the tax effect:			
Net actuarial gains (losses) on defined benefit plans	14	(3,418)	(1,100)
Other comprehensive income (expense) (b)		**12,254**	(2,599)
Total comprehensive income (expense) (a) + (b)		**115,374**	153,633
Total comprehensive income (expense) attributable to:			
Owners of the parent		104,781	165,666
Non-controlling interests		10,593	(12,033)

Consolidated statement of cash flows

(Amounts in thousands of euros)	Note	2014	2013 (§)
Cash and cash equivalents	12	1,127,276	411,703
Current account facilities	15	(126,624)	(89,891)
Total opening cash and cash equivalents		**1,000,652**	**321,812**
Operating activities			
Net profit attributable to owners of the parent and non-controlling interests from continuing operations		85,693	258,372
Amortization of intangible assets	28	28,156	3,806
Amortization of rights to infrastructure under concession	28	1,299	537
Depreciation of property, plant and equipment	28	148,063	129,893
Net impairment losses and provisions	28	2,251	25,233
Accrual for post-employment benefits and employee benefits	28	14,979	12,167
Deferred taxes		11,466	(16,731)
Share of loss of equity-accounted investees	30	(8,452)	(194,789)
Other non-monetary items, including financial charges and foreign currency changes		118,547	19,802
Cash flow from operating activities		**402,002**	**238,290**
Decrease (increase) in inventories		(116,305)	67,405
Decrease (increase) in trade receivables		82,314	(697,062)
(Decrease) increase in progress payments and advances from customers		(15,547)	150,617
(Decrease) increase in trade payables		(44,090)	3,963
Decrease (increase) in other assets/liabilities		(154,617)	(15,765)
Total change in working capital		**(248,245)**	**(490,842)**
Decrease (increase) in other items not included in current assets		(10,402)	(49,440)
Cash flows generated (used) in operations		**143,355**	**(301,992)**
Investing activities			
Net investments in intangible assets	2	(36,552)	(17,602)
Acquisitions, net of cash acquired			(6,032)
Investments in property, plant and equipment	1	(270,236)	(139,942)
Proceeds from the sale or reimbursement value of property, plant and equipment		23,058	19,587
Investments in non-current financial assets and capital transactions	3	(96,459)	-
Dividends and capital repayments from equity-accounted investees	3	549	4,304
Proceeds from the sale or reimbursement value of non-current financial assets		(130)	13,999
Cash flows generated (used) in investing activities		**(379,770)**	**(125,686)**
Financing activities			
Share capital increase	14	161,640	-
Dividends distributed		(420)	(12,979)
Share buy-back		(7,677)	-
Increase in bank and other loans		529,856	795,002

(Amounts in thousands of euros)	Note	2014	2013 (§)
Decrease in bank and other loans		(756,445)	(192,112)
Change in other financial assets/liabilities		99,324	113,625
Change in the scope of consolidation		36,875	227,261
Cash flows generated (used) in financing activities		**63,153**	**930,797**
Net cash flows generated (used) in discontinued operations	**16**	**78,775**	**169,751**
Net exchange rate losses on cash and cash equivalents		**97,049**	**5,970**
Increase (decrease) in cash and cash equivalents		**2,562**	**678,840**
Cash and cash equivalents	12	1,030,925	1,127,276
Current account facilities	15	(27,711)	(126,624)
Total closing cash and cash equivalents		**1,003,214**	**1,000,652**

(§) Figures restated following the application of the new IFRSs - please see Section "Effects of the application of the new financial reporting standards". Furthermore, the income statement data was reclassified in accordance with IFRS 5 following the decision to hold Todini Costruzioni Generali and Fisia Babcock Environment available for sale.



Statement of changes in consolidated equity

				Other reserves			
(Amounts in thousands of euros)	Note	Share capital	Share premium reserve	Legal reserve	Ancillary expenses for share capital increase	Extraordinary reserve and other reserves	Total other reserves
As at 1 January 2013 (§)	**14**	**62,400**	**141,484**	**-**	**-**	**16,419**	**16,419**
Capital increase	14						
Allocation of profit and reserves	14			2,252		19,614	21,866
Dividend distribution	14						
Changes in the scope of consolidation	14						
Release of non-distributable reserve pursuant to article 2426(4) of the Italian Civil Code	14					(18,620)	(18,620)
Other changes and reclassifications	14					(3,603)	(3,603)
Dividend distribution to non-controlling interests	14						
Net profit (loss) for the period	*14*						
Other comprehensive expense	*14*						
Total comprehensive income	*14*						
As at December 31, 2013 (§)	**14**	**62,400**	**141,484**	**2,252**	**-**	**13,811**	**16,063**
As at 1 January 2014 (§)		**62,400**	**141,484**	**2,252**	**-**	**13,811**	**16,063**
Mergers	14	437,600	(141,484)	97,748		(13,674)	84,074
Allocation of profit and reserves	14						
Dividend distribution	14						
Changes in the scope of consolidation	14						
Share buy-back	14					(7,677)	(7,677)
Capital increase	14	44,740	120,798		(3,970)		(3,970)
Other changes and reclassifications	14						
Dividend distribution to non-controlling interests	14						
Net profit (loss) for the period	*14*						
Other comprehensive expense	*14*						
Total comprehensive income	*14*						
As at December 31, 2014	**14**	**544,740**	**120,798**	**100,000**	**(3,970)**	**(7,540)**	**88,490**

(§) Figures restated following the application of the new IFRSs.

Other components of comprehensive income								
Foreign currency translation reserve	**Hedging reserve**	**Actuarial (gains) losses reserve**	**Tot. other components of comprehensive income.**	**Retained earnings**	**Net profit (loss) for the year**	**Equity attributable to the owners of the parent**	**Non-controlling interests**	**Total shareholders' equity**
5,317		(954)	4,363	9,915	324,959	559,540	28,800	588,340
				290,115	(311,980)	-		-
					(12,979)	(12,979)	(65,487)	(78,466)
				(9,198)		(9,198)	269,727	260,529
				18,620				(2,618)
						(3,603)	985	
								156,232
					168,924	*168,924*	*(12,692)*	*(2,599)*
(4,491)	*2,151*	*(918)*	*(3,258)*			*(3,258)*	*659*	*153,088*
(4,491)	*2,151*	*(918)*	*(3,258)*		*168,924*	*165,666*	*(12,578)*	*921,422*
826	**2,151**	**(1,872)**	**1,103**	**309,453**	**168,924**	**699,427**	**221,995**	**921,422**
826	**2,151**	**(1,872)**	**1,103**	**309,453**	**168,924**	**699,427**	**221,995**	**921,422**
				(206,146)		174,044	(174,044)	-
				168,924	(168,924)	-		-
				(420)		(420)		(420)
				(21,822)		(21,822)	17,914	(3,908)
						(7,677)		(7,677)
						161,568		161,568
						-	57	57
					93,772	*93,772*	*9,348*	*103,120*
14,748	*(165)*	*(3,574)*	*11,009*			*11,009*	*1,245*	*12,254*
14,748	*(165)*	*(3,574)*	*11,009*		*93,772*	*104,781*	*10,593*	*115,374*
15,574	**1,987**	**(5,446)**	**12,114**	**249,982**	**93,772**	**1,109,902**	**76,514**	**1,186,416**

Notes to the Consolidated financial statements

Introduction

The Salini Impregilo Group has prepared its 2014 Consolidated financial statements on a going concern basis. As required by Regulation 1606/2002 issued by the European Parliament and Council, implemented in Italy by Legislative decree no. 38/2005, these Consolidated financial statements of the Salini Impregilo Group have been prepared in accordance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union at December 31, 2014.

They comprise a statement of financial position, an income statement, a statement of comprehensive income, a statement of cash flows, a statement of changes in equity and these notes.

The Consolidated financial statements have been prepared using the historical cost principle, except for those items which are recognized at fair value in accordance with the IFRS, as described in the section on "Accounting policies". The carrying amounts of hedged assets and liabilities, which qualify for hedge accounting, are adjusted to reflect changes in fair value related to the hedged risks.

The statement of financial position, income statement, statement of comprehensive income, statement of cash flows and statement of changes in equity are presented in Euros, the functional currency; the amounts are shown in thousands of euros unless stated otherwise.

Foreign currency translation of the assets and liabilities related to Venezuela

Please note that, from the end of the first half of 2014, the estimates referring to the set of industrial activities that the Group has in the Bolivarian Republic of Venezuela needed to be updated. In line with the previous financial reports, made available to the public as required by the current legal provisions, the deterioration of the economic conditions of the country, which have been going downhill since the early months of the year, were such that it became necessary to review the time and financial parameters according to which the Group's net assets can be generated in reference to this area. The Group's relations with the local economic system as well as with the client local administrations are still excellent and geared toward maximum cooperation in pursuit of the respective goals, as demonstrated by the additional work awarded at the end of June 2014 in relation to existing railway contracts. However, in light of the current general framework of the local currency/financial market situation in the area, stemming from the conditions of the above-mentioned local economic system, and consistent with the changes to the currency regulations of the country during 2014, it was considered reasonable, among other things, to adopt, with effect from June 30, 2014, a new reference exchange rate for the translation of both the current values of working capital denominated in Venezuelan currency and the perspective values both to be paid/realized in the entire life estimates of the ongoing railway projects under direct management.

The new official exchange rate used, called SICAD 2, whose first fixing took place during the last few days of the first quarter of 2014, is currently believed to be the most representative of the relationship under which future cash flows, expressed in local currency, may be adjusted in the event that they were verified at the valuation date also considering the possibility to access the Venezuelan currency market and the Group's specific needs to obtain currency other than the functional currency.

This new exchange rate expresses a substantial depreciation (by about 9 times) of the local currency against the US Dollar, compared with the official exchange rate previously used, i.e. CENCOEX (formerly CADIVI), for the purposes of preparing both the Consolidated financial statements of the Salini Group as at December 31, 2013 and the interim financial report as at March 31, 2014.

The updated estimates had a number of effects on the accounts as at December 31, 2014, the most significant of which is the overall reduction in the value of net assets in local currency, for a total of approximately €97 million, of which €55 million calculated upon adoption of the new exchange rate and €42 million related to changes in balances and the exchange rate during the second half of 2014.

Lastly as regards the impacts that this update has had from the point of view of the railway projects in progress in the area, it is noted that the credit and liquidity risk management policies adopted by the Group for its operations in areas characterized by structural currency weaknesses, like Venezuela, has always been based on a number of rules, including, in particular: (i) contracts with clients being denominated partly in 'strong' currencies (e.g. Euro, US Dollar) and partly in 'local' currency; (ii) the preparation of full-life production cost structure, accordingly composed of 'local' currency based on a 'natural hedging' approach; and (iii) covering temporary financial requirements to support the management of working capital through borrowings in the same currency as the working capital. In the specific situation of Venezuela, this risk management policy – bearing in mind the long-term presence of the Group in this market, which in previous years has shown moments of economic and currency uncertainty, albeit of shorter duration but of equivalent economic/financial significance – has been in effect in a situation characterized by (i) a surplus of net working capital offset by (ii) a more than corresponding expected deficit for the periods subsequent to that under review and expressed in the same currency. As in the past, updating the aforementioned estimates – which is one part of the review of full-life projections of railway works in progress in the area – has resulted in the recognition of mainly positive current and future impacts on profit and loss, even taking into account the conservative assumptions made in connection with the future development of production.

Furthermore, in the Extraordinary Official Gazette No. 6,171 of February 10, 2015, the Ministry of Popular Power for the Economy, Finance and Public Banking (MPPEFBP) and the Central Bank of Venezuela (BCV) published the "Convenio Cambiario No. 33", replacing the SICAD II exchange rate system with a newly-introduced floating official exchange rate called SIMADI.

To sum up, with the entry into force of this latest exchange convenio, three levels of exchange rate are set:

1) CENCOEX 6.30 BSF per 1 US$, for essential foodstuffs;
2) SICAD 12 BSF per 1 US$, for specific economic sectors and public sector enterprises;
3) SIMADI, whereby exchange rate transactions will be executed based on offer and demand, generating a floating exchange rate that will be published on a daily basis.

To date, there are no large exchange volumes to establish whether the aforementioned free exchange rate will effectively be supplied by operators with hard currency needed for transactions. At the moment, the SIMADI exchange rate is set at 187.78 BSF per US$.

In compliance with the provisions of international financial reporting standards, the effects of this further change in Venezuela's currency system – which are not expected to be significant – will be reflected in the 2015 financial year.

Introductory remarks concerning the comparability of the income statement and statement of financial position data for 2014 with those for the previous year – continuity with the Consolidated financial statements of the Salini Group for 2013

The merger of Salini S.p.A. (parent company at December 31, 2013) into Impregilo S.p.A. (subsidiary at December 31, 2013) became fully effective as of January 1, 2014, with the company resulting from the merger changing its name to Salini Impregilo S.p.A.

In accordance with the international financial reporting standards adopted by the Group in continuity with previous years, the merger is not a transaction liable to modify the amounts recognized in the Group's Consolidated financial statements, due to the fact that it qualifies as a 'business combination of entities under common control'. With the exception of the information provided below regarding new international financial reporting standards, the mandatory adoption of which is statutorily required as of January 1, 2014, the statement of financial position, income statements and statement of cash flows of the Salini Impregilo Group at December 31, 2014 reflect continuity of values with respect to the Consolidated financial statements of the Salini Group for the year ended December 31, 2013. These financial statements also reflect the restatement of the assets and liabilities of the Impregilo

Group based on their respective fair value on the date control was acquired and the subsequent allocation of the difference between the above-mentioned fair value and the total consideration paid in 2013 by the then controlling company Salini S.p.A. to acquire said control, as part of a process commonly referred to as purchase price allocation (PPA). Lastly, please note that the differential was positive and, consequently, was recognized in the 2013 consolidated income statement as badwill. For more information about these issues, please see the detailed disclosure provided in the notes to the Consolidated financial statements of the Salini Group for the year ended December 31, 2013.

Taking into account the developments described above, the data of the consolidated income statement for 2013 - provided for comparative purposes - are those of the Salini Group and presented in the Consolidated Report of the Salini Group at December 31, 2013 to reflect:

1) the classification of the Todini Costruzioni Generali Group and the company Fisia Babcock Environment GmbH in accordance with IFRS 5;

2) some reclassifications in the financial statements previously used by the Salini Group and the Group;

3) the retrospective recognition of the effects of the adoption of the new international financial reporting standards referred to in the “changes in standards”.

Changes in standards

The following accounting standards, amendments and interpretations have been implemented since January 1, 2014.

On May 29, 2013 the IASB published an amendment to IAS 36 “Impairment of non-financial assets - Recoverable Amount Disclosures for Non-Financial Assets” to provide guidance on the recoverable amount of assets, when this amount is based on fair value less costs of disposals, for impaired assets. The amendments establish that disclosure of the recoverable amount for assets or cash generating units in only required when an impairment or a reversal of a previous impairment have been recognized. The amendment also provides guidance on the disclosure of the impairment of assets, when the recoverable amount has been determined on the basis of fair value less costs to sell.

On May 12, 2011, the IASB issued IFRS 10, IFRS 11 and IFRS 12 and amendments to IAS 27 and IAS 28. The main changes covered:

- ***IFRS 10 - Consolidated financial statements***
  This standard replaces SIC 12 Consolidation - Special purpose entities and certain parts of IAS 27 - Consolidated and Separate financial statements. The new standard identifies a single control model and defines, on a more structured basis, the requirements for determining whether or not control exists. This provision is particularly important for cases that qualify as “de facto control”.

- ***IFRS 11 - Joint Arrangements***
  This standard replaces IAS 31 - Interests in joint ventures and SIC 13 - Jointly controlled entities - Non-monetary contributions by venturers. It defines the criteria for the identification of joint arrangements and how they should be accounted for based on the rights and obligations arising from the contract, regardless of its legal form. The new standard provides for different recognition methods, depending on whether the transaction is a joint operation or a joint venture, and eliminates the possibility to apply different accounting treatments to the same types of arrangements and, conversely, defines a single model based on the contractual rights and obligations.

- ***IFRS 12 - Disclosure of interests in other entities***
  The standard sets out the disclosures to be provided about any type of interest in other entities, including joint arrangements, associates, special purpose entities and other entities not included in the financial statements.
  Its aim is to provide information to allow users of financial statements to best understand the nature of risks associated with interests in strategic entities (qualified or not) which the entity intends to hold on to for the medium to long-term.

- ***IAS 27 - Separate financial statements***
  The standard defines how investments in subsidiaries, associates and joint ventures should be treated in the Separate financial statements. The standard has been amended following the changes introduced by IFRS 10 and IFRS 11.

- ***IAS 28 - Investments in Associates and Joint Ventures***
  This standard defines the accounting treatment of investments in associates and joint venture and is a rewording of the old IAS 28 in light of the new provisions introduced with IFRS 10 and IFRS 11.

IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 were published in the EU Official Journal on 29 December 2012. Their latest application date is the start of the first annual period beginning on or after 1 January 2014.

On December 16, 2011, the IASB published an amendment to IAS 32 : - *Offsetting Financial Assets and Financial Liabilities* to clarify the rules for offsetting financial assets and liabilities. The amendment clarified that:

- the right of set-off shall exist at the reporting date instead of being contingent on a future event;

- this right shall be legally enforceable by the counterparties during the normal course of business or in the event of insolvency or bankruptcy of the entity and all of the counterparties.

The amendment was published in the EU Official Journal on 29 December 2012. It is applicable retrospectively to annual periods beginning on or after 1 January 2014.

Except for IFRS 10 and 11, the application of the above amendments did not have significant effects on the Consolidated financial statements.

The effects of the application of IFRS 10 and 11 are highlighted in the Section “Effects of the application of the new financial reporting standards”.

The following standards, amendments and interpretations will be applied after the current reporting period and the Group has not adopted them early.

On November 12, 2009, the IASB issued the first part of *IFRS 9 - Financial instruments*, which will replace *IAS 39 - Financial instruments: recognition and measurement.* This part covers the classification of financial instruments and is part of a three-phase project. The next parts will cover how to determine impairment of financial assets and application of hedge accounting, respectively. Issue of the new standard, designed to simplify and reduce the complexity of recognizing financial instruments, provides for the classification of financial instruments into three categories which the Group will define based on its business model, contractual terms and the related cash flows of the instruments.

On October 28, 2010, the IASB issued new requirements for the recognition of financial liabilities. They will be integrated into IFRS 9 to complete the classification and measurement phase as part of the project to replace IAS 39.

On December 12, 2013, the IASB published the 2010-2012 ***Annual Improvements*** and the 2011-2013 ***Annual Improvements***, implemented in the European Union by publication in the Official Journal, respectively, on January 9, 2015, and December 19, 2014. These improvements mainly concern clarifications and amendments to IAS 16, 25, 37, 38 and 39 and IFRS 2, 3 and 8 and are applicable for annual periods beginning on or after January 1, 2015.
On November 21, 2013, the IASB issued amendments to IAS 19, concerning recognition of employee or third party contributions linked to defined benefit plans.
These amendments were implemented in the European Union by publication in the Official Journal on January 9, 2015. Companies apply the changes, at the latest, from the date of their first financial year starting on or after February 1, 2015. The adoption of the above-mentioned amendments will not have significant effects on the Consolidated financial statements.
A list of the accounting standards, amendments and interpretations published by the IASB is provided below.

However, at the reporting date, the competent bodies of the European Union have yet to complete the approval process of the amendment:

- IFRS 9 ***Financial Instruments***, published on July 24, 2014;

- IFRS 14 ***Regulatory Deferral accounts***, published on January 30, 2014;

- IFRS 15 ***Revenue from contracts with customers***, published on May 28, 2014;
- amendments to IAS 16 and IAS 41: ***Bearer Plants***, published on June 30, 2014;
- amendments to IAS 16 and 38: ***Clarification of Acceptable Methods of Depreciation and Amortization***, published on May 12, 2014;
- amendments to IFRS 11: ***Accounting for Acquisitions of Interest in Joint Operations***, published on May 6, 2014.

Effects of the application of the new financial reporting standards

These new standards were adopted retrospectively to allow a presentation of results on a like-for-like basis with the information for previous periods. As mentioned above, the adoption of the new standards did not have any significant impacts except as regards IFRS 10 and 11, for which the greatest difficulties in interpretation and application were encountered above all in relation to Special Purpose Vehicles ("SPVs") in which the Group participates jointly with other partner companies and which are established for the sole purpose of carrying out specific construction projects. These entities, which in 2013 belonged exclusively to the former Impregilo Group, were mainly identified as Joint Ventures and recognized using the proportional consolidation option provided in the previously applicable IAS 31.

With reference to the concept of control as described in the new IFRS 10, that have been no particularly complex cases from an interpretative point of view, since control is defined on the basis of the functioning of the corporate bodies and the relevant decision-making quorums applying to each entity. No situations of "de facto control" were found.

With reference to the application of IFRS 11 and the definition of joint control and the cases of Joint Operations and Joint Ventures, in relation to the foreign entities, under the new standards:

- Joint Operations are recognized on a line by line basis in the Separate financial statements of the member according to the ownership share, and no difference is recognized in the balance sheet and income statement with respect to the proportional consolidation previously in force;
- Joint Ventures are measured at equity, resulting in deconsolidation of assets, liabilities, financial position, revenues and expenses, and recognition of the result in "net gains (losses) on investments";
- subsidiaries are 100% consolidated on a line by line basis, the major effect of which is the consolidation of assets, liabilities, financial position, revenues and expenses of non-controlling interests.

For entities qualified as Italian Special Purpose Vehicles that recharge costs and are under joint control, application of IFRS 10 and 11 had the following effects:

- joint ventures are measured at equity, resulting in deconsolidation of the entity's assets and liabilities. As these entities recharge their costs, their deconsolidation results in intragroup transactions and recognition of the expenses for the period incurred by the SPV and recharged to the respective shareholders for their relevant share. Consequently the main effect on the income statement is recognition of the costs incurred and charged back by the SPV in a single cost item while revenues do not show any significant changes, as the contract continues to be recognized by the parent company. As these SPVs recharge their costs, the profit or loss of the SPV to be recognized in item "Net gains (losses) on investments" is essentially nil. Given the cost recharging system, Group net financial position represents the net balance of receivables/payables with the SPV, which corresponds to the Group's share of cash and cash equivalents or the financial debt held by the Joint Venture.
- Subsidiaries are consolidated on a line by line basis, the major effect of which is that the consolidation also includes assets, liabilities, financial position, revenues and expenses of non-controlling interests. This method has no impact on profit (loss) as the controlled vehicle recharges its costs and its profit (loss) is always equal to zero.

Economic-financial impacts resulting from the application of new standards and due to the effects of IFRS 5

The tables below contain the reconciliation of the amounts in the financial statements before and after the application of the new standards, specifically:

(a) reconciliations of the consolidated shareholders' equity at December 31, 2013 and December 1, 2013 and the consolidated net profit for 2013;

(b) comparative tables of the consolidated statement of financial position as at December 31, 2013;

(c) comparative tables of the consolidated income statement and consolidated statement of cash flows of 2013.

Lastly, considering the fact that the Salini Impregilo Group (formerly Salini Group) did not hold controlling interest in joint ventures during the period prior to the acquisition of control over the former Impregilo Group, that there have been no changes in the definition of control over entities within the same scope of consolidation following implementation of the new IFRS 10, and that therefore adoption of the new IFRSs mentioned herein did not generate differences in this area, it was deemed unnecessary to prepare reconciliations for the consolidated statement of financial position as at January 1, 2013.

Certain items included in the Consolidated financial statements needed to be reviewed and adapted because of the application of the new standards. In addition, some reclassifications were carried out to achieve a better representation of financial position and income, which related above all to the recognition of intragroup transactions with companies not consolidated line-by-line that were previously represented as a single current/ non-current receivable/payable (and broken down by type in the tables annexed to the Consolidated financial statements of the Impregilo Group), while now they are shown by type in the items for trade, financial and other current and non-current receivables and payables.

With reference to contractual advances, the item has been presented in consideration of the typical characteristics of the business sector in which the Group operates, as was the case for the reclassification of other assets and liabilities.

As regards the income statement, we note in particular the reclassification of utilizations, which in the published figures for 2013 were recognized in revenues, while in the reclassified figures they have been deducted directly from costs.

Reconciliation	**Shareholders' equity at January 1, 2013**	**Income statement 2013**	**Shareholders' equity at December 31, 2013**
Equity and profit for the year attributable to the Group	559,579	166,944	699,159
Non-controlling interests	28,761	(9,244)	193,125
Total shareholders' equity and income before introduction of new standards	**588,340**	**157,700**	**892,284**
Effects of the application of the new standards:			
- entities moving from proportional to line-by-line consolidation	-	(4,065)	29,094
- entities moving from proportional consolidation to measurement at equity	-	(57)	44
- joint operations	-	2,654	-
Total adjustments	**-**	**(1,468)**	**29,138**
attributable to shareholders of the parent company	(39)	1,980	268
attributable to non-controlling interests	39	(3,448)	28,870
Shareholders' equity and income statement values after the introduction of the new standards			
Equity and profit for the year attributable to the Group	559,540	168,924	699,427
Non-controlling interests	28,800	(12,692)	221,995
Total shareholders' equity and income before introduction of new standards	**588,340**	**156,232**	**921,422**

Financial statements

Tables of the Consolidated statement of financial position as at December 31, 2013

ASSETS (Amounts in thousands of euros)	**Salini Impregilo Published**	**Reclassifications**	**Salini Impregilo Reclassified**	**Salini Impregilo Reclassified due to the adoption of the new standards**	**Change**
	(1)	(2)	(3) = (1)+(2)	(4)	(5) = (4) - (3)
Non-current assets					
Property, plant and equipment	519,021	-	519,021	460,160	(58,861)
Intangible Fixed Assets	165,234	(473)	164,761	164,690	(71)
Investments in associates	61,261	(1,022)	60,239	73,619	13,380
Non-current financial assets	48,928	(19)	48,909	48,909	-
Other non-current assets	31,621	(30,391)	1,230	-	(1,230)
Deferred tax assets	121,190	(1)	121,189	121,246	57
Total non-current assets	**947,255**	**(31,906)**	**915,349**	**868,624**	**(46,725)**
Current assets					
Inventories	244,016	-	244,016	224,380	(19,636)
Contract work in progress	1,282,410	471	1,282,881	1,157,014	(125,867)
Trade receivables	1,634,515	(227,056)	1,407,459	1,767,620	360,161
Derivatives and other current financial assets	232,529	81,400	313,929	304,529	(9,400)
Current tax assets	85,510	(1)	85,509	87,599	2,090
Other tax receivables	136,656	1	136,657	133,533	(3,124)
Other current assets	381,814	67,587	449,401	441,877	(7,524)
Cash and cash equivalents	1,132,420	(1)	1,132,419	1,127,276	(5,143)
Total current assets	**5,129,870**	**(77,599)**	**5,052,271**	**5,243,828**	**191,557**
Non-current assets held for sale	653,604	7,556	661,160	661,160	-
TOTAL ASSETS	**6,730,729**	**(101,949)**	**6,628,780**	**6,773,612**	**144,832**

SHAREHOLDERS' EQUITY AND LIABILITIES (Amounts in thousands of euros)	Salini Impregilo Published	Reclassifications	Salini Impregilo Reclassified	Salini Impregilo Reclassified due to the adoption of the new standards	Change
Shareholders' equity					
Share capital and reserves	532,215	-	532,215	530,503	(1,712)
Net profit (loss)	166,944	-	166,944	168,924	1,980
Equity attributable to the owners of the parent	**699,159**	**-**	**699,159**	**699,427**	**268**
Non-controlling interests	193,125	-	193,125	221,995	28,870
Total shareholders' equity	**892,284**	**-**	**892,284**	**921,422**	**29,138**
Non-current liabilities					
Non-current indebtedness	1,303,740	417	1,304,157	1,310,638	6,481
Post-employment benefits and employee benefits	22,059	-	22,059	21,755	(304)
Deferred tax liabilities	74,001	-	74,001	74,015	14
Provisions for risks	103,629	(76,525)	27,104	176,194	149,090
Other non-current liabilities	7,354	(7,699)	(345)	-	345
Amounts due from clients	634,666	(634,666)	-	-	-
Total non-current liabilities	**2,145,449**	**(718,473)**	**1,426,976**	**1,582,602**	**155,626**
Current liabilities					
Current indebtedness	441,846	612	442,458	424,996	(17,462)
Advances on contract work in progress	1,249,417	634,667	1,884,084	1,733,988	(150,096)
Payables to suppliers	1,177,283	(5,174)	1,172,109	1,263,495	91,386
Current tax liabilities	79,029	-	79,029	77,232	(1,797)
Other tax payables	85,069	(35,836)	49,233	49,493	260
Other current liabilities	242,291	14,699	256,990	294,767	37,777
Total current liabilities	**3,274,935**	**608,968**	**3,883,903**	**3,843,971**	**(39,932)**
Liabilities directly associated with non-current assets held for sale and discontinued operations	**418,061**	**7,556**	**425,617**	**425,617**	**-**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**6,730,729**	**(101,949)**	**6,628,780**	**6,773,612**	**144,832**

Financial statements

Income statement 2013

(Amounts in thousands of euros)	Salini Impregilo Published	Reclassifications	Reclassifications IFRS 5	Salini Impregilo Reclassified	Salini Impregilo Reclassified due to the adoption of the new standards	Change
	(1)	(2)	(3)	(4) = (1)+(2)+(3)	(5)	(6) = (5) - (4)
Revenue						
Operating revenue	3,333,820	219	(45,381)	3,288,658	3,173,291	(115,367)
Other revenue	91,841	(4,321)	2,157	89,677	89,086	(591)
Total revenue	**3,425,661**	**(4,102)**	**(43,224)**	**3,378,335**	**3,262,377**	**(115,958)**
Costs						
Purchasing costs	(615,067)	-	21,733	(593,334)	(514,785)	78,549
Subcontracts	(1,034,471)	(1)	(14,390)	(1,048,862)	(929,079)	119,783
Service costs	(936,871)	17,558	25,497	(893,816)	(1,072,425)	(178,609)
Personnel costs	(459,443)	-	17,324	(442,119)	(383,163)	58,956
Other operating costs	(63,313)	(15,056)	431	(77,938)	(62,770)	15,168
Provisions and impairment losses	(16,330)	(1,641)	(7,229)	(25,200)	(25,232)	(32)
Amortization and depreciation	(152,514)	(1)	(24)	(152,539)	(134,236)	18,303
Total costs	**(3,278,009)**	**859**	**43,342**	**(3,233,808)**	**(3,121,690)**	**112,118**
Operating profit	**147,652**	**(3,243)**	**118**	**144,527**	**140,687**	**(3,840)**
Financing income (costs) and gains (losses) on investments						
Financial income	*42,268*	*(7,532)*	*(2,501)*	*32,235*	*30,194*	*(2,041)*
Financial expense	*(128,942)*	*(1,558)*	*(1,527)*	*(132,027)*	*(115,173)*	*16,854*
Net exchange rate gains (losses)	*24,360*	*12,302*	*(800)*	*35,862*	*27,013*	*(8,849)*
Net financing income (costs)	(62,314)	3,212	(4,828)	(63,930)	(57,966)	5,964
Gains (losses) on investments	203,736	32	(2,070)	201,698	195,135	(6,563)
Net financing costs and net gains on investments	**141,422**	**3,244**	**(6,898)**	**137,768**	**137,169**	**(599)**
Profit (loss) before taxes	**289,074**	**1**	**(6,780)**	**282,295**	**277,856**	**(4,439)**
Income taxes	(43,234)	(1)	20,780	(22,455)	(19,484)	2,971
Profit (loss) from continuing operations	**245,840**	**-**	**14,000**	**259,840**	**258,372**	**(1,468)**
Profit (loss) from discontinued operations	(88,140)	-	(14,000)	(102,140)	(102,140)	-
Net profit (loss)	157,700	-	-	157,700	156,232	(1,468)
Net profit (loss) attributable to:						
Owners of the parent	166,944	-	-	166,944	168,924	1,980
Non-controlling interests	(9,244)	-	-	(9,244)	(12,692)	(3,448)

Financial statements

Consolidated statement of cash flows at December 31, 2014

(Amounts in thousands of euros)	Salini Impregilo Published	Salini Impregilo Reclassified due to the adoption of the new standards	Change
Cash and cash equivalents at start of year	**321,812**	**321,812**	-
Cash flows generated (used) in operations	(92,619)	(301,992)	209,373
Cash flows generated (used) in investing activities	46,090	(125,686)	171,776
Cash flows generated (used) in financing activities	724,547	930,797	(206,250)
Net cash flows generated (used) in discontinued operations		169,751	(169,751)
Net exchange rate losses on cash and cash equivalents		5,970	(5,970)
Increase (decrease) in cash and cash equivalents	678,018	678,840	(822)
Cash and cash equivalents at end of year	**999,830**	**1,000,652**	**(822)**

Libya

Salini Impregilo S.p.A. is present in Libya through a permanent establishment and a subsidiary, Impregilo Lidco Libya General Contracting company (Impregilo Lidco), active in Libya since 2009 and owned 60% by Salini Impregilo and 40% by a local partner.

The permanent establishment's contracts are described in the paragraphs, "Libya – Koufra Airport" and "Libya – Other Contracts" of the Directors' Report. No significant risks are believed to exist in relation to these contracts as activities have yet to begin, except at Koufra Airport. Even so, for this contract the total exposure is not material, having received a contractual advance in July 2013. Lastly, the Group is part of the "Libyan Coastal Highway" project, which at the date of this Annual Report has not yet been started.

With reference to Impregilo Lidco, it is noted that the subsidiary won important contract for the construction of:

- Infrastructural projects in Tripoli and Misuratah;
- University campuses in Misuratah, Tarhunah and Zliten;
- Tripoli's new "Conference Hall".

With regard to the political upheaval in Libya from the end of February 2011 to the date of this Report, it is worth mentioning that the subsidiary was always able to operate in accordance with contractual terms and that the investments made up until the deterioration of the country's political situation have been fully covered by contractually stipulated advances.

In addition, the projects subject of the contracts executed by the Libyan subsidiary represent projects of national interest with regard to which, at the moment, it would not seem reasonable to presume that they would be abandoned. It is also clear that the subsidiary will face significant challenges in developing the projects in accordance with the schedule planned before the crisis erupted. Accordingly, Salini Impregilo does not expect significant new growth in the production activities of its subsidiary Impregilo Lidco in the near future.

In 2012, the procedures necessary to restart industrial activities were resumed, even though the local situation continued to be challenging and there was still no assurance of fully secure working conditions. Nevertheless, commercial and contractual relations with client local administrations were reinstated, with the aim of re-opening the worksites and restoring the financial conditions originally stipulated in the respective contracts. In this general context, more precise information became available once again in 2012 about the balance sheet and income statement items that impact the Consolidated financial statements of the Group. Consequently, in the consolidated statement of financial position, income statement and statement of cash flows of the Impregilo Group at December 31, 2012 the asset, liability and income statement items attributable to the Libyan subsidiary were restated in accordance with Group principles, based on the evidence developed during the period and the support of assessments provided by the independent counsel that is assisting the subsidiary. Compared with the situation reported in Impregilo's 2011 Consolidated financial statements, which reflected the latest available information at March 31, 2011, the value adjustments made to reflect the gradual impairment losses suffered by the subsidiary's net assets as a result of the events described above were estimated as constituting charges totaling €51.5 million. These charges were included in contract work in progress, as the Group deems them recoverable, considering that relationships with the clients have been reinstated. Net cash and cash equivalents held in Libya decreased by roughly €14.9 million due to costs incurred locally in the period from March 31, 2011, to December 31, 2014.

In addition, early in 2013, a physical inventory was taken of plant, machinery and supplies at the main worksites, with a total carrying amount of €29.9 million, but not all inventory sites could be accessed for security reasons. Taking also into account the fact that costs that may arise following completion of the inventory taking procedures would be covered by clients, consistent with force-majeure contract terms, as determined by the counsel that is assisting the subsidiary, no significant risks were deemed to exist in this context with regard to the recovery of the net assets attributable to the subsidiary, thanks in part to actions and claims filed with the clients contractually or otherwise. Lastly, contractual relations with client local administrations were reinstated during the last part of 2013.

Currently, also in view of the recent unrest in various areas of the country during the period under review, the social and political situation in the country remains extremely complex and marked by critical conditions. In spite of this, an important agreement was reached with the client during the first months of 2014. Under this agreement, the parties expressed their willingness to resume industrial activities as soon as security measures could be implemented, while at the same time fully maintaining the claims for damages filed by the subsidiary as a result of force majeure, provided for under contract and based on which the activities were suspended.

Lastly, Salini Impregilo continues to monitor the country's situation very closely and it cannot be ruled out that, after the reporting date of this Annual Report, events may occur that are unforeseeable at present and liable of resulting in changes to the assessments made to date.

Non-current assets held for sale and discontinued operations

SUW Campania

Based on information that came to light in previous years, in its previous annual financial statements the Group decided that the conditions continued to exist for application of IFRS 5 - Non-current assets held for sale and discontinued operations. Therefore, it has recognized the SUW Campania project net assets and operations separately in the statement of financial position and income statement.

Due to reasons outside the Group's control, the period for completion of the sale has extended beyond the year allowed by IFRS 5. Despite this, the Group's commitment to finalizing the sale as described in the Annual Report remains unchanged. Therefore, the directors have not deemed it necessary to change the accounting treatment of the assets in question as provided for in IFRS 5.9.

For more complete information, please see the Section "Non-current assets held for sale - Part One" of the Directors' Report.

Todini Group

In 2013, following the decision by the Board of Directors of Salini S.p.A. to realize the full value of the interest held in Todini Costruzioni Generali S.p.A. (hereinafter "Todini") in view of its divestment, the company reported the figures for the Todini Group under assets held for sale.

In 2014, following expressions of interest made in relation to operating activities both in Italy and abroad, and in light of the consequent decision to maintain a number of assets within the Group that were previously held for sale, it was decided to divide the Todini Group into business units, each with their own assets & liabilities and with the specific technical-administrative skills, in line with the expressions of interest received and with the intention of rationalizing management of these assets.

As mentioned in the Directors' Report, the composition of the various businesses is as follows:

Business A – Italian operating contracts

Includes the Metrocampania contracts (Naples Alifana and Secondigliano), the Variante di Valico and Naples Sarno River contracts, the plant and machinery situated at the Lungavilla Depot.

Business B – Foreign business unit

Includes all the foreign branches (operational and otherwise) with the exception of the portion of the Kazakhstan branch leader of the Almaty Khorgos JV (contract 50% attributable to Todini Costruzioni Generali and 50% attributable to Salini Impregilo), the foreign subsidiaries (with the exception of Todini Central Asia), the investments in foreign affiliates of Todini Costruzioni Generali, as well as all relationships with foreign entities included in the business unit.

Business C – Sale of business unit to Salini Impregilo

Includes the following contracts: Cagliari Capo Boi, Rome-Fiumicino, Milan-Lecco, Corso Del Popolo, Piscine dello Stadio and residues of closed Italian contracts, as well as the investees operating in the concessions (Piscine dello Stadio Srl – Piscine S.c.a.r.l. – Corso del Popolo S.p.A. – Corso del Popolo Engineering S.c.a.r.l.).

Business D – Sale of business unit to Imprepar

Includes the non-operating subsidiaries and relationships with the non-operational associates of Todini Costruzioni Generali.

Business E – Residual part of Todini Costruzioni Generali S.p.A.

Includes the subsidiaries Maver (under closure) and Todini Central Asia, as well as the portion of the Kazakhstan branch, leader of the Almaty Khorgos JV.

It also includes the balance sheet balances of the "headquarters" with reference to contracts with third parties and the entities included in this business.

In accordance with IFRS 5, businesses A and B – which are destined for sale to third parties – have again been classified under Non-current assets held for sale and under Profit (loss) from discontinued operations, while the businesses to be sold to the Parent company and to Imprepar as well as the residual part (Business E) have been restated under continuing operations. For comparison purposes, again in accordance with IFRS 5, the income statement data for the previous year has been shown in a consistent manner.

The following information applies to the businesses classified in non-current assets held for sale and discontinued operations sold beyond the 12 months allowed under IFRS 5:

- the changes in the year 2014 could not have been foreseen by the Group;
- these changes did not occur as a result of the Group's intentions as they were dependent on factors outside its control;
- regardless of the above, the Group continues to intend to sell Businesses A and B, for which it has received expressions of interest.

In light of all this, the directors have decided to continue to classify Businesses A and B according to IFRS 5. Comparative income statement figures are restated using the same logic.

Form and content of the Consolidated financial statements

The Salini Impregilo Group's Consolidated financial statements include the financial statements of the parent, Salini Impregilo S.p.A., and the Italian and foreign operating companies controlled directly or indirectly by Salini Impregilo S.p.A.

The financial statements at December 31, 2014 approved, where applicable, by the internal bodies of the consolidated companies have been used for consolidation purposes.

The Financial statements are prepared by adopting the parent's accounting policies. Where necessary, consolidation adjustments are made to make the items affected by different accounting policies consistent.

A list of the companies and other Salini Impregilo Group entities included in the scope of consolidation is set out in the annexes with the schedules showing changes therein during 2014.

Format of the Consolidated financial statements

The Group opted to present its Consolidated financial statements at December 31, 2014 in line with previous years as follows:

- Current and non-current assets and current and non-current liabilities are presented separately in the consolidated statement of financial position. Current assets and liabilities are those expected to be realized, sold, used or settled in the Group's normal operating cycle, which usually exceeds 12 months. Non-current assets and liabilities include non-current assets, deferred tax assets, employee benefits, deferred tax liabilities and other balances expected to be realized, sold, used or settled after the Group's normal operating cycle, i.e., more than twelve months after the reporting date.

- The consolidated income statement gives a classification of costs by nature and shows the profit or loss before "Financing income (costs) and gains (losses) on investments" and income taxes. The profit or loss from continuing operations, the profit or loss from discontinued operations and the profit or loss attributable to non-controlling interests and that attributable to the owners of the parent are also presented.

- The statement of comprehensive income shows all non-owner changes in equity.

- The consolidated statement of cash flows presents the cash flows from operating, investing and financing activities separately. The indirect method is used.

Basis of consolidation

The Consolidated financial statements have been prepared by consolidating the financial statements at December 31, 2014 of Salini Impregilo S.p.A., the parent, and the Italian and foreign companies which the parent directly or indirectly controls.

Control exists when the Group has the power to govern, directly or indirectly, the financial and operating policies of an entity so as to obtain benefits from its activities. Generally speaking, control is presumed to exist when the Group holds more than half of the voting rights either directly or indirectly.

Companies or businesses over which Salini Impregilo has joint control, by virtue of an investment therein or specific contractual arrangements, as established by IFRS 11, are consolidated as follows:

- on a line by line basis according to the ownership share, if they are Joint Operations;

- at equity, if they are Joint Ventures.

Investments in associates are measured using the equity method.

The financial statements used for consolidation are modified (made consistent) and reclassified to comply with the Group's accounting policies in line with the currently applicable IFRS.

The financial statements used are expressed in the functional currency, being the local currency or another currency in which most of the economic transactions and assets and liabilities are denominated.

Financial statements expressed in currencies other than the Euro are translated into Euros by applying the closing rates to the statement of financial position items and the average annual rates to the income statement items, as these approximate the spot rates.

Differences arising from the translation of the opening equity using the closing rates and from the translation of assets and liabilities at the spot rate and the income statement items at the average annual rate are taken to the translation reserve.

The exchange rates used to translate the foreign currency financial statements into Euros are as follows:

Currency	End-of-year rate December 2014	Average rate December 2014	End-of-year rate December 2013	Average rate December 2013
ZAR South African Rand	14.0353	14.403729	14.566	12.833
BRL Real	3.22070	3.12110	3.25760	2.86866
COP Colombian Peso	2,892.26	2,652.45	2,664.42	2,483.37
PEN Nuevo Sol	3.6327	3.767811	3.85865	3.591796
AED United Arab Emirates Dirham	4.45942	4.879569	5.06539	4.878167
ARS Argentinian Peso	10.2755	10.771757	8.989136	7.277387
AUD Australian Dollar	1.4829	1.471877	1.5423	1.377695
BGN New Bulgarian Lev	1.9558	1.9558	1.9558	1.9558
DZD Dinar Algeria	106.607	106.867232	107.786761	105.613646
INR Indian Rupee	76.719	81.040617	85.366	77.929968
LYD Libyan Dinar	1.4539	1.646259	1.701922	1.679758
MYR Ringgit	4.2473	4.344569	4.5221	4.185513
NGN Naira	223.693	219.163465	220.886092	211.550722
PES Chilean Peso	737.297	756.932708	724.768766	658.324406
PLN Zloty	4.2732	4.184258	4.1543	4.197488
RUB Russian Ruble	72.337	50.951836	45.3246	42.336964
SAR Saudi Riyal	4.5573	4.983066	5.17242	4.980856
SGD Singapore Dollar	1.6058	1.68232	1.7414	1.661877
TRY Turkish Lira (new)	2.832	2.906496	2.9605	2.53354
USD US Dollar	1.2141	1.3285	1.3791	1.328118
NAM Namibian Dollar	14.0353	14.403729	14.566	12.833
CHF Swiss Franc	1.2024	1.214622	1.2276	1.231058
GBP Great Britain Pound	0.7789	0.80612	0.8337	0.849255
DOP Dominican Peso	53.6672	57.687707	58.849369	55.38224
PKR Pakistani Rupee	122.146	134.205816	145.360876	134.998361
QAR Qatari Riyal	4.4216	4.837372	5.021872	4.835611
SICAD/VEF Bolivar	60.765777	38.72995	8.67744	8.001168

With regard to Venezuela, please refer to the above comments concerning the use of SICAD II as the exchange rate. When an investment in a consolidated entity is sold, the accumulated gain or loss recognized in equity is released to profit or loss. The consolidation criteria used to prepare these Consolidated financial statements may be summarized as follows:

- subsidiaries are consolidated on a line-by-line basis, whereby:

  a) assets and liabilities, costs and revenue shown in the subsidiaries' financial statements are fully recognized, regardless of the size of the investment therein;

  b) the carrying amount of the investment is eliminated against the Group's share of its equity;

  c) the main transactions between consolidated entities, including dividends distributed among Group companies, are eliminated;

  d) non-controlling interests are shown separately under equity and their share of the profit or loss for the year is similarly shown separately in the income statement.

- Investments in associates and Joint ventures are measured at equity, whereby the carrying amount of the investment is adjusted to consider:

  a) the parent's share of the profits or losses of the associate realized after the acquisition date;

  b) modifications arising from changes in equity of the associate that are not taken to profit or loss as per the relevant IFRS;

  c) dividends distributed by the associates;

  d) any greater value paid at acquisition (measured using the same criteria set out in the section on "Business combinations") and managed pursuant to the relevant standard;

  e) the share of the profit or loss deriving from application of the equity method, which is taken to profit or loss;

  f) standardization to comply with the Group accounting policies, where necessary.

- With reference to interests in jointly controlled entities that are classified as Joint Operations, the owner company recognizes its share of rights and obligations in its Separate financial statements.

Dividends, revaluations, impairment losses and losses on investments in consolidated companies, gains and losses on the intragroup exchange of investments in consolidated entities are eliminated.

Gains and losses arising from transactions between consolidated companies, which are not realized directly or indirectly through transactions with third parties, are eliminated.

Unrealized intragroup losses are recognized when the transaction shows an impairment of the transferred asset.

Business combinations

Business combinations are recognized using the acquisition method set out in IFRS 3 (revised in 2008). Accordingly, the consideration for a business combination is measured at fair value, being the sum of the fair value of the assets acquired and liabilities assumed or incurred by the Group at the acquisition date and the equity instruments issued in exchange for control of the acquired entity. Transaction costs are recognized in profit or loss when incurred.

The contingent consideration, included as part of the transfer price, is measured at acquisition-date fair value. Any subsequent changes in fair value are recognized in profit or loss.

The identifiable assets acquired and the liabilities assumed are recognized at fair value at their acquisition date.

Goodwill is measured as the difference between the aggregate of the consideration transferred, the amount of any non-controlling interests (NCI) and the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree and the net fair value of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If the value of the net assets acquired and liabilities assumed at the acquisition date exceeds the aggregate of the consideration transferred, the amount of any non-controlling interests (NCI) and the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree, this excess is immediately recognized through profit or loss as income from the transaction completed.

NCI can be measured at fair value or at their proportionate share of the fair value of the net assets of the acquiree at the acquisition date. The measurement method is decided on a transaction by transaction basis.

Business combination achieved in stages (step acquisition)

In the case of step acquisitions, the Group's existing investment in the acquiree is measured at fair value on the date that control is obtained. Any resulting adjustments to previously recognized assets and liabilities are recognized in profit or loss. Therefore, the previously held investment is treated as if it had been sold and reacquired on the date that control is obtained.

Transactions involving NCI

Changes to the investment percentage of a subsidiary that does not entail loss of control are treated as equity transactions.

Therefore, any differences between the acquisition price and the related share of equity in subsequent acquisitions of investments in entities already controlled by the Group are recognized directly in equity. With respect to partial disposals of an investment in a subsidiary while control is retained, any gain or loss is recognized in equity.

Basis of preparation

The accounting policies adopted to draw up the Salini Impregilo Group's Separate financial statements at December 31, 2014 comply with IFRS/IAS and are consistent with those used to prepare the Consolidated financial statements for the previous year, except for the standards coming into force after January 1, 2014, summarized in the section on "Changes in standards".

Accounting policies

Property, plant and equipment

The Salini Impregilo Group has opted to recognize property, plant and equipment at purchase or production cost net of accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis using rates determined based on the assets' residual possible use. The annual rates are as follows:

Category	Depreciation rate
Land	0%
Buildings	3%
Plant and machinery	from 10% to 20%
Industrial and commercial equipment	from 25% to 40%
Other assets	from 12% to 25%

Land and buildings, plant and machinery with a carrying amount to be recovered mainly through their sale (rather than the asset's continued use) are measured at the lower of their carrying amount and fair value less costs to sell. Assets held for sale shall be immediately available for sale and their sale shall be highly probable (i.e., the related commitments already exist). Their sales value shall be reasonable compared to their fair value.

Assets acquired as a result of business combinations are recognized at fair value at the acquisition date and remeasured within a year. Such amount reflects their purchase cost.

After their initial recognition, they are measured at cost, depreciated over their estimated useful lives and shown net of any impairment losses.

When an asset consists of different significant components with different useful lives, they are recognized and subsequently measured separately.

The carrying amount of property, plant and equipment is tested for impairment whenever events or changes in circumstances take place indicating that the carrying amount will not be recovered. Reference should be made to the section on "Impairment of non-financial assets" for details on impairment testing.

Borrowing costs directly related to the acquisition or construction of an asset are capitalized as part of the cost of the asset, to the extent of its recoverable amount. As established by IAS 23 - Borrowing costs, the Group has applied this method to all qualifying assets.

Borrowing costs are capitalized when the costs of the acquisition of the asset and borrowing costs are incurred, and the activities necessary to bring the asset to a condition for its use have been started.

The costs provided for but not yet paid related to qualifying assets are excluded from determination of the amount to be capitalized.

Capitalization of borrowing costs is suspended during periods in which active development is interrupted.

Moreover, capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Subsequent expenditure is only capitalized if it increases the future economic benefits of the related asset. All other expenditure is expensed when incurred.

Ordinary maintenance costs are fully expensed when incurred. Costs that increase the carrying amount of assets are allocated thereto and depreciated over their residual economic lives.

Dismantlement and restoration costs of assets used for contract work in progress are added to the cost of the related asset and depreciated in line with the depreciation pattern of the asset to which they refer when they are foreseeable and objectively determinable.

Leasehold improvements are classified in the different items of property, plant and equipment on the basis of their nature. They are depreciated over the shorter of the estimated useful life of the relevant asset and the residual term of the lease.

Leased property, plant and equipment

Assets held under finance leases whereby all the risks and rewards of ownership are substantially transferred to the Group are recognized as Group assets and classified as property, plant and equipment.

The related payable to the lessor is shown under financial liabilities. The lease payment is split into the financial expense, taken to the income statement, and the principal repayment, offset against the financial liability. The carrying amount of the leased asset is determined considering its fair value or, if lower, the present value of the minimum future lease payments.

The depreciation method and subsequent measurement are consistent with those applied to non-leased assets.

Leases where the lessor retains all the risks and rewards of ownership are treated as operating leases. The initial negotiation costs incurred for this type of lease increase the value of the related lease and are recognized over the lease term netted against the revenue generated by the lease. Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

Rights to infrastructure under concession

These rights are covered by IFRIC 12 - Service concession arrangements, issued by the International Financial Reporting Interpretations Committee (IFRIC), which regulates the recognition and measurement of concession arrangements between public sector entities and private sector operators. It was endorsed by the European Commission with EC regulation 254/2009 dated 25 March 2009 and its application is mandatory for financial statements drawn up under IFRS beginning from the year after which it was endorsed. Therefore, the Group has applied IFRIC 12 since 2010.

The criteria adopted by the Group to apply the interpretation to its concessions are set out below.

Scope and measurement

Scope: IFRIC 12 is applicable to service concession arrangements when the grantor is a public body and the operator is a private entity, when the following conditions are met:

(a) the grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price;

(b) the grantor controls – through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

Measurement of the revenues arising from the concession arrangement: the operator acts as the service provider (construction and management of the work) and recognizes the revenues for the construction and upgrade services in accordance with IAS 11 - Construction contracts and the revenues from management of the infrastructure in line with IAS 18 - Revenue.

The grantor pays the operator a consideration for the construction/upgrade services, to be recognized at fair value, which may consist of rights to:

(a) a financial asset (financial asset model);

(b) an intangible asset (intangible asset model);

(c) both ("mixed" model).

The first model is applicable when the operator has an unconditional contractual right to receive a specified or determinable amount of cash. The second is applicable when the operator acquires the right to charge for use of a public sector asset that it constructs or upgrades.

The amounts are contingent on the extent to which the public uses the service (demand risk). Finally, the third model is applicable when both of the above situations are present. In this case, the intangible asset is determined as the difference between the fair value of the investment made and the value of the financial asset obtained by discounting the cash flows from the minimum specified amount.

The concession contracts held by the Salini Impregilo Group through the line-by-line and the proportionately consolidated operators fall within the intangible asset model, except for two concessions of insignificant amount, held by subsidiaries of Todini Costruzioni Generali S.p.A. - wholly owned by the parent company - which fall within the "mixed" model. The financial asset model is applicable to certain associates, measured at equity.

Recognition of the intangible asset: the intangible asset is recognized during construction of the infrastructure. The main identified cases are as follows:

a. *arrangements that cover the construction of a new infrastructure*; the operator recognizes the intangible asset in line with the stage of completion of the construction project. During construction, the operator recognizes revenues and costs in line with IAS 11 - Construction contracts.

b. *arrangements that cover management of an existing infrastructure and its extension or upgrading against which the operator acquires specific additional financial benefits;* the operator recognizes an increase in the intangible asset as the construction services are provided for these construction and/or upgrade services to be recognized under IAS 11 - Construction contracts.

c. *arrangements that cover management of an existing infrastructure and specific obligations to extend or upgrade it against which the operator does not acquire specific additional financial benefits*; at initial recognition, the operator recognizes a liability equal to the present value of the forecast outlay for the construction services to be provided in the future with, as a balancing item, an additional component of the intangible asset for the contract consideration, which begins to be amortized.

Contractual obligations for the infrastructure's efficiency levels: given that the operator does not meet the requirements for recognition of the infrastructure as "Property, plant and equipment", the accounting treatment differs depending on the nature of the work carried out and can be split into two categories: (i) work related to normal maintenance of the infrastructure; (ii) replacement and scheduled maintenance at a future date.

The first category relates to normal ordinary maintenance of the infrastructure, the cost of which is recognized in profit or loss when incurred, also under IFRIC 12.

Given that the interpretation does not provide for the recognition of the physical asset but of a right, the second category is recognized in line with IAS 37 - Provisions, contingent liabilities and contingent assets, which requires: (i) recognition of an accrual to a provision in profit or loss; and (ii) recognition of a provision for charges in the statement of financial position.

Amortization of the intangible asset: amortization of the intangible asset recognized for the rights acquired under the concession arrangement is calculated in line with paragraph 97 of IAS 38 - Intangible assets: "The amortization method used shall reflect the pattern in which the asset's future economic benefits are expected to be consumed by the entity. If that pattern cannot be determined reliably, the straight-line method shall be used".

Goodwill and intangible assets with indefinite lives

Goodwill and other intangible assets with indefinite lives are recognized at cost net of impairment losses.

At December 31, 2014, the Salini Impregilo Group did not have any intangible assets with indefinite lives.

Goodwill acquired as part of a business combination is measured as the difference between the aggregate of the acquisition-date fair value of the consideration transferred, the amount of any NCI and the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree, and the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill deriving from acquisitions is not amortized. It is tested annually for impairment or whenever conditions arise that presume impairment as per IAS 36 - Impairment of assets.

For impairment testing purposes, goodwill acquired as part of a business combination is allocated at the acquisition date to each of the cash-generating units (or groups of cash-generating units - CGU) that will benefit from the acquisition. The carrying amount of goodwill is monitored at cash-generating unit level for internal management purposes.

Impairment is determined by defining the recoverable amount of the cash-generating unit (or Group of units) to which the goodwill is allocated. When the recoverable amount of the CGU (or Group of CGUs) is lower than the carrying amount, an impairment loss is recognized. When goodwill is allocated to a CGU (or Group of CGUs), the asset of which has been partly disposed of, the goodwill allocated to the disposed of asset is considered to determine any gain or loss deriving from the transaction. In this case, the transferred goodwill is measured using the amounts related to the disposed of asset compared to the asset still held by the unit.

Other intangible assets

Other intangible assets purchased or generated internally are recognized under assets in accordance with IAS 38 - Intangible assets when it is probable that the use of the asset will generate future economic benefits and the cost of the asset can be measured reliably. Those assets with finite useful lives are measured at purchase or development cost and amortized on a straight-line basis over their estimated useful lives. Recoverability of their carrying amount is checked by using the criteria set out in the section on “Impairment of non-financial assets”.

The excess of the purchase cost compared to the Group’s share of the net fair value of the high capacity business units acquired in the past is classified as other intangible assets and mainly refers to acquisition costs of the business units purchased. The related amortization is calculated in line with the stage of completion and duration of the work.

Other non-current assets (recognized in Other Assets)

Other non-current assets mainly consist of loans and receivables and claims related to completed or nearly completed contracts and companies in liquidation when their liquidation plan provides for the realization of the assets after twelve months from the reporting date.

These assets are measured at their estimated realizable value, by recognizing allowances to adjust their carrying amount accordingly. Claims are only recognized for the amounts matured and that part which is held to be reasonably recoverable. The estimated realizable value is discounted if the time value of money is material depending on when settlement is expected to take place.

Impairment of non-financial assets

If there is any indication that an intangible asset or an item of property, plant and equipment is impaired, the recoverable amount of the asset is estimated to determine the amount of the impairment loss. Goodwill is tested at least annually for impairment.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

If a binding sales agreement does not exist, fair value is estimated using the observable prices of an active market, recent transactions or the best information available to reflect the amount the Group could obtain by disposing of the asset.

Value in use is determined by discounting to present value the estimated future cash flows expected to arise from the continuing use of an asset, net of taxes, and, if reasonably determinable, from its disposal at the end of its useful life. Discounting is applied by using a post-tax discount rate which reflects the present market value of the time value of money and specific risks.

The assessment is made for individual assets or the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets from its continuing use (cash-generating unit).

An impairment loss is recognized when the recoverable amount is lower than the carrying amount. If the reasons for the impairment loss are no longer valid, the impairment loss (except in the case of goodwill) is reversed and the adjustment is taken to profit or loss as a reversal of impairment losses.

A reversal of impairment losses is recognized to the extent of the lower of the recoverable amount and original carrying amount less depreciation/ amortization that would have been recognized had the impairment loss not been recognized.

Inventories of goods

Inventories of goods are measured at the lower of average purchase cost and net realizable value.

Cost includes the directly related costs and estimated realizable value is determined using the replacement cost of the asset or similar assets.

Any writedowns are eliminated in subsequent years when the reasons therefore are no longer valid.

Contract work in progress and revenue from construction contracts

Contract work in progress consists of work performed net of progress billings issued to customers. When final payment of the consideration is made, the related progress billings and advances are recognized under "Operating revenue" in the income statement, with the related variation in inventories. The provision for contractual risks directly offsets inventories and is set up to cover possible charges and losses on contracts performed either directly by the Group or as part of a joint venture.

Contract work in progress is measured considering the consideration agreed with the customer and the stage of completion of the work.

Revenue related to contract work in progress is recognized using the stage of completion method.

The stage of completion is determined using the cost to cost method whereby the percentage of completion (the ratio between costs incurred and total estimated costs) is applied to the total estimated revenue.

Given the technical complexity, size and length of time involved in completing contracts, the additional considerations are measured before an agreement is reached with the customer. Claims for additional considerations are considered when measuring contract work in progress when they can be quantified and they are reasonably certain to be made.

In the case of events that take place after the reporting date but before the financial statements are approved, which provide additional information about expected profits or losses on the contract, this additional information is considered when determining the contractual revenue or costs to be incurred to complete the contract and for the recognition of any profits or losses.

When it is probable that total contract costs will exceed total contract revenue, the loss to complete the contract is recognized as an expense immediately.

The contract costs, included in the cost to cost calculation, may be classified as:

- pre-operating costs, which include costs incurred during the start-up stage of the contract, before construction starts, such as the costs of design and specific studies carried out for the contract; organization and production start-up costs; building site start-up costs. These pre-operating costs are included in the stage of completion calculation and in the cost to cost calculation once they have been incurred. During the initial stage of the contract, they are included in the carrying amount of contract work in progress, if recoverable, without recognizing any profit margin when the contract profit or loss cannot be reliably estimated;

- contract operating costs, which include those directly attributable to the contract (e.g., materials, subcontracting, labor, amortization and depreciation, compulsory purchases, any directly attributable borrowing costs, etc.). They are recognized on an accruals basis and included in the calculation of the stage of completion;

- post-operating costs, which include site dismantlement costs generally incurred after the contract has been closed to remove the installations (or entire sites) and to return the machinery or plant to the Group's premises or transfer them to another site. This category also includes losses on abandoned materials and the cost of transporting unused materials. They are included in the contract estimate and, therefore, if incurred during the contract term, they are comprised in the calculation of the progress billings. Therefore, no specific accruals are made to the income statement;

- costs for services to be rendered after completion of the contract, which mainly relate to services rendered after the contract has been completed. They may include assistance and supervision provided in the early stages of use of the plant or scheduled maintenance. If the contract does not include specific additional considerations for these services and the contract may be "closed" for accounting purposes (contracts are usually closed once work is completed and the customer has accepted the end result), the costs to be incurred to render these services when the contract is closed in the accounting records should be estimated and provided for in the specific items. These costs are included in the calculation to determine the contract revenue.

Real estate projects

Closing inventories of real estate projects are those real estate areas developed with a view to selling them.

They are measured at the lower of cost and estimated realizable value. Costs incurred consist of the consideration paid to purchase the areas and related charges, construction costs and borrowing costs related to the project up to and not exceeding its completion.

Financial assets and liabilities

Measurement and presentation of financial instruments are covered by IAS 39 and IAS 32, respectively. The Group introduced the disclosure required by IFRS 7 in 2007.

The financial instruments used by the Group are classified as follows: financial assets or financial liabilities at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

Financial assets or financial liabilities at fair value through profit or loss
This category includes derivatives that do not meet hedge accounting requirements.

Fair value gains or losses on derivatives in this category are recognized as “Financing income (costs)” in profit or loss when they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market.

They are measured at amortized cost, as detailed further on, and any gains or losses arising therefrom are recognized as “Financing income (costs)” in profit or loss under the amortized cost method.

This category includes the following items:

- **Trade receivables and payables and other receivables and payables**
  Trade and other receivables are recognized at amortized cost, net of impairment losses determined on the basis of their estimated recoverable amount calculated by analyzing each position and the total non-collection risk.

  If the collection date is postponed and exceeds normal collection times for the sector, these receivables are discounted.

  All factored receivables that do not meet the requirements for derecognition under IAS 39 continue to be recognized in the Group’s Consolidated financial statements even when they have been legally transferred. They are thus included as assets and a financial liability of the same amount is recognized.

  Trade and other payables are recognized at amortized cost, allocating interest to the income statement based on the effective interest rate, being the rate that exactly discounts estimated future cash payments through to the carrying amount of the related asset.

- **Cash and cash equivalents**
  Cash and cash equivalents comprise cash on hand and demand deposits and other short-term, highly liquid investments with a term of less than three months. This item is shown in the statement of cash flows net of bank borrowings at the reporting date.

- **Loans and bonds**
  Loans and bonds are initially recognized at cost, being the fair value of the consideration received less transaction costs.

  After initial recognition, loans are measured at amortized cost, whereby repayments are determined using the effective interest method with a rate which matches, at initial recognition, the expected cash flows with the initial carrying amount.

Loan transaction costs are classified under liabilities decreasing the loan; amortized cost is calculated considering these costs and any discounts or premiums expected at settlement.

The effects arising from the recognition at amortized cost are taken to "Financing income (costs)".

Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity. They are recognized at amortized cost and interest accrued thereon is taken to profit or loss under "Financial income" using the effective interest method.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are not classified in the other categories. They include the following items:

- **Investments in associates**
  Investments in entities other than subsidiaries, associates, joint operations and joint ventures (reference for which should be made to the section on "Scope of Consolidation") are classified as "Equity investments" at the time of their acquisition and are included in the available-for-sale financial assets category provided by IAS 39.

  Since they mainly relate to consortia and consortium companies of which the Group holds less than 20%, in accordance with IAS 39, such investments are stated as non-current assets measured at cost, adjusted for impairment, since their fair value cannot be determined.
  Investments in listed companies belonging to this category are measured at fair value and the related fair value gains or losses are recognized in equity. Material or prolonged decreases in their fair value that are evidence of impairment are transferred from equity to profit or loss and offset against the relevant reserve.
  Dividend income from such financial instruments is recognized in profit or loss under financial income when the Group companies holding the investments are given the right to such dividend.

Fair value of financial instruments
The fair value of financial instruments has been estimated as follows:

- The fair value of financial instruments traded on an active market is based on the market price at the reporting date. This method has been applied especially to listed financial instruments classified as "Available-for-sale financial assets" and financial instruments classified as "Held-to-maturity investments".

- The fair value of the derivatives classified as "Hedging derivatives" and "Financial assets and financial liabilities at fair value through profit or loss" has been measured using the Discounted Cash Flow Model. With respect to interest rate swaps, future cash flows have been estimated using the implicit forward rate of the market Euro curve at December 31, 2014 and 2013, while the forward exchange rate market prices at the relevant reporting date have been used for currency forward transactions.

- The fair value of loans and receivables has been determined, for disclosure purposes in the notes, on the basis of the present value of their future cash flows discounted at a rate equal to the current interest rates applicable in the relevant markets and the average spread agreed by the Group. The fair value measurement of the loans takes account of the Group's credit risk and uses the rate curves in the different currencies with reference to the reporting date.

Derecognition of financial assets and liabilities

(a) Financial assets

A financial asset (or, where applicable, part of a financial asset or parts of a Group of similar financial assets) is derecognized when:

(i) the contractual rights to the cash flows from the financial asset expire;

(ii) the Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in full and immediately;

(iii) the Group transfers the contractual rights to receive the cash flows of the asset and has transferred substantially all the risks and rewards of ownership of the financial asset and the related control.

In cases where the Group has transferred the right to receive financial flows from an asset and has neither transferred nor substantially retained all risks and rewards and has not lost control over the asset, the asset is recognized by the Group to the extent of its residual interest therein.

The residual interest, which takes the form of a guarantee on the transferred asset, is measured at the lower of the initial carrying amount of the asset and the maximum value of the consideration that the Group could be required to pay.

(b) Financial liabilities

Financial liabilities are derecognized when the underlying obligation is discharged, cancelled or expires.

When an existing financial liability is exchanged with another by the same lender at substantially different terms, or the terms of an existing liability are substantially modified, this exchange or modification is treated as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amounts is recognized in profit or loss.

Impairment of financial assets

If there is any indication that a financial asset is impaired, the recoverable amount of the asset is estimated to determine the amount of the impairment loss.

Derivatives and hedging transactions

The Salini Impregilo Group has derivatives recognized at fair value when the related agreement is signed and for subsequent fair value changes. The treatment of the related fair value gains or losses changes depending on whether the conditions for hedge accounting are met, as described below.

The Salini Impregilo Group has derivatives to hedge currency and financial risks. At the inception of the transaction, it documents the hedging relationship, its risk management and strategy objectives in entering into the transaction, the hedging instrument and hedged item or transaction and the nature of the hedged risk.

Moreover, at the inception of the transaction and thereafter on an ongoing basis, the Group documents whether or not the hedge meets the effectiveness requirements to offset its exposure to changes in the fair value of the hedged item or cash flows attributable to the hedged risk.

Based on the above-mentioned documentation, derivatives used for specific hedging purposes are classified and recognized as follows:

(a) ***Fair value hedge*** - If a derivative is designated as a hedge of exposure to changes in the fair value of an asset or liability due to a specific risk that may affect profit or loss, the gain or loss deriving from the subsequent measurement of the fair value of the hedging instrument is taken to profit or loss. The gain or loss on the hedged item, related to the hedged risk, changes the carrying amount of this item and is taken to profit or loss.

(b) ***Cash flow hedge*** - If a derivative is designated as a hedge of exposure to changes in cash flows of an asset or liability or a highly probable transaction and could affect profit or loss, the effective part of the gains or losses on the financial instrument is taken to equity. The cumulative gain or loss is derecognized from equity and taken to profit or loss in the same period in which the hedged transaction is recognized. The gain or loss related to a hedge or part of a hedge which has become ineffective is taken to profit or loss immediately. If a hedging instrument or a hedging relationship is closed, but the hedged transaction has not yet taken place, the cumulative gains and losses, recognized in equity up to then, are reclassified to profit or loss when the transaction takes place. If it is unlikely the hedged transaction will take place, the unrealized gains and losses recognized in equity are immediately recognized in profit or loss.

“Hedging purposes” are assessed in strategic terms. When they do not meet the requirements of IAS 39 for hedge accounting, the derivatives are classified as “Financial assets or financial liabilities at fair value through profit or loss”.

Employee benefits

- **Short-term and long-term benefits**
  Short-term employee benefits, that is, payable within twelve months of the end of the year in which the employees rendered the service, are recognized as a cost and as a liability for the undiscounted amount of benefits expected to be paid in exchange for that service. Long-term benefits, such as remuneration to be paid after twelve months of the end of the year in which the employees rendered the service, are recognized as liabilities for an amount equal to the present value of the benefits at the reporting date.

- **Post-employment benefits**
  Post-employment benefits are recognized at the actuarial value of the Group’s liability determined in line with ruling legislation and national and in-house labor agreements. The actuarial method, based on demographic, financial and turnover assumptions, is applied by independent actuaries. The gains and losses resulting from the actuarial calculation are recognized in profit or loss for the cost items related to work service and financial expenses, whereas the actuarial gains and losses resulting from the measurement of the liabilities and assets are recognized in comprehensive income.
  The 2007 Finance Act and related implementing decrees introduced significant changes to legislation governing Italian post-employment benefits, effective as from January 1, 2007. These include the option given to employees, to be exercised before June 30, 2007, of where to allocate their future benefits. Specifically, employees can opt to allocate them to selected pension funds or maintain them with the company, in which case, the latter shall pay the contributions to the treasury fund of INPS (the Italian social security institution).

  Following these changes, the Italian post-employment benefits accruing after the date of the employees’ decision and, in any case, after June 30, 2007, are considered part of a defined contribution plan and treated like all other social security contributions.

- **Share-based payments**
  The Group has adhered to the guidelines of IFRS 2 - Share-based payment.

  Share-based payments are measured at fair value of the option at the grant date. This amount is recognized in the income statement on a straight-line basis over the vesting period. This treatment is based on an assessment of the stock options that will effectively vest in favor of the qualifying employees. Fair value is determined using the Black-Scholes model.

Income taxes

Current taxes are provided for using the tax rates and applying the tax laws ruling in Italy and other countries in which the Group operates, based on the best estimate of the taxable profit for the year.

Group companies net tax assets and liabilities when this is legally allowed.

Starting January 1, 2004, the company has used the national tax consolidation system referred to in articles 117 et seq. of Presidential Decree

No. 917/86. In 2014, 12 Italian subsidiaries plus the parent company participated in the system. Relationships between the parent company and subsidiaries are regulated, for these purposes, through specific consolidation mechanisms.

Deferred tax assets and liabilities are calculated on the basis of the temporary differences between the tax base of an asset or liability and their carrying amount in the statement of financial position.

Deferred tax assets are recognized when the Group holds their recovery to be probable.

The carrying amount of deferred tax assets is reviewed at each reporting date and, to the extent necessary, is decreased when it is no longer probable that sufficient taxable profits will be available in the future to use all or part of the related benefit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively, and are netted at company level if related to taxes that may be compensated. If the balance is positive, it is recognized as "Deferred tax assets", if not, as "Deferred tax liabilities".

Taxes that could arise from the transfer of undistributed profits by subsidiaries are only calculated when the subsidiary has the positive intention to transfer such profits.

In the case of transactions recognized directly in equity, the related deferred tax asset or liability also affects equity.

Provisions for risks and charges

In accordance with IAS 37, the Salini Impregilo Group makes accruals to provisions for risks and charges when the following conditions exist:

- the Group or a Group company has a present obligation (legal or constructive) at the reporting date as a result of a past event where an outflow of resources embodying economic benefits will be required to settle the obligation;
- it is probable that the obligation (through an outflow of resources) will have to be settled;
- a reliable estimate can be made of the amount of the obligation.

When the time value of money is material and the obligation payment dates can be estimated reliably, the amount recognized as the provision equals the pre-tax future cash flows (i.e., forecast outflows) discounted at a rate that reflects the present market value and risks specific to the liability.

The increase in the provision due to discounting is recognized as a financial expense.
When the expected cash flows are included in an estimate range with the same probability of occurrence, the median value is discounted to measure the liability.

Provision for restructuring costs is recognized when the parent or relevant Group company has approved a detailed formal plan that has been implemented and communicated to the third parties involved.

Translation criteria for foreign currency items and translation of financial statements of consolidated companies or companies measured using the equity method expressed in currencies other than the Euro

The translation criteria for foreign currency items adopted by the Group are as follows:

- foreign currency monetary assets and liabilities, excluding property, plant and equipment, intangible assets and equity investments measured at cost are measured at the closing spot rate with any exchange rate gains or losses taken to the income statement;
- property, plant and equipment and intangible

assets (non-monetary assets) are recognized at historical cost denominated in the foreign currency and translated using the historical exchange rate;

- revenue and costs related to foreign currency transactions are recognized in profit or loss at the exchange rate ruling on the date of the transaction;
- any material effects deriving from changes in exchange rates after the reporting date are disclosed in the notes.

With respect to the translation of financial statements of consolidated companies or companies measured using the equity method and expressed in currencies other than the presentation currency (functional currency), reference should be made to the section on “Consolidation criteria”.

The Group has applied IAS 29 - Financial reporting in hyperinflationary economies for its subsidiaries and associates that prepare their financial statements in a functional currency of a hyperinflationary economy. This standard requires that the financial statements of an entity, whose functional currency is that of a hyperinflationary economy, be translated at the closing spot rate. The statement of financial position items not yet translated into Euros at the reporting date are predetermined using a general price index. All the income statement items are translated into Euros at the exchange rate ruling on the date the revenue and costs were initially recognized.

Non-current assets held for sale and discontinued operations

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

Assets held for sale are recognized as such when the following events take place:

- signing of a binding sales agreement;
- approval and communication of a formal sales plan by directors.

In order to be correctly measured, the assets shall be:

- available for immediate sale in their present condition;
- subject only to terms that are usual and customary for sales of such assets;
- the sale must be highly probable and expected to take place within twelve months.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of an entity that either has been disposed of or classified as held for sale and that meets any of the following criteria: i) it represents a separate major line of business or geographical area of operations; ii) it is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or iii) it is a subsidiary acquired exclusively with a plan to resell.

The results of discontinued operations are disclosed separately in the income statement. As required by IFRS 5.34 - Non-current assets held for sale and discontinued operations, the corresponding prior year figures are restated accordingly.

Revenue recognition

- **Operating and other revenue**
  Revenue is measured to the extent it is probable that the economic benefits will flow to the Group and the related amount can be determined reliably.

  Revenue from the sale of goods is recognized when the Group has shipped the goods and has transferred all the material risks and rewards of ownership to the buyer. Revenue from construction contracts is recognized as provided for in the related Standard, described below.

When the outcome of a construction contract can be estimated reliably, contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date based on the ratio of the costs incurred up to the reporting date to the total estimated contract costs, unless this is held to not represent the stage of completion of the contract.

Changes in the contract and price revisions are recognized to the extent that they are reasonably certain.

Revenue is recognized only to the extent of contract costs incurred that it is probable will be recovered. Contract costs are recognized as an expense in the year in which they are incurred.

- **Interest income**
  Interest income is recognized on an accruals basis, considering the principal and applicable effective interest rate, i.e., the rate that discounts the estimated future inflows over the expected life of the financial asset to return it to its carrying amount.

- **Dividends**
  Dividends are recognized when the investors' right to receive payment arises in line with local ruling legislation.

Earnings (loss) per share

Basic earnings per share are calculated as the ratio of the profit or loss for the year attributable to the holders of the ordinary shares of the parent to the weighted number of ordinary shares outstanding during the year. Diluted earnings per share are calculated considering the potential diluting effect of the shares to be allocated to the beneficiaries of vested stock options when calculating the number of outstanding shares.

Operating segments

The operating segments comply with the reporting system provided to Group management which is in charge of allocating the resources and assessing the results obtained by the segments. The management and organizational structure of the Group substantially reflects the segments according to a geographic breakdown in macro-areas, on the basis of the two primary Italian and foreign segments.

The intersegment transfer prices related to the exchange of goods and services are agreed at normal market conditions.

Significant accounting estimates

Preparation of financial statements and the related notes in accordance with the IFRS requires management to make judgments and estimates that affect the carrying amount of assets and liabilities and financial statements disclosures. The estimates are used to:

- determine amortization and depreciation (see the "Property, plant and machinery", "Leased property, plant and equipment", "Rights to infrastructure under concession" and "Other intangible assets" paragraphs of the "Accounting policies" section);

- recognize impairment losses (see the "Impairment of non-financial assets" paragraph of the "Accounting policies" section);

- recognize employee benefits (see the "Employee benefits" paragraph of the "Accounting policies" section);

- recognize taxes (see the "Income taxes" paragraph of the "Accounting policies" section);

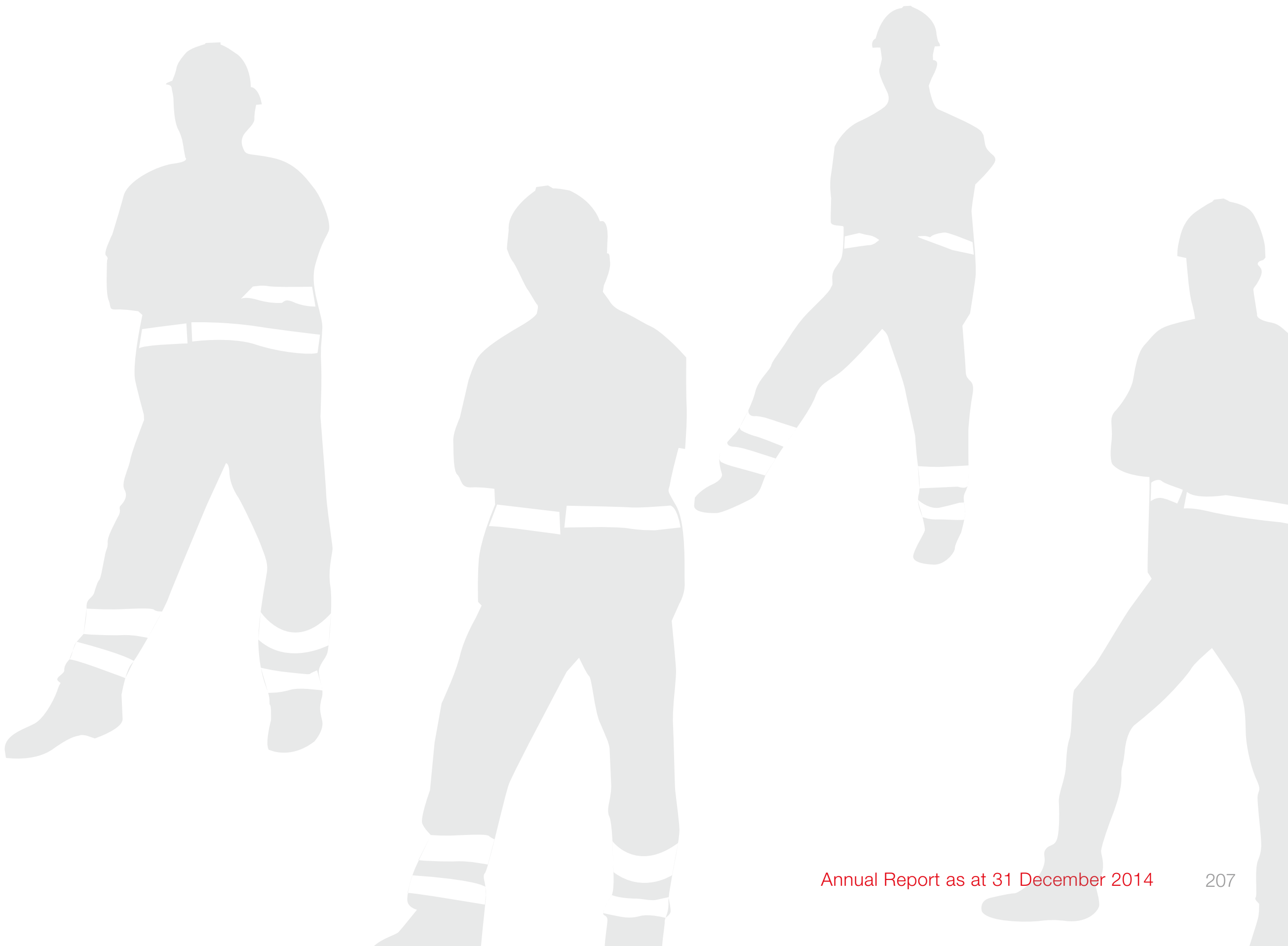
- recognize provisions for risks and charges (see the "Provisions for risks and charges" paragraph of the "Accounting policies" section);

- determine total contract costs and the related stage of completion (see the "Contract work in progress and revenue from construction contracts" paragraph of the "Accounting policies" section). A significant part of the

Group's activities is typically performed on the basis of contracts which provide that a specific consideration is agreed when the contract is awarded. This implies that the profits on these contracts may undergo change compared to the original estimates depending on the recoverability of greater expenses and/or costs the Group may incur during performance of such contracts.

The actual results may differ from those estimated due to uncertainties underlying the assumptions and the conditions on which the estimates are based.

Fundamental assumptions about the future and other reasons for uncertainty when making the estimates at the reporting date that may lead to material adjustments to the carrying amount of the assets and liabilities are described in the specific section of the Directors' Report which gives an analysis of the risk areas of each segment.



Business combinations

Purchase of shares of the company Collegamenti Integrati Veloci S.p.A. (C.I.V.)

On May 7, 2014 Salini Impregilo signed a private agreement with the company "Itinera S.p.A.", the consortium company "Società Autostrada Torino-Alessandria-Piacenza" and "Società Iniziative Nazionali Autostradali – SINA". This private agreement was for the purchase of 85% of the shares that they held in the company Collegamenti Integrati Veloci S.p.A. (C.I.V.), which owns 4.25% of Consorzio Cociv.

The purchase price was a total of €18.0 million, paid in full upon signature of the agreement.

The table below show the values of C.I.V. assets and liabilities attributable to Salini Impregilo at the time of acquisition and the corresponding fair value determined on a final basis for the Purchase Price Allocation (PPA) process:

(Amounts in thousands of euros)	Carrying amounts	Fair value
Cash and cash equivalents	12,576	12,576
Other current assets	344	344
Total assets	**12,920**	**12,920**
Other current liabilities	(861)	(861)
Total liabilities	**(861)**	**(861)**
Net assets acquired	**12,059**	**12,059**
Price paid for the acquisition of the stake		18,040
Net assets acquired (net liabilities assumed)		(10,250)
Difference between price and fair value acquired		**7,790**

The fair values shown above have been determined preliminarily using the information available. The Group has opted to use the 12-month period allowed by IFRS 3 (revised) for establishing the Purchase Price Allocation (PPA) procedure. As a consequence, the preliminary values shown will be definitively determined by the first half of 2015.

The cash used for the acquisition, net of cash acquired, is set out below:

(Amounts in thousands of euros)	
Cash and cash equivalents	12,576
Other activities	344
Other liabilities	(861)
Total	**12,059**
Net of cash acquired	(12,576)
Cash net of cash used for the acquisition	**(517)**

The effects on the consolidated income statement that would have occurred if the Group had acquired control on January 1, 2014, are shown below:

(Amounts in thousands of euros)	
Revenue	1,004
Operating costs	(1,707)
Financial income	78
Profit (loss) for the Group and non-controlling interests	**(625)**
Profit (loss) attributable to the Group	**(625)**

Acquisition of the company Autostrada Broni-Mortara S.p.A. (S.A.BRO.M.)

On May 27, 2013, the Impregilo Group purchased 19.8% of the shares in the company Autostrada Broni-Mortara.

The table below show the values of S.A.BRO.M. assets and liabilities attributable to Salini Impregilo at the time of acquisition and the corresponding fair value determined on a final basis for the Purchase Price Allocation (PPA) process. The fair value of the financial instruments has been determined as stated in the paragraph "Fair value of financial instruments" at the start of these Notes, while the fair value of the other assets and liabilities has been determined on the basis of the documentation of the concession agreement. All fair values determined as such fall into level 3 as they refer to inputs that are not based on data observable on the market.

(Amounts in thousands of euros)	Carrying amounts	Fair value
Non-current assets	39,827	39,827
of which:		
- Intangible assets	39,827	39,827
- Property, plant and equipment		
- Goodwill		
Cash and cash equivalents	116	116
Trade receivables		
Other current assets	5,503	5,503
Total assets	**45,446**	**45,446**
Bank loans and borrowings due after one year		
Other non-current liabilities		
Bank loans and borrowings due within one year	(20,000)	(20,000)
Trade payables	(1,245)	(1,245)
Other current liabilities	(4)	(4)
Total liabilities	**(21,249)**	**(21,249)**
Net assets acquired	**24,197**	**24,197**
Price paid for the acquisition of the 19.8% stake		4,950
Fair Value of the investment held previously (40%)		9,703
Value assigned to Non-controlling interests		9,727
Net assets acquired (net liabilities assumed)		(24,197)
Difference between price and fair value acquired		**183**

The cash used for the acquisition, net of cash acquired, is set out below:

(Amounts in thousands of euros)	
Cash and cash equivalents	116
Property, plant and equipment and intangible assets	40,010
Other activities	5,503
Bank loans and borrowings	(20,000)
Other liabilities	(1,249)
Total	**24,380**
Net of cash acquired	(116)
Net of non-controlling interests and fair value held previously	(19,431)
Cash net of cash used for the acquisition	**4,833**

The effects on the income statement that would have occurred if the Group had acquired control on 1 January 2013 are shown below:

(Amounts in thousands of euros)	
Operating costs	(261)
Financial income	4
Profit (loss) for the Group and non-controlling interests	**(257)**
Non-controlling interests	61
Profit (loss) attributable to the Group	**(196)**

Segment reporting

The important events affecting the Group's corporate governance structure in recent years – with specific reference to the integration of the Impregilo Group into the Salini Group, whereby as of January 1, 2014 the merger of the former parent and the former subsidiary became fully effective – led to a major process of organizational change. This process, whose main drivers have already been presented to the market in previous periods, provided for, among other things, both the concentration of the Group's industrial activities in its core business involving the construction of complex large-scale infrastructures with the gradual disposal of assets no longer considered strategic, and a comprehensive review of the organizational and business management processes. This activity, which is currently in an advanced stage of development, became necessary also due to the following circumstances:

- changes in the Group's organizational structure and operations structures according to a 'domestic market' and 'international market' logic;
- gradual standardization of the different analysis and reporting structures for presenting consolidated financial and operating data of the two groups which are now fully integrated;
- harmonization of the functional architecture underlying the measurement of industrial objectives at both a preventive and actual level according to a new common disclosure standard in full compliance with current best practices.

Consistent with the information provided below, therefore, for the purposes of this Annual Report, the segment reporting is presented according to macro-geographical regions, based on the management review principles adopted by top management, for the two main segments: 'Italy' and 'Foreign'.

Costs relating to activities which are centrally operated at the parent company Salini-Impregilo S.p.A., called "Corporate" costs, are attributed to the Italy sector and relate to:

- coordination, control and strategic planning of the Group's activities;
- centralized planning and management of human and financial resources;
- compliance with administrative, tax, legal/corporate and corporate communication requirements;
- administrative, tax and managerial support for Group companies.

In 2014 these costs totaled €142.9 million.

Management measures the segments' results by considering their operating profit. The assessment of these results complies with the accounting policies applied to the Group's Consolidated financial statements. The segments are measured based on net invested capital. Disclosures on the Group's performance by business segment are set out in the second part of the Directors' Report. The Consolidated financial statements figures as at December 31, 2014 are summarized below by geographical segment.

Consolidated income statement by geographical region

December 2014 (Amounts in thousands of euros)	Italy	Other countries	Eliminations and unallocated items	Total
Operating revenue	691,513	3,639,265	(234,440)	4,096,337
Other revenue	44,215	52,989	569	97,774
Total revenue	**735,728**	**3,692,254**	**(233,871)**	**4,194,111**
Costs				
Costs of production	(580,171)	(2,762,867)	213,035	(3,130,003)
Personnel costs	(144,113)	(359,889)	9,901	(494,101)
Other operating costs	(82,862)	(49,494)	505	(131,852)
Provisions and impairment losses	2,622	(4,766)	(108)	(2,252)
Total costs	**(804,524)**	**(3,177,016)**	**223,333**	**(3,758,208)**
Gross operating profit (EBITDA)	**(68,796)**	**515,238**	**(10,538)**	**435,903**
EBITDA %	*-9.4%*	*14.0%*		*10.4%*
Amortization and depreciation	(38,091)	(138,004)	(1,424)	(177,520)
Operating profit (EBIT)	**(106,887)**	**377,234**	**(11,962)**	**258,383**
Return on Sales	*-14.5%*	*10.2%*	*5.1%*	*6.2%*
Financing income (costs) and gains (losses) on investments			(133,055)	(133,055)
Profit (loss) before taxes				**125,328**
Income taxes			(39,635)	(39,635)
Profit (loss) from continuing operations				**85,693**
Profit (loss) from discontinued operations			17,427	17,427
Net profit (loss) for the period				**103,120**

Consolidated income statement by geographical region

December 2013 (§) (Amounts in thousands of euros)	Italy	Other countries	Eliminations and unallocated items	Total
Operating revenue	695,117	2,537,005	(58,831)	3,173,291
Other revenue	36,048	42,746	10,292	89,086
Total revenue	**731,165**	**2,579,751**	**(48,539)**	**3,262,377**
Costs				
Costs of production	(628,790)	(1,904,392)	16,894	(2,516,288)
Personnel costs	(100,729)	(287,104)	4,669	(383,164)
Other operating costs	(32,129)	(33,372)	2,731	(62,770)
Provisions and impairment losses	(6,753)	(18,479)	0	(25,232)
Total costs	**(768,401)**	**(2,243,347)**	**24,294**	**(2,987,454)**
Gross operating profit (EBITDA)	**(37,236)**	**336,404**	**(24,245)**	**274,923**
EBITDA %	*-5.1%*	*13.0%*		*8.4%*
Amortization and depreciation	(11,877)	(124,033)	1,674	(134,236)
Operating profit (EBIT)	**(49,113)**	**212,371**	**(22,571)**	**140,687**
Return on Sales	*-6.7%*	*8.2%*		*4.3%*
Financing income (costs) and gains (losses) on investments			137,169	137,169
Profit (loss) before taxes				**277,856**
Income taxes			(19,484)	(19,484)
Profit (loss) from continuing operations				**258,372**
Profit (loss) from discontinued operations			(102,140)	(102,140)
Net profit (loss) for the period				**156,232**

(§) Figures restated following the application of the new IFRSs. Furthermore, the data was reclassified in accordance with IFRS 5 and IFRS 3 following the decision to dispose of Todini Costruzioni Generali and Fisia Babcock Environment.

Consolidated statement of financial position at December 31, 2014 by geographic region

(Amounts in thousands of euros)	Italy	Other countries	Eliminations and consolidation entries	Total
Non-current assets	585,553	455,594	(208,791)	832,356
Assets held for sale, net	160,329	(10,676)	(65,529)	84,123
Provisions for risks	(145,874)	(11,842)	60,189	(97,527)
Post-employment benefits and employee benefits	(13,942)	(9,378)	-	(23,320)
Tax assets (liabilities)	83,028	(43,637)	109,307	148,698
Working capital	923,445	(519,458)	(72,676)	331,311
Net invested capital	**1,592,539**	**(139,397)**	**(177,500)**	**1,275,641**
Shareholders' equity				1,186,416
Net financial position				89,225
Total financial resources				**1,275,641**

Consolidated statement of financial position at December 31, 2013 by geographic region

(Amounts in thousands of euros)	Italy	Other countries	Eliminations and consolidation entries	Total
Non-current assets	403,010	329,703	(34,245)	698,469
Assets held for sale, net	279,438	(46,920)	3,025	235,543
Provisions for risks	(91,887)	(124,699)	40,393	(176,194)
Post-employment benefits and employee benefits	(12,547)	(9,208)	-	(21,755)
Tax assets (liabilities)	109,068	34,383	(1,812)	141,638
Working capital	295,412	(536,976)	495,661	254,096
Net invested capital	**982,493**	**(353,718)**	**503,022**	**1,131,797**
Shareholders' equity				921,422
Net financial position				210,375
Total financial resources				**1,131,797**

Statement of financial position

1. Property, plant and equipment

Property, plant and equipment totaled €567.9 million, up €107.8 million compared to December 31, 2013.

The historical cost and carrying amount are given in the following table:

	December 31, 2014			December 31, 2013		
(Amounts in thousands of euros)	Cost	Acc. depreciation	Carrying amount	Cost	Acc. depreciation	Carrying amount
Land	2,014	-	2,014	2,010	-	2,010
Buildings	140,504	(72,470)	68,034	109,545	(58,245)	51,300
Plant and machinery	912,075	(481,508)	430,568	762,913	(400,488)	362,426
Industrial and commercial equipment	112,794	(86,981)	25,813	99,337	(75,429)	23,908
Other assets	50,314	(37,085)	13,229	50,515	(38,518)	11,998
Assets under const. and payments on account	28,261	-	28,261	8,518	-	8,518
Total	**1,245,963**	**(678,044)**	**567,919**	**1,032,838**	**(572,680)**	**460,160**

Changes during the year are summarized below:

(Amounts in thousands of euros)	December 31, 2013	Increases	Amortization	(Imp. losses)/ Revaluations	Reclass.	Disposals	Exchange rate gains (losses) and other changes	Change in consolidation scope	December 31, 2014
Land	2,010				39		(35)		2,014
Buildings	51,300	29,500	(13,585)	(5)	(314)	(3,213)	3,006	1,344	68,033
Plant and machinery	362,426	192,780	(111,479)	(280)	(1,063)	(18,368)	1,749	4,803	430,566
Industrial and commercial equipment	23,908	20,779	(18,752)		39	(807)	94	553	25,813
Other assets	11,998	7,076	(4,247)	(4)	(649)	(598)	(499)	151	13,229
Assets under const. and payments on account	8,518	20,102		(1,500)	1,948		(781)	(24)	28,263
Total	**460,160**	**270,236**	**(148,063)**	**(1,789)**	**-**	**(22,986)**	**3,534**	**6,827**	**567,919**

Changes during the year are summarized below:

(Amounts in thousands of euros)	December 31, 2012	Increases	Amortization	(Imp. losses)/ Revaluations	Reclass. and other changes	Disposals	Exchange rate gains (losses)	Change in consolidation scope	December 31, 2013
Land	583				(51)	(173)	(14)	-	2,010
Buildings	25,806	3,161	(10,844)	-	94	(574)	(1,248)	34,905	51,300
Plant and machinery	265,258	109,275	(97,857)	(239)	101	(8,039)	(5,555)	99,483	362,427
Industrial and commercial equipment	18,993	18,178	(17,591)	-	(166)	(64)	3,853	705	23,908
Other assets	7,251	4,055	(3,601)	-	307	(61)	(145)	4,192	11,998
Assets under const. and payments on account	12,356	5,273	-	(1,500)	(285)	(10,676)	-	1,985	8,517
Total	**330,247**	**139,942**	**(129,893)**	**(1,739)**	**-**	**(19,587)**	**(1,746)**	**142,935**	**460,160**

The most significant changes include:

- increases of €270.2 million, mostly related to investments made for foreign contracts, especially for the construction of the *Red Line North Underground* in Qatar, in Ethiopia, Nigeria;
- depreciation for the year of €148.1 million;
- disposals of €23.0 million mainly related to the plant and machinery category, and concerning several projects close to completion. These disposals did not generate any significant differences from the related carrying amount on the date of disposal;
- change in the scope of consolidation mainly relates to the reorganization of Todini Costruzioni Generali, previously recognized as held for sale, for a total of roughly €6.7 million;
- Revaluations/Impairment losses includes the total impairment loss of the advance payments to S.E.L.I. S.p.A. by the subsidiary TB Metro for the planned acquisition of capital goods for the business this year. In particular, based on the filing made to the Court of Rome on February 5, 2014, for the initiation of the procedure for arrangement with creditors by the company S.E.L.I., the company decided that it would not be possible to recover the contract's value of €1.5 million and therefore this amount was fully written down;

The amount as at December 31, 2014 includes €196.5 million of leased assets, of which €5 million relating to "buildings", €189.4 million to the category "plant and machinery", €1 million relating to the category "industrial and commercial equipment" and €1.1 million to the category "other assets".

2. Intangible assets

The item in question amounts to €160.0 million, including rights to infrastructures under concession for €65.4 million and other intangible fixed assets for €94.6 million.

Rights to infrastructures in concessions totaled €65.4 million, in line with the amount recorded at the end of the previous year. The historical cost and carrying amount are given in the following table:

	December 31, 2014			December 31, 2013		
(Amounts in thousands of euros)	Cost	Acc. depreciation	Carrying amount	Cost	Acc. depreciation	Carrying amount
Rights to infrastructure under concession	78,406	(13,026)	**65,380**	76,807	(11,993)	**64,814**

Changes of the period are detailed in the following table:

(Amounts in thousands of euros)	December 31, 2013	Increases	Amortization	Exchange rate gains (losses)	Change in consolidation scope	December 31, 2014
Sabrom	41,640	912	-	-	-	42,552
Parking Glasgow	20,279	-	(969)	603	-	19,913
Mercovia	2,895	729	(330)	(379)	-	2,915
Total	**64,814**	**1,641**	**(1,299)**	**224**	**-**	**65,380**

The change in this item relative to Sabrom mainly includes costs incurred for planning, including borrowing costs capitalized in accordance with IAS 23, which are in any case considered recoverable given the outcome of the tender/the agreement signed.

The item in question including rights to infrastructures under concession relating to Impregilo Parking Glasgow, which holds a concession contract for a parking lot in the United Kingdom, amounting to €19.9 million, of which €10.9 million deriving from the PPA process mentioned above. These rights were not subject to impairment testing on the basis of the operator's financial plan 2015-2035. In order to determine the value in use, dividend flows have been discounted based on the weighted cost of capital (WACC) at 5.6%. Sensitivity analyses were also performed taking into account the potential effects of changes in the discount rate. No loss of value was detected as the recoverable value was higher than the carrying amount of the investment.

With reference to the concessions, during the period reviewed herein, nothing was found to suggest that the values in question may have suffered impairment losses, therefore no impairment tests were performed.

Prior year changes are given below for comparative purposes:

(Amounts in thousands of euros)	December 31, 2012	Increases	Amortization	Exchange rate gains (losses)	Change in consolidation scope	December 31, 2013
Parking Glasgow	-	-	(848)	124	21,003	20,279
Mercovia - Argentina	-	446	(236)	(851)	3,536	2,895
Sabrom	-	1,813	-	-	39,827	41,640
Total	**-**	**2,259**	**(1,084)**	**(727)**	**64,366**	**64,814**

Other intangible assets totaled €94.6 million, down €5.2 million compared to December 31, 2013. The historical cost and carrying amount are given in the following table:

	December 31, 2014			December 31, 2013		
(Amounts in thousands of euros)	Cost	Acc. depreciation	Carrying amount	Cost	Acc. depreciation	Carrying amount
Industrial patents	921	(879)	42	1,591	(1,583)	8
Concessions	63	(59)	4	702	(622)	80
Software	2,072	(1,118)	954	2,973	(1,990)	983
Contract acquisition costs	138,381	(45,049)	93,332	103,673	(16,787)	86,886
Other intangible assets	54,206	(53,903)	303	14,625	(2,704)	11,921
Total	**195,643**	**(101,008)**	**94,635**	**123,564**	**(23,686)**	**99,878**

Changes during the year are set out below:

(Amounts in thousands of euros)	December 31, 2013	Increases	Amortization	Riclassifiche	Disposals	Exchange rate gains (losses)	Change in consolidation scope	December 31, 2014
Industrial patents	8	48	(6)	-	-	-	(8)	42
Concessions	80	-	(4)	-	(72)	-	-	4
Software	983	491	(286)	-	-	(9)	(225)	954
Contract acquisition costs	86,886	33,184	(26,738)	-	-	-	-	93,332
Other intangible assets	11,921	1,188	(1,122)	-	(11,875)	(1)	192	303
Total	**99,878**	**34,911**	**(28,156)**	**-**	**(11,947)**	**(10)**	**(41)**	**94,635**

The changes in 2013 are as follows:

(Amounts in thousands of euros)	December 31, 2012	Increases	Amortization	Reclassifications	Disposals	Exchange rate gains (losses)	Change in consolidation scope	December 31, 2013
Industrial patents	-	-	-	(4)	-	-	12	8
Concessions	94	6	(20)	-	-	-	-	80
Software	139	325	(369)	24	-	(43)	907	983
Contract acquisition costs	-	15,004	(2,684)	32,628	-	-	41,938	86,886
Other intangible assets	265	8	(16)	(265)	-	-	11,929	11,921
Total	**498**	**15,343**	**(3,089)**	**32,383**	**-**	**(43)**	**54,786**	**99,878**

Contract acquisition costs totaled €93.3 million at the reporting date, as shown in the following table. Changes during the year are set out below:

(Amounts in thousands of euros)	December 31, 2013	Increases	Amortization	Reclass.	Disposals	Exchange rate gains (losses)	Change in consolidation scope	December 31, 2014
Cociv (Milan-Genoa railway line)	51,281	7,790	(10,448)					48,623
Riyadh Metro	-	25,394	-					25,394
Arab Emirates	8,323		(8,323)					-
Thessaloniki Metro - Greece	1,386		(184)					1,202
Yarull - Dom. Republic	3,109		(26)					3,083
Vegas Tunnel - USA	9,424		(4,737)					4,687
Gerald Desmond Bridge - USA	8,153		(918)					7,235
Stavros Niarchos - Greece	5,195		(2,087)					3,108
Ogoni - Nigeria	15		(15)					-
Total	**86,886**	**33,184**	**(26,738)**	**-**	**-**	**-**	**-**	**93,332**

Contract acquisition costs include the consideration paid for the purchase of stakes in projects/contracts representing intangible assets with a finite useful life, which are amortized based on the stage of completion of the works covered in the related contracts.

The item includes €24.5 million (€41.9 at 31 December 2013) recognized in PPA on the basis of the future margins of the former Impregilo Group's contracts. The residual value to be amortized was subjected to a budget analysis in November 2014, resulting in the confirmation of the profitability of the contracts over the provisional November 2013 budget relating to the PPA.
Increases in the period relate to: the acquisition of shares in Collegamenti Integrati Veloci - CIV (for more information please see Section "*Business Combinations*") for €7.8 million and for €25.4 million related to the construction of Line 3 of the Riyadh metro.
The development of the contracts to which these values refer do not show signs of a lasting reduction in value.

Prior year changes are as follows:

(Amounts in thousands of euros)	December 31, 2012	Increases	Amortization	Reclass.	Disposals	Exchange rate gains (losses)	Change in consolidation scope	December 31, 2013
Cociv (Milan-Genoa railway line)		15,004	(2,684)				38,961	51,281
Arab Emirates							8,323	8,323
Thessaloniki Metro - Greece							1,386	1,386
Yarull - Dom. Republic							3,109	3,109
Vegas Tunnel - USA							9,424	9,424
Gerald Desmond Bridge - USA							8,153	8,153
Stavros Niarchos - Greece							5,195	5,195
Ogoni - Nigeria							15	15
Total	**-**	**15,004**	**(2,684)**	**-**	**-**	**-**	**74,566**	**86,886**

3. Equity investments

Investments totaled €104.4 million, up €30.8 million from December 31, 2013.

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Investments in subsidiaries	174	160	14
Investments in companies measured at equity	89,303	70,124	19,179
Other investments	14,945	3,335	11,610
Total	**104,422**	**73,619**	**30,803**

The main changes that led to differences in the carrying amounts of the investees are summarized below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013
Change in consolidation method	(331)	(306,724)
Share/quota capital transactions	19,855	25,646
Acquisitions, capital injections and disinvestments	(96)	(106,695)
Share of profit (loss) of equity-accounted investees	5,572	17,478
Dividends from equity-accounted investees	(549)	(4,304)
Other changes	6,352	(724)
Total	**30,803**	**(375,323)**

"Capital transactions" mainly refer to the subscription of shares in the company that will develop the concession project for the Lima Metro (Peru) for a total value of €8.7 million and the Grupo Unido por el Canal (Panama) project company for a value of €10.8 million. This change is due to the receivable that the parent company claims is due from the joint venture net of the provisions for risks on equity investments recognized in line with the assessment of the loss to complete the contract; in 2013, the net receivable had a negative value and was recognized in the item provisions for risks on equity investments for €76.6 million, while in 2014, following the increase in the receivables for loans granted during the year, it was positive and classified in the item equity investments.

The Group's share of profit of equity-accounted investees totaled €8.5 million, considering also the figures shown in note 24 below, detailing the changes in the provision for risks on equity investments. The effect on profit or loss is analyzed in Note 34.

"Other changes" includes the reclassification, worth €5.8 million, of the investment in Co.Ge.Fin. Srl, held by Todini Costruzioni Generali S.p.A. and previously classified in "assets held for sale".

The change in the previous year was affected by the following factors:

- changes in the scope of consolidation due to the consolidation of the Impregilo Group, for €297.1 million, and to the change in consolidation method of the operator Sa. Bro.M, held by the Impregilo Group and control of which was acquired in 2013, for €9.5 million;
- sale of the equity-accounted investee Shanghai Pucheng for €65.5 million and of the investments in Tangenziali Esterne di Milano S.p.A. ("MET") and Tangenziale Esterna S.p.A. ("TE") at the end of 2013, whose carrying amount at the time of sale was €43.8 million;

- a fair value adjustment of €12.8 million recognized in the PPA, mainly relating to the investment in the operator Ochre Holding Solution.

With reference to the Ochre Holding Solution, the associate that owns a hospital concession in the United Kingdom, a specific impairment exercise was prepared on the basis of the operator's plan for 2015-2039. In order to determine the recoverable value, dividend flows have been discounted based on the cost of equity at 6.7%. Sensitivity analyses were also performed taking into account the potential effects of changes in the discount rate. No impairment loss was detected as the recoverable value was higher than the carrying amount of the investment.

Investments in associates

Investments in associates, jointly controlled entities and other companies totaled €104.2 million, up €31.2 million from December 31, 2013.

(Amounts in thousands of euros)	2014	2013	Change
Equity investments in associates	88,921	68,359	20,563
Equity investments in jointly controlled entities	10,779	47	10,732
Equity investments in other entities	4,488	4,559	(71)
Total	**104,226**	**73,002**	**31,224**

Investments in associates, jointly controlled entities and other companies with negative carrying value totaled €6.7 million, down €80.1 million from December 31, 2013.

(Amounts in thousands of euros)	2014	2013	Change
Equity investments in associates	(955)	(2,031)	1,076
Equity investments in jointly controlled entities	(4,845)	(82,759)	77,914
Equity investments in other entities	(889)	(1,979)	1,090
Total	**(6,689)**	**(86,769)**	**80,080**

The change is due above all to the reclassification of the Grupo Unido por el Canal, as mentioned above.

The amount recognized through P/L is shown below:

(Amounts in thousands of euros)	2014	2013	Change
Equity investments in associates	6,000	212,015	(206,015)
Equity investments in jointly controlled entities	1,298	(17,457)	18,755
Equity investments in other entities	1,308	-	1,308
Total	**8,606**	**194,558**	**(185,952)**

The 2013 result included the badwill recognized in relation to Impregilo S.p.A.

When classifying the entities in which the Salini Impregilo Group holds investments according to the new accounting standards mentioned above, the following guidelines were used:

(i) Paragraphs 5 and 6 of IFRS 10 were followed for assessing the existence of control. Group entities were only classified as subsidiaries in the presence of substantial rights over the investee's relevant activities, in exchange for the Group's exposure to variable returns from its involvement with the investee and the Group's ability to use its power over the investee to affect the amount of the variable returns. These requirements were recognized in the ownership of sufficient votes to obtain the majority required in decisions for the governance bodies of the Group entities in question.

(ii) Paragraphs 4 and 5 of IFRS 11 were followed for assessing the existence of joint control. Joint control was only recognized if the majorities required in the governance bodies of the Group entities in question require the unanimous vote or qualified majorities that can only be reached with the consent of a specific Group of the parties.

(iii) With reference to the type of joint arrangements, in view of the fact that all joint arrangements in which the Group participates are structure through separate vehicles, reference was made to paragraph B15 of IFRS 11, analyzing in particular the legal form of the separate vehicle and the terms of the contractual agreement. With reference to the situation at December 31, 2014 and 2013, only those entities not incorporated into legal entities and structured as separate vehicles that guarantee transparency of the rights and obligations of the parties are classified as joint operations.

The Salini Impregilo Group's activities are characterized by participation in numerous project entities that, above all in Italy, use the consortium structure, which works using a cost recharging system. From the point of view of classification under the new IFRS 10 and 11, these entities have been categorized as subsidiaries, associates and joint ventures, according to the guidelines set out above.

It is noted that with reference to associated consortium entities and entities subject to joint control, even though these are measured at equity the Consolidated financial statements recognizes their revenues since the exploitation of the contract remains tied to the parent company while the costs incurred by these entities is recharged to the parent company and shown in a single cost item (classified among service costs). Therefore, in view of the fact that the relevant effects concerning consortium entities are already shown in the Financial statement tables below, the details are not provided here.

Investments in associates

The Group associates at December 31, 2014, which, in the opinion of the management are considered relevant for the Group, are presented below. The share capital of the companies listed below consists of ordinary shares only, which are directly held by the Group; these companies primarily conduct their business in the country of incorporation or registration.

Name of company	Head office	Registered office (if different from head office)	% ownership	Nature of relationship	Measurement method
Consorcio Agua Azul S.A.	Peru	N/A	25.5%	(1)	Shareholders' equity
Ochre Solutions Holdings Ltd	UK	N/A	40%	(2)	Shareholders' equity
Yuma Concessionaria S.A.	Colombia	N/A	40%	(3)	Shareholders' equity
Compagnia Gestione Finanziarie - Co.Ge.Fin. Srl	Italy	N/A	51% (*)	(4)	Shareholders' equity

* Even though it holds the majority of the shares of Co.Gefin. Srl, governance of the company is regulated by a shareholders' agreement that gives control to the minority shareholder.

The activities of the above companies are key to the Group's activities. A description of the nature of the Salini Impregilo Group's relationship with the above companies is provided below:

(1) the company is held by the sub holding company Impregilo International Infrastructures N.V. and has a concession contract expiring in 2027 for the integrated water cycle in Lima, Peru. The governance system requires majority resolutions and the percentage of ownership held by Salini Impregilo means it can be classified as an associate.

(2) the company is held by the sub holding company Impregilo International Infrastructures N.V. and has a concession contract for Oxford University Hospitals in the United Kingdom, expiring 2038. For a description of the status of the concession, refer to the chapter "Concessions" in the Directors' Report. The governance system requires majority resolutions and the percentage of ownership held by Salini Impregilo means it can be classified as an associate.

(3) the company is held directly by Salini Impregilo S.p.A. and has a concession contract for the third highway lot of the "Ruta del Sol" project in Colombia. The contract expires in 2036. For a detailed description of the concession, refer to the chapter of the Directors' Report "Operating performance by geographic region" and in particular the paragraphs "Colombia - Ruta del Sol motorway project" and "Concessions". The governance system requires majority resolutions and the percentage of ownership held by Salini Impregilo means it can be classified as an associate.

(4) the company is held directly by Salini Impregilo S.p.A. and manages a portfolio of financial assets. The governance systems attributes control to the other shareholder in the investee.

For the investments listed above there is no market price and their carrying amounts are in line with their fair values.

Summary of income-related and financial information relating to significant associates

The income-related and financial information relating to individually significant associates accounted using the equity method is shown below. In addition the reconciliation statement of the income-related and financial information of the associates is shown with the carrying amount of the interests in the associates.

The information shown reflects the values in the financial statements of the associates, adjusted on the basis of the differences in the accounting policies between the Group and the associates.

Agua Azul

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Non-current assets			
Property, plant and equipment and intangible fixed assets	27,401	27,564	(163)
Other non-current assets	-	-	-
Total non-current assets	**27,401**	**27,564**	**(163)**
Current assets			
Cash and cash equivalents and other financial assets	2,632	3,464	(832)
Other current assets	1,244	1,447	(203)
Total non-current assets	**3,876**	**4,911**	**(1,035)**
Total assets	**31,277**	**32,475**	**(1,198)**
Shareholders' equity	**26,590**	**23,871**	**2,719**
Non-current liabilities			
Non-current financial liabilities	-	-	-
Other non-current liabilities	221	2,630	(2,409)
Total non-current liabilities	**221**	**2,630**	**(2,409)**
Current financial liabilities	-	-	-
Other current liabilities	4,466	5,974	(1,508)
Total current liabilities	**4,466**	**5,974**	**(1,508)**
Total liabilities	**31,277**	**32,475**	**(1,198)**

(Amounts in thousands of euro)	12/31/2014	12/31/2013
Initial shareholders' equity	**23,871**	**26,444**
Income (expense) for the period	2,911	2,007
Dividends distributed	(1,672)	(1,234)
Exchange rate gains (losses)	1,480	(3,346)
Final shareholders' equity	**26,590**	**23,871**
	6,780	6,087
Carrying amount	**6,780**	**6,087**

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Revenue	10,735	10,667	68
Operating costs	(4,049)	(3,870)	(179)
Gross operating profit	**6,686**	**6,797**	**(111)**
Amortization and depreciation	(1,908)	(2,004)	96
Operating profit	**4,778**	**4,793**	**(15)**
Financial income	-	-	-
Financial expense	(209)	(1,019)	810
Net exchange rate gains (losses)	(131)	(637)	506
Net financing income (costs)	**(340)**	**(1,656)**	**1,316**
Net financing costs and net gains on investments	**(340)**	**(1,656)**	**1,316**
Profit (loss) before taxes	4,438	3,137	1,301
Income taxes	**(1,526)**	**(1,129)**	**(397)**
Profit (loss) from continuing operations	2,912	2,008	904
Net profit (loss)	**2,912**	**2,008**	**904**

Yuma

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Non-current assets			
Property, plant and equipment and intangible fixed assets	120,813	70,700	50,113
Other non-current assets	1,956	-	1,956
Total non-current assets	**122,769**	**70,700**	**52,069**
Current assets			
Cash and cash equivalents and other financial assets	7,255	26,866	(19,611)
Other current assets	60,504	43,521	16,983
Total non-current assets	**67,759**	**70,387**	**(2,628)**
Total assets	**190,528**	**141,087**	**49,441**
Shareholders' equity	**22,169**	**15,879**	**6,290**
Non-current liabilities			
Non-current financial liabilities	32,047	15,358	16,689
Other non-current liabilities	2,107	16,235	(14,128)
Total non-current liabilities	**34,154**	**31,593**	**2,561**
Current financial liabilities	125,819	82,334	43,485
Other current liabilities	8,386	11,281	(2,895)
Total current liabilities	**134,205**	**93,615**	**40,590**
Total liabilities	**190,528**	**141,087**	**49,441**

(Amounts in thousands of euro)	12/31/2014	12/31/2013
Initial shareholders' equity	**15,879**	**13,821**
Income (expense) for the period	8,223	4,064
Dividends distributed	-	-
Exchange rate gains (losses)	(1,933)	(2,006)
Final shareholders' equity	**22,169**	**15,879**
	8,868	6,352
Carrying amount	**8,868**	**6,352**

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Revenue	144,747	76,821	67,926
Operating costs	(143,725)	(76,066)	(67,659)
Gross operating profit	**1,022**	**755**	**267**
Amortization and depreciation	-	-	-
Operating profit	**1,022**	**755**	**267**
Financial income	5,068	3,431	1,637
Financial expense	-	-	-
Net exchange rate gains (losses)	-	-	-
Net financing income (costs)	**5,068**	**3,431**	**1,637**
Net financing costs and net gains on investments	**5,068**	**3,431**	**1,637**
Profit (loss) before taxes	6,090	4,186	1,904
Income taxes	**2,133**	**(122)**	**2,255**
Profit (loss) from continuing operations	8,223	4,064	4,159
Net profit (loss)	**8,223**	**4,064**	**4,159**

Co.Ge.Fin. Srl

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Non-current assets			
Property, plant and equipment and intangible fixed assets	167	382	(215)
Non-current financial assets	-	-	-
Other non-current assets	-	-	-
Total non-current assets	**167**	**382**	**(215)**
Current assets			
Cash and cash equivalents and other financial assets	-	5,004	(5,004)
Other current assets	49,003	40,711	8,292
Total non-current assets	**49,003**	**45,715**	**3,288**
Total assets	**49,170**	**46,097**	**3,073**
Shareholders' equity	**17,834**	**11,588**	**6,246**
Non-current liabilities			
Non-current financial liabilities	18,146	18,022	124
Other non-current liabilities	-	-	-
Total non-current liabilities	**18,146**	**18,022**	**124**
Current liabilities			
Current financial liabilities	10,934	15,000	(4,066)
Other current liabilities	2,256	1,487	769
Total current liabilities	**13,190**	**16,487**	**(3,297)**
Total liabilities	**49,170**	**46,097**	**3,073**

(Amounts in thousands of euro)	12/31/2014	12/31/2013
Initial shareholders' equity	**11,588**	**15,481**
Income (expense) for the period	6,104	(4,047)
Other comprehensive income	142	154
Exchange rate gains (losses)	-	-
Final shareholders' equity	**17,834**	**11,588**
	9,095	5,910
Goodwill and other intangible fixed assets	-	-
Carrying amount	**9,095**	**-**

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Revenue	-	101	(101)
Operating costs	(87)	(2,589)	2,502
Gross operating profit	**(87)**	**(2,488)**	**2,401**
Operating profit	**(87)**	**(2,488)**	**2,401**
Financial income	8,681	1	8,680
Financial expense	(905)	(1,583)	678
Net financing income (costs)	**7,776**	**(1,582)**	**9,358**
Net financing costs and net gains on investments	**7,776**	**(1,582)**	**9,358**
Profit (loss) before taxes	7,689	(4,070)	11,759
Income taxes	**(1,585)**	**24**	**(1,609)**
Profit (loss) from continuing operations	6,104	(4,046)	10,150
Other components of comprehensive income	-	153	(153)
Net profit (loss)	**6,104**	**(3,893)**	**9,997**

Ochre Holding

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Non-current assets			
Property, plant and equipment and intangible fixed assets	-	-	-
Non-current financial assets	**169,847**	**161,163**	**8,684**
Other non-current assets	3,066	2,920	146
Total non-current assets	**172,913**	**164,083**	**8,830**
Current assets			
Cash and cash equivalents and other financial assets	**21,253**	**15,933**	**5,320**
Other current assets	7,591	126	7,465
Total non-current assets	**28,844**	**16,059**	**12,785**
Total assets	**201,757**	**180,142**	**21,615**
Shareholders' equity	**(1,885)**	-	**(1,885)**
Non-current liabilities			
Non-current financial liabilities	171,480	161,715	9,765
Other non-current liabilities	**20,250**	**15,454**	**4,796**
Total non-current liabilities	**191,730**	**177,169**	**14,561**
Current liabilities			
Current financial liabilities	-	-	-
Other current liabilities	11,912	2,973	8,939
Total current liabilities	**11,912**	**2,973**	**8,939**
Total liabilities	**201,757**	**180,142**	**21,615**

(Amounts in thousands of euro)	12/31/2014	12/31/2013
Initial shareholders' equity	-	**437**
Income (expense) for the period	(1,885)	(491)
Other comprehensive income	-	-
Exchange rate gains (losses)	-	54
Final shareholders' equity	**(1,885)**	-
	(754)	-
Goodwill and other intangible fixed assets	7,912	8,423
Carrying amount	**7,158**	**8,423**

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Revenue	11,225	9,640	1,585
Operating costs	(14,394)	(11,422)	(2,972)
Gross operating profit	**(3,169)**	**(1,782)**	**(1,387)**
Operating profit	**(3,169)**	**(1,782)**	**(1,387)**
Financial income	1,248	1,310	(62)
Financial expense	-	-	-
Net financing income (costs)	**1,248**	**1,310**	**(62)**
Net financing costs and net gains on investments	**1,248**	**1,310**	**(62)**
Profit (loss) before taxes	(1,921)	(472)	(1,449)
Income taxes	**36**	**(19)**	**55**
Profit (loss) from continuing operations	(1,885)	(491)	(1,394)
Other components of comprehensive income	-	-	-
Net profit (loss)	**(1,885)**	**(491)**	**(1,394)**

Significant restrictions

At the date of preparation of this Financial report, there are no significant restrictions on the ability of associates to transfer funds to the entity in the form of dividends, repayments of loans or advances.

Contingent liabilities

At the date of preparation of this financial report, there are no contingent liabilities relating to the Group's interests in associates. Any related risk areas have been described in the notes above.

Investments in joint ventures

The most significant joint ventures are shown below:

Name of company	Head office	Registered office (if different from head office)	% ownership	Nature of relationship	Measurement method
Grupo Unidos Por El Canal S.A.	Panama	N/A	48%	(1)	Shareholders' equity

(1) The company is held directly by Salini Impregilo S.p.A. and is engaged in building the new system of locks on the Panama Canal. For a detailed description of the concession, refer to the chapter of the Directors' Report "Operating performance by geographic region" and in particular the paragraphs "Expansion of the Panama Canal" and "Segment's risk areas". The governance system requires qualified majority resolutions passed through the favorable vote of two members, including Salini Impregilo.

With reference to the joint ventures listed above, there is no market price and their carrying amounts are in line with their fair values.

Risks associated with the Group's interests in joint ventures

Commitments

With regard to joint ventures, the Group has the following commitments:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Commitments	638,181	590,332	47,848

The change is due above all to the guarantees issued in favor of the Grupo Unido por el Canal.

Contingent liabilities

At the date of preparation of this financial report, there are no contingent liabilities relating to the Group's interests in joint ventures. Any related risk areas have been described in the notes above.

Summary of income-related and financial information concerning joint ventures

The financial information relating to joint ventures accounted using the equity method is shown below.

In addition the reconciliation statement of the income-related and financial information of the joint ventures is shown with the carrying amount of the interest in the joint ventures, as per shareholders' agreements.

The information reflects the values in the financial statements of the joint ventures, adjusted on the basis of the differences in the accounting policies between the Group and the joint ventures.

Gupc

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Non-current assets			
Property, plant and equipment and intangible fixed assets	**110,624**	**156,116**	**(45,492)**
Non-current financial assets	0	0	0
Other non-current assets	0	0	0
Total non-current assets	**110,624**	**156,116**	**(45,492)**
Current assets			
Cash and cash equivalents and other financial assets	154,880	45,615	109,265
Other current assets	1,091,787	660,588	431,199
Total non-current assets	**1,246,667**	**706,203**	**540,464**
Total assets	**1,357,291**	**862,319**	**494,972**
Shareholders' equity	(441,403)	(388,534)	(52,869)
Non-current liabilities	0	0	0
Non-current financial liabilities	**0**	**0**	**0**
Other non-current liabilities	1,223	196	1,027
Total non-current liabilities	**1,223**	**196**	**1,027**
Current liabilities			-
Current financial liabilities	597,409	168,782	428,627
Other current liabilities	**1,200,063**	**1,081,876**	**118,187**
Total current liabilities	**1,797,472**	**1,250,658**	**546,814**
Total liabilities	**1,357,292**	**862,320**	**494,972**

(Amounts in thousands of euro)	2014	2013
Initial shareholders' equity	**(388,534)**	**(360,716)**
Income (expense) for the period	(62)	(45,221)
Dividends distributed	0	0
Other comprehensive income		
Exchange rate gains (losses)	(52,807)	17,403
Final shareholders' equity	**(441,403)**	**(388,534)**
	(169,499)	(149,197)
Loans	180,228	72,616
Goodwill and other intangible fixed assets		
Carrying amount	**10,729**	**(76,581)**

(Amounts in thousands of euro)	12/31/2014	12/31/2013	Change
Revenue	781,277	993,629	(212,352)
Operating costs	**(703,366)**	**(960,872)**	**257,506**
Gross operating profit	**77,911**	**32,757**	**45,154**
Amortization and depreciation	(63,136)	(64,464)	1,328
Operating profit	**14,775**	**(31,707)**	**46,482**
Financial income	397	94	303
Financial expense	(20,606)	(11,712)	(8,894)
Net exchange rate gains (losses)	5,394	(1,824)	7,218
Net financing income (costs)	**(14,815)**	**(13,442)**	**(1,373)**
Gains (losses) on investments	0	0	0
Net financing costs and net gains on investments	**(14,815)**	**(13,442)**	**(1,373)**
Profit (loss) before taxes	(40)	(45,149)	45,109
Income taxes	**(21)**	**(72)**	**51**
Profit (loss) from continuing operations	(61)	(45,221)	45,160
Other components of comprehensive income	0	0	0
Net profit (loss)	**(61)**	**(45,221)**	**45,160**

Joint operation

The main joint operations in which the Salini Impregilo Group has an interest are: CMC - Mavundla - Impregilo (South Africa) and Civil Work Group (Saudi Arabia). Salini Impregilo S.p.A. has a direct 39.2% interest in the former, which is engaged in works for the hydroelectric plant in Ingula.

Salini Impregilo S.p.A. has a direct 43% stake in the latter, which is engaged in the civil works for the Riyadh metro. Both are governed by joint control arrangements as resolutions of the governing bodies require a unanimous vote. Concerning the type of joint arrangement, both entities are structured as separate vehicles, guaranteeing transparency of the rights and obligations with respect to Salini Impregilo S.p.A.

4. Non-current financial assets

Other non-current financial assets totaled €89.1 million and are broken down in the table below.

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Other financial assets, Securities	21,070	10,977	10,093
Loans to unconsolidated Group companies	15,675	81	15,594
Loans to third parties	52,379	37,851	14,528
Total	**89,124**	**48,909**	**40,215**

Securities and other financial assets are investments of available cash made by several Group companies and are unlisted guaranteed-return securities that mature after one year. They amounted to €21.1 million (€11.0 million) at December 31, 2014, and mainly included the portions of the fund that finances the operator Yuma.

Loans to unconsolidated Group companies equal to €15.7 million mainly refer to:

- receivables for loans to operator associates totaling €8.5 million;
- loans granted by our Swiss subsidiary CSC to one of its SPVs for €3.4 million;
- a €3.3 million interest-bearing loan granted by Todini to the related party Cediv.

Loans to third parties equal to €52.4 million refer to:

- receivables arising from the sale of the investment in the Argentine operator Caminos de Las Sierras to the Cordoba provincial authorities (Argentina) in 2010, on which interest is accruing at a fixed rate of 9.50%, made up as follows:
  - The amount of €9.8 million due from Caminos de Las Sierras relates to the loan granted by Impregilo International Infrastructures to the Argentine operator in the past, which was restructured as part of the sales agreements. The outstanding balance of €16.6 million at December 31, 2014 includes €9.8 million due after one year and €6.8 million due within one year.
  - The amount due from the Cordoba provincial authorities also refers to the sale of the investment in Caminos de Las Sierras and amounts to €6.2 million, including €3.5 million due after one year and €2.7 million due within one year.

These loans are duly repaid according to the deadlines set in the agreements with counterparties.

- The loan of €17.9 million refers to the sale to third parties of the investment in “TE”. This loan is interest bearing and will be collected by October 31, 2016.

Loans of €20.9 million relating to the concessions held by Todini, measured according to the procedures described in the paragraph Accounting Policies in these notes.

5. Deferred tax assets and liabilities

Deferred tax assets and liabilities amount to €138.4 million and €80.4 million at December 31, 2014, respectively.

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Prepaid tax assets	138,402	121,246	17,156
Deferred tax liabilities	(80,435)	(74,015)	(6,420)

Changes in deferred tax assets and liabilities and the related impact on profit or loss are set out below:

(Amounts in thousands of euros)	31.12.2013	Increases	Decreases	Translation effect	Change in consolidation scope	Shareholders' equity	Other changes	31.12.2014
Deferred tax assets:								
Amortization and depreciation exceeding tax rates	8,482	21	-	-	65	-	634	9,202
Provisions for risks and impairment losses	47,843	1,952	(8,756)	2	6,157	-	-	47,198
Tax effect of share capital increase	-	-	(301)	-	-	1,506	-	1,205
Deferred taxes	37,204	657	-	6,432	-	-	-	44,293
Fisia Hiatus transaction	19,378	-	(3,589)	-	-	-	-	15,789
Other	26,421	76,508	(13,208)	248	6,730	106	635	97,440
Total	**139,328**	**79,138**	**(25,854)**	**6,682**	**12,952**	**1,612**	**1,269**	**215,127**
Offsetting	(18,082)	-	-	-	-	-	(58,643)	(76,725)
Net deferred tax assets (a)	**121,246**	**79,138**	**(25,854)**	**6,682**	**12,952**	**1,612**	**(57,374)**	**138,402**
Deferred tax liabilities:								
Accelerated depreciation and amortization for tax purposes	(4,650)	(2,174)	1,847	(26)	-	-	-	(5,003)
Deferred gains	(459)	-	126	-	(251)	-	-	(584)
Uncollected late-payment interest	(6,053)	-	-	-	-	-	-	(6,053)
PPA tax effects	(9,714)	-	2,129	-	-	-	-	(7,585)
Contract revenue or revenue items	(7,695)	(22,155)	-	449	-	-	7,695	(21,706)
Contract revenue taxable in future years	(47,426)	(5,369)	-	(6,297)	-	-	-	(59,092)
Other	(16,100)	(54,562)	15,408	201	(2,089)	-	5	(57,137)
Total	**(92,097)**	**(84,260)**	**19,510**	**(5,673)**	**(2,340)**	**-**	**7,700**	**(157,160)**
Offsetting	**18,082**	**-**	**-**	**-**	**-**	**-**	**58,643**	**76,725**
Net deferred tax liabilities (b)	**(74,015)**	**(84,260)**	**19,510**	**(5,673)**	**(2,340)**	**-**	**66,343**	**(80,435)**
Net deferred tax (income) expense (a+b)		**(5,122)**	**(6,344)**					**(11,466)**

Prior year changes are given below:

(Amounts in thousands of euros)	31.12.2012	Increases	Decreases	Translation effect	Change in consolidation scope	Shareholders' equity	Other changes	31.12.2013
Deferred tax assets:								
Amortization and depreciation exceeding tax rates	893	6,261	(61)	-	1,389	-	-	8,482
Provisions for risks and impairment losses	8,653	6,030	(9,834)	(3)	42,997	-	1	47,844
Deferred taxes	-	1,338	-	(1,132)	36,998	-	-	37,204
Fisia Hiatus transaction	-	-	(2,693)	-	26,302	-	(4,231)	19,378
Other	19,315	11,166	(1,287)	(739)	(85)	-	(1,950)	26,420
Total	28,861	24,795	(13,875)	(1,874)	107,601	-	(6,180)	139,328
Offsetting	**(9,023)**	**-**	**-**	**-**	**2,973**	**-**	**(12,032)**	**(18,082)**
Net deferred tax assets (a)	**19,838**	**24,795**	**(13,875)**	**(1,874)**	**110,574**	**-**	**(18,212)**	**121,246**
Deferred tax liabilities:								
Accelerated depreciation and amortization for tax purposes	(4,953)	(1,743)	1,667	379	-	-	-	(4,650)
Deferred gains	(1,015)	-	153	-	(3,829)	-	4,232	(459)
Uncollected late-payment interest	(523)	-	-	-	(5,530)	-	-	(6,053)
PPA tax effects	-	-	14,521	-	-	-	(24,235)	(9,714)
Contract revenue or revenue items	-	-	-	-	(8,275)	-	580	(7,695)
Contract revenue taxable in future years	(12,309)	(7,066)	-	1,103	(29,154)	-	-	(47,426)
Other	(13,143)	(834)	(888)	1,025	2,632	-	372	(16,100)
Total	**(31,943)**	**(9,643)**	**15,453**	**2,507**	**(49,420)**	**-**	**(19,051)**	**(92,097)**
Offsetting	9,023	-	-	-	(2,973)	-	12,032	18,082
Net deferred tax liabilities (b)	**(22,920)**	**(9,643)**	**15,453**	**2,507**	**(52,393)**	**-**	**(7,019)**	**(74,015)**
Net deferred tax (income) expense (a+b)		**15,152**	**1,578**					**16,730**

6. Inventories

Inventories total €262.7 million at the reporting date, as shown in the following table:

(Amounts in thousands of euros)	December 31, 2014 Gross carrying amount	December 31, 2014 Acc. depreciation	December 31, 2014 Net carrying amount	December 31, 2013 Gross carrying amount	December 31, 2013 Acc. depreciation	December 31, 2013 Net carrying amount	Change
Real estate projects	22,285	(8,222)	14,063	22,310	(8,222)	14,088	(25)
Finished products and goods	3,680		3,680	4,150		4,150	(470)
Raw materials, consumables and supplies	246,550	(1,553)	244,997	206,868	(726)	206,142	38,855
Total	**272,515**	**(9,775)**	**262,740**	**233,328**	**(8,948)**	**224,380**	**38,360**

Real estate projects

Real estate projects amounted to €14.1 million at December 31, 2014, substantially in line with the previous year. They mainly relate to the real estate project of €11.6 million (net of the related allowance of €7.8 million) for the construction of a trade point in Lombardy.

Although the project had not yet been launched at the reporting date, considering the current zoning provisions implemented by the relevant authorities, the directors deemed its carrying amount adequate, based also on appraisals from independent experts.

Finished products and goods and raw materials, consumables and supplies

The carrying amount of these items totaled €3.7 million and €245.0 million, respectively, and mainly relates to materials and goods to be used for foreign contracts, including projects in Venezuela, Colombia, the United States, Ethiopia, Nigeria, Zimbabwe, Malaysia, Sierra Leone, Dubai, Kazakhstan.

The carrying amount of raw materials, consumables and supplies is net of an allowance of €1.6 million, analyzed below.

(Amounts in thousands of euros)	December 31, 2013	Accruals	Utilizations	Reversals	Exchange rate gains (losses)	December 31, 2014
Allowance - raw materials	(726)	(813)			(14)	(1,553)
Total	**(726)**	**(813)**	**-**	**-**	**(14)**	**(1,553)**

Changes in the prior year are shown in the next table:

(Amounts in thousands of euros)	December 31, 2012	Accruals	Utilizations	Reversals	Exchange rate gains (losses)	December 31, 2013
Allowance - raw materials	(1,376)	(46)	657		39	(726)
Total	**(1,376)**	**(46)**	**657**	**-**	**39**	**(726)**

7. Contract work in progress

"Contract work in progress" totaled €1,252.8 million, up €95.8 million over December 31, 2013.

The following table shows contract work in progress calculated using the stage of completion method, net of losses realized or estimated at the reporting date and progress billings:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Contract work in progress	18,987,684	14,881,929	4,105,755
Progress payments and advances received (on approved work)	(17,734,915)	(13,724,915)	(4,010,000)
Total	**1,252,769**	**1,157,014**	**95,755**

This item mainly consists of works that refer to railway projects in Venezuela for €242.2 million (with production for the period of €178.5 million), hydroelectric projects in Ethiopia for €94.6 million (with production for the period of €976.1 million), High speed/ High capacity contracts in Italy for €89.7 million (with production for the period of €124.7 million), hydroelectric, road and civil construction projects in Nigeria for €87.6 million (with production for the period of €164.5 million), works related to lots 5 and 6 of the A3 Salerno-Reggio Calabria motorway for €51.0 million (with production for the period of €51.0 million), work on hydroelectric plants in Colombia for €78.3 million (with production for the period of €306.2 million) and the Ingula hydroelectric project in South Africa for €48.9 million (with production for the period of €72.3 million).

The item also includes €48.3 million for the nearly completed contracts of Imprepar S.p.A.

The Salini Impregilo Group has been active in Venezuela through a stable organization that, directly or in association with international partners, carried out several railway and hydroelectric projects, with a presence in the local territory consolidated in the Country over a span of more than 30 years.

In recent years, relationships with clients, all government entities, were generally characterized by delays in payments.

This problem became more pronounced this past year due to a change in the country's government leadership, at the beginning of 2013, and the resulting heightened social tensions that accompanied this political transition.

In response to the virtual suspension of activity by clients in this context, the Group suffered a significant slowdown in production activities.

With regard to the railway works, particularly for the P.Cabello-La Encrucijada project, two agreements have been drawn up, one in March and the other in May, (called "Puntos de Cuenta") both signed by the Chairman of IFE (the client) and ratified by the President of the Republic, which provided for the progressive payment of 85% of the receivable accumulated in Bolivares and 47% of the receivable in Euro, accumulated at September 2013. To date we can say that 94% the proceeds due in local currency have been received and 34.6% for the Euro receivable (with reference to the percentages above).

In this context, an Addendum to the contract for the Puerto Cabello-La Enrcuijada line and related to electromechanical works was signed at the end of the first half of 2014.

An addendum is currently being negotiated with the Customer, which will set out the claim for the contractual extension of the works and form of payment for these works and for the work to be completed.

The projects that are being developed by the Salini Impregilo Group are priority infrastructures of the utmost importance, both in economic-industrial and social terms.

With this in mind and based on a constant and careful monitoring of the situation in the country, carried out together with its partners and through meetings with clients and local government authorities with the aim of defending and protecting the positions of the Salini Impregilo Group, there appears to be no particular problems at this stage with regard to the realizable value of the Group's net assets, except for the lengthening of collection time, which was duly taken into account in the measurements performed for Financial statement purposes and for the issues relating to the new exchange rates adopted for the translation of the net assets expressed in local currency, as reflected in the full-life projections of projects under construction.

In view of the delicate and complex situation that developed at the political level, the possibility that events not foreseeable at the date of preparation of this Annual Report may arise in the future requiring an update of the existing measurements cannot be excluded.

As regards the work in progress in relation to the project for the "Strait of Messina bridge and roadway and railway connectors on the Calabria and Sicily sides", the values of the work in progress at December 31, 2014 total €22.7 million.

With reference to this contract, it is noted that Decree Law 187 was issued on 2 November 2012 providing for "Urgent measures for the renegotiation of the contracts with Stretto di Messina S.p.A. (the client) and for local public transport". Further to the enactment of this decree and in light of the potential implications for the contractual position of the Eurolink General Contractor, of which Salini Impregilo is the leader, Eurolink decided to send to the client, pursuant to the contractual provisions in effect, a notice of its intention to withdraw from the contract also to protect the positions of all Italian and foreign partners in the Association. Nevertheless, given the preeminent interest in constructing the project, the General Contractor also communicated its willingness to review its position, should the client demonstrate a real commitment to pursuing the project.

Despite the efforts made, the negotiations carried out by the parties were unsuccessful. Eurolink commenced various legal proceedings in Italy and at the EU level, on the one hand, arguing that the provisions of the above-mentioned decree are unconstitutional and contrary to EU laws and thus injurious to Eurolink's legally acquired rights under the contract and, on the other hand, asking that Stretto di Messina be ordered to pay the amounts claimed, under various titles by the General Contractor due to the termination of the contract for reasons for which it was not responsible.

With regard to the actions filed at the EU level, it is worth mentioning that, in November 2013, the European Commission communicated its decision to suspend the lawsuit, as no treaties were violated, and confirmed it on January 7, 2014, with a communication dismissing the lawsuit. As regards the civil action in Italy, Salini Impregilo S.p.A. and all the members of Eurolink have jointly and severally asked that Stretto di Messina be ordered to pay the amounts claimed, under various titles, due to the termination of the contract for reasons for which it was not responsible.

Consistent with the developments described above, the order backlog of the Impregilo Group at the end of 2012 was restated to reflect the elimination of the above-mentioned project. Considering the complex nature of the various legal proceedings and although the legal advisors assisting Impregilo and the general contractor are reasonably confident about the outcome of the proceedings and the recoverability of the remaining assets recognized for this contract, it cannot be excluded that events not currently foreseeable may arise in the future which would require the current assessments to be revised.

Lastly, work in progress in Libya amounted to €138.2 million at December 31 2014. For a breakdown of the risks connected to these contracts, refer to the paragraph "Libya" in the previous sections of these Notes.

A breakdown of contract work in progress by geographical region is as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Italy	355,219	317,102	38,117
EU	80,465	78,470	1,995
Non-EU	16,714	3,698	13,016
Asia	26,184	76,055	(49,871)
Middle East	38,346	35,340	3,006
Africa	378,075	337,158	40,917
North America		477	(477)
Latin America	357,766	308,714	49,052
Total	**1,252,769**	**1,157,014**	**95,755**

With respect to the previous year there was an increase mainly due to the expansion of foreign industrial activities for contracts in Libya, Denmark and South Africa, and to high speed/high capacity contracts in Italy, only partially offset by the decrease related to contracts in Ethiopia, Malaysia, Kazakhstan and Qatar.
The change in Latin America is mainly due to the project of the line 6 of the Santiago metro in Chile, which is commented in the Section “Risk areas” section for the segment.

There was 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 further details of a contractual nature and related to the development and progress of major projects under construction, see the information on operations provided in the first part of this Consolidated annual financial report.

8. Trade receivables

At December 31, 2014, trade receivables amounted to €1,680.3 million, down by €87.3 million over December 31, 2013. This item includes €259.7 million of receivables from non-consolidated Group companies and other related parties.

Trade receivables with third parties are analyzed in the following table:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Receivables from clients	1,522,789	1,450,174	72,615
Allowance for impairment	(100,896)	(102,715)	1,819
Net trade receivables	**1,421,893**	**1,347,459**	**74,434**

The balance relates to amounts due from customers for invoices issued and for work performed and approved by customers but still to be invoiced.

The net increase in the period was determined by opposite changes, mainly due to: an increase of about €29 million from the reclassification of Todini Costruzioni Generali business units, which, following the mentioned reorganization were reported in continuing operations at December 31, 2014, while they were classified as assets held for sale (IFRS 5) in 2013; a decrease in receivables in Italy as a result of collections from the Metro B1 contract (about €20 million); an increase in African orders from the ordinary management of operating contracts for approximately €43 million; a net decrease in receivables related to companies operating in South America, specifically in Venezuela, following the Group's adoption, as of June 30, 2014, of the new official exchange rate, known as SICAD 2, for the translation of values originally in local currency. This resulted in the recognition of a negative exchange difference of approximately €89 million, posted in the income statement for the year. See the first part of these explanatory notes for further details.

The item also includes €226.8 million due to FIBE from the Campania public administration for management services provided under contract until December 15, 2005 and the subsequent transition period. See the section on "Non-current assets held for sale and discontinued operations" in Part II of the Directors' Report for more information about this complicated situation and the related assessments.

Receivables for withholdings amounted to €109.5 million as at December 31, 2014 (compared to €124.3 as at December 31, 2013).

The allowance for impairment decreased by €1.8 million to €100.9 million during the year, as follows:

(Amounts in thousands of euros)	December 31, 2013	Accruals	Utilizations	Reversals	Change in consolidation scope	Other changes	Exchange rate gains (losses)	December 31, 2014
Provision for impairment losses on trade receivables	42,598	4,230	(6,310)	(1,060)	1,549	95	(3)	41,099
Default interest	60,117	302	-	(622)	-	-	-	59,797
Total	**102,715**	**4,532**	**(6,310)**	**(1,682)**	**1,549**	**95**	**(3)**	**100,896**

Changes during 2013 are shown in the following table:

(Amounts in thousands of euros)	December 31, 2012	Accruals	Utilizations	Reversals	Change in consolidation scope	Exchange rate gains (losses)	Other changes	December 31, 2013
Provision for impairment losses on trade receivables	5,993	13,752	(4,268)	(5,937)	33,212	(105)	(50)	42,597
Default interest	-	-	-	(1,416)	61,533	-	-	60,117
Total	**5,993**	**13,752**	**(4,268)**	**(7,353)**	**94,745**	**(105)**	**(50)**	**102,714**

Intragroup receivables from unconsolidated Group companies and other related parties amount at December 31, 2014 to €258.4 million, down €161.8 million on December 31, 2013.

In 2014, it is also noted that intragroup receivables mainly relate to commercial transactions with unconsolidated companies of the Salini Impregilo Group, which recorded a decrease compared to December 31, 2013. The change is mainly driven by the decrease in the receivable from Consorzio Pedelombarda from €116.1 million to €48.2 million, following completion of the contract and the consequent reduction in invoices to be issued compared to the previous year. Also note that in 2014 Consorzio Cociv was consolidated line by line after the aforementioned acquisition of CIV S.p.A. and its quota. In the reclassified Consolidated financial statements 2013, the consortium was valued at equity and an outstanding receivable of €101.2 million owed to the Group by the consortium was found.

This item includes €65.9 million representing the portion of net receivables pertaining to consortia and/or consortium companies over which no entity has control and operating under a cost recharging system, which corresponds to a share of the Group's cash and cash equivalents with SPVs. This amount is represented in net financial position in the item net financial position held by SPVs and unconsolidated project companies.

9. Derivatives and other current financial assets

This item amounted to €156.9 million as at December 31, 2014, (€304.5 million as at December 31, 2013) and includes the following items:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Other current financial assets	156,908	303,513	(146,605)
Derivative assets	-	1,016	(1,016)
Total derivatives and other current financial assets	**156,908**	**304,529**	**(147,621)**

Other current financial assets are broken down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Treasury and insurance securities	11,433	590	10,843
Current loans	145,475	302,923	(157,448)
Other current financial assets	**156,908**	**303,513**	**(146,605)**

Treasury and insurance securities amounting to €11.4 million in 2014 are investments of available cash made by several Group companies and are unlisted guaranteed-return securities that mature within one year.

During the year, the Argentinian subsidiary Impregilo Healy Ute carried out €10.4 million of repo transactions.

The item current loans includes:

- current loans amounting to €40.2 million relate to the subsidiary Impregilo International Infrastructures N.V. and include €9.4 million (€7.6 million as at December 31, 2013) for the current portions of the loans arising from the sale of the investment in the Argentine operator Caminos de Las Sierras to the Cordoba provincial authorities (Argentina) in 2010, as noted above. These receivables, to date, have been duly repaid in accordance with the provisions of the related contractual agreements;

- €29.0 million due to a receivable for the guarantee enforced in the year for delayed work on the Metro 6. This receivable is considered to recoverable, as confirmed by counsel supporting the Group in the dispute with the client;

- €39.9 million relating to short-term loans granted to Co.Ge Fin srl for €18.1 million, S.P M4 for €18.3 million, and the consortium La Quado for €3.4 million;

- the loan to Consorzio OIV Tocoma, equal to €45.0 million;

- the current account with Salini Costruttori S.p.A. amounting to €10.0 million, which decreased compared to December 31, 2013 by €72.6 million, reflecting collections by Salini Costruttori of €82.6 million and an increase of €10.0 from the tax consolidation with the same parent. The current account accrues interest at a rate of Euribor 3M + 5%. With reference to relations with Salini Costruttori, at December 31, 2013, the Group also had a further loan of €65.0 million, which was fully repaid in 2014.

Derivative assets include the reporting-date fair value of currency hedges.

This item is analyzed below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013
Currency swaps - FVTPL	-	1,016
Total derivatives presented in net financial position	**-**	**1,016**

10. Current tax assets and other current tax assets

Current tax assets amount to €95.5 million as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Direct taxes	38,483	35,690	2,793
IRAP	4,088	1,859	2,229
Foreign direct taxes	52,906	50,050	2,856
Total	**95,477**	**87,599**	**7,878**

The December 31, 2014 balance mainly consists of:

- direct tax assets for excess taxes paid in previous years, which the Group has correctly claimed for reimbursement and which bear interest;
- foreign direct tax assets for excess taxes paid abroad by the foreign Group companies which will be recovered as per the relevant legislation.

Other tax receivables of €96.5 million, down €37.0 million from December 31, 2013. They may be analyzed as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
VAT	74,906	104,424	(29,518)
Other indirect taxes	21,583	29,109	(7,526)
Total	**96,489**	**133,533**	**(37,044)**

VAT receivables amount to €74.9 million. This amount includes €49.4 million with the Italian Treasury and €25.5 million with foreign tax administrations.

"Other indirect taxes" include withholdings of €7.9 million paid by the Icelandic branch on the remuneration paid to foreign temporary workers involved in the building site. For further information refer to "Risk areas" for the Group's foreign business.

11. Other current assets

Other current assets totaled €690.0 million, up €248.1 million compared to December 31, 2013. This item is broken down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Other receivables	257,178	143,049	114,129
Advances to suppliers	222,775	180,111	42,664
Other receivables from non-consolidated Group entities and other related parties	103,544	63,367	40,177
Prepayments and accrued income	106,501	55,350	51,151
Total	**689,998**	**441,877**	**248,121**

The increase in "other receivables" of €114.1 million over the previous year was mainly attributable to:

- €28.7 million from the Republic of Argentina for the award of damages in our favor on June 21, 2011, confirmed by the Court of Arbitration of Buenos Aires on January 24, 2014;
- €15.9 million relating to reserves transferred from Todini Costruzioni Generali S.p.A. to Salini Impregilo S.p.A. in the first half of the year and relating to the Capo Boi (Sardinia) and Naples-Alifana contracts;
- the receivables relating to the subsidiary Todini S.p.A. for an amount of €35.4 million, of which €8.3 million refer to a definitively awarded claim against the Romanian Ministry of Transport; €18.0 million for the receivable from Ga.Bi.Re. Srl for the sale of Cediv, and €9.1 million refer to the receivable from Todini Finanziaria S.p.A. relating to Co.ge.Fin. Srl;

This item also includes FIBE's receivables of €71.3 million – unchanged on the previous year – from the public bodies involved in managing the waste emergency in Campania. See the section on "Non-current assets held for sale and discontinued operations" in Part II of the Directors' Report for more information about this complicated situation and the related assessments.

Advances to suppliers decreased by €42.7 million compared to December 31, 2013. The change reflected advances made to suppliers for the High Capacity, Milan - Genoa section and Line 3 Riyadh metro contracts, and the absorption of advances made in previous years for contracts in Venezuela, Turkey, Poland and Denmark.

Receivables from non-consolidated Group companies and other related parties amounted to €103.6 million, an increase of €40.2 million compared to the previous year, of which €13.6 million refer to the reclassification of the amounts pertaining to the business units of Todini, which in 2013 were classified in assets held for sale and in 2014 have been restated in continuing operations. The main changes relate to the receivables due from the parent company Salini Costruttori S.p.A., which increased by €4.0 million, and from Consorzio OIV Tocoma, which increased from €52.6 million at December 31, 2013 to €66.2 million at December 31, 2014.

Prepayments and accrued income of €106.5 million show an increase of €51.2 million on the previous year. The item mainly consists of insurance, commissions on sureties and other contract costs which will be recognized in profit or loss in future periods based on the stage of completion of the related contracts. The change in this item is mainly attributable to the contract for the construction of line 3 of the Riyadh Metro, located in Saudi Arabia, the construction of the Neckartal dam in Namibia and the contract for the High Speed / High Capacity section between Milan and Genoa. It should be noted that the item “other prepayments” includes the costs recognized in line with stage of completion of contracts amounting to €36.9 million.

They are broken down in the following table:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Accrued income:			
- Other	542	2,684	(2,142)
Total accrued income	**542**	**2,684**	**(2,142)**
Prepayments:			
- Insurance	44,008	29,390	14,618
- Sureties	8,465	10,760	(2,295)
- Rents payable	722	631	91
- Consultancy	181	100	81
- Subscriptions	12	4	8
- Utility fees	168	261	(93)
- Other	52,403	11,520	40,883
Total prepayments	**105,959**	**52,666**	**53,293**
Total	**106,501**	**55,350**	**51,151**

12. Cash and cash equivalents

As at December 31, 2014, cash and cash equivalents amounted to €1,030.9 million, down by €96.4 million, as shown below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Cash and cash equivalents	**1,030,925**	**1,127,276**	**(96,351)**

The balance of cash and cash equivalents represents active bank account balances at the end of the year and the amounts of cash, checks and valuables at the registered office, work sites and foreign subsidiaries.

The statement of cash flows shows the reason for this increase and changes in current account facilities (Note 15). Imprepar's deposits include €12.9 million collected by it on behalf of third parties.

Finally, cash and cash equivalents of Parking Glasgow are tied to specific reserves for €0.5 million, and €65.2 million in CAVTOMI cash and cash equivalents related to the FIAT escrow account are also restricted.

At December 31, 2014, the share of cash and cash equivalents attributable to third-party members of consortia consolidated on a line by line basis amounted to €52.9 million.

13. Non-current assets (liabilities) held for sale and discontinued operations and profit from discontinued operations

Non-current assets held for sale and the associated liabilities are shown in the following table:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Non-current assets held for sale	344,155	661,160	(317,005)
Liabilities directly associated with non-current assets held for sale	(260,031)	(425,617)	165,586
Non-current assets (liabilities) held for sale	**84,124**	**235,543**	**(151,419)**

A breakdown of the statement of financial position items is as follows:

	December 31, 2014			
(Amounts in thousands of euros)	Todini	SUW Campania	Co.ge.ma	Total
Non-current assets	38,710	5,684	4,676	49,070
Current assets	295,084			295,084
Non-current assets held for sale	**333,794**	**5,684**	**4,676**	**344,154**
Non-current liabilities	(19,859)			(19,859)
Current liabilities	(240,171)			(240,171)
Liabilities directly associated with non-current assets held for sale	**(260,030)**	-	-	**(260,030)**
Non-current assets (liabilities) held for sale	**73,764**	**5,684**	**4,676**	**84,124**
- Of which net financial position	*(81,292)*			*(81,292)*

	December 31, 2013			
(Amounts in thousands of euros)	Todini	SUW Campania	Co.ge.ma	Total
Non-current assets	130,577	5,683		136,260
Current assets	524,900			524,900
Non-current assets held for sale	**655,477**	**5,683**	-	**661,160**
Non-current liabilities	(37,353)			(37,353)
Current liabilities	(388,264)			(388,264)
Liabilities directly associated with non-current assets held for sale	**(425,617)**	-	-	**(425,617)**
Non-current assets (liabilities) held for sale	**229,860**	**5,683**	-	**235,543**
- Of which net financial position	*(53,868)*			*(53,868)*

The change in the item compared to the previous year is mainly related to the overall net decrease of €156.1 million recorded by the Todini Group and the €4.6 million increase in an asset owned by the subsidiary Co.ge.ma. S.p.A., the sale of which was finalized in the early days of 2015. Specifically, with reference to the change relative to the Todini Group, €81 million is attributable to the classification in continuing operations of the business units to be sold to the parent company and Imprepar and to the residual amount no longer held for sale to third parties; the further change is mainly due to the reduction in value of some of the Todini Group projects still held for sale. For more information please see the previous Section "Non-current assets held for sale and discontinued operations" in this Report.

The profit from discontinued operations in 2014 and 2013 is analyzed in the following tables:

	2014			
(Amounts in thousands of euros)	Todini	Fisia Babcock	SUW Campania	Total
Revenue				
Operating revenue	184,473	111,164	-	295,637
- of which gains (losses) on disposal of investments		*89,201*	-	*89,201*
Other revenue	24,982	2	-	24,984
Total revenue	**209,455**	**111,166**	**-**	**320,621**
Costs				
Raw materials and consumables	(83,342)	(11,619)	-	(94,961)
Subcontracts	(65,276)	-	-	(65,276)
Personnel costs	(41,871)			(41,871)
Other operating costs	(32,676)	(6,880)	-	(39,556)
Personnel costs	(27,531)	(7,604)	(903)	(36,038)
Amortization, depreciation, provisions and impairment losses	(18,475)	(402)	-	(18,877)
Total costs	**(269,170)**	**(26,505)**	**(903)**	**(296,578)**
Operating profit	**(59,716)**	**84,661**	**(903)**	**24,042**
Financing income (costs) and gains (losses) on investments				
Financial income	*423*	*801*	-	*1,224*
Financial expense	*(8,252)*	*(54)*	-	*(8,306)*
Net exchange rate gains (losses)	*6,679*	*(190)*	-	*6,489*
Net financing income (costs)	(1,150)	557	-	(593)
Net financing costs and net gains on investments	**(1,150)**	**557**	**-**	**(593)**
Profit (loss) before taxes	**(60,866)**	**85,218**	**(903)**	**23,449**
Income taxes	(5,895)	(93)	(34)	(6,022)
Profit (loss) from discontinued operations	**(66,761)**	**85,125**	**(937)**	**17,427**
Profit (loss) from discontinued operations attributable to:				
Owners of the parent	(70,717)	85,125	(937)	13,471
Non-controlling interests	3,956			3,956

(Amounts in thousands of euros)	2013 Todini	Fisia Babcock	SUW Campania	Total
Revenue				
Operating revenue	287,069	68,251	-	355,320
Other revenue	25,897	349	-	26,246
Total revenue	**312,966**	**68,600**	**-**	**381,566**
Purchasing costs	(75,361)	(24,999)	-	(100,360)
Subcontracts	(134,637)	-	-	(134,637)
Service costs	(75,869)	(29,523)	(6,527)	(111,919)
Personnel costs	(40,998)	-	-	(40,998)
Other operating costs	(46,137)	(20,503)	-	(66,640)
Amortization, depreciation, provisions and impairment losses	(18,489)	1,075	-	(17,414)
Total costs	**(391,492)**	**(73,950)**	**(6,527)**	**(471,969)**
Operating profit	**(78,525)**	**(5,350)**	**(6,527)**	**(90,402)**
Financial income	*436*	*2,753*	*187*	*3,376*
Financial expense	*(9,295)*	*(156)*	*-*	*(9,451)*
Net exchange rate gains (losses)	*(729)*	*800*	*-*	*71*
Net financing income (costs)	(9,588)	3,397	187	(6,004)
Gains (losses) on investments	(25)	2	-	(23)
Net financing costs and net gains on investments	**(9,613)**	**3,399**	**187**	**(6,027)**
Profit (loss) before taxes	**(88,139)**	**(1,951)**	**(6,340)**	**(96,430)**
Income taxes	1,801	788	(8,299)	(5,710)
Profit (loss) from discontinued operations	**(86,338)**	**(1,163)**	**(14,639)**	**(102,140)**
Owners of the parent	(80,969)	(1,163)	(14,639)	(96,771)
Non-controlling interests	(5,369)	-	-	(5,369)

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
Equity attributable to the owners of the parent			
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)
Equity attributable to the owners of the parent	**1,109,903**	**699,427**	**410,476**
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)*
TOTAL SHAREHOLDERS' EQUITY	**1,186,416**	**921,422**	**264,994**

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)
Total other reserves	**88,490**	**16,063**	**72,427**
Translation reserve	15,574	826	14,748
Hedging reserve	1,987	2,150	(163)
Actuarial reserve	(5,446)	(1,873)	(3,573)
Total other components of comprehensive income	**12,115**	**1,103**	**11,012**

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

a) 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;

b) The share capital increase, with recognition of ancillary costs, amounting to €3.9 million, in a specific reserve;

c) 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:

- 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.

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;
- 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 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
Reclassification from the statement of comprehensive income to the income statement	*(333)*	*13,530*
Equity-accounted investees	*(865)*	*3,146*
Increase (decrease)	*15,946*	*(21,167)*
Total changes	14,748	(4,491)
Closing balance	**15,574**	**826**

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

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

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

Retained earnings

This item may be analyzed as follows:

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

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
Closing balance	**76,512**	**221,992**

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
Total non-controlling interests							**76.5**

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**
Assets			
Non-current assets	1,118	2,607	(1,489)
Current assets	247,635	253,528	(5,893)
Total assets	**248,753**	**256,135**	**(7,382)**
Shareholders' equity and liabilities			
Shareholders' equity	49,933	49,942	(9)
Non-current liabilities	413	768	(355)
Current liabilities	198,407	205,425	(7,018)
Total shareholders' equity and liabilities	**248,753**	**256,135**	**(7,382)**

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
Earnings after taxes	**(9)**	**(16)**	**7**
Total comprehensive income	**(9)**	**(16)**	**7**
Total comprehensive income allocated to minority interests	**(4)**	**(8)**	**4**

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)
Net increase in cash and cash equivalents and current account overdrafts	**937**
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**

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

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

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)
Net increase in cash and cash equivalents and current account overdrafts	**(555)**
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**

Società Autostrada Broni-Mortara S.p.A.

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

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

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
Net increase in cash and cash equivalents and current account overdrafts	**(1,679)**
Cash and cash equivalents and current account overdrafts at start of year	**1,957**
Cash and cash equivalents and current account overdrafts at end of year	**278**

Salini-Kolin-GCF Joint Venture

Financial position figures (Amounts in thousands of euro)	**December 31, 2014**	**December 31, 2013**	**Change**
Assets			
Non-current assets	154	194	(40)
Current assets	48,675	19,868	28,807
Total assets	**48,829**	**20,062**	**28,767**
Shareholders' equity and liabilities			
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
Total shareholders' equity and liabilities	**48,829**	**20,062**	**28,767**

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)
Earnings after taxes	**5,212**	**4,966**	**246**
Other components of comprehensive income	103		103
Total comprehensive income	5,315	4,966	349
Total comprehensive income allocated to minority interests	**3,295**	**3,079**	**216**

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)
Net increase in cash and cash equivalents and current account overdrafts	**14,317**
Cash and cash equivalents and current account overdrafts at start of year	**2,489**
Cash and cash equivalents and current account overdrafts at end of year	**16,806**

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

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

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
Other components of comprehensive income	**865**	**56**	**809**
Total comprehensive income	**7,974**	**1,561**	**6,413**
Total comprehensive income allocated to minority interests	4,685	917	3,768

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)
Net increase in cash and cash equivalents and current account overdrafts	**19,350**
Cash and cash equivalents and current account overdrafts at start of year	**50,343**
Cash and cash equivalents and current account overdrafts at end of year	**69,693**

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
Equity and profit for the year of Salini Impregilo S.p.A.	**942,987**	**30,693**
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
Other consolidation entries		
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)
Equity and profit for the year attributable to the Group	**1,109,903**	**93,772**
Equity and profit for the year attributable to non-controlling interests	76,513	9,348
Consolidated equity and profit for the year at December 31, 2014	**1,186,416**	**103,120**

15. Bank and other loans

Bank and other loans decreased by €290.0 million over December 31, 2013 to €703.7 million at year end, as summarized below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Non-current portion			
- Bank and other loans	456,209	643,870	(187,661)
Current portion			
- Current account facilities and other loans	247,522	349,884	(102,362)

The overall financial indebtedness of the Salini Impregilo Group is broken down by loan type in the following table:

	December 31, 2014			December 31, 2012		
(Amounts in thousands of euros)	Non-current	Current	Total	Non-current	Current	Total
Bank corporate loans	389,775	64,057	453,832	590,982	83,763	674,745
Bank project financing	33,493	90,179	123,672	12,080	69,456	81,536
Concession financing	9,687	20,362	30,049	8,386	20,210	28,596
Financing and loans of companies in liquidation	2,136	-	2,136	2,136	-	2,136
Other financing	12,022	32,817	44,839	9,706	3,281	12,987
Total bank and other loans	**447,113**	**207,415**	**654,528**	**623,290**	**176,710**	**800,000**
Current account facilities	-	27,711	27,711	-	126,624	126,624
Factoring payables	3,374	6,339	9,713	20,165	45,161	65,326
Financial payables to unconsolidated Group companies	**5,725**	**6,058**	**11,783**	**418**	**1,388**	**1,806**
Total	**456,212**	**247,523**	**703,735**	**643,873**	**349,883**	**993,756**

Bank corporate loans

Bank corporate loans as at December 31, 2014 amounted to €453.8 million (€674.7 million) and relate to the parent Salini Impregilo.

These loans have been granted by major banks and have repayment plans which provide for payment of the last installments in 2017. The interest rates have floating spreads depending on the loan term and conditions.

The decision to apply the Euribor (1, 2, 3 or 6 months) has been contractually provided for to the benefit of Salini Impregilo.

	company	Interest rate	Expiry date	Note
Banco do Brasil	Salini Impregilo	Euribor	2015	
Pool of Banks (agent bank Banca IMI)	Salini Impregilo	Euribor	2016	(1)
Intesa Sanpaolo	Salini Impregilo	Euribor	2016	
Banca IMI Refinancing	Salini Impregilo	Euribor	2016	
Banca del Mezzogiorno	Salini Impregilo	Euribor	2017	

(1) The loan is backed by covenants that establish the requirement for the borrower to maintain certain financial and equity ratios, which at the date of this Annual Report are fully respected.

The interest rates shown in the table have floating spreads depending on the term and conditions of the financing.

The fair value of bank corporate loans, measured as set out in the "Accounting policies" section, is €481.0 million.

Bank project financing

Project financing at December 31, 2014 amounted to €123.7 million and related to projects in Colombia for €71.4 million, projects in Chile for €11.4 million, to the Morocco branch for €5.9 million, and Metro B1 for €20.1 million. The change mainly refers to the increase on the Metro B1 contract for €19.9 million, contracts in Chile for €11.4 million and the changes in consolidation under IFRS 5 applying to some Todini Costruzioni Generali projects for €13.5 million. This change was partially offset by the reduction recorded on the contract in Venezuela.

	company	Country	Interest rate	Expiry date
Banco de Bogotà	ICT II	Colombia	DTF	*n.a*
Banco de Bogotà	Igl OHL	Colombia	DTF	*n.a*
Santander/Banco ITAU	Metro 6	Chile	Fixed	2015
Ticino State Bank	CSC	Switzerland	Fixed	2015
BMCE	Morocco Branch	Morocco	Fixed	(1)
Monte dei Paschi di Siena	Corso del Popolo S.p.A.	Italy	Euribor	2028
Banca Popolare del Lazio	Piscine dello Stadio Srl	Italy	Euribor	2020
Banca del Mezzogiorno	Metro B1	Italy	Euribor	2017

(1) Project financing agreements have contractual maturities in line with the performance of the relevant contract.

The interest rates shown in the table have floating spreads depending on the term and conditions of the financing.

The fair value of the project financing, measured as set out in the "Accounting policies" section, is €122.9 million.

Concession financing

(Amounts in thousands of euros)	company	Currency	Country	December 31, 2014 Total financial liabilities	Current	Non-current	December 31, 2013 Total financial liabilities	Current	Non-current
Royal Bank of Scotland	Impregilo Parking Glasgow	Sterling	UK	9,967	280	9,687	8,595	210	8,385
UniCredit	S.A.BRO.M	Euro	Italy	20,082	20,082	-	20,000	20,000	-
Total				**30,049**	**20,362**	**9,687**	**28,595**	**20,210**	**8,385**

At December 31, 2014, concession financing amounted to €30.0 million and related to the Parking Glasgow concession and the Broni-Mortara motorway concession.
This outstanding financing from Royal Bank of Scotland is included in the project financing category and is secured by the revenue flows arising from the activities carried out under the related concessions. An interest rate hedge has been agreed for this financing (see Note 21). The financing agreement includes a number of covenants, all of which the operator had complied with at the reporting date.

(Amounts in thousands of euros)	company	Country	Total non-current portion	Due after 13 months but within 24 months	Due after 25 months but within 60 months	Due after 60 months
Royal Bank of Scotland	Impregilo Parking Glasgow	UK	9,687	343	1,395	7,949
Total			**9,687**	**343**	**1,395**	**7,949**

The fair value of the concession financing, measured as set out in the "Accounting policies" section, is €29.6 million.

Financing and loans of companies in liquidation

Financing and loans of companies in liquidation at December 31, 2014 amount to €2.1 million, substantially unchanged compared to the end of the previous year. The related repayment plans are linked to the liquidation procedures of the companies to which the financing and loans refer.

Other financing

(Amounts in thousands of euros)	company	Country	December 31, 2014 Total financial liabilities	December 31, 2014 Current	December 31, 2014 Non-current	December 31, 2013 Total financial liabilities	December 31, 2013 Current	December 31, 2013 Non-current
Cat Finance	Salini Impregilo	Italy	16,694	4,757	11,937	12,788	3,224	9,564
Bethar Al Amal	Salini Impregilo	Italy	28,004	28,004	-	-	-	-
Cat Finance	Co.Ge.Ma.	Italy	140	56	84	198	57	141
Total			**44,838**	**32,817**	**12,021**	**12,986**	**3,281**	**9,705**

The conditions of the main loans may be summarized as follows:

	company	Country	Interest rate	Expiry date
CAT Finance	Salini Impregilo	Italy	Fixed rate	2019
CAT Finance	Co.Ge.Ma.	Italy	Fixed rate	2019
Factorit	Ethiopia Branch	Ethiopia	Fixed rate	2015

The interest rates shown in the table have floating spreads depending on the term and conditions of the financing.

The fair value of the financing, measured as set out in the “Accounting policies” section, is €17.1 million, which is the same as for the other financial payables previously shown and substantially in line with their carrying amount.

Current account facilities

Current account facilities totaled €27.7 million, down €98.9 million compared to December 31, 2013. The change is due mainly to repayments by the Venezuelan branch totaling €81.9 million.

Factoring payables

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Salini Impregilo S.p.A.	-	10,179	(10,179)
Venezuelan branch	3,374	20,165	(16,791)
Salerno-Reggio Calabria S.c.p.A.	2,359	12,932	(10,573)
Ethiopia Branch (Factorit)	3,853	1,183	2,670
Sierra Leone Branch (Factorit)	97	-	97
JV Mukorsi (Factorit)	31	-	31
Metro B1	-	20,818	(20,818)
Rimati	-	50	(50)
Total	**9,714**	**65,326**	**(55,612)**

“Amounts due to factoring companies” mainly refer to receivables sold by the Venezuelan branch and by Salerno-Reggio Calabria S.c.p.A.

Net financial position of Salini Impregilo Group

(Amounts in thousands of euros)	Note (*)	December 31, 2014	December 31, 2013 (§)	Change
Non-current financial assets	4	89,124	48,909	40,215
Current financial assets	9	156,908	303,513	(146,605)
Cash and cash equivalents	12	1,030,925	1,127,276	(96,351)
Total cash and cash equivalents and other financial assets		**1,276,957**	**1,479,698**	**(202,741)**
Bank loans and other facilities	15	(456,209)	(643,871)	187,662
Bond issues	16	(394,326)	(552,542)	158,216
Finance lease payables	17	(102,310)	(109,876)	7,566
Total non-current indebtedness		**(952,845)**	**(1,306,289)**	**353,444**
Bank account overdrafts and current portion of financing facilities	15	(247,522)	(349,884)	102,362
Current portion of bond issues	16	(166,292)	(11,154)	(155,138)
Current portion of finance lease payables	17	(60,231)	(63,954)	3,723
Total current indebtedness		**(474,045)**	**(424,992)**	**(49,053)**
Derivative assets	9	-	1,016	(1,016)
Derivative liabilities	18	(5,244)	(4,354)	(890)
Net financial assets held by SPVs and unconsolidated project companies (**)		65,953	44,545	21,408
Total other financial assets (liabilities)		**60,709**	**41,207**	**19,502**
Total net financial position – continuing operations		**(89,224)**	**(210,376)**	**121,152**
Net financial position for assets held for sale		(81,292)	(53,868)	(27,424)
Net financial position including non-current assets held for sale		**(170,516)**	**(264,244)**	**93,728**

(*) The note numbers refer to the notes to the Consolidated financial statements where the items are analyzed in detail.
(**) This item recognizes the portion of net payables and receivables pertaining to consortia and/or consortium companies over which no entity has control and operating under a cost recharging system, which corresponds to the Group's share of cash and cash equivalents or financial debt with SPVs. In the financial statements, the balances are included in Trade Receivables.
(§) The data at December 31, 2013 were reclassified due to the adoption of the new standards IFRS 10 and IFRS 11.

16. Bonds

The outstanding bond issues at December 31, 2014, totaling €560.6 million, relate to the parent company Salini Impregilo S.p.A. (€404.5 million), and the Dutch subsidiary, Impregilo International Infrastructures (€156.1 million). This balance is composed as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Non-current	394,326	552,542	(158,216)
Current	166,292	11,154	155,138

A breakdown of this item is set out in the following table:

(Amounts in thousands of euros)	Country	December 31, 2014			December 31, 2013		
		Total financial liabilities	Current	Non-current	Total financial liabilities	Current	Non-current
Salini Impregilo S.p.A.		404,529	10,203	394,326	403,210	10,203	393,007
Impregilo International Infrastructures - 2nd issue	Netherlands	156,090	156,090		160,486	951	159,535
Total		**560,619**	**166,293**	**394,326**	**563,696**	**11,154**	**552,542**

On July 23, 2013, the parent company Salini Impregilo S.p.A. (formally Salini S.p.A.) completed a senior unsecured bond issue for a nominal amount of €400 million with maturity on August 1, 2018, intended for international institutional investors. The bonds, which have a minimum denomination of €100,000 and an annual gross coupon of 6.125%, were placed with primary international institutional investors at a price of 99.477. The fair value of this loan at the end of the year, measured as set out in the "Accounting policies" section, is €427.1 million.

In November 2010, the Dutch company Impregilo International Infrastructures NV, wholly owned by Salini Impregilo S.p.A., placed bonds (Notes) for a total nominal amount of €300 million with qualified Italian and foreign investors. The outstanding bonds at the reporting date with a nominal amount of €150 million are redeemable in November 2015 (bearing interest at a fixed rate of 6.526%). The bonds are listed on the Luxembourg stock exchange and underwritten by Salini Impregilo S.p.A. The fair value of this loan at the end of the year, measured as set out in the "Accounting policies" section, is substantially in line with the booked value.

17. Finance lease payables

Finance lease payables at December 31, 2014 may be broken down as follows

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Non-current portion	102,310	109,876	(7,566)
Current portion	60,231	63,954	(3,723)

This item includes the principal of future lease payments at December 31, 2014, related to the purchase of plants, machinery and equipment, with an average life of between three to eight years.

The effective average interest rate ranges from 2.5 - 4.4% for the Italian companies at the reporting date while the leases issued by the subsidiaries in Colombia and Chile have a floating rate indexed to the local interbank rate.

Payables for these leases are guaranteed to the lessor via rights on the leased assets.

The present value of the minimum future lease payments is €162.5 million (€173.8 million) as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013
Minimum lease payments:		
Due within one year	66,270	69,122
Due between one and five years	105,006	115,405
Due after five years	6,410	3,437
Total	**177,686**	**187,964**
Future financial expense on finance leases	(15,145)	(14,134)
Net present value	**162,541**	**173,830**
The net present value of finance leases is as follows:		
Due within one year	60,231	63,954
Due between one and five years	96,837	106,653
Due after five years	5,473	3,223
Total	**162,541**	**173,830**

18. Derivatives and other current financial liabilities

These items show the fair value of the currency and interest rate hedges at the reporting date. This item is analyzed below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013
Interest rate swaps - Cash flow hedges	4,951	4,350
Total derivatives presented in net financial position	**4,951**	**4,350**

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013
Interest rate swaps - Cash flow hedges	293	13
Currency swaps – FVTPL		(9)
Total derivatives presented in net financial position	**293**	**4**

The following tables set out the characteristics of the derivative liabilities existing at December 31, 2014, showing the company holding the contract and the related fair value at the reporting date:

Interest rate swap - Cash flow hedges: liabilities at fair value

Company	Agreement date	Expiry date	Currency	Notional amount	Fair value (€)
Impregilo Parking Glasgow	09/27/2004	06/30/2029	GBP	7,793,515	(3,252,064)
Impregilo Parking Glasgow	06/01/2003	06/30/2029	GBP	711,700	(1,699,100)
Total					**(4,951,164)**

This category includes derivatives that have been entered into to hedge the Group against interest rate risks and that meet hedge accounting requirements. To check compliance with these requirements, the effectiveness of the hedges has been verified and confirmed and, therefore, their fair value changes have been recognized in the hedging reserve (see Note 17).

Interest rate swap - Cash flow hedges: liabilities at fair value

Company	Agreement date	Expiry date	Currency	Notional amount	Fair value (€)
Salini Impregilo S.p.A	02/12/2010	08/01/2016	EUR	985,240	(28,925)
Total					**(28,925)**

Currency derivatives - FVTPL: liabilities at fair value

Company	Agreement date	Expiry date	Currency	Notional amount	Fair value (€)
Salini Impregilo S.p.A	12/11/2014	03/05/2015	USD	1,579,895	(23,776)
Salini Impregilo S.p.A	12/05/2014	03/05/2015	USD	2,520,000	(33,962)
Salini Impregilo S.p.A	02/20/2014	05/20/2014	USD	8,772,000	(206,687)
Total					**(264,425)**

19. Post-employment benefits and employee benefits

At December 31, 2014, the Group's liability due to all its employees determined using the criteria set out in IAS 19 is €23.3 million.

The balance mainly consists of Italian post-employment benefits (TFR) related to Salini Impregilo S.p.A. and its Italian subsidiaries. At December 31, 2014 and 2013, the liability for post-employment benefits is the outstanding payable at the reform effective date, net of benefits paid up to the reporting dates. The liability is considered part of a defined benefit plan under IAS 19 and has, therefore, been subjected to actuarial valuation.

The valuation, performed with the assistance of an independent expert, was based on the following rates:

- turnover rate: 7.25%;
- discount rate: 1.49%;
- advance payment rate: 3%;
- inflation rate: 2%.

The benchmark used for the discount rate is the Iboxx AA Corporate index for the Eurozone with an average financial duration in line with the fund being valued.

Changes in this item are as follows:

(Amounts in thousands of euros)	December 31, 2013	Provision for the year	Payments	Change in scope of consolidation and other changes	Payment to INPS treasury and other funds	Actuarial gains (losses)	December 31, 2014
Post-employment benefits and employee benefits	21,755	14,979	(11,613)	(85)	(5,290)	3,574	23,320

(Amounts in thousands of euros)	December 31, 2012	Provision for the year	Payments	Change in scope of consolidation and other changes	Payment to INPS treasury and other funds	Actuarial gains (losses)	December 31, 2013
Post-employment benefits and employee benefits	4,506	15,259	(12,586)	15,769	(2,111)	918	21,755

Actuarial gains and losses have been recognized separately and in a specific equity reserve, as required by IAS 19.

The change in the scope of consolidation and other changes in 2013 included €18.7 million relating to the balance of the post-employment benefits of the Impregilo Group at April 1, 2013, the reference date used for the acquisition of control by Salini S.p.A.

For the liabilities as at December 31, 2014, a +0.5% change in the discount rate used for the calculation would have generated a positive effect of €0.2 million. Likewise a -0.5% change in the discount rate would have generated a negative effect of 0.2 million. The same change in the discount rate as at December 31, 2013 (+0.5%) would have generated a positive effect of €0.2 million or (-0.5%) negative effect of €0.2 million.

20. Provisions for risks

These provisions amounted to €97.5 million at the reporting date, as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Provision for risks on equity investments	6,696	86,787	(80,091)
Other provisions	90,831	89,407	1,424
Total	**97,527**	**176,194**	**(78,667)**

The provision for risks on equity investments relates to expected impairment losses on the carrying amount of the Group's investments in associates for the part that exceeds their carrying amounts.

Changes in this provision are detailed below:

(Amounts in thousands of euros)	2014
Acquisitions and disposals	(130)
Share of profit (loss) of equity-accounted investees	(2,880)
Reclassification of receivable from GUPC	(76,604)
Other changes including changes in the translation reserve	(478)
Total	**(80,092)**

The provisions for risks on equity investments decreased by €80.1 million mainly due to the receivable that the parent company claims is due from the associate Grupo Unidos por el Canal SA (Panama) being shown net of the provisions for risks on equity investments recognized in line with the assessment of the loss to complete the contract; in 2013, the net receivable had a negative value and was recognized in the item provisions for risks on equity investments for €76.6 million, while in 2014, following the increase in the receivables for loans granted during the year, it was positive and classified in the item equity investments.

Other provisions comprise:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
SUW Campania Projects	30,494	30,494	-
Provisions set up by Imprepar and its subsidiaries	32,927	32,385	542
Losses on contracts	38	96	(58)
Ongoing litigation	13,406	10,537	2,869
Building segment litigation	2,601	3,260	(659)
Tax and social security litigation	39	4,778	(4,739)
Environmental risks	385	445	(60)
Other	10,942	7,412	3,530
Total	**90,832**	**89,407**	**1,425**

The provision for the SUW Campania projects mainly includes the potential estimated costs for environmental clean-up.

The provisions set up by Imprepar and its subsidiaries include accruals made for probable future charges related to the closing of contracts and potential evolution of ongoing litigation.

The provision for ongoing litigation refers to disputes involving Salini Impregilo and some of its subsidiaries.

The provision for environmental risks mainly relates to the management of a landfill, concerning future liabilities related to closure and post-closure activities.

"Other" mainly comprises amounts accrued since 2013 for certain foreign contracts completed in previous years for which disputes are ongoing with the customers. Relationships with these customers are difficult and, therefore, the Group is unable to estimate exactly when the related receivables will be collected.

Changes in the item during the reporting period are summarized below:

(Amounts in thousands of euros)	December 31, 2013	Provisions	Utilizations	Chang in consolidation scope	Exchange rate gains (losses)	Reclassifications	Discounting to PV and other changes	December 31, 2014
Total	89,407	11,687	(9,922)	708	286	-	(1,334)	90,832

Changes during 2013 are shown in the following table:

(Amounts in thousands of euros)	December 31, 2012	Provisions	Utilizations	Chang in consolidation scope	Exchange rate gains (losses)	Reclassifications	Discounting to PV and other changes	December 31, 2013
Total	12,157	5,559	(8,731)	84,340			(3,918)	89,407

Changes of the year comprise:

(i) provisions of €11.7 million; specifically €3.4 million relate to the subsidiary Metro 6, €2.6 million to the subsidiary Imprepar, €1.6 million to CSC and €1 million to Fibe;

(ii) utilizations for €9.9 million, of which €4.8 million relating to the tax dispute concerning the Ethiopian branch, €1.8 million to Imprepar and €1 million to CSC. Utilizations relate to the occurrence of expenses and losses for which they had been accrued.

The Group is involved in another two first-instance disputes related to 2005 mainly concerning: (i) the costs of a joint venture set up in Venezuela; and (ii) the method used to "realign" the carrying amount of equity investments as per Article 128 of Presidential Decree 917/86. An additional charge for the year 2006 concerning (a) the costs incurred by a participatory association established in Venezuela, (b) a loss realized on an equity investment, and (c) costs for (presumed) services not attributable to the year. In the ruling at second instance, the Milan Regional Tax Commission – with decision on May 28, 2014 – cancelled almost all of the tax claim. The Italian tax authorities did not challenge the ruling, which therefore became definitive. Regarding the pending disputes, the company – comforted by the option of its tax counsel – believes that its actions were proper and, consequently, treated the associated risk as improbable, but not impossible.

In addition, the Italian Finance Police – Milan Tax Police Unit have begun a tax audit of the company regarding IRES tax, IRAP tax and VAT for the years 2011 and 2012. While in progress, the audit was extended to the year 2010.

With regard to the criminal proceedings activated against the C.A.V.E.T. Consortium and certain individuals, including some former managers of the Consortium, it is worth mentioning that the appellate proceedings ended in June 2011 with a decision handed down on June 27, 2011, which reversed in full the lower court's decision, thus reversing the convictions handed down by the lower court and finding both the Consortium and the indicted individuals not guilty of any of the charges. The Public Prosecutor of the Court of Florence appealed this decision to the Court of Cassation, which, on March 18, 2013, set aside in part the decision of the Florence Court of Appeals ordering that the case be returned to the Court of Appeals. The reinstated proceedings before the Florence Court of Appeals got under way on January 30, 2014 and, on March 21, 2014, the Court of Appeals handed down a decision by which it rejected most of the charges levied by the Public Prosecutor, but upheld them in some important cases. The ruling of the Courts of Appeal of Florence, whose grounds were filed on May 29, 2014, was challenged by all the defendants and by C.A.V.E.T, as a party liable under civil law, and the related appeals were filed for Cassation in September this year. The Consortium, in protecting its interests, is confident that it will be able to demonstrate, again, in the subsequent courts of instance, the correctness of its actions.

Lastly, with a ruling of May 21, 2014, the Provincial Tax Commission of first instance confirmed the findings on corporate income tax (IRES) made by the Italian tax authorities for 2006 and considered it wrongful to carry forward the past losses by Imprepar to 2007. This gave rise to an injunction of payment by the company of €3.9 million, including €2.3 million for penalties. Collection was deferred pending an appeal. An investigation was conducted for the 2008 financial year, for the same reasons of the investigation related to 2007, but the date of the hearing is yet to be scheduled. The grounds for the ruling were the subject of in-depth analysis by the company's legal advisors and tax experts which were instructed to file an appeal to the Regional Tax Commission (second instance). Taking into account the objective basis of the reasons given in the appeal, as well as the views expressed by the company's consultants, also on the analysis of the ruling under review, the company has decided not to change the assessment made so far on the final outcome of this dispute.

See the section on "Non-current assets held for sale and discontinued operations" in Part II of the Directors' Report for more information on ongoing disputes related to the SUW Campania projects.

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)	December 31, 2014	December 31, 2013	Change
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
Total	**1,725,883**	**1,733,987**	**(8,104)**

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:

	December 31, 2014			December 31, 20143			
(Amounts in thousands of euros)	Negative WIP	Contractual advances	Total	Negative WIP	Contractual advances	Total	Change
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
Total	**169,565**	**1,556,318**	**1,725,883**	**296,565**	**1,437,422**	**1,733,987**	**(8,104)**

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.

22. Trade payables to suppliers

Trade payables to suppliers amounted to €1,426.7 million at the reporting date, an increase of €163.2 million on December 31, 2013. This includes payables to non-consolidated Group companies and other related parties for €153.9 million (€292.8 at December 31, 2013). The table below shows the payables to third parties. They are made up as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Trade payables to suppliers	**1,273,100**	970,686	302,414

The overall increase in trade payables was determined by opposite changes, mainly due to: an increase of about €28.5 million from the reclassification of business units of Todini Costruzioni Generali, which, following the mentioned reorganization were reported in continuing operations at December 31, 2014, while they were classified as assets held for sale (IFRS 5) in 2013; a decrease of approximately €17.5 million due to the disposal of Fisia Babcock; an increase in the African region from the ordinary management of operating contracts for approximately €29 million, with specific reference to the Grand Ethiopian Renaissance Dam contract; an increase of approximately €33.4 million related to the Copenhagen Cityringen Project in Denmark being in full operation; an decrease of approximately €28.1 million as a result of the contract for the construction of the Torun - Strykow motorway in Poland substantially reaching completion; an increase of approximately €23.8 million related to the Kosekoy – Gezbe Rehabilitation and reconstruction contract in Turkey being in full operation; increases of approximately €17.7 million and €83 million, respectively, attributable to ordinary production activities of the Abu Hamour Tunnel contract in Qatar and the Metro Red Line North contract in Doha; a decrease of approximately €18 million in payables related to companies operating in South America, specifically in Venezuela, following the Group's adoption, as of June 30, 2014, of the new official exchange rate, known as SICAD2 and, finally, an increase of €149 million in relation to investments made in view of the start of the Cociv contract.

This item also includes payables to non-consolidated Group companies and other related parties that amount to €153.6 million (€292.8 million as at December 31, 2013).

The decrease of €139.2 million is mainly due to:

- settlement of the payable due to Salini Costruttori by payment of €7.6 million;
- the reduction in the payable to Pedelombarda for €72.8 million for payments made and lower amounts accrued in the year as a result of the contract nearing completion;
- the change in the method of consolidation of Consorzio Cociv, which in 2013 was measured equity while in 2014, following acquisition of a further quota, was consolidated line-by-line. This change resulted in a reduction of €49.1 million.

23. Current tax liabilities and other current tax liabilities

Current tax liabilities amounted to €47.5 million as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
IRES	8,318	44,376	(36,058)
IRAP	292	4,166	(3,874)
Foreign taxes	38,874	28,690	10,184
Total	**47,484**	**77,232**	**(29,748)**

Other current tax liabilities of €53.8 million decreased by €4.3 million over December 31, 2013. They may be analyzed as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Withholdings	10	1,031	(1,021)
VAT	42,583	38,180	4,403
Other indirect taxes	11,158	10,282	876
Total	**53,751**	**49,493**	**4,258**

24. Other current liabilities

Other liabilities of €335.9 million (€294.8 million) comprise:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Social security institutions	13,304	12,938	366
Employees	39,881	34,540	5,341
Compensation and compulsory purchases	16,112	3,601	12,511
State bodies	116,235	116,235	-
Security deposits	6	8	(2)
Other payables	91,312	96,623	(5,311)
Other payables to non-consolidated Group entities and other related parties	30,334	13,576	16,758
Accrued expenses and deferred income	28,734	17,246	11,488
Total	**335,918**	**294,767**	**41,151**

- Payables due to employees relate to accrued unpaid remuneration.
- Compensation and compulsory purchases relate to the High Speed / High Capacity contracts; the increase of €12.5 million on the previous year refers to the Milan-Genoa section.
- Payables due to state bodies €116.2 million entirely relate to the transactions with the commissioner, the provincial authorities and municipalities of Campania in connection with the SUW Campania projects. Reference should be made to the Section "Non-current assets held for sale" in the Directors' Report - Part II of this Annual Report for more information about the complicated situation surrounding the SUW Campania projects.

- Other payables of €91.3 million (€96.6 million at December 31, 2013) increased by €5.3 million. This change is due to the increase in payables to our partners in new projects in Arabia and North America, and the reduction in payables related to the High Capacity contract - Turin Milan section, now completed, in addition to the adjustment of amounts expressed in the Venezuelan currency, at the new official exchange rate "SICAD 2" adopted by the Group with effect from June 30, 2014, which depreciated significantly compared the previous official exchange (Bolivar Fuerte or VEF). Lastly, this item includes payables for €3.2 million relating to the judgments issued by the Regional Tax Commission of Naples on June 3, 2014 concerning the "eco-tax", as part of the SUW Campania projects.

- Other payables to non-consolidated Group companies and other related parties amounted to €30.3 million, an increase of €16.8 million compared to the previous year. This change is due mostly to the reclassification of the Todini businesses, which in the previous year had been recognized in assets and liabilities held for sale. Todini's payables amount to €12.4 million and refer mainly to amounts yet to be settled with Co.ge.Fin. Srl The remainder of the increase of this item, totaling €4.4 million, relates to the payables due to other Group companies, including the amounts payable to E.R. Impregilo Dumez y Asociados para Yaciritè, Consorzio TAT.Tunnel Alp Transit and Thessaloniki Metro CW, operating respectively in Argentina, Switzerland and Greece.

- Accrued expenses and deferred income of €28.7 million, include €4.6 million for the ten-year post-contract guarantee and relate to the following items:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Accrued expenses:			
- Commissions on sureties	3,093	2,652	441
- Other	14,360	14,260	100
Total accrued expenses	**17,453**	**16,912**	**541**
Deferred income:			
- Provision of services	11,281	334	10,947
Total deferred income	**11,281**	**334**	**10,947**
Total	**28,734**	**17,246**	**11,488**

25. Guarantees and commitments

The key guarantees given by the Group are set out below:

- Contractual sureties: these totaled €5,403.7 million and are given to customers as performance bonds, to guarantee advances, retentions and involvement in tenders for all ongoing contracts. In turn, the Group companies have guarantees given by their subcontractors for some of these contractual sureties.

- sureties for credit: these total €312.4 million;

- sureties granted to SACE for export credit of €157.1 million;

- other guarantees totaling €667.8 million consisting of guarantees related to customs and tax obligations €74.9 million and for other commitments (such as environmental clean-ups and export credit) €592.8 million;

- collateral related to:

  – liens on shares of the consortium companies Salerno Reggio Calabria S.c.p.A. and Reggio Calabria-Scilla S.c.p.A. given to guarantee a loan of €17.8 million;

  – liens on the remaining shares of Tangenziale Esterna S.p.A. given to guarantee a loan €17.4 million.

26. Financial instruments and risk management

Categories of financial instruments

The Group's financial instruments are broken down by category in the following table, which also shows their fair value:

December 31, 2014 (Amounts in thousands of euros)	Note	Loans and receivables	Financial assets at fair value through profit or loss	Hedging derivatives	Held-to-maturity investments	Available-for-sale financial assets	Total	Fair value
Financial assets								
Non-current financial assets	4	71,320			17,804		89,124	89,124
Trade receivables	8	1,680,303					1,680,303	1,680,303
Other current financial assets	9	145,475			11,433		156,908	156,908
Derivatives	9							
Cash and cash equivalents	12	1,030,925					1,030,925	1,030,925
Total		2,928,023			29,237		2,957,260	2,957,260

December 31, 2014 (Amounts in thousands of euros)	Note	Other liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Hedging derivatives	Total	Fair value
Financial liabilities						
Bank loans and other facilities	15	703,730			703,730	729,859
Finance lease payables	17	162,541			162,541	162,541
Bonds	16	560,618			560,618	577,120
Derivatives	18			5,244	5,244	5,244
Trade payables to suppliers	22	1,426,744			1,426,744	1,426,744
Total financial liabilities		2,853,633		5,244	2,858,877	2,901,508

December 31, 2013 (Amounts in thousands of euros)	**Note**	**Loans and receivables**	**Financial assets at fair value through profit or loss**	**Hedging derivatives**	**Held-to-maturity investments**	**Available-for-sale financial assets**	**Total**	**Fair value**
Financial assets								
Non-current financial assets	4	40,624			8,285		48,909	48,909
Trade receivables	8	1,767,620					1,767,620	1,767,620
Other current financial assets	9	302,923			590		303,513	303,513
Derivatives	9			1,016			1,016	1,016
Cash and cash equivalents	12	1,127,276					1,127,276	1,127,276
Total		**3,238,443**		**1,016**	**8,875**		**3,248,334**	**3,248,334**

December 31, 2013 (Amounts in thousands of euros)	**Note**	**Other liabilities at amortized cost**	**Financial liabilities at fair value through profit or loss**	**Hedging derivatives**	**Total**	**Fair value**
Financial liabilities						
Bank loans and other facilities	15	993,755			993,755	993,279
Finance lease payables	17	173,830			173,830	173,830
Bonds	16	563,696			563,696	563,696
Derivatives	18			4,354	4,354	4,354
Trade payables to suppliers	22	1,263,495			1,263,495	1,263,495
Total financial liabilities		**2,994,776**		**4,354**	**2,999,130**	**2,998,654**

The note column gives the section in which the relevant item is described.
Reference should be made to the section on the accounting policies for information on the fair value measurement of these items. Specifically, their fair value is based on the present value of estimated future cash flows.

Risk management

Salini Impregilo Group is exposed to financial risks, including the following:

- **market risk** deriving from the Group's exposure to interest rate fluctuations and exchange rate fluctuations;
- **credit risk** deriving from the Salini Impregilo Group's exposure to potential losses arising from customers' non-compliance with their obligations;
- **liquidity risk** deriving from the risk that the financial resources necessary to meet obligations may not be available at the agreed terms and deadlines.

Market risk

Market risk for the Salini Impregilo Group is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk and interest rate risk.

Currency risk

Impregilo's international presence entails its exposure to the risk of fluctuations in exchange rates of the Euro and the currencies of the various countries in which it operates. Currency risk at December 31, 2014 mainly related to the following currencies:

- Dollar (United States)
- Naira (Nigeria)
- SICAD2 (Venezuela)
- Dirham (United Arab Emirates)
- Tenge (Kazakhstan)
- Ringgit (MYR)

The Group's currency risk management strategy is essentially based on the following policies:

- agreement of contractual considerations for works and projects in countries with weak currencies using a primarily multi-currency format, in which only a portion of the consideration is expressed in local currency;
- use of portions of the contractual considerations in local currency mainly to cover project expenses to be incurred in that currency;
- analysis of exposure in US dollars on a cumulative and prospective basis with consistent deadlines and setting up forward transactions in the same currency to hedge the Group's net exposure at those deadlines.

During the year the values expressed in Venezuelan currency were adjusted to the official exchange rate ("SICAD 2") adopted by the Group from June 30, 2014, which led to a substantial depreciation compared to the values using the prior official exchange rate ("CENCOEX", formerly known as "CADIVI").

Adoption of the above-mentioned policies has contained the Salini Impregilo Group's exposure to currency risk, which only relates to the US dollar (USD), the Venezuelan currency (SICAD2), the Nigerian currency (Naira), the United Arab Emirates Dirham (AED), the Kazakh currency (KZT) and the Malaysian currency (MYR).

Given the above description of the Group's strategy to hedge currency risk on currencies other than the US dollar or other strong currencies, whereby they are hedged directly in the contract, it did not perform a sensitivity analysis of the Venezuelan currency, the depreciation of which had impacts on the income statement for the year, as has already been adequately disclosed in the preceding sections.

With regard to the US Dollar, if the Euro, at December 31, 2014, had appreciated (or depreciated) by 5% against that currency, assuming all other variables as constant, the consolidated earnings before tax for the year would have been higher (or lower in the case of depreciation) by €7.2 million, mainly due to unrealized exchange rate losses (gains) on net liabilities in US Dollars. A similar change at December 31, 2013 would have led to a €3.6 million decrease (increase in the case of depreciation) in the pre-tax profit for the year.

With regard to the Nigerian currency, if the Euro, at December 31, 2014, had appreciated (or depreciated) by 5% against that currency, assuming all other variables as constant, the consolidated earnings before tax for the year would have been higher (or lower in the case of depreciation) by €6.3 million, mainly due to unrealized exchange rate losses (gains) on net liabilities in Naira. An equivalent change at December 31, 2013 would have led to a €5.2 million decrease (increase in the case of depreciation) in the pre-tax profit for the year.

With regard to the Venezuelan currency, if the Euro, at December 31, 2014, had appreciated (or depreciated) by 15% against that currency, assuming all other variables as constant, the consolidated earnings before tax for the year would have been higher (or lower in the case of depreciation) by €1.7 million, mainly due to unrealized exchange rate losses (gains) on net liabilities in SICAD2. An equivalent change for the year ended December 31, 2014 cannot be calculated since this currency was introduced in 2014.

With regard to the United Arab Emirates currency, if the Euro, at December 31, 2014, had appreciated (or depreciated) by 5% against that currency, assuming all other variables as constant, the consolidated earnings before tax for the year would have been lower (or higher in the case of depreciation) by €2.5 million, mainly due to unrealized exchange rate losses (gains) on net assets in AED. An equivalent change at December 31, 2013 would have led to a €3.4 million decrease (increase in the case of depreciation) in the pre-tax profit for the year.

With regard to the Kazakh currency, if the Euro, at December 31, 2014, had appreciated (or depreciated) by 5% against that currency, assuming all other variables as constant, the consolidated earnings before tax for the year would have been higher (or lower in the case of depreciation) by €13.9 million, mainly due to unrealized exchange rate losses (gains) on net assets in KZT. At December 31, 2013, the Group's exposure to this currency was not material.

With regard to the Malaysian currency, if the Euro, at December 31, 2014, had appreciated (or depreciated) by 5% against that currency, assuming all other variables as constant, the consolidated earnings before tax for the year would have been lower (or higher in the case of depreciation) by €2.6 million, mainly due to unrealized exchange rate losses (gains) on net assets in MYR. At December 31, 2013, the Group's exposure to this currency was not material.

Interest rate risk

The Salini Impregilo Group has adopted a combined strategy of streamlining operations by disposing of non-strategic assets, containing debt and hedging interest rate risks on a portion of the non-current structured loans through interest rate swaps (IRSs). The financial risks arising from market interest rate fluctuations to which the Group is potentially exposed and which are monitored by the relevant company personnel relate to non-current floating rate loans. Such risk is mitigated by interest accrued on short-term investments of liquidity available at the Italian-based consortia and consortium companies and foreign subsidiaries, which are used to support the Group's operations.

Had interest rates increased or decreased by an average 75 basis points in 2014, the pre-tax profit for 2014 would have been respectively lower or greater by €12.4 million, assuming that all other variables remained constant and without considering cash and cash equivalents.

A similar change in 2013 would have led to a €9.0 million decrease or increase in the pre-tax profit for the year, assuming that all other variables remained constant. The sensitivity test on the interest rate derivative of Impregilo Parking Glasgow was only performed on cash flows generated during the year; fair value was not analyzed as the derivative qualifies for hedge accounting and the effects of a change in interest rates would only impact equity.

Credit risk

Credit risk is that deriving from the Group's exposure to potential losses arising from customers' (which are mostly governments or state bodies) non-compliance with their obligations.

Management of this risk is complex, starting as early as the assessment of bids, through a careful analysis of the characteristics of the countries in which the Group's activities should be carried out and the customers, which are usually state or similar bodies, requesting a bid.

Therefore, this risk can be essentially assimilated to the country risk. An analysis of this risk based on the age of the outstanding amounts is not very meaningful, since the receivables should be assessed together with the related working capital items, especially those reflecting the net exposure to customers (positive and negative work in progress, contractual advances and progress payments and advances) in relation to contract work in progress as a whole.

A breakdown of working capital by country, as shown in the section on segment reporting, is set out below:

Working capital by country (Amounts in thousands of euros)	**December 31, 2014**	**December 31, 2013**
Italy	923,445	295,412
Other EU countries	(157,827)	(514,337)
Other non-EU countries	1,206	(7,017)
America	(81,278)	199,736
Asia/ME	(386,391)	(140,121)
Rest of the world	124,660	(75,778)
Australia	(19,829)	540
Elimination	(72,675)	495,662
Total	**331,311**	**254,097**

The reconciliation of the reclassified consolidated statement of financial position details the items included in working capital.

The Group's exposure to customers, broken down by contract location, is analyzed below:

Customer by contract location	**Receivables**	**Positive WIP**	**Negative WIP and contractual advances**	**Total**	**Allowances**
December 31, 2014					
Italy	772,943	364,167	(149,012)	988,098	85,219
Other EU countries	57,337	80,466	(144,822)	(7,019)	1,271
Other non-EU countries	34,132	16,715	(11,896)	38,951	54
America	297,280	348,819	(170,027)	476,072	4,862
Asia/ME	84,420	64,531	(352,829)	(203,878)	3,978
Rest of the world	425,627	378,071	(877,949)	(74,251)	5,931
Australia	8,564	-	(19,349)	(10,785)	-
Total	**1,680,303**	**1,252,769**	**(1,725,884)**	**1,207,188**	**101,315**
December 31, 2013					
Italy	944,398	317,102	(110,516)	1,150,984	114,368
Other EU countries	19,048	78,471	(254,145)	(156,626)	1,574
Other non-EU countries	14,958	3,698	(2,717)	15,939	-
America	351,987	309,188	(176,865)	484,310	9,002
Asia/ME	85,066	111,395	(188,038)	8,423	-
Rest of the world	352,115	337,160	(1,001,707)	(312,432)	5,931
Australia	48	-	-	48	-
Total	**1,767,620**	**1,157,014**	**(1,733,988)**	**1,190,646**	**130,875**

Liquidity risk

Liquidity risk derives from the risk that the financial resources necessary to meet obligations may not be available to the Group at the agreed terms and deadlines.

The Group's strategy aims at ensuring that each ongoing contract is financially independent. This strategy is strictly monitored centrally.

A breakdown of financial liabilities by composition and due date (based on undiscounted future cash flows) is set out below:

(Amounts in thousands of euros)	December 31, 2015	December 31, 2016	December 31, 2019	After	Total
Current account facilities	27,711				27,711
1Bond issues	181,026	24,567	438,797		644,390
Bank loans and borrowings	297,169	400,074	34,919	17,293	749,455
Finance lease payables	60,231	40,604	56,233	5,473	162,541
Interest rate derivatives	293			4,951	5,244
Gross financial liabilities	**566,430**	**465,245**	**529,949**	**27,717**	**1,589,341**
Trade payables	1,426,743				1,426,743
Total	**1,993,173**	**465,245**	**529,949**	**27,717**	**3,016,084**

The prior year figures are given below for comparative purposes:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2015	December 31, 2018	After	Total
Current account facilities	126,624				126,624
Bond issues	11,154	159,535	393,007		563,696
Bank loans and borrowings	217,324	476,547	119,874	60,728	874,473
Finance lease payables	63,954	57,480	49,174	3,222	173,830
Interest rate derivatives	4			4,350	4,354
Gross financial liabilities	**419,060**	**693,562**	**562,055**	**68,300**	**1,742,977**
Trade payables	1,263,495				1,263,495
Total	**1,682,555**	**693,562**	**562,055**	**68,300**	**3,006,472**

Future interest has been estimated based on the market interest rates at the date of preparation of these Consolidated financial statements, summarized in the notes.
Liquidity risk management is mainly based on containing debt and maintaining a balanced financial position. This strategy is pursued by each of the Group's operating companies.
Loans and trade payables (net of advances to suppliers) falling due before March 31, 2015 are compared with the cash and cash equivalents that can be used to meet such obligations in the table below.

	Total financial commitments falling due by March 31, 2015	Cash and cash equivalents	Difference
Salini Impregilo S.p.A.	198,255	379,261	181,006
company	114,614	198,864	84,250
Special purpose vehicles (SPVs)	76,811	1,541	(75,270)
Consortia	57,935	112,088	54,153
SPVs consolidated line-by-line	115,871	149,942	34,071
Joint Operation	98,573	84,541	(14,032)
Consolidated total	**662,059**	**926,237**	**264,178**

Fair value measurement hierarchy

IFRS 7 requires that the fair value of financial instruments recognized in the statement of financial position be classified using a fair value hierarchy that reflects the significance of the inputs used to determine fair value. There are three different levels:

- Level 1 - Fair values measured using quoted prices in active markets;
- Level 2 - Fair values measured using valuation techniques for which inputs significant to the fair value measurement are based on observable market data;
- Level 3 - Fair values measured using valuation techniques for which inputs significant to the fair value measurement are based on unobservable market data.

Financial instruments recognized by the Salini Impregilo Group at fair value are classified at the following levels:

(Amounts in thousands of euros)	Note	Level 1	Level 2	Level 3
Derivative assets	13		-	
Derivative liabilities	22		(5,244)	
Total		**-**	**(5,244)**	**-**

There were no movements from Level 1 to Level 2 during 2014 or vice versa.

Income statement

27. Revenue

Revenue for 2014 amounted to €4.194,1 million, up 28.6% on the previous year:

(Amounts in thousands of euros)	2014	2013	Change	% Chg.
Operating revenue	4,096,337	3,173,291	923,046	29.1%
Other revenues and earnings	97,774	89,086	8,688	9.8%
Total revenue	**4,194,111**	**3,262,377**	**931,734**	**28.6%**

The €931.7 million increase in revenues essentially reflects – apart from the different consolidation time frame of the former Impregilo Group (nine months in 2013) as described in preceding sections of this Annual Report – the production progress on some large-scale projects abroad which, compared to 2013, became fully operational (Ethiopia, Denmark, Saudi Arabia and Qatar), up against which the substantial completion of major road and highways projects in Italy and the sale to external parties – finalized in the second half of the previous period – of activities related to the construction of Milan's External East Bypass took place. Please also note that, as far as the Group's foreign industrial activities are concerned, during 2014 it was necessary to take into consideration the temporary slowdown in production of several large projects in Venezuela.

A breakdown of operating revenue and is given in the following table:

(Amounts in thousands of euros)	2014	2013	Change	% Chg.
Services	3,821,176	2,965,735	855,441	28.8%
Sales revenues	249,359	181,544	67,815	37.4%
Total operating revenues	25,802	26,012	(210)	**(0.8%)**
Totale ricavi operativi	**4,096,337**	**3,173,291**	**923,046**	**29.1%**

Revenues for services include revenues of €114.8 million for costs recharged to third-party members of consortia and consortium companies consolidated on a line-by-line basis.

A breakdown of other revenue and income is given in the following table:

(Amounts in thousands of euros)	2014	2013	Change	% Chg.
Rent and leases	305	407	(102)	(25.1%)
Staff services	2,020	879	1,141	129.8%
Revenue for rebilling costs	28,016	20,594	7,422	**36.0%**
Insurance reimbursements	6,473	2,519	3,954	**157.0%**
Gains on disposal of non-current assets	10,680	18,748	(8,068)	(43.0%)
Prior year income	17,584	12,767	4,817	37.7%
Other income	32,696	33,172	(476)	(1.4%)
Total other revenues and earnings	**97,774**	**89,086**	**8,688**	**9.8%**

28.1 Purchasing costs

The cost of raw materials and consumables incurred in 2014 totaled €593.3 million, up €78.5 million from the previous year:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Purchases of raw materials and consumables	627,773	15.0%	536,503	16.4%	91,270
Change in raw materials and consumables	(34,443)	(0.8%)	(21,718)	(0.7%)	(12,725)
Total	**593,330**	**14.1%**	**514,785**	**15.8%**	**78,545**

The increased costs of raw materials and consumables is in line with the general increase in revenue due to a number of large foreign projects becoming fully operational.

28.2 Subcontracts

Subcontractor costs came to €1,469.8 million, recording an increase of €540.7 million compared to the previous period, as shown in the next table:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Subcontracts	1,469,859	35.0%	929,079	28.5%	540,780
Total Subcontracts	**1,469,859**	**35.0%**	**929,079**	**28.5%**	**540,780**

The increased subcontractor costs is in line with the general increase in revenue due to a number of large foreign projects becoming fully operational since 2013.

28.3 Service costs

Service costs came to €1,066.8 million, recording an increase of €5.6 million compared to the previous year, as shown in the next table:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Consultancy and technical services	313,004	7.5%	186,408	5.7%	126,596
Fees to directors, statutory auditors and independent auditors	14,538	0.3%	8,723	0.3%	5,815
Employee travel expenses	16,501	0.4%	12,554	0.4%	3,947
Maintenance and testing	16,512	0.4%	16,687	0.5%	(175)
Transport and customs	133,092	3.2%	112,329	3.4%	20,763
Insurance	39,113	0.9%	28,020	0.9%	11,093
Reversal of consortia costs	319,173	7.6%	434,513	13.3%	(115,340)
Rent and leases	95,907	2.3%	75,067	2.3%	20,840
Charge backs	989	0.0%	2,920	0.1%	(1,931)
Lease payments and expenses	532	0.0%	95	0.0%	437
Trade expenses	5,742	0.1%	4,623	0.1%	1,119
Other	111,711	2.7%	190,486	5.8%	(78,775)
Total cost of services	**1,066,814**	**25.4%**	**1,072,425**	**32.9%**	**(5,611)**

"Other" fell €78.8 million compared to 2013, including approximately €24 million of costs for seconded personnel, €7 million attributed to Joint Operations, and the remainder relating mainly to costs for utilities, security and food and board.

The item "Consultancy and technical services" increased €126.6 million on last year, and mainly consist of costs for the design and construction work carried out by the project companies and the costs for legal and administrative services. The latter services, unlike the first ones, registered a decrease, as shown in the table below:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Design and engineering consulting	252,788	6.0%	66,545	2.0%	186,243
Legal, administrative and other services	44,163	1.1%	111,926	3.4%	(67,763)
Testing	2,961	0.1%	1,675	0.1%	1,286
Construction	13,092	0.3%	6,262	0.2%	6,830
Total	**313,004**	**7.5%**	**186,408**	**5.7%**	**126,596**

28.4 Personnel expenses

Personnel expenses for the period amounted to €494.1 million, up by €110.9 million compared to the same period of the previous year. The item is made up as follows:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Wages and salaries	369,132	8.8%	292,079	9.0%	77,053
Social security and pension contributions	64,012	1.5%	48,454	1.5%	15,558
Post-employment benefits and employee benefits	14,980	0.4%	15,259	0.5%	(279)
Other personnel expenses	45,977	1.1%	27,371	0.8%	18,606
Total	**494,101**	**11.8%**	**383,163**	**11.7%**	**110,938**

Other personnel expenses mainly relate to termination benefits and repayments of travel expenses.

28.5 Other operating expenses

In 2014, other operating expenses amounted to €131.9 million, up by €69.1 million over December 31, 2013. The item breaks down as follows:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Other operating and non-recurring expenses	131,852	3.1%	62,770	1.9%	69,082
Total	**131,852**	**3.1%**	**62,770**	**1.9%**	**69,082**

The following table provides a breakdown:

(Amounts in thousands of euro)	2014	% of revenue	2013	% of revenue	Change
Other operating expenses	55,153	1.3%	35,683	1.1%	19,470
Commissions on sureties	37,348	0.9%	16,767	0.5%	20,581
Bank charges	4,610	0.1%	620	0.0%	3,990
Losses on the sale of intangible assets	3,234	0.1%	2,030	0.1%	1,204
Other non-recurring charges	3,264	0.1%	58	0.0%	3,206
Other contingent liabilities	28,244	0.7%	7,611	0.2%	20,633
Other operating costs	**131,852**	**3.1%**	**62,770**	**1.9%**	**69,082**

28.6 Amortization, depreciation, provisions and impairment losses

This item came to €179.8 million, up €20.3 million compared to the preceding period, broken down as follows:

(Amounts in thousands of euro)	2014	% of revenue	2013	% of revenue	Change
Impairment losses	5,893	0.1%	22,113	0.7%	(16,220)
Provisions	(3,642)	(0.1%)	3,119	0.1%	(6,761)
Total provisions and impairment losses	**2,251**	**0.1%**	**25,232**	**0.8%**	**(22,981)**
Amortization of intangible assets	18,872	0.4%	1,121	0.0%	17,751
Depreciation of property, plant and equipment	148,064	3.5%	129,893	4.0%	18,171
Amortization of rights to infrastructure under concession	1,299	0.0%	537	0.0%	762
Amortization of contract acquisition costs	9,286	0.2%	2,685	0.1%	6,601
Total amortization and depreciation	**177,521**	**4.2%**	**134,236**	**4.1%**	**43,285**
Total	**179,772**	**4.3%**	**159,468**	**4.9%**	**20,304**

Provisions and impairment losses decreased by €22.9 million in 2014. Specifically, this includes the release of provisions made in previous years on receivables due from clients in the Venezuela area, amounting to €5.7 million, as well as the release of the €9.1 million provision for risks and charges relating to the receivable with Todini Finanziaria S.p.A. partially offset by the €3.4 million provision made on the Metro 6 contract in Chile relating to fines for late delivery of the works. The item also includes writedowns of approximately €5.5 million for bad debts with foreign clients and subcontractors incurred on the Italian office by the Kazakhstan and Uganda branches, and the writedown of the doubtful receivable with a client in Nepal worth €3.7 million.

Depreciation and amortization totaled €177.6 million, of which €148.1 million related to property, plant and equipment and €29.5 million related to intangible assets. The latter category increased in the year mainly due to the reversal for the period of the higher values attributed to certain intangible assets of former Impregilo upon acquisition of control by former Salini.

29.1 Financial income

Financial income totaled €37.8 million for 2014 (€30.2 million for 2013) and is made up as follows:

(Amounts in thousands of euros)	2014	2013	Change
Interest income from receivables	**2,403**	**1,901**	**502**
Financial income from securities	**272**	**4**	**268**
Interest and other income from non-consolidated Group companies and other related parties	**8,368**	**4,107**	**4,261**
- Interest income	*8,368*	*4,064*	*4,304*
- Financial income	*-*	*43*	*(43)*
Interest income and other financial income	**26,793**	**24,182**	**2,611**
- Interest income on correspondent accounts	*-*	*2*	*(2)*
- Interest on financing	*1,333*	*1,925*	*(592)*
- Bank interest	*6,410*	*8,037*	*(1,627)*
- Default Interest	*7,743*	*5,006*	*2,737*
- Financial discounts and allowances	*535*	*105*	*430*
- Other	*10,772*	*9,107*	*1,665*
Total	**37,836**	**30,194**	**7,642**

The €7.6 million increase is mainly due to the rise in financial income from related parties and other non-consolidated Group companies for €4.3 million, the increase in default interest for €2.7 million, the increase in other financial income due to the reversal of the PPA for €1.6 million partially offset by the decrease in interest on bank accounts for €1.6 million.

Other financial income of €10.8 million mainly includes the reversal of PPA worth €6.3 million and interest income on financial receivables of the Argentine operator Caminos de las Sierras worth €2.7 million.

29.2 Financial expense

Financial expense for 2014 totaled €128.7 million (€115.2 million for 2013) and is made up as follows:

(Amounts in thousands of euros)	2014	2013	Change
Interest payable and expenses from Group companies	**(72)**	**(190)**	**118**
- Interest payable	*(72)*	*(190)*	*118*
Interest payable and other financial expense	**(128,646)**	**(114,983)**	**(13,663)**
- Bank interests on accounts and loans	*(73,406)*	*(74,863)*	*1,457*
- Interest on bond issues	*(30,811)*	*(21,728)*	*(9,083)*
- Interest on tax payables	*(1,743)*	*(1,468)*	*(275)*
- Default interest	*(213)*	*-*	*(213)*
- Interest payable from discounting to PV	*29*	*(338)*	*367*
- Bank fees	*(5,898)*	*(1,730)*	*(4,168)*
- Charges on sureties	*(897)*	*(840)*	*(57)*
- Other loans	*(1,758)*	*(696)*	*(1,062)*
- Factoring and Leasing	*(9,742)*	*(10,237)*	*495*
- Other	*(4,207)*	*(3,083)*	*(1,124)*
Total	**(128,718)**	**(115,173)**	**(13,545)**

Net financial expense increased overall by €13.5 million over last year. This increase is mainly attributable to interest expense on bonds for €30.8 million, of which €9.1 million related to the senior unsecured bond issue of a nominal amount of €400.00 million of July 23, 2013 and the increase in bank charges for €4.2 million.

Interest expense on other loans mainly relates to the factoring of tax receivables.

29.3 Net exchange rate gains (losses)

In 2014 there were net exchange rate losses of €51.1 million (gains of €27.0 million in the previous year).

The change reflects the charge of about €97 million resulting from the adoption by the Group of the new official SICAD 2 exchange rate to translate its net financial assets denominated in the Venezuelan currency (called Bolivar Fuerte or VEF), effective as of June 30, 2014. The €97 million change, noted above, comprises €55 million calculated upon adoption of the new exchange rate and €42 million connected to changes in balances and the exchange rate during the second half of 2014.

This situation, described in detail in the Section 'Foreign currency translation of the assets and liabilities related to Venezuela' in these explanatory notes, was necessary in light of the continuing financial/currency crisis being experienced in the country, for the purpose of achieving a more reliable estimate of the value that these net financial assets will be realized and also in consideration of the regulatory characteristics of the local currency market, which puts significant restrictions on the movement of Venezuelan currency.

30. Net gains on investments

Net gains on investments came to €9.0 million compared to €195.1 million for 2013.

The item may be broken down as follows:

(Amounts in thousands of euros)	2014	2013	Change
Income arising from equity-accounted investments	8,452	194,789	(186,337)
Dividends	57	22	35
Capital gain on sale of investment	1,055	398	657
Capital loss on sale of investment	(718)	(41)	(677)
Other income	127	(33)	160
Total	**8,973**	**195,135**	**(186,162)**

The net gains on investments at December 31, 2013 included the value of the badwill resulting from the business combination of the former Impregilo Group.

Income arising from equity accounted investments is analyzed in the table below:

(Amounts in thousands of euros)	2014	2013	Change
Income arising from equity-accounted investments			
Yuma company	*3,289*	*-*	*3,289*
Co.Ge. Fin Srl	*3,566*	*-*	*3,566*
Sep Eole	*1,295*	*-*	*1,295*
Pietrarossa Scrl	***1,327***	***-***	***1,327***
Impregilo	-	*201,532*	*(201,532)*
Gupc	-	*(17,457)*	17,457
Shanghai Pucheng	-	*13,907*	(13,907)
other	*(1,025)*	*(3,193)*	2,168
Total income arising from equity-accounted investments	**8,452**	**194,789**	**(186,337)**

31. Income tax expense

The Group's income tax expense for the year was €39.6 million as follows:

(Amounts in thousands of euros)	2014	2013	Change
Current taxes (income taxes)	29,341	27,346	1,995
Net deferred tax (income) expense	11,466	(16,730)	28,196
Prior year taxes	(6,455)	1,876	(8,331)
Total income taxes	34,352	12,492	21,860
IRAP	5,283	6,992	(1,709)
Total income taxes	**39,635**	**19,484**	**20,151**

An analysis and reconciliation of the theoretical income tax rate, calculated under Italian tax legislation, and the effective tax rate are set out below:

	INCOME TAXES	
	€m	%
Loss before tax	**125.3**	
Theoretical tax expense	34.5	27.5%
Effect of permanent differences	(5.3)	(4.2%)
Net effect of foreign taxes	13.1	10.5%
Other	(8.0)	(6.4%)
Total	**34.3**	**27.4%**

The effective tax expense is affected by the following:

- permanent differences;
- recognition of certain taxes paid abroad in accordance with the legislation of the countries in which the branches of the Italian consolidated companies operate and which have been recovered;

An analysis and reconciliation of the theoretical IRAP tax rate and the effective tax rate are set out below:

	IRAP	
	€m	%
Operating profit	258.4	
Personnel costs	494.1	
Operating profit for IRAP tax purposes	**752.5**	
Theoretical tax expense	29.3	3.9%
Tax effect of foreign companies' production	(12.9)	(1.7%)
Tax effect of foreign production	(10.2)	(1.4%)
Tax effect of permanent differences	(0.9)	(0.1%)
Total	**5.3**	**0.7%**

The net deferred tax expense contributes negatively to the consolidated profit for €11.5 million as shown below:

(Amounts in thousands of euros)	
Deferred tax expense for the year	84,260
Reversal of deferred tax liabilities recognized in previous years	(19,510)
Deferred tax income for the year	(79,138)
Reversal of deferred tax assets recognized in previous years	25,854
Total	**11,466**

32. Related party transactions

Transactions with related parties, as defined by IAS 24, were of an ordinary nature.

During the year 2014, related-party transactions involved the following counterparties:

- directors, statutory auditors and key management personnel – solely involving transactions provided for in the legal relationships governing their positions within the Salini Impregilo Group;
- investments in associates. These transactions mainly relate to:
  - commercial assistance with purchases and procurement of services necessary to carry out work on contracts, contracting and subcontracting;
  - services (technical, organizational, legal and administrative), carried out at centralized level;
  - financial transactions, namely loans and joint current accounts as part of cash pooling transactions and guarantees given on behalf of Group companies.

Transactions are carried out with associates in the interests of Salini Impregilo, aimed at building on existing synergies in the Group in terms of production and sales integration, efficient use of existing skills, streamlining of centralized structures and financial resources. These transactions are regulated by specific contracts and are carried out on an arm's length basis;

- Other related parties: the main transactions undertaken by Group companies with other related parties, identified pursuant to IAS 24, including the companies subject to management and coordination by Salini Costruttori S.p.A., are summarized below:

	December 31, 2014					
Name (Amounts in thousands of euros)	**Financial assets**	**Receivables**	**Payables**	**Total Revenue**	**Total Costs**	**Financial income and expenses**
Zeis Group	21	581	406	308	548	55
Madonna dei Monti Srl	-	63	92	9	256	3
Salini Saudi Arabia	-	424	-	-	-	-
Salini Costruttori S.p.A.	-	32,371	1,413	70	1,679	3,047
Salini Simonpietro & C. S.A.P.A.	-	4	-	14	-	-
Total	**21**	**33,443**	**1,911**	**401**	**2,483**	**3,105**

Most of the Salini Impregilo Group 's production is carried out through SPVs, set up with other partners that have participated with Salini Impregilo in tenders. The SPVs carry out the related contract on behalf of its partners.

The other transactions refer to costs for design and similar activities, incurred when presenting bids and for recently started contracts. They are also governed by specific agreements and carried out on an arm's length basis and, where applicable, in line with the contract terms.

Their effects on the statement of financial position and income statement are shown together with the related contract, when appropriate.

Transactions with directors, statutory auditors and key management personnel are shown below:

	2014			2013 (*)		
(Amounts in thousands of euros)	Fees and remuneration	Termination benefits and post-employment benefits	Total	Fees and remuneration	Termination benefits and post-employment benefits	Total
Directors and Auditors	6,264		6,264	5,352		5,352
Managers with strategic responsibilities	4,389		4,389	201		201
Total	**10,653**	**-**	**10,653**	**5,553**	**-**	**5,553**

(*) Comparative figures for 2013 refer to compensation of directors, auditors and managers with strategic responsibilities of Impregilo S.p.A.

The next table shows the impact of transactions with non-consolidated Group companies on the consolidated statement of financial position and the income statement (including as a percentage), while their effect on cash flows is shown in the consolidated statement of cash flows, when material:

December 31, 2014 (Amounts in thousands of euros)	Non-current loans and receivables (1)	Current loans and receivables (2)	Current payables (3)	Revenue	Costs	Financial income	Financial expense
Total - Group companies	15,657	468,542	190,053	259,493	355,323	9,990	91
Total financial statements item	1,059,881	5,265,608	4,064,118	4,194,111	3,935,728	37,836	128,718
% of financial statements item	1.5%	8.9%	4.7%	6.2%	9.0%	26.4%	0.1%

December 31, 2013 (Amounts in thousands of euros)	Non-current loans and receivables (1)	Current loans and receivables (2)	Current payables (3)	Revenue	Costs	Financial income	Financial expense
Total - Group companies	81	725,840	307,915	227,524	124,460	6,009	189
Total financial statements item	868,624	5,243,828	3,843,971	3,262,377	3,121,690	30,194	115,173
% of financial statements item	0.01%	13.8%	8.0%	7.0%	4.0%	19.9%	0.2%

(1) The percentage of non-current loans and receivables is calculated considering total non-current assets.
(2) The percentage of current loans and receivables is calculated considering total current assets.
(3) The percentage of current payables is calculated considering total current liabilities.

33. Earnings per share

Earnings per share are disclosed at the foot of the income statement.

Basic earnings per share are calculated by dividing the profit (loss) for the year attributable to the owners of the parent by the weighted average of the shares outstanding during the year. Diluted earnings per share are calculated considering the weighted average of the outstanding shares adjusted by assuming the conversion of all the shares with potentially diluting effects.

The following table summarizes the calculation. Please note that following the approval resolution of September 12, 2013, 44,974,754 new ordinary shares of Salini Impregilo S.p.A. were issued to Salini Costruttori S.p.A. in execution of the merger.

The Board of Directors resolved to increase the share capital on June 20, 2014, resulting in the issuance of 44,740,000 new shares. As a result of this operation, which took place on June 25, 2014, the share capital consists of 492,172,691 ordinary shares and 1,615,491 savings shares.

Finally, in October treasury shares were purchased for a total of 3,104,377 shares.

(Amounts in thousands of euros/thousands of shares)	2014	2013
Profit (loss) from continuing operations	85,693	258,372
Non-controlling interests	(9,348)	12,692
Profit earmarked for holders of savings shares	588	588
Profit (loss) from continuing operations attributable to the owners of the parent	**76,933**	**271,652**
Profit from continuing and discontinued operations	103,120	156,232
Non-controlling interests	(9,348)	12,692
Profit earmarked for holders of savings shares	588	588
Profit from continuing and discontinued operations attributable to the owners of the parent	**94,360**	**169,512**
Average outstanding ordinary shares	467,559	402,458
Average outstanding savings shares	1,615	1,615
Average number of shares	**469,174**	**404,073**
Average number of diluted shares	**469,174**	**404,073**
Basic earnings (loss) per share (from continuing operations)	**0.16**	**0.67**
Basic earnings per share (from continuing and discontinued operations)	**0.20**	**0.42**
Diluted earnings (loss) per share (from continuing operations)	**0.16**	**0.67**
Diluted earnings per share (from continuing and discontinued operations)	**0.20**	**0.42**

34. Events after the reporting period

On January 23, 2015, the Salini Impregilo Group was awarded the contract for the doubling of the carriageway of the Suleja Minna road (Phase II) in Nigeria. This is an important communication route since it provides access from the capital Abuja to the Northwest of the country. The project's function is to improve mobility and to facilitate the potential development of the entire region. The contract involves the construction, in 48 months, of a new carriageway and the complete rehabilitation of the existing one. The client is the Ministry of Public Works of Nigeria. The value of the works is approx. 112 million Euros.

On February 25, Salini Impregilo reached agreement with a pool of banks comprising Banca Intesa, BNP Paribas, Natixis and Unicredit to renegotiate a significant portion of existing bank debt. The agreement concerns approximately €630 million. Under the deal, the term for repayment of €267 million of the existing debt has been extended from 2016 to 2019, with an amortization schedule starting in 2017. As part of the refinancing of the existing debt, a five-year credit line of €165 million with repayment at term was provided. Finally, the "Revolving credit facility" was increased from the current €100 million to €200 million, available for 5 years.

With regard to the changes in the exchange rates used in Venezuela after December 31, 2014, refer to the Section "Foreign currency translation of the assets and liabilities related to Venezuela" in these Notes to the Consolidated financial statements.

With regard to the events that have occurred after December 31, 2014 concerning the SUW Campania Projects, reference should be made to the section of this Annual Report on "Non-current assets held for sale - SUW Campania Projects".

No other significant events occurred after December 31, 2014, beyond those described in the previous sections of this Annual Financial Report.

35. Significant non-recurring events and transactions

Apart from that set out in Note 16 in relation to the sale of Fisia Babcock, the financial position, performance and cash flows of the Salini Impregilo Group were not affected by significant non-recurring events and transactions, as defined by Consob communication no. DEM/6064293[5].

36. Balances or transactions arising from atypical and/or unusual transactions

During 2014, the Salini Impregilo Group did not carry out any atypical and/or unusual transactions, as defined in the above Consob communication no. DEM/6064293[6].

The Board of Directors

by: The Chairman

5. Significant non-recurring events and transactions are those that do not frequently occur in the normal course of business.
6. Atypical and/or unusual transactions are those that, due to their significance and relevance, the counterparty, the object of the transaction, exchange pricing and timing, may cast doubts as to the accuracy and completeness of disclosures, conflicts of interest, protection of the Group's assets and non-controlling interests.

Consolidated financial statements of Salini Impregilo Group Intragroup Transactions

Transactions recognized among assets and liabilities at 12.31.2014

	Trade receivables	Non-current financial assets	Current financial assets	Other current assets	Total receivables
ANBAFER S.c.r.l.	18,908	-	-	-	18,908
Ancipa S.c.r.l.	3,411,339	-	-	-	3,411,339
Aurelia 98 S.c.r.l.	-	-	-	-	-
BA.TA. 91 S.c.r.l.	-	-	-	-	-
Consorcio Cigla-Sade	1,562,654	-	-	-	1,562,654
Consorzio Consavia S.c.n.c.	5,814	-	-	-	5,814
Consorzio Costral in liquidation	64,694	150	-	-	64,844
Depurazione Palermo S.c.r.l.	-	-	-	-	-
Diga Ancipa S.c.r.l.	66,422	-	-	-	66,422
Edilfi S.c.a.r.l. in liquidation	63,690	269,516	-	-	333,206
Ital.Sa.Gi. Sp.Z.O.O. (Poland)	43,873	-	-	-	43,873
Marmore Commessa	-	-	-	245	245
Pietrarossa S.c.r.l.	1,483,781	-	-	-	1,483,781
Risalto srl	19,258	-	-	-	19,258
S. Anna Palermo S.c.r.l.	-	-	-	-	-
Salini - Impregilo Joint Venture for Mukorsi	7,522	-	-	-	7,522
Salini Canada Inc.	-	-	-	-	-
San Benedetto S.c.r.l.	-	-	-	-	-
Todedil S.c.a.r.l.	407	-	-	-	407
Valico S.c.a.r.l. in liquidation	-	-	-	-	-
Total ICP Subsidiaries	**6,748,362**	**269,666**	**-**	**245**	**7,018,273**
Agua AZ	46,233	-	-	-	46,233
Agua BA	24,119	-	-	-	24,119
Alburni S.c.a.r.l. in liquidation	101,515	-	-	-	101,515
Autopistas del Sol S.A.	135,911	-	-	-	135,911
BARNARD	435,268	-	3,414,815	4,588,634	8,438,717
Cagliari 89 S.c.r.l.	2,072,698	-	-	2,371	2,075,069
Casada Srl	-	60,000	-	7,310	67,310
CE.S.I.F. S.c.p.A.	-	-	-	-	-
CEDIV S.p.A.	647,883	3,260,141	-	-	3,908,024
Co.Ge. Fin S.r.l.	477,722	-	18,089,545	935,510	19,502,777
Cogeca S.c.a.r.l. in liquidation	197	-	-	-	197
Con.Sal. S.c.n.c. in liquidation	-	-	50,850	-	50,850
Cons. A.F.T. in liquidation	6,101	-	-	-	6,101
Cons. Astaldi Federici Todini Kramis	7,177	-	-	-	7,177
Consorcio OIV-TOCOMA	5,577,806	-	44,987,198	66,197,199	116,762,203
Consorcio Serra do Mar	410,748	-	-	2,493,651	2,904,399
CONSORZIO CASERTANO	263	-	-	-	263
Consorzio CPR 3	48	-	-	-	48
Consorzio CPR 2	-	-	-	-	-
Consorzio CPS Pedemontana	227,713	-	-	-	227,713
Consorzio del Sinni	76,976	-	-	-	76,976
Consorzio Edilizia Sociale Industralizzata Lazio	19,792	-	-	-	19,792
Consorzio Ferrofir	111,038	-	-	-	111,038
Consorzio Ferroviario Milanese	-	-	-	-	-
Consorzio Imprese Lavori FF.SS. di Saline - FEIC	5,055	-	-	-	5,055
Consorzio Iniziative Ferroviarie - INFER	3,044	-	-	-	3,044
Consorzio Iricav Due	1,319,007	-	-	244,290	1,563,297

Trade payables to suppliers	Bank loans and other facilities	Bank account overdrafts and current portion of financing facilities	Other current liabilities	Total payables	Net carrying amount
106	-	-	-	106	18,802
-	-	-	-	-	3,411,339
16,121	-	-	-	16,121	(16,121)
1,363	-	-	-	1,363	(1,363)
1,222,484	-	-	-	1,222,484	340,170
-	-	-	-	-	5,814
57,767	-	-	-	57,767	7,077
3,615	-	-	-	3,615	(3,615)
3,615	-	-	-	3,615	62,807
11,928	-	-	10,832	22,760	310,446
-	-	-	-	-	43,873
-	-	-	-	-	245
	-	-		-	1,483,781
-	-	-	11,718	11,718	7,540
92,333	-	-	-	92,333	(92,333)
-	-	-	-	-	7,522
1,596	-	-	7,490	9,086	(9,086)
45,546	-	-	-	45,546	(45,546)
27,312	-	-	-	27,312	(26,905)
10,284	-	-	1,363	11,647	(11,647)
1,494,070	**-**	**-**	**31,403**	**1,525,473**	**5,492,800**
10,282	-	-	-	10,282	35,951
58,038	-	-	-	58,038	(33,919)
224,943	-	-	-	224,943	(123,428)
-	-	-	-	-	135,911
1,061,552	-	-	-	1,061,552	7,377,165
1,880,548	-	-	5,165	1,885,713	189,356
-	-	-	82,772	82,772	(15,462)
419	-	-	-	419	(419)
-	-	-	-	-	3,908,024
-	-	-	12,448,761	12,448,761	7,054,016
-	-	-	-	-	197
-	-	-	160,127	160,127	(109,277)
-	-	-	-	-	6,101
-	-	-	-	-	7,177
183,660	-	-	-	183,660	116,578,543
-	-	1,967,455	-	1,967,455	936,944
-	-	-	-	-	263
28,963	-	-	-	28,963	(28,915)
54,095	-	-	-	54,095	(54,095)
-	-	-	-	-	227,713
-	-	-	-	-	76,976
-	-	-	-	-	19,792
65,293	-	-	-	65,293	45,745
31,455	-	-	-	31,455	(31,455)
-	-	-	-	-	5,055
302	-	-	-	302	2,742
13,138,860	-	-	1,126,342	14,265,202	(12,701,905)

Intragroup Transactions

	Trade receivables	Non-current financial assets	Current financial assets	Other current assets	Total receivables
Consorzio Lavori Interventi Straordinari Palermo	44,640	-	-	-	44,640
Consorzio Mina de Cobrea	-	-	-	-	-
Consorzio Miteco	66,585	-	-	-	66,585
Consorzio MM4	382,102	-	-	-	382,102
Consorzio NOG.MA	-	-	-	-	-
Consorzio Pedelombarda 2	8,951,584	-	-	-	8,951,584
Consorzio San Cristoforo	-	-	-	-	-
Consorzio Sarda Costruzioni Generali	7,549	-	-	-	7,549
Consorzio Sardo d'Imprese	-	-	-	-	-
Consorzio Tre Esse	4,531	-	-	-	4,531
Consorzio Trevi - S.G.F. INC per Napoli	306,799	-	-	-	306,799
Consorzio Umbria Sanità in liquidation	-	-	-	-	-
Corso Malta S.c.r.l.	41,512	-	-	-	41,512
Edificatrice Sarda Srl	447,790	-	-	-	447,790
Enecor	2,708	-	-	-	2,708
Eurolink	10,999,900	-	-	-	10,999,900
FE.LO.VI. S.c.n.c.	10,471	-	-	-	10,471
Forum S.c.a.r.l.	-	-	-	-	-
G.A.B.I.RE. Srl	28,806	-	-	-	28,806
Galileo S.c.a.r.l.	212,742	-	-	-	212,742
Groupment Italgisas (Morocco) IN LIQUIDATION	-	-	-	289,555	289,555
GUP CANAL	22,478,891	-	-	-	22,478,891
IGL Arabia	944,983	-	-	-	944,983
Imprese Riunite Genova Irg S.c.r.l.	69,401	-	-	-	69,401
Imprese Riunite Genova Seconda S.c.r.l.	128,442	-	-	-	128,442
INTER_HEALY	-	-	-	-	-
Irina Srl in liquidation	62,400	-	-	-	62,400
ISARCO	71,029	-	-	-	71,029
J.V.Salini Necso	1,052,328	-	-	-	1,052,328
LA QUADO	375,314	-	3,493,363	-	3,868,677
M2 LIMA	-	-	2,191,055	-	2,191,055
Metrogenova S.c.r.l.	13,340	-	-	-	13,340
Monte Vesuvio S.c.r.l.	375,557	-	-	-	375,557
OCHRE HOLD	-	7,773,199	-	-	7,773,199
Ochre Solutions Ltd	136,202	-	-	-	136,202
Olbia 90 S.c.r.l.	117,471	-	-	-	117,471
Pantano S.C.R.L.	-	-	-	-	-
Passante Dorico S.p.A.	40,810	-	-	-	40,810
PDM	8,620,423	-	-	-	8,620,423
Pedelombarda	49,338,072	-	-	-	49,338,072
Pedemontana Veneta S.p.A.	267,267	-	-	-	267,267
Puentes	7,952,318	-	-	-	7,952,318
Quattro Venti S.c.r.l.	159,503	-	-	-	159,503
RCCF Nodo di Torino S.c.p.A.	72,315	-	-	-	72,315
Risalto Srl RM in liquidation	18,838	-	-	-	18,838
Riviera S.c.r.l.	305,716	-	-	-	305,716
Rupe di Orvieto S.c.a.r.l. in liquidation	49,551	-	-	-	49,551
S. Ruffillo S.c.a.r.l.	-	-	-	-	-
Saces Srl	-	-	-	-	-
San Giorgio Caltagirone S.c.r.l.	132,694	-	-	-	132,694
Scat 5 S.c.a.r.l. in liquidation	-	-	-	-	-
Sclafani S.c.r.l.	416,486	-	-	-	416,486
Sedi S.c.a.r.l.	72,402	22,100	-	-	94,502

Trade payables to suppliers	Bank loans and other facilities	Bank account overdrafts and current portion of financing facilities	Other current liabilities	Total payables	Net carrying amount
22,867	-	-	-	22,867	21,773
41,390	-	-	-	41,390	(41,390)
-	-	-	-	-	66,585
1,037,711	-	-	-	1,037,711	(655,609)
36,077	-	-	-	36,077	(36,077)
73,850	-	-	-	73,850	8,877,734
35,859	-	-	-	35,859	(35,859)
39,524	-	-	-	39,524	(31,975)
12,501	-	-	-	12,501	(12,501)
1,071,082	-	-	-	1,071,082	(1,066,551)
138,289	-	-	-	138,289	168,510
43,920	-	-	-	43,920	(43,920)
-	-	-	-	-	41,512
-	-	-	-	-	447,790
-	-	-	-	-	2,708
17,936,300	-	-	-	17,936,300	(6,936,400)
8,058	-	-	-	8,058	2,413
174,070	-	-	-	174,070	(174,070)
-	-	-	-	-	28,806
145,043	-	-	-	145,043	67,699
-	-	-	-	-	289,555
-	-	-	-	-	22,478,891
104,275	-	-	-	104,275	840,708
587,136	-	-	-	587,136	(517,735)
-	-	-	-	-	128,442
40,771	-	-	-	40,771	(40,771)
-	-	-	21,777	21,777	40,623
30,750	-	-	-	30,750	40,279
612,116	-	-	-	612,116	440,212
498,512	-	-	-	498,512	3,370,165
-	-	-	-	-	2,191,055
-	-	-	2,580	2,580	10,760
-	-	-	-	-	375,557
-	-	-	-	-	7,773,199
-	-	-	-	-	136,202
86,106	-	-	-	86,106	31,365
64,818	-	-	1,230	66,048	(66,048)
-	-	-	-	-	40,810
3,439,421	-	-	-	3,439,421	5,181,002
12,554,049	-	-	-	12,554,049	36,784,023
-	-	-	-	-	267,267
3,601	-	-	10,491	14,092	7,938,226
112,205	-	-	-	112,205	47,298
-	-	-	-	-	72,315
-	-	-	11,718	11,718	7,120
1,122,423	-	-	-	1,122,423	(816,707)
-	-	-	-	-	49,551
21,086,068	-	-	-	21,086,068	(21,086,068)
1,071,339	-	-	-	1,071,339	(1,071,339)
-	-	-	-	-	132,694
-	-	-	1,290	1,290	(1,290)
-	-	-	-	-	416,486
31,989	-	-	-	31,989	62,513

Intragroup Transactions

	Trade receivables	Non-current financial assets	Current financial assets	Other current assets	Total receivables
SFI leasing	-	-	-	-	-
Shimmick	144,341	-	-	3,009,626	3,153,967
Sirjo S.c.p.A.	1,486,310	-	-	-	1,486,310
Sistranyac S.A.	9,253	-	-	-	9,253
Società di progetto consortile per azioni M4	1,916,570	-	18,280,651	-	20,197,221
Soingit S.c.r.l.	230,631	-	-	-	230,631
Strade e Depuratori Palermo S.c.r.l.	-	-	-	-	-
VE.CO. S.c.r.l.	-	-	-	-	-
Wolverhampton	405,927	754,637	-	-	1,160,564
Yacilec	3,164	-	-	-	3,164
Yuma	2,981,763	-	-	-	2,981,763
Total ICP Associates	**133,663,745**	**11,870,077**	**90,507,477**	**77,768,146**	**313,809,445**
Consorzio Costruttori TEEM	1,562	-	-	-	1,562
Consorzio infrastruttura area metropolitana	-	-	-	-	-
Consorzio TRA.DE.CI.V.	236,946	-	-	-	236,946
G.T.B. S.c.r.l.	297,631	-	-	-	297,631
Joint Venture Aktor S.A. - Impregilo S.p.A.	-	-	332	-	332
Lambro S.c.r.l.	174,599	-	134	-	174,733
M.N. 6 S.c.r.l.	542,825	-	-	-	542,825
Metropolitana di Napoli S.p.A.	85,245	-	-	-	85,245
S.I.MA. GEST 3 S.c.r.l.	-	-	-	-	-
Sarmento S.c.r.l.	476,718	-	-	-	476,718
SO.C.E.T. Societa' Costruttori Edili Toscani	-	-	-	-	-
Tangenziale Esterna di Milano S.p.A.	27,672	-	-	-	27,672
Total ICP Other companies	**1,843,198**	**-**	**466**	**-**	**1,843,664**
A.Constructor J.V Kallidromo	-	-	-	-	-
Arge Haupttunnel Eyholz	4,766,922	-	-	-	4,766,922
Arge Sisto N8	2,521,350	914,837	-	-	3,436,187
Arge Uetlibergtunnel	9,592	-	-	-	9,592
CGMR Gestione materiale Roveredo	9,991	-	-	-	9,991
Churchill Consortium	1,553	-	-	-	1,553
Churchill Hospital J.V.	3,081	-	-	-	3,081
CMC Consorzio Monte Ceneri lotto 851	1,185,904	-	-	-	1,185,904
Consorcio Contuy Medio	575,224	-	-	-	575,224
Consorcio Federici/Impresit/Ice Cochabamba	600,000	-	-	-	600,000
Consorcio Grupo Contuy-Proyectos y Ob. De F.	-	-	196,824	-	196,824
Consorcio V.S.T. Tocoma	21,953	-	-	-	21,953
Consorcio VIT Tocoma	2,541,010	-	182,171	-	2,723,181
Consorio.Kallidromo	692,081	86,360	-	-	778,441
Consorzio Biaschina	485,186	-	-	-	485,186
Consorzio CEMS	78,894	-	-	-	78,894
Consorzio Felce BP	324,265	-	-	-	324,265
Consorzio Galliera Roveredo	1,485,196	2,495,010	-	-	3,980,206
Consorzio MPC	715,162	-	-	-	715,162
Consorzio Portale Vezia	1,326,108	-	-	-	1,326,108
Consorzio SI.VI.CI.CA.	1,127,030	-	-	-	1,127,030
Consorzio SI.VI.CI.CA. 3	47,517	-	-	-	47,517
Consorzio SI.VI.CI.CA. 4	95,663	-	-	-	95,663
Consorzio Stazione Mendrisio	43,663	-	-	-	43,663
Consorzio TAT-Tunnel Alp Transit Ticino	308,745	-	-	-	308,745
Consorzio VIT Caroni Tocoma	-	-	92,001	-	92,001
E.R. Impregilo/Dumez y Asociados para Yaciretê	12,214,115	-	-	-	12,214,115

Trade payables to suppliers	Bank loans and other facilities	Bank account overdrafts and current portion of financing facilities	Other current liabilities	Total payables	Net carrying amount
-	-	-	113,516	113,516	(113,516)
-	-	1,472,503	-	1,472,503	1,681,464
8,940,661	-	-	-	8,940,661	(7,454,351)
-	-	-	-	-	9,253
576,254	-	-	-	576,254	19,620,967
185,539	-	-	-	185,539	45,092
175,244	-	-	-	175,244	(175,244)
138,527	-	-	-	138,527	(138,527)
-	-	-	-	-	1,160,564
-	-	-	-	-	3,164
-	-	-	-	-	2,981,763
89,016,755	**-**	**3,439,958**	**13,985,769**	**106,442,482**	**207,366,963**
1,351	-	-	-	1,351	211
15,976	-	-	-	15,976	(15,976)
170,101	-	-	-	170,101	66,845
175,913	-	-	-	175,913	121,718
-	-	-	-	-	332
23,365	-	-	-	23,365	151,368
646,934	-	-	-	646,934	(104,109)
66,879	-	-	-	66,879	18,366
162,355	-	-	-	162,355	(162,355)
-	-	-	-	-	476,718
106,287	-	-	-	106,287	(106,287)
-	-	-	-	-	27,672
1,369,161	**-**	**-**	**-**	**1,369,161**	**474,503**
-	-	38,232	-	38,232	(38,232)
818,384	-	-	-	818,384	3,948,538
-	-	-	-	-	3,436,187
-	-	-	-	-	9,592
-	-	-	-	-	9,991
-	-	-	-	-	1,553
-	-	-	507,762	507,762	(504,681)
182,343	-	-	-	182,343	1,003,561
-	-	-	-	-	575,224
101,010	-	-	-	101,010	498,990
-	-	-	-	-	196,824
984	-	-	-	984	20,969
-	-	-	-	-	2,723,181
-	-	-	-	-	778,441
-	-	-	-	-	485,186
-	-	-	-	-	78,894
-	-	-	-	-	324,265
1,614,340	-	-	-	1,614,340	2,365,866
5,165	-	-	-	5,165	709,997
-	-	-	-	-	1,326,108
-	-	-	-	-	1,127,030
-	-	-	-	-	47,517
-	-	-	-	-	95,663
-	-	-	-	-	43,663
298,801	-	1,122,754	3,318,363	4,739,918	(4,431,173)
-	-	-	-	-	92,001
80,927	-	-	7,819,114	7,900,041	4,314,074

Intragroup Transactions

	Trade receivables	Non-current financial assets	Current financial assets	Other current assets	Total receivables
Felce lotto 101	86,241	-	-	-	86,241
Gaziantep Hastane Saglik	-	-	-	-	-
Group. d'entreprises Salini Strabag (Guinea)	-	-	-	-	-
Grupo Empresas Italianas - GEI	-	-	192,160	-	192,160
Metro Blu	82,787,706	-	-	-	82,787,706
SI.VI.CI.CA. 2	75,410	-	-	-	75,410
Techint S.A.C.I.- Hochtief A.G.- Impregilo S.p.A	4,373	-	1,514,198	956,933	2,475,504
Total ICP Joint Ventures	**114,133,935**	**3,496,207**	**2,177,354**	**956,933**	**120,764,429**
Executive J.V. Impregilo S.p.A. Terna S.A.	-	-	7,974	-	7,974
Joint Venture Aktor Ate - Impregilo S.p.A.	12,063	-	-	-	12,063
Joint Venture Impregilo S.p.A. - Empedos S.A. - Ak	1,498,407	-	463,239	489,324	2,450,970
Line 3 Metro Stations	53,640	-	215,000	-	268,640
Thessaloniki Metro	-	-	1,587,137	-	1,587,137
Thessaloniki Metro CW	1,751,979	-	-	1,221,489	2,973,468
Total ICP Joint Operations	**3,316,089**	**-**	**2,273,350**	**1,710,813**	**7,300,252**
Madonna dei Monti Srl	-	-	60,912	2,557	63,469
Salini Costruttori	-	-	10,026,851	22,343,734	32,370,585
Salini Saudi Arabia company Ltd	-	-	-	424,062	424,062
Salini Simon Pietro & C. S.A.P.A.	4,390	-	-	-	4,390
Zeis Tot	4,747	21,250	238,198	337,949	602,144
Total ICP Salini Costruttori	**9,137**	**21,250**	**10,325,961**	**23,108,302**	**33,464,650**
Total	**259,714,466**	**15,657,200**	**105,284,608**	**103,544,439**	**484,200,713**

Trade payables to suppliers	Bank loans and other facilities	Bank account overdrafts and current portion of financing facilities	Other current liabilities	Total payables	Net carrying amount
-	-	-	-	-	86,241
-	-	-	161,458	161,458	(161,458)
484,722	-	-	85,767	570,489	(570,489)
-	-	-	-	-	192,160
58,015,049	-	-	-	58,015,049	24,772,657
-	-	-	-	-	75,410
-	-	-	-	-	2,475,504
61,601,725	**-**	**1,160,986**	**11,892,464**	**74,655,175**	**46,109,254**
-	-	-	-	-	7,974
-	-	-	-	-	12,063
-	-	-	-	-	2,450,970
-	-	-	52,823	52,823	215,817
-	-	-	2,557,025	2,557,025	(969,888)
2,380	-	-	1,536,842	1,539,222	1,434,246
2,380	**-**	**-**	**4,146,690**	**4,149,070**	**3,151,182**
-	-	-	92,400	92,400	(28,931)
218,947	-	1,193,646	-	1,412,593	30,957,992
-	-	-	-	-	424,062
-	-	-	-	-	4,390
220,634	-	-	185,107	405,741	196,403
439,581	**-**	**1,193,646**	**277,507**	**1,910,734**	**31,553,916**
153,923,672	**-**	**5,794,590**	**30,333,833**	**190,052,095**	**294,148,618**

Transactions recognized through P&L in 2014

	Revenue	Other revenues and earnings	Purchasing costs	Subcontracts	Service costs
ANBAFER S.c.r.l.	3,097	-	-		-
Ancipa S.c.r.l.	-	14,068	-		-
Consorcio Cigla-Sade	93,349	100	-		149,340
Consorzio Costral in liquidation	11,309	-	-		8,057
Diga Ancipa S.c.r.l.	-	4,132	-		-
Edilfi S.c.a.r.l. in liquidation	2,827	-	-		4,017
Ital.Sa.Gi. Sp.Z.O.O. (Poland)	-	-	-		-
Pietrarossa S.c.r.l.	-	4,132	-		-
Salini Canada Inc.	-	-	-		21,924
Salini Impregilo Duha JV	-	-	-		374,332
Salini Singapore Pte.	-	-	-		
Villagest S.c.r.l.	-	-	-		11,885
Total ICP Subsidiaries	**110,582**	**22,432**	**-**	**-**	**569,555**
Agua AZ	238,571	7,600	-		-
Agua BA	24,694	-	-		-
BARNARD	30,961,995	-	-		27,050,126
Casada Srl	5,500	-	-		265,058
CE.S.I.F. S.c.p.A.	-	-	-		2,500
Co.Ge.Fin. Srl (shareholders' agreements)	11,309	-	-		-
Colle Todi S.c.a.r.l. in liquidation	2,827	-	-		-
Consorcio OIV-TOCOMA	46,973,984	3,800	-		39,867,016
Consorcio Serra do Mar	29,800,249	-	-		29,012,905
Consorzio CPS Pedemontana	-	-	-		4,456
Consorzio Ferroviario Milanese	-	-	-		31,455
Consorzio Iricav Due	-	-	-		209,120
Consorzio Iricav Due	-	53,670	-		-
Consorzio Miteco	-	-	-		1,553
Consorzio MM4	55,332	170,792	-		832,623
Consorzio Pedelombarda 2	-	3,800	-		113,740
Consorzio Tre Esse	-	7,830	7,285		-
Consorzio Trevi - S.G.F. INC per Napoli	-	-	-		361,833
Corso Malta S.c.r.l.	17,954	-	-		-
Enecor	12,811	-	-		-
Eurolink	60,000	214,351	-		608,653
Forum S.c.a.r.l.	-	-	-		362
G.A.B.I.RE. Srl	11,309	-	-		-
Galileo S.c.a.r.l.	11,309	-	-		5,075
Groupment Italgisas (Morocco) IN LIQUIDATION	-	-	-		-
GUP CANAL	6,053,063	396,659	-		-
IGL Arabia	715,757	8,500	-		-
ISARCO	18,000	53,029	-		-
LA QUADO	735,568	183,273	-		22,569,371
Metro de Lima Linea 2 S.A.	-	18,716	-		-
Metrogenova S.c.r.l.	94,737	-	-		1,023,702
Ochre Holding	-	-	-		-
Ochre Solutions Ltd	-	134,842	-		-
Pantano S.c.r.l.	-	-	-		228
Passante Dorico S.p.A.	-	4,167	-		-
PDM	223,115	201,506	-		14,652,081

Personnel costs	Other operating costs	Amortization, depreciation, provisions and impairment losses	Financial income	Financial expense
-	-	-	-	-
-	-	-	-	-
-	-	-	71,139	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	43,873	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	10,946	-	-
-	-	-	-	-
-	**-**	**54,819**	**71,139**	**-**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	587	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	9,285	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	204,370	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,211	-	-	-
-	-	-	4,883,400	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	736,295	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

Intragroup Transactions

	Revenue	Other revenues and earnings	Purchasing costs	Subcontracts	Service costs
Pedelombarda	399,899	548,891	-		74,139,635
Puentes	-	124,684	-		-
Quattro Venti S.c.r.l.	-	-	-		34,088
Riviera S.c.r.l.	-	132	-		201,957
S. Ruffillo S.c.a.r.l.	-	-	-		105,187
San Giorgio Caltagirone S.c.r.l.	-	2,582	-		-
Sclafani S.c.r.l.	-	2,582	-		-
SFI leasing	803,589	-	-		919,957
Shimmick	21,950,331	-	-		19,957,636
Sirjo S.c.p.A.	-	360,517	-		1,641,068
Sistranyac S.A.	6,684	-	-		-
Società di progetto consortile per azioni M4	210,480	383,122	-		534,385
Wolverhampton	225,277	22,402	-		-
Yacilec	16,489	-	-		-
Total ICP Associates	**139,640,833**	**2,907,447**	**7,285**	**-**	**234,145,770**
Consorzio Costruttori TEEM	-	4,749	-		2,744
G.T.B. S.c.r.l.	-	1,602	-		145,822
Lambro Scrl	4,850,148	3,410	-		11,990
M.N. 6 S.c.r.l.	-	-	-		214,311
Sarmento S.c.r.l.	-	100	-		-
Tangenziale Esterna di Milano S.p.A.	-	158,586	-		-
Total ICP Other companies	**4,850,148**	**168,447**	**-**	**-**	**374,867**
Arbeitsgemeinschaft tunnel (ATUS)	5,937	-	-		-
Arge Haupttunnel Eyholz	33,732,315	-	-		24,508,484
Arge Sisto N8	11,038,516	-	-		9,090,071
Arge Uetlibergtunnel	142	-	-		-
CGMR Gestione materiale Roveredo	3,348	-	-		-
Churchill Consortium	14,886	-	-		-
Churchill Hospital J.V.	-	-	-		1,422,542
CMC Consorzio Monte Ceneri lotto 851	8,022	-	-		1,686
Consorcio Contuy Medio	-	-	-		2,962
Consorcio Grupo Contuy-Proyectos y Ob. De F.	8,101	-	-		779,036
Consorcio Imigrantes	-	-	-		3,110
Consorcio VIT Tocoma	-	-	-		18,167
Consorzio Biaschina	3,114,530	-	-		1,999,799
Consorzio Felce BP	2,379,800	-	-		1,964,554
Consorzio Felce	30,973	-	-		550
Consorzio Galliera Roveredo	10,082,956	-	-		6,175,584
Consorzio MPC	5,713,031	-	-		4,528,158
Consorzio Portale Vezia	4,450,310	-	-		3,336,841
Consorzio SI.VI.CI.CA.	946,927	-	-		428,528
Consorzio SI.VI.CI.CA. 3	111,990	-	-		114,027
Consorzio SI.VI.CI.CA. 4	186,194	-	-		112,792
Consorzio Stazione Mendrisio	20,994	-	-		-
Consorzio TAT-Tunnel Alp Transit Ticino	11,753,702	14,620	-		4,391,181
Consorzio VIT Caroni Tocoma	24,609	-	-		-
E.R. Impregilo/Dumez y Asociados para Yaciretê	82,573	200	-		2,464,688
Felce lotto 101	822,780	-	-		694,043
Group d'entreprises Salini Strabag (Guinea)	-	46	-		56
Grupo Empresas Italianas - GEI	154,621	-	-		158,419

	Personnel costs	Other operating costs	Amortization, depreciation, provisions and impairment losses	Financial income	Financial expense
	-	-	-	-	-
	-	-	68,172	-	-
	-	-	-	-	-
	-	-	-	69	-
	-	230	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	574,332	37,352
	-	-	-	16,812	-
	-	-	-	-	-
	-	**10,726**	**272,542**	**6,211,495**	**37,352**
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	23,687	-
	-	-	-	-	-
	-	**-**	**-**	**23,687**	**-**
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	544,336	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-

Intragroup Transactions

	Revenue	Other revenues and earnings	Purchasing costs	Subcontracts	Service costs
Metro Blu	1,601,000	594,678	-		38,397,566
Sivicica 2	271,674	-	-		277,453
Techint S.A.C.I.- Hochtief A.G.- Impregilo S.p.A	41,034	-	-		502,541
Total ICP Joint Ventures	**86,600,965**	**609,544**	**-**	**-**	**101,372,838**
ANM	-	241,115	-	-	1,225,302
Civil Work	-	1,689,397	-		-
CMC-Mavundla-IGL JV	-	6,284,763	-		564,967
Ghazi JV	-	7,682	-		-
Healy Parsons	-	1,484,297	-		-
Line 3 Metro Stations	52,428	-	-		45,801
Thessaloniki Metro CW	14,421,580	-	-		14,195,602
Total ICP Joint Operations	**14,474,008**	**9,707,254**	**-**	**-**	**16,031,672**
Madonna dei Monti Srl	8,952	-	-		256,000
Salini Costruttori	70,000	-	-		1,679,007
Salini Saudi Arabia company Ltd	300	-	-		-
Salini Simon Pietro & C. S.A.P.A.	14,394	-	-		-
Zeis	308,206	-	-		548,204
Total ICP Salini Costruttori	**401,852**	**-**	**-**	**-**	**2,483,211**
Total	**246,078,388**	**13,415,124**	**7,285**	**-**	**354,977,913**

Personnel costs	Other operating costs	Amortization, depreciation, provisions and impairment losses	Financial income	Financial expense
-	-	-	-	-
-	-	-	-	-
-	-		-	-
-	**-**	**-**	**544,336**	**-**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	19,515
-	-	-	-	-
-	-	-	-	-
-	**-**	**-**	**-**	**19,515**
-	-	-	2,556	-
-	-	-	3,081,821	34,628
-	-	-	-	-
-	-	-	-	-
-	-	-	54,734	-
-	**-**	**-**	**3,139,111**	**34,628**
-	**10,726**	**327,361**	**9,989,768**	**91,495**

Consolidated financial statements of Salini Impregilo Group Equity Investments

Equity investment at December 31, 2014 of the Salini Impregilo Group – Positive carrying amount

Investee company	December 31, 2013	Change in consolidation method	Acquisitions	Share capital transactions	(Disinvestments and liquidations)	Income from investments at equity
A.Constructor J.V Kallidromo	-					
Acqua Campania S.p.A.	9,607					
Anagnina 2000 Scrl	2,009				(2,009)	
Ancipa S.c.r.l.	5,165					
B.O.B.A.C. S.c.a.r.l.	5,100					
CAAF Interregionale	-					
Calpark S.c.p.A.	6,458					(1,794)
CE.S.I.F. S.c.p.A.	63,460					
Co.Ge.Fin. Srl (shareholders' agreements)	-					3,566,128
Consorcio Agua Azul S.A.	6,087,218					742,338
Consorcio Federici/Impresit/Ice Cochabamba	15,818					
Consorio.Kallidromo	-					
Consorzio Camaiore Impianti	14,203				(14,203)	
Consorzio Casale Nei	775					
Consorzio Cociv	330,532	(330,532)				
Consorzio CON.SI	516					
Consorzio Consavia S.c.n.c.	1,714					
Consorzio Costral	-					
Consorzio CPR 3	-					
Consorzio CPR 2	-					
Consorzio CPS Pedemontana Veneta Costruttori Progettisti e Servizi	35,000					
Consorzio del Sinni	12,395					
Consorzio Ferrofir	182,569					
Consorzio Ferroviario Milanese	28,276					
Consorzio Imprese Lavori FF.SS. di Saline - FEIC	5,165					
Consorzio infrastruttura area metropolitana - Metro Cagliari	8,287					
Consorzio Iniziative Ferroviarie - INFER	14,461					
Consorzio Iricav Due	70,339					
Consorzio Iricav Due	70,445					
Consorzio Libyan Expressway Contractor	4,250			1,550		
Consorzio MARC - Monitoraggio Ambientale Regione Campania	2,582					
Consorzio MITECO	4,416					
Consorzio MM4	62,100					
Consorzio Nazionale Imballaggi - CO.NA.I.	5					
Consorzio NOG.MA	84,000					
Consorzio Pedelombarda 2	4,000					

Other effects recognized through P/L	Dividends from equity-accounted investees	Change in cash flow hedging reserve	Change in ROC of equity-accounted investees	Change in ROC of investees accounted in member's financial statements	Reclassifications	Amount at December 31, 2014
					6,277	6,277
						9,607
						-
					(5,165)	-
						5,100
					129	129
						4,664
						63,460
(453,078)					5,982,269	9,095,319
	(426,581)		377,309			6,780,284
						15,818
					8,441	8,441
						-
						775
						-
						516
						1,714
					14,000	14,000
					1,747	1,747
					2,741	2,741
						35,000
						12,395
						182,569
						28,276
						5,165
					(8,287)	-
						14,461
						70,339
						70,445
						5,800
						2,582
						4,416
						62,100
						5
						84,000
						4,000

Equity Investments

Investee company	December 31, 2013	Change in consolidation method	Acquisitions	Share capital transactions	(Disinvestments and liquidations)	Income from investments at equity
Consorzio Sarda Costruzioni Generali - SACOGEN	2,582					
Consorzio Sardo d'Imprese	1,078					
Consorzio TRA.DE.CI.V.	12,533					
Consorzio Trevi - S.G.F. INC per Napoli	4,500					
Consorzio Umbria Sanità	-					
Constuctora Embalse Casa de Piedra S.A.	1					
Depurazione Palermo S.c.r.l.	3,616					
Emittenti Titoli S.p.A.	10,832					
Empresa Constructora Lo Saldes L.t.d.a.	5,341					
Empresa Constructora Metro 6 L.t.d.a.	152,812					
Eurolink S.c.p.A.	16,875,002					
FE.LO.VI. S.c.n.c.	8,392					
Forum S.c.a.r.l.	10,329					
G.T.B. S.c.r.l.	5					
Galileo S.c.a.r.l.	-					
Gaziantep Hastane Saglik	1,129,032			400,000		
GE.A.C. Srl	413					
Grassetto S.p.A.	7,747					
Group d'entreprises Salini Strabag (Guinea)	5,165					
Groupment Sci Sonatro	-					
Grupo Unidos Por El Canal S.A.	-					
Healy-Yonkers-Atlas-Gest J.V.	11,684					
I.S.V.E.U.R.-S.p.A. (1%)	34,086					
I_Faber S.p.A.	583,317					
Immobiliare Golf Club Castel D'Aviano Srl	62,909					
Impregilo Arabia Ltd	3,117,491					(151,005)
Impregilo Wolverhampton Ltd	4,383,101					133,264
Imprese Riunite Genova Irg S.c.r.l.	6,791					
Interstate Healy Equipment J.V.	11,960					(1,200)
Irina Srl	-					196,717
Isarco S.c.r.l.	-			41,000		
Istituto per lo Sviluppo Edilizio ed Urbanistico - ISVEUR S.p.A.	22,750					
Istituto Promozionale per l'Edilizia S.p.A. - Ispredil S.p.A.	330					
Italsagi SP. ZO.O	1					
Joint Venture Salini-Acciona (Ethiopia)	9,430					
La Quado S.c.a.r.l.	3,500					
Lambro S.c.r.l.	20					
M.N. 6 S.c.r.l.	510					
Manifesto S.p.A.	10,846					
Markland Srl	1,269					
Metro Blu S.c.r.l.	5,000					
Metro de Lima Linea 2 S.A.				8,566,176		

Other effects recognized through P/L	Dividends from equity-accounted investees	Change in cash flow hedging reserve	Change in ROC of equity-accounted investees	Change in ROC of investees accounted in member's financial statements	Reclassifications	Amount at December 31, 2014
						2,582
						1,078
						12,533
						4,500
					3,202	3,202
						1
						3,616
						10,832
						5,341
(152,812)			-			-
						16,875,002
						8,392
						10,329
						5
					4,000	4,000
						1,529,032
					(413)	-
						7,747
						5,165
					1	1
					10,729,253	10,729,253
				1,588		13,272
						34,086
						583,317
						62,909
			406,675			3,373,161
(285,000)	(122,149)	(160,368)	(74,362)			3,874,486
					(6,791)	-
				1,514		12,274
					549,344	746,061
						41,000
						22,750
						330
						1
						9,430
						3,500
						20
						510
						10,846
						1,269
						5,000
						8,566,176

Equity Investments

Investee company	December 31, 2013	Change in consolidation method	Acquisitions	Share capital transactions	(Disinvestments and liquidations)	Income from investments at equity
Metrogenova S.c.r.l.	8,257					
Metropolitana di Napoli S.p.A.	313,652					
Milano Sviluppo Srl	(1)					
Monte Vesuvio S.c.r.l.	23,239					
Nomisma S.p.A.	-					
Ochre Solutions Holdings Ltd	8,423,000					(753,820)
Olbia 90 S.c.r.l.	2,531					
PANTANO S.C.R.L.(10.5%)	4,338					
Parco Scientifico e Tecnologico della Sicilia S.c.p.A.	5,165					
Passante di Mestre S.c.p.A.	4,200,000					
Passante Dorico S.p.A.	2,820,000		-			
Pedelombarda S.c.p.A.	9,400,000					
Pedemontana Veneta S.p.A.	1,213,500					
Platano S.c.n.c.	165				(165)	
Quattro Venti S.c.r.l.	20,658					
RCCF Nodo di Torino S.c.p.A.	26,856					
Rimini Fiera S.p.A.	3,193,670					
Risalto Srl RM	-					
Risalto Srl RM	79,639					
Riviera S.c.r.l.	5,271			1,199		
S. Anna Palermo S.c.r.l.	18,592					
S. Ruffillo S.c.a.r.l.	21,000					
Salini Canada Inc.	7,490					
Salini Impregilo - Duha Joint Venture	100					
Salini Saudi Arabia Company Ltd	10,727					
San Benedetto S.c.r.l.	9,622					
Sarmento S.c.r.l.	1					
Scat 5 S.c.a.r.l.	-					
Sep Eole	762				(762)	
Seveso S.c.a.r.l.	400					
Sirjo S.c.p.A.	3,000,000					
Sistranyac S.A.	149,965					
Skiarea Valchiavenna S.p.A.	99,740					
Società di gestione aeroporto di Cuneo - GEAC S.p.A.	75,806				(75,806)	
Società di Progetto Consortile per Azioni M4	104,040					
Società Italiana per l'Ecologia Marina Castalia Ecolmar S.c.p.A.	1					
SPV Linea M4 S.p.A.	-			116,000		
Strade e Depuratori Palermo S.c.r.l.	1,653					
Techint S.A.C.I.- Hochtief A.G.- Impregilo S.p.A.-Iglys S.A. UTE	3,944					
Todedil S.c.a.r.l.	-					
Torino Parcheggi Srl	3,034				(3,034)	
Trasimeno S.c.a.r.l.	-					

Other effects recognized through P/L	Dividends from equity-accounted investees	Change in cash flow hedging reserve	Change in ROC of equity-accounted investees	Change in ROC of investees accounted in member's financial statements	Reclassifications	Amount at December 31, 2014
						8,257
						313,652
						(1)
					(23,239)	-
					27,015	27,015
(511,000)				(18)		7,158,162
						2,531
						4,338
						5,165
						4,200,000
						2,820,000
						9,400,000
						1,213,500
						-
						20,658
						26,856
						3,193,670
					23,328	23,328
						79,639
						6,470
						18,592
						21,000
						7,490
						100
						10,727
						9,622
						1
					6,455	6,455
						-
						400
						3,000,000
						149,965
						99,740
						-
						104,040
						1
						116,000
					(1,653)	-
						3,944
					6,588	6,588
						-
					3,060	3,060

Equity Investments

Investee company	December 31, 2013	Change in consolidation method	Acquisitions	Share capital transactions	(Disinvestments and liquidations)	Income from investments at equity
Variante di Valico	-					
Variante di Valico	37,500					
VE.CO. S.c.r.l.	2,582					
Villagest S.c.r.l.	6,275					(6,275)
Yacylec S.A.	341,017					(39,049)
Yuma Concessionaria S.A.	**6,359,305**					**3,281,682**
	73,618,736	**(330,532)**	**-**	**9,125,925**	**(95,979)**	**6,966,986**

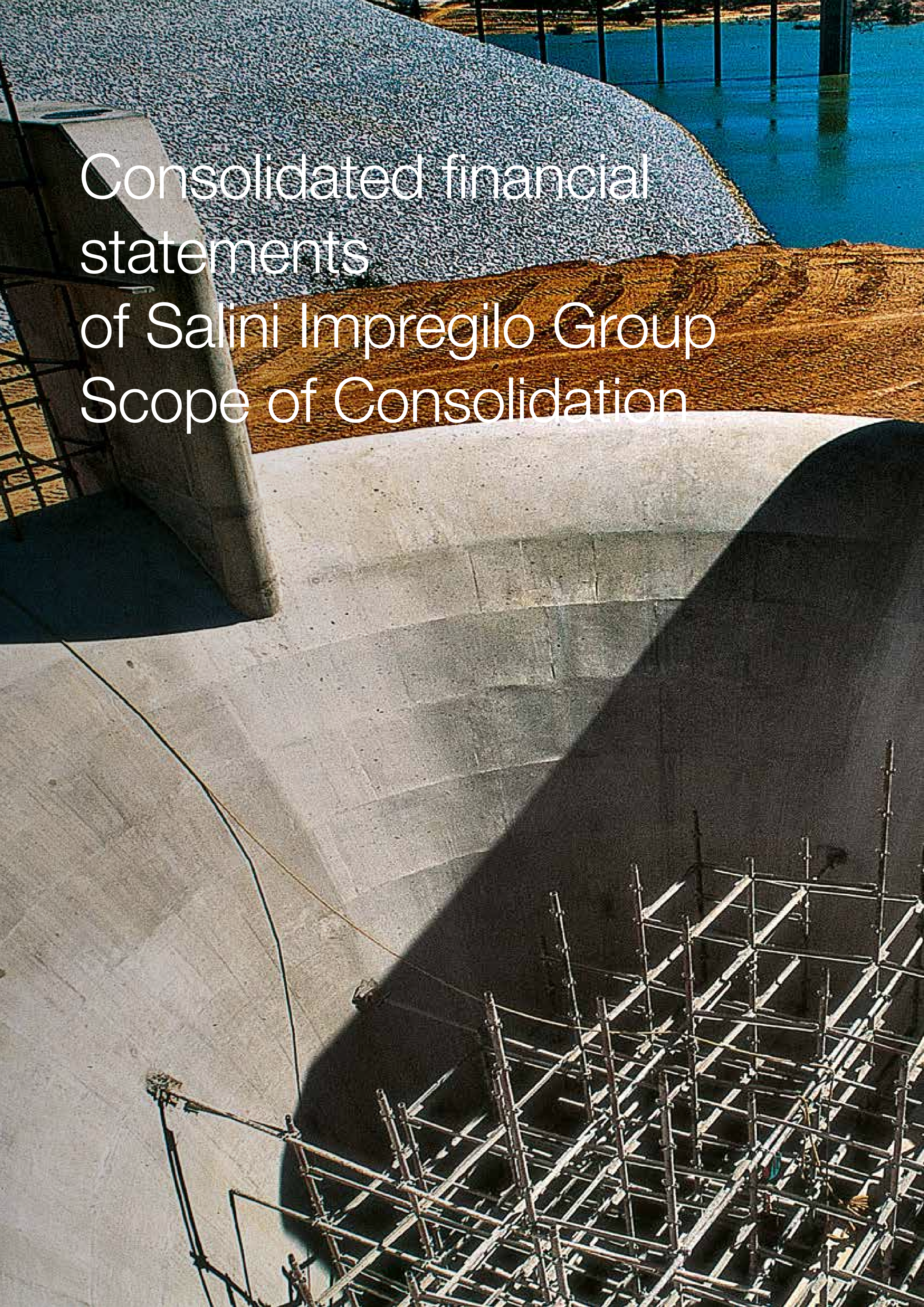
Other effects recognized through P/L	Dividends from equity-accounted investees	Change in cash flow hedging reserve	Change in ROC of equity-accounted investees	Change in ROC of investees accounted in member's financial statements	Reclassifications	Amount at December 31, 2014
					30,000	30,000
						37,500
						2,582
						-
				(44,577)		257,391
				(773,064)		**8,867,923**
(1,401,890)	**(548,730)**	**(160,368)**	**709,622**	**(814,557)**	**17,352,302**	**104,421,515**

Equity investments at December 31, 2014 of the Salini Impregilo Group – Negative carrying amount

Investee company	December 31, 2013	Change in consolidation method	Acquisitions	Share/quota capital transactions	(Disinvestments and liquidations)	Income from investments at equity
Ancipa S.c.r.l.	(2,339,959)					
Cagliari 89 S.c.r.l.	(132,850)					
Cogefar/C.I.S.A./Icla/Fondedile - Sorrentina S.c.r.l.	(130,000)				130,000	90,401
Con.Sal. S.c.n.c.	(12,428)					
Consorzio Agrital Ricerche	(4,934)					4,934
Consorzio Aree Industriali Potentine	(666)					
Consorzio Edilizia Sociale Industralizzata Lazio - CESIL	(116,927)					
Consorzio infrastruttura area metropolitana - Metro Cagliari	(2,930)					(50)
Corso Malta S.c.r.l.	(65,000)					23,488
Diga Ancipa S.c.r.l.	(84,500)					
Edificatrice Sarda Srl	(393,574)					
Edilfi S.c.a.r.l. in liquidation	-					
GE.A.C. Srl	(413)					
Grandi Uffizi S.c.r.l.	(50,000)					50,000
Groupment Italgisas (Marocco)	(842,251)					102,251
Grupo Unidos Por El Canal S.A.	(76,581,036)					(23,044)
Imprese Riunite Genova Irg S.c.r.l.	(20,000)					
Ital.Sa.Gi. Sp.Z.O.O. (Poland)	(222,489)					
Monte Vesuvio S.c.r.l.	(292,741)					
Pietrarossa S.c.r.l.	(3,753,193)					1,326,996
Risalto Srl	(2,176)					
S. Leonardo S.c.r.l.	(1)					
Saces Srl	(116,600)					
Salini - Impregilo Joint Venture for Mukorsi	(7,522)					
San Giorgio Caltagirone S.c.r.l.	(87,001)					
Sclafani S.c.r.l.	(155,000)					
Sep Eole	(1,305,948)					1,305,948
Soingit S.c.r.l.	(50,000)					
Strade e Depuratori Palermo S.c.r.l.	(1,653)					
Unicatanzaro S.c.r.l.	(9,923)					9,923
Variante di Valico S.c.a.r.l.	(4,672)					
Total investments with negative carrying value	**(86,786,387)**	**-**	**-**	**-**	**130,000**	**2,890,847**

Other effects recognized through P/L	Dividends from equity-accounted investees	Change in cash flow hedging reserve	Change in ROC of equity-accounted investees	Change in ROC of investees accounted in member's financial statements	Reclassifications	**Amount at December 31, 2014**
					5,165	(2,334,794)
						(132,850)
					(90,401)	-
						(12,428)
						-
						(666)
						(116,927)
					8,287	5,307
						(41,512)
						(84,500)
						(393,574)
					(236,121)	(236,121)
					413	-
						-
					740,000	-
					76,604,080	-
					6,791	(13,209)
						(222,489)
					25,430	(267,311)
						(2,426,197)
						(2,176)
						(1)
						(116,600)
					7,522	-
						(87,001)
						(155,000)
						-
						(50,000)
						(1,653)
						-
						(4,672)
-	-	-	-	-	77,071,166	**(6,694,374)**

Consolidated financial statements of Salini Impregilo Group Scope of Consolidation



Scope of Consolidation

Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Salini Impregilo S.p.A.	Italy	Euro	544,740,000	100		100	Todini Costr. Generali S.p.A.	line-by-line
Aktor A.T.E. - Todini Costruzioni Generali S.p.A.	Greece	Euro		55		55	Imprepar S.p.A	line-by-line
Alia S.c.r.l. (in liq.)	Italy	Euro	10,200	100		100	Imprepar S.p.A	line-by-line
Aquilgest S.c.r.l. (in liq.)	Italy	Euro	10,000	51		51	Imprepar S.p.A	line-by-line
Aquilpark S.c.r.l. (in liq.)	Italy	Euro	10,000	51		51	Imprepar S.p.A	line-by-line
BATA Srl (in liq.)	Italy	Euro	102,000	78.24		50.69	Imprepar S.p.A	line-by-line
						27.55	Todini Costr. Generali S.p.A.	
Bocoge S.p.A. - Costruzioni Generali	Italy	Euro	1,702,720	100		100	Imprepar S.p.A.	line-by-line
Campione S.c.r.l. (in liq.)	Italy	Euro	11,000	99.9	99.9			line-by-line
CIS Divisione Prefabbricati	Italy	Euro						
Vibrocesa Scac - C.V.S. Srl (in liq.)	Italy	Euro	10,000	100		100	INCAVE Srl	line-by-line
CO. MAR. S.c.r.l. (in liq.) Veloci C.I.V.	Italy	Euro	10,200	84.99		84.99	Imprepar S.p.A.	line-by-line
Collegamenti Integrati S.p.A.	Italy	Euro		85	85			line-by-line
Compagnia Gestione Macchinari	Italy	Euro						
CO.GE.MA. S.p.A.	Italy	Euro	1,032,000	100	100			line-by-line
Congressi 91 S.c.r.l. (in liq.)	Italy	Euro	25,000	100		80	Impresa Castelli Srl	line-by-line
						20	Bocoge S.p.A.	
Consorcio Acueducto Oriental	Dominican Republic			67	67			line-by-line
Consorcio Impregilo - OHL	Colombia			70		70	Impregilo Colombia SAS	line-by-line
Consorcio Impregilo Yarull	Dominican Republic			70	70			line-by-line
Consorzio Alta Velocità Torino/Milano - C.A.V.TO.MI.	Italy	Euro	5,000,000	74.69	74.69			line-by-line
Consorzio C.A.V.E.T. - Consorzio Alta Velocità Emilia/Toscana	Italy	Euro	5,422,797	75.98	75.98			line-by-line
Consorzio Caserma Donati	Italy	Euro	300,000	84.2	84.2			line-by-line
Consorzio CCTE (in liq.)	Italy	Euro	41,315	100	60	40	ILIM Srl	line-by-line
Consorzio Cociv	Italy	Euro	516,457	68.25	64	4.25	C.I.V. S.p.A.	line-by-line
Consorzio FAT	Italy	Euro	46,000	100		99	Todini Costr. Generali S.p.A.	line-by-line
						1	CO.GE.MA. S.p.A.	
Consorzio Libyan Expressway Contractor	Italy	Euro	10,000	58	58			line-by-line
Consorzio Pielle (in liq.)	Italy	Euro	15,493	100		33.33	Imprepar S.p.A.	line-by-line
Consorzio Scilla (in liq.)	Italy	Euro	1,000	51	51	66.67	Incave Srl	
Consorzio Torre	Italy	Euro	5,000,000	94.6	94,6			
Consorzio tra le società Impregilo/Bordin/ Coppetti/Icep - CORAV	Italy	Euro	51,129	96.97	96.97			
Consorzio/Vianini lavori/Impresit/Dal Canton/Icis/ Siderbeton - VIDIS (in liq.)	Italy	Euro	25,822	60		60	Imprepar S.p.A.	line-by-line
Constructora Ariguani SAS	Colombia	COP	100,000,000	51	51			line-by-line

Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Constructora Mazar Impregilo- Herdoiza Crespo	Ecuador			70	70			line-by-line
Construtora Impregilo y Associados S.A.-CIGLA S.A.	Brazil	BRL	7,641,014	100	100			line-by-line
Copenaghen Metro Team I/S	Denmark			99.99	99.99			line-by-line
Corso del Popolo Engineering S.c.r.l.	Italy	Euro	10,000	64.71		64.71	Todini Costr. Generali S.p.A.	line-by-line
Corso del Popolo S.p.A.	Italy	Euro	1,200,000	55		55	Todini Costr. Generali S.p.A.	line-by-line
Costruzioni Ferroviarie Torinesi Duemila S.c.r.l. (in liq.)	Italy	Euro	10,328	100		100	INCAVE Srl	line-by-line
CSC Impresa Costruzioni S.A.	Switzerland	CHF	2,000,000	100	100			line-by-line
Effepi - Finanza e Progetti Srl (in liq.)	Italy	Euro	78,000	100		100	SGF INC S.p.A.	line-by-line
Empresa Constructora Angostura Ltda	Chile	CLP	50,000,000	65	65			line-by-line
Empresa Constructora Metro 6 L..t.d.a.	Chile	CLP	25,000,000	100	99.9	0.1	Cigla S.A.	line-by-line
Engeco France S.a.r.l.	France	Euro	15,470	100		99.67	Imprepar S.p.A.	line-by-line
						0.33	Incave Srl	
EURL Todini Algerie	Algeria	Euro	63,000	100		100	Todini Costr. Generali S.p.A.	line-by-line
Eurotechno Srl (in liq.)	Italy	Euro	26,245	100		100	Imprepar S.p.A.	line-by-line
Fibe S.p.A.	Italy	Euro	3,500,000	99.998	99.989	0.003	Impregilo Intern. Infrastruc. N.V.	line-by-line
						0.006	Fisia Italimpianti S.p.A.	
Fisia Italimpianti S.p.A.	Italy	Euro	10,000,000	100	100			line-by-line
Generalny Wykonawca Salini Polska - Impregilo - Kobylarnia S.A.	Poland			66.68	33.34	33.34	Salini Polska Limited Liability company	line-by-line
Gestione Napoli Srl (in liq.)	Italy	Euro	10,000	99	24	75	Fisia Italimpianti S.p.A.	line-by-line
Groupe Mediterraneen di Travaux d'Infrastructures (in liq.)	Algeria	Euro	11,000	100		100	Todini Costr. Generali S.p.A.	line-by-line
Groupement Todini - Enaler Autoroute Algeria	Algeria			84		84	Todini Costr. Generali S.p.A.	line-by-line
Grupo ICT II SAS	Colombia	COP	1,000,000,000	100	100			line-by-line
Hemus Motorway A.D. (in liq.)	Bulgaria	BGN	1,300,000	51	51			line-by-line
I.L.IM. - Iniziative Lombarde Immobiliari Srl (in liq.)	Italy	Euro	10,000	100	100			line-by-line
IGLYS S.A.	Argentina	ARS	17,000,000	100		98	Impregilo Intern. Infrastruc. N.V.	line-by-line
						2	INCAVE Srl	
Imprefeal Srl	Italy	Euro	20,000	100		100	Imprepar S.p.A.	line-by-line
Impregilo Colombia SAS	Colombia	COP	850,000,000	100	100			line-by-line
Impregilo International Infrastructures N.V.	Netherlands	Euro	50,000,000	100	100			line-by-line
Impregilo Lidco Libya Co	Libya	DL	5,000,000	60	60			line-by-line
Impregilo New Cross Ltd	Great Britain	GBP	2	100		100	Impregilo Intern. Infrastruc. N.V.	line-by-line
Impregilo Parking Glasgow Ltd	Great Britain	GBP	1	100		100	Impregilo Intern. Infrastruc. N.V.	line-by-line
Impregilo S.p.A. - S.A. Healy company UTE	Argentina	PAR	10,000	100	98	2	Healy S.A.	line-by-line
Impregilo-SK E&C-Galfar al Misnad J.V.	Qatar			41.25	41.25			line-by-line
Impregilo-Terna SNFCC J.V.	Greece	Euro	100,000	51	51			line-by-line

Scope of Consolidation

Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Imprepar-Impregilo Partecipazioni S.p.A.	Italy	Euro	3,100,000	100	100			line-by-line
Impresa Castelli Srl (in liq.)	Italy	Euro	10,000	100		100	Imprepar S.p.A.	line-by-line
Impresit del Pacifico S.A.	Peru	PEN	35,000	100		100	Imprepar S.p.A.	line-by-line
INC - Algerie S.a.r.l.	Algeria	DZD	151,172,000	99.97		99.97	SGF INC S.p.A.	line-by-line
INCAVE Srl (in liq.)	Italy	Euro	90,000	100		100	Imprepar S.p.A.	line-by-line
IS Joint Ventures	Australia			100	50	50	Salini Australia PTY L.t.d.	line-by-line
Joint Venture Impregilo S.p.A. - S.G.F. INC S.p.A.	Greece			100	99	1	SGF INC S.p.A.	line-by-line
Librino S.c.r.l. (in liq.)	Italy	Euro	45,900	66		66	Imprepar S.p.A.	line-by-line
M.A.VER S.c.a.r.l. (in liq.)	Italy	Euro	10,000	100		100	Todini Costr. Generali S.p.A.	line-by-line
Melito S.c.r.l. (in liq.)	Italy	Euro	77,400	66.67		66.67	Imprepar S.p.A.	line-by-line
Mercovia S.A.	Argentina	ARS	10,000,000	60		60	Impregilo Intern. Infrastruc. N.V.	line-by-line
Metro B Srl	Italy	Euro	20,000,000	52.52	52.52			line-by-line
Metro B1 S.c.a.r.l.	Italy	Euro	100,000	80.7	80.7			line-by-line
Montenero S.c.r.l. (in liq.)	Italy	Euro	10,400	61.11		61.11	Imprepar S.p.A.	line-by-line
Nuovo Dolonne S.c.r.l. (in liq.)	Italy	Euro	50,000	100	100			line-by-line
Perugia 219 S.c.r.l.	Italy	Euro	10,000	55		55	Todini Costr. Generali S.p.A.	line-by-line
PGH Ltd	Nigeria	NGN	52,000,000	100	100			line-by-line
Piscine dello Stadio Srl	Italy	Euro	1,100,000	70		70	Todini Costr. Generali S.p.A.	line-by-line
Piscine S.c.r.l.	Italy	Euro	10,000	70		70	Todini Costr. Generali S.p.A.	line-by-line
Reggio Calabria - Scilla S.c.p.A.	Italy	Euro	35,000,000	51	51			line-by-line
RI.MA.TI. S.c.a.r.l.	Italy	Euro	100,000	83.42	83.42			line-by-line
Rivigo J.V. (Nigeria) Ltd	Nigeria	NGN	25,000,000	70		70	PGH Ltd	line-by-line
S. Leonardo Due S.c.r.l. (in liq.)	Italy	Euro	40,800	60		60	Imprepar S.p.A.	line-by-line
S. Leonardo S.c.r.l. (in liq.)	Italy	Euro	25,500	99.99		99.99	Imprepar S.p.A.	line-by-line
S.A. Healy company	USA	USD	11,320,863	100	100			line-by-line
S.G.F. - I.N.C. S.p.A.	Italy	Euro	3,859,680	100	100			line-by-line
SA.CO.LAV. S.c.r.l. (in liq.)	Italy	Euro	10,000	100	100			line-by-line
SA.MA. S.c.a.r.l. (in liq.)	Italy	Euro	41,000	99	99			line-by-line
Salerno-Reggio Calabria S.c.p.A.	Italy	Euro	50,000,000	51	51			line-by-line
Salini - Impregilo Joint Venture for Mukorsi	Zimbabwe			100	99.9	0.1	Imprepar S.p.A.	line-by-line
Salini Rus L.t.d. Liability company	Russia	Euro	74,000	99	99			line-by-line
Salini Australia PTY L.t.d.	Australia			100	100			line-by-line
Salini Bulgaria A.D.	Bulgaria	BGN	50,000	100	100			line-by-line
Salini Hydro L.t.d.	Ireland	Euro	5,000	100	100			line-by-line
Salini Impregilo - Duha Joint Venture	Slovakia			75	75			line-by-line
Salini Impregilo - Salini Insaat - NTF J.V.	Turkey			85	55	30	Salini Insaat T.S.V.T.A.S.	line-by-line
Salini India Private L.t.d.	India	INR	17,500,000	100	95	5	CO.GE.MA. S.p.A.	line-by-line
Salini Insaat Taahhut Sanayi Ve Ticaret Anonim Sirketi	Turkey	TRY	50,000	100	100			line-by-line

Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Salini Malaysia SDN BHD	Malaysia	MYR	1,100,000	100	90	10	CO.GE.MA. S.p.A.	line-by-line
Salini Namibia Proprietary L.t.d.	Namibia			100	100			line-by-line
Salini Nigeria L.t.d.	Nigeria	NGN	10,000,000	100	99	1	CO.GE.MA. S.p.A.	line-by-line
Salini Polska - Todini - Salini Impregilo - Pribex - S3 JV	Poland	PLN		95	47.5	23.75 23.75	Todini Costr. Generali S.p.A. Salini Polska L.t.d. Liability Co	line-by-line
Salini Polska - Todini - Salini Impregilo - Pribex - S8 JV	Poland	PLN		95	47.5	23.75 23.75	Todini Costr. Generali S.p.A. Salini Polska L.t.d. Liability Co	line-by-line
Salini Polska Ltd Liability Co	Poland	PLN	393,000	100	100			line-by-line
Salini USA Inc	USA	USD	20,000	100	100			line-by-line
Salini-Kolin-GCF Joint Venture	Turkey	Euro	4,000	38	38			line-by-line
San Martino Prefabbricati S.p.A. (in liq.)	Italy	Euro	10,000	100		100	Impresa Castelli Srl	line-by-line
Savico S.c.r.l. (in liq.)	Italy	Euro	10,200	100		81	Imprepar S.p.A.	line-by-line
						19	Sapin Srl	line-by-line
Società Autostrada Broni-Mortara S.p.A.	Italy	Euro	25,000,000	61.08	61.08			line-by-line
Società Industriale Prefabbricazione Edilizia del Mediterraneo - S.I.P.E.M. S.p.A. (in liq.)	Italy	Euro	10,000	100	100			line-by-line
Steinmuller International Gmbh	Germany	Euro	25,000	100		100	Impregilo Intern. Infrastruc. N.V.	line-by-line
Suramericana de Obras Publicas C.A.- Suropca C.A.	Venezuela	VEB	2,874,118,000	100	99	1	CSC S.A.	line-by-line
Sviluppo Applicazioni Industriali - SAPIN Srl (in liq.)	Italy	Euro	51,480	100		100	Imprepar S.p.A.	line-by-line
TB Metro Srl (in liq.)	Italy	Euro	100,000	51	51			line-by-line
Todini - Hamila	Tunisia			100		100	Todini Costr. Generali S.p.A.	line-by-line
Todini - Takenaka Joint Venture	Azerbaijan			60		60	Todini Costr. Generali S.p.A.	line-by-line
Todini Akkord Salini	Ukraine			65	25	40	Todini Costr. Generali S.p.A.	integrale
Todini Central Asia	Kazakhstan	Euro	1,438,000	100		100	Todini Costr. Generali S.p.A.	integrale
Todini Costruzioni Generali S.p.A.	Italy	Euro	56,907,000	100	100			line-by-line
Todini-Impregilo Almaty Khorgos J.V.	Kazakhstan	Euro		100	50	50	Todini Costr. Generali S.p.A.	line-by-line
Trincerone Ferroviario S.c.r.l. (in liq.)	Italy	Euro	45,900	60		60	Imprepar S.p.A.	line-by-line
Vegas Tunnel Constructors	USA			100	40	60	Healy S.A.	line-by-line
Vittoria S.c.r.l. (in liq.)	Italy	Euro	20,400	58		58	Imprepar S.p.A.	integrale
Arge Tulfes Pfons	Austria	Euro	1,000	49	49			joint oper.
Arriyad New Mobility Consortium	Saudi Arabia			33.48	33.48			joint oper.
Civil Works Joint Ventures	Saudi Arabia			29	29			joint oper.
CMC - Mavundla - Impregilo J.V.	South Africa			39.2	39.2			joint oper.
Consorcio Contuy Medio Grupo A C.I. S.p.A. Ghella Sogene C.A., Otaola C.A.	Venezuela			36.4	36.4			joint oper.
Ghazi-Barotha Contractors J.V.	Switzerland			57.8	57,8			joint oper.
Impregilo-Healy-Parsons J.V.	USA	USD		65	45	20	Healy S.A.	joint oper.
Nathpa Jhakri J.V.	India	USD	1,000,000	60	60			joint oper.

Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Tristar Salini Joint Venture	Arab Emirates			40	40			joint oper.
Aegek-Impregilo-Aslom J.V.	Greece	Euro		45.8	45.8			equity
Aguas del Gran Buenos Aires S.A. (in liq.)	Argentina	ARS	45,000,000	42.58	16.5	23.72 2.36	Impregilo Intern. Infrastruc. N.V. Iglys. S.A.	equity
Aguas del Oeste S.A.	Argentina	ARS	170,000	33.33		33.33	Iglys. S.A.	equity
ANBAFER S.c.r.l. (in liq.)	Italy	Euro	25,500	50		50	Imprepar S.p.A.	equity
Ancipa S.c.r.l. (in liq.)	Italy	Euro	10,200	50		50	Imprepar S.p.A.	equity
Arbeitsgemeinschaft Tunnel Umfahrung Saas (ATUS)	Switzerland			32		32	CSC S.A.	equity
Arge Haupttunnel Eyholz	Switzerland			36		36	CSC S.A.	equity
Arge Sisto N8	Switzerland			50		50	CSC S.A.	equity
Arge Uetlibergtunnel	Switzerland			15		15	CSC succ. Zurigo	equity
Autopistas del Sol S.A.	Argentina	ARS	175,396,394	19.82		19.82	Impregilo Intern. Infrastruc. N.V.	equity
B.O.B.A.C. S.c.a.r.l. (in liq.)	Italy	Euro	10,200	50		50	SGF INC S.p.A.	equity
Barnard Impregilo Healy J.V.	USA			45	25	20	Healy S.A.	equity
C.P.R.2	Italy	Euro	2,000	35.97		35.97	Todini Costr. Generali S.p.A.	equity
C.P.R.3	Italy	Euro	2,000	35.97		35.97	Todini Costr. Generali S.p.A.	equity
C.U.S. Consorzio Umbria Sanità (in liq.)	Italy	Euro	10,000	31		31	Todini Costr. Generali S.p.A.	equity
Cagliari 89 S.c.r.l. (in liq.)	Italy	Euro	10,200	49		49	Sapin Srl	equity
CE.S.I.F. S.c.p.A. (in liq.)	Italy	Euro	250,000	24.18	24.18			equity
CGR Consorzio Galliera Roveredo	Switzerland			37.5		37.5	CSC S.A.	equity
Churchill Construction Consortium	Great Britain			30		30	Impregilo New Cross Ltd	equity
Churchill Hospital J.V.	Great Britain			50		50	Impregilo New Cross Ltd	equity
CMC - Consorzio Monte Ceneri lotto 851	Switzerland			40		40	CSC S.A.	equity
Coincar S.A.	Argentina	ARS	40,465,122	35	26.25	8.75	Iglys S.A.	equity
Compagnia Gestione Finanziarie - Co.Ge.Fin. Srl	Italy	Euro	100,000	51	51			equity
Con. Sal S.c.n.c. (in liq.)	Italy	Euro	15,000	30	30			equity
Consorcio Agua Azul S.A.	Peru	PEN	69,001,000	25,5		25.5	Impregilo Intern. Infrastruc. N.V.	equity
Consorcio Cigla-Sade	Brazil			50		50	Cigla S.A.	equity
Consorcio Contuy Medio	Venezuela			29.04	29.04			equity
Consorcio Federici/Impresit/Ice Cochabamba	Bolivia	USD	100,000	25		25	Imprepar S.p.A.	equity
Consorcio Grupo Contuy-Proyectos y Obras de Ferrocarriles	Venezuela			33.33	33.33			equity
Consorcio Imigrantes	Brazil			50		50	Cigla S.A.	equity
Consorcio Normetro	Portugal			13.18	13.18			equity
Consorcio OIV-TOCOMA	Venezuela			40	40			equity
Consorcio Serra do Mar	Brazil			50	25	25	Cigla S.A.	equity
Consorcio V.I.T. - Tocoma	Venezuela			35	35			equity
Consorcio V.I.T. Caroni - Tocoma	Venezuela			35	35			equity

Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Consorcio V.S.T.	Venezuela			35		35	Suropca C.A.	equity
Consorcio V.S.T. Tocoma	Venezuela			30	30			equity
Consorzio Astaldi-Federici-Todini (in liq.)	Italy	Euro	46,000	33.34		33.34	Todini Costr. Generali S.p.A.	equity
Consorzio Astaldi-Federici-Todini Kramis	Italy	Euro	100,000	50		50	Todini Costr. Generali S.p.A.	equity
Consorzio Biaschina	Switzerland			33.34		33.34	CSC S.A.	equity
Consorzio CEMS	Switzerland			33.4		33.4	CSC S.A.	equity
Consorzio CGMR	Switzerland			40		40	CSC S.A.	equity
Consorzio Consavia S.c.n.c. (in liq.)	Italy	Euro	20,658	50		50	Imprepar S.p.A.	equity
Consorzio Constructor M2 Lima	Peru			25.5	25.5			equity
Consorzio Costruttori Strade Lazio - COSTRAL (in liq.)	Italy	Euro	20,000	70		70	Todini Costr. Generali S.p.A.	equity
Consorzio CPS Pedemontana Veneta Costruttori Progettisti e Servizi	Italy	Euro	100,000	35	35			equity
Consorzio del Sinni	Italy	Euro	51,646	43.16		43.16	Imprepar S.p.A.	equity
Consorzio di Riconversione Industriale Apuano - CO.RI.A. S.c.r.l.	Italy	Euro	46,481	10		10	Imprepar S.p.A.	equity
Consorzio Edilizia Sociale Industralizzata Lazio - CESIL (in liq.)	Italy	Euro	49,993	19.79		19.79	Imprepar S.p.A.	equity
Consorzio Felce BP	Switzerland			33.34		33.34	CSC S.A.	equity
Consorzio Felce lotto 101	Switzerland			25		25	CSC S.A.	equity
Consorzio Ferrofir (in liq.)	Italy	Euro	30,987	33.33		33.33	Imprepar S.p.A.	equity
Consorzio Ferroviario Milanese	Italy	Euro	154,937	18.26		18.26	Imprepar S.p.A.	equity
Consorzio Imprese Lavori FF.SS. di Saline - FEIC	Italy	Euro	15,494	33.33		33.33	Imprepar S.p.A.	equity
Consorzio Iniziative Ferroviarie - INFER	Italy	Euro	41,316	35		35	Imprepar S.p.A.	equity
Consorzio Iricav Due	Italy	Euro	510,000	27.28	27.28			equity
Consorzio Kallidromo	Greece	Euro	29,347	20.7		20.7	Todini Costr. Generali S.p.A.	equity
Consorzio Lavori Interventi Straordinari Palermo - Colispa S.c.r.l. (in liq.)	Italy	Euro	21,420	29.76		29.76	Imprepar S.p.A.	equity
Consorzio MARC - Monitoraggio Ambientale Regione Campania (in liq.)	Italy	Euro	25,822	10		10	Effepi Srl	equity
Consorzio MITECO	Italy	Euro	10,000	44.16	44.16			equity
Consorzio MM4	Italy	Euro	200,000	31.05	31.05			equity
Consorzio MPC	Switzerland			33		33	CSC S.A.	equity
Consorzio NOG.MA (in liq.)	Italy	Euro	600,000	14	14			equity
Consorzio Pedelombarda 2	Italy	Euro	10,000	40	40			equity
Consorzio Piottino	Switzerland	Euro		25		25	CSC S.A.	equity
Consorzio Pizzarotti Todini-Kef- Eddir.	Italy	Euro	100,000	50		50	Todini Costr. Generali S.p.A.	equity
Consorzio Portale Vezia (CVP Lotto 854)	Switzerland	Euro		60		60	CSC S.A.	equity
Consorzio Sarda Costruzioni Generali - SACOGEN	Italy	Lit	20,000,000	25		25	Sapin Srl	equity
Consorzio Sardo d'Imprese (in liq.)	Italy	Euro	103,291	34.38		34.38	Sapin Srl	equity
Consorzio SI.VI.CI.CA.	Switzerland			25		25	CSC S.A.	equity
Consorzio SI.VI.CI.CA. 3	Switzerland			25		25	CSC S.A.	equity
Consorzio SI.VI.CI.CA. 4	Switzerland			25		25	CSC S.A.	equity
Consorzio Stazione Mendrisio	Switzerland	Euro		25		25	CSC S.A.	equity

Scope of Consolidation

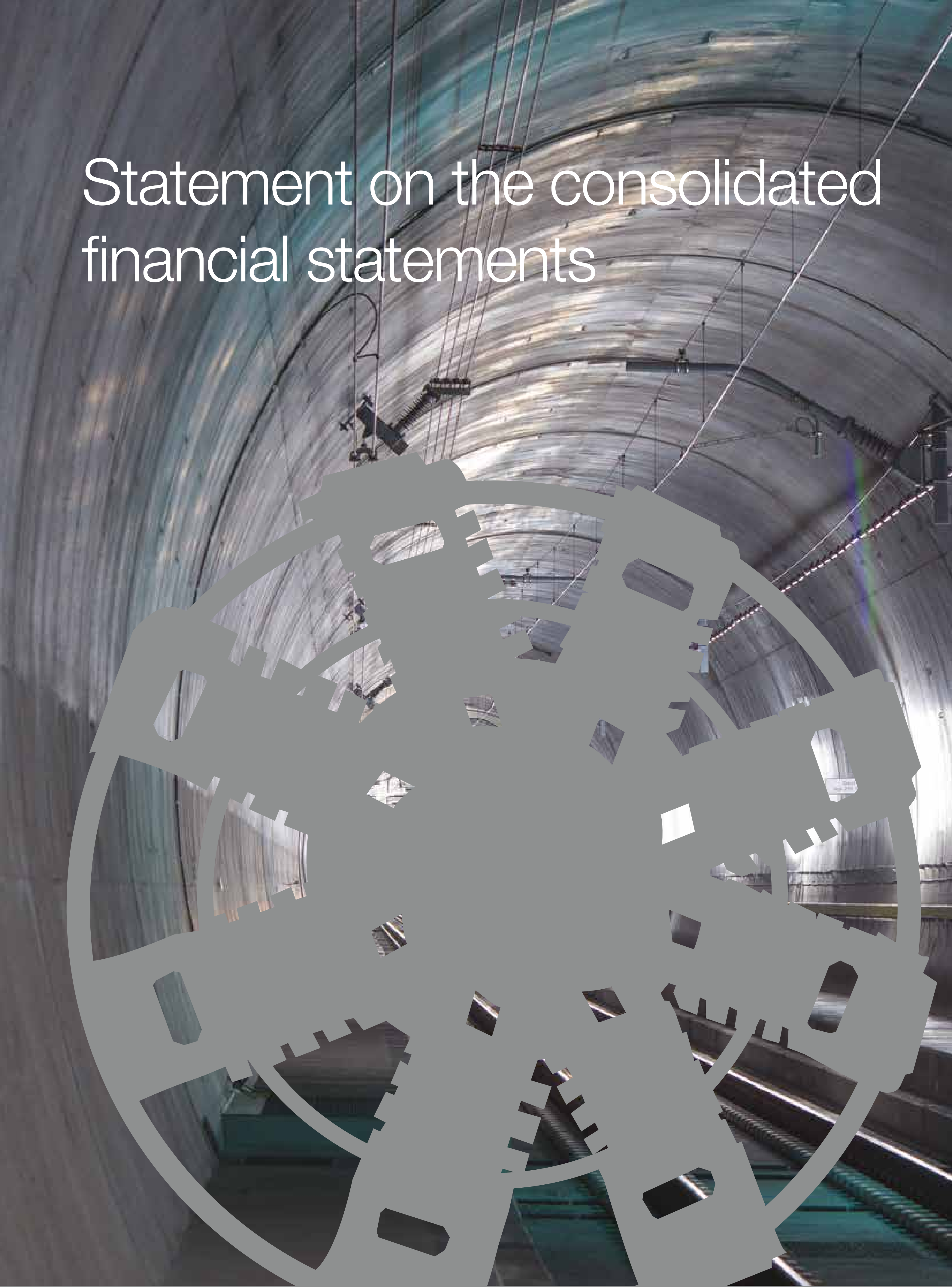
Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Consorzio TAT-Tunnel Alp Transit Ticino, Arge	Switzerland			25	17.5	7,5	CSC S.A.	equity
Consorzio Trevi - S.G.F. INC per Napoli	Italy	Euro	10,000	45		45	SGF INC S.p.A.	equity
Constuctora Embalse Casa de Piedra S.A. (in liq.)	Argentina	ARS	821	72.93		72.93	Imprepar S.p.A.	equity
Corso Malta S.c.r.l. (in liq.)	Italy	Euro	40,800	42.5		42.5	Imprepar S.p.A.	equity
CSLN Consorzio	Switzerland			28		28	CSC S.A.	equity
Depurazione Palermo S.c.r.l. (in liq.)	Italy	Euro	10,200	50		50	Imprepar S.p.A.	equity
Diga Ancipa S.c.r.l. (in liq.)	Italy	Euro	10,200	50		50	Imprepar S.p.A.	equity
E.R. Impregilo/Dumez y Asociados para Yaciretê - ERIDAY	Argentina	USD	539,400	20.75	18.75	2	Iglys S.A.	equity
EDIL.CRO S.c.r.l. (in liq.)	Italy	Euro	10,200	16.65		16.65	Bocoge S.p.A.	equity
Edil.Gi. S.c.r.l. (in liq.)	Italy	Lit	20,000,000	50		50	Imprepar S.p.A.	equity
EDILFI S.c.r.l. (in liq.)	Italy	Euro	10,000	100		100	Todini Costr. Generali S.p.A.	equity
Empresa Constructora Lo Saldes L.t.d.a.	Chile	CLP	10,000,000	35	35			equity
Enecor S.A.	Argentina	ARS	8,000,000	30		30	Impregilo Intern. Infrastruc. N.V.	equity
Eurolink S.c.p.A.	Italy	Euro	150,000,000	45	45			equity
Executive J.V. Impregilo S.p.A. Terna S.A. - Alte S.A. (in liq.)	Greece			33.33	33.33			equity
FE.LO.VI. S.c.n.c. (in liq.)	Italy	Euro	25,822	32.5		32.5	Imprepar S.p.A.	equity
Forum S.c.r.l. (in liq.)	Italy	Euro	51,000	20	20			equity
Galileo S.c.r.l. (in liq.)	Italy	Euro	10,000	40		40	Todini Costr. Generali S.p.A.	equity
Gaziantep Hastane Sanglik Hizmetleri Isletme Yatrim Joint Stock company	Turkey	TRY	10,000,000	28	28			equity
Groupement Hydrocastoro	Algeria	DZD	2,000,000	49.98		49.98	INC Algerie Sarl	equity
Grupo Empresas Italianas - GEI	Venezuela	VEB	10,000,000	33.33	33.33			equity
Grupo Unidos Por El Canal S.A.	Panama	USD	1,000,000	48	48			equity
Healy-Yonkers-Atlas-Gest J.V.	USA			45		45	Healy S.A.	equity
Impregilo - Rizzani de Eccher J.V.	Arab Emirates			67	67			equity
Impregilo Arabia Ltd	Saudi Arabia	SAD	40,000,000	50	50			equity
Impregilo Cogefar New Esna Barrage J.V. (in liq.)	Egypt	Euro	51,645	100		99 1	Imprepar S.p.A. INCAVE Srl	equity
Impregilo Wolverhampton Ltd	Great Britain	GBP	1,000	20		20	Impregilo Intern. Infrastruc. N.V.	equity
Imprese Riunite Genova Irg S.c.r.l. (in liq.)	Italy	Euro	25,500	26.3		26.3	Imprepar S.p.A.	equity
Imprese Riunite Genova Seconda S.c.r.l. (in liq.)	Italy	Euro	25,000	26.3		26.3	Imprepar S.p.A.	equity
Impresit Bakolori Plc	Nigeria	NGN	100,800,000	50.71	50.71			equity
Interstate Healy Equipment J.V.	USA			45		45	Healy S.A.	equity
IRINA Srl (in liq.)	Italy	Euro	103,000	36		36	Todini Costr. Generali S.p.A.	equity
Isarco S.c.r.l.	Italy	Euro	10,000	41	41			equity
Isibari S.c.r.l.	Italy	Euro	15,300	55		55	Bocoge S.p.A.	equity
Italsagi SP. ZO.O	Poland	PLN	10,000	66	33	33	Imprepar S.p.A.	equity
Joint Venture Aegek-Impregilo-Ansaldo-Seli-Ansaldobreda	Greece			26.71	26.71			equity

Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Joint Venture Aktor Ate - Impregilo S.p.A. (Constantinos)	Greece			40	40			
Joint Venture Impregilo S.p.A. - Empedos S.A. - Aktor A.T.E.	Greece			66	66			
Joint Venture Kallidromo	Greece	Euro	8,804	23		23	Todini Costr. Generali S.p.A.	equity
Joint Venture Terna - Impregilo	Greece			45	45			equity
Kayi Salini Samsung Joint Venture	Turkey	Euro		33	33			equity
La Quado S.c.a.r.l.	Italy	Euro	10,000	35	35			equity
Line 3 Metro Stations	Greece			50	50			equity
Lodigiani-Pgel J.V. (in liq.)	Pakistan			100		100	Imprepar S.p.A.	equity
Metro Blu S.c.r.l.	Italy	Euro	10,000	50	50			equity
Metro de Lima Linea 2 S.A.	Peru	PEN	166,200,000	18.25	18.25			equity
Metrogenova S.c.r.l.	Italy	Euro	25,500	35.63	35.63			equity
Monte Vesuvio S.c.r.l. (in liq.)	Italy	Euro	45,900	50		50	Imprepar S.p.A.	equity
Nautilus S.c.p.A. (in liq.)	Italy	Euro	479,880	34.41		34.41	Fisia Italimpianti S.p.A.	equity
Ochre Solutions Holdings Ltd	Great Britain	GBP	20,000	40		40	Impregilo Intern. Infrastruc. N.V.	equity
Olbia 90 S.c.r.l. (in liq.)	Italy	Euro	10,200	24.5		24.5	Sapin Srl	equity
Pantano S.c.r.l. (in liq.)	Italy	Euro	41,000	10.5	10.5			equity
Passante di Mestre S.c.p.A.	Italy	Euro	10,000,000	42	42			equity
Passante Dorico S.p.A.	Italy	Euro	24,000,000	47	47			equity
Pedelombarda S.c.p.A.	Italy	Euro	80,000,000	47	47			equity
Pedemontana Veneta S.p.A. (in liq.)	Italy	Euro	6,000,000	20.23	20.23			equity
Pietrarossa S.c.r.l. (in liq.)	Italy	Euro	10,200	50		50	Imprepar S.p.A.	equity
Puentes del Litoral S.A. (in liq.)	Argentina	ARS	43,650,000	26	22	4	Iglys S.A.	equity
Quattro Venti S.c.r.l. (in liq.)	Italy	Euro	51,000	40	40			equity
RCCF Nodo di Torino S.c.p.A. (in liq.)	Italy	Euro	102,000	26		26	INCAVE Srl	equity
Risalto Srl (in liq.)	Italy	Euro	89,000	100	66.67	33.33	Todini Costr. Generali S.p.A.	equity
Riviera S.c.r.l.	Italy	Euro	50,000	10.54	10.54			equity
S. Anna Palermo S.c.r.l. (in liq.)	Italy	Euro	40,800	71.6	71.6			equity
S. Ruffillo S.c.r.l.	Italy	Euro	60,000	35	35			equity
Saces Srl (in liq.)	Italy	Euro	26,000	37		37	Imprepar S.p.A.	equity
Salini Acciona Joint Venture	Ethiopia	Euro	20,000	50	50			equity
Salini Canada Inc.	Canada	CAD	10,000	100	100			equity
Salini Impregilo - Healy J.V.	USA			100	60	40	Healy S.A.	equity
Salini Strabag Joint Ventures	Guinea	Euro	10,000	50	50			equity
San Benedetto S.c.r.l. (in liq.)	Italy	Euro	25,823	57		57	Imprepar S.p.A.	equity
San Giorgio Caltagirone S.c.r.l. (in liq.)	Italy	Euro	25,500	33		33	Imprepar S.p.A.	equity
SCAT 5 S.c.r.l. (in liq.)	Italy	Euro	26,000	25		25	Todini Costr. Generali S.p.A.	equity
Sclafani S.c.r.l. (in liq.)	Italy	Euro	10,400	41		41	Imprepar S.p.A.	equity
SEDI S.c.r.l.	Italy	Euro	10,000	34		34	Todini Costr. Generali S.p.A.	equity
SFI Leasing company	USA			30	30			equity

Name	Country	Currency	Share/quota capital subscribed	% investment	% direct	% indirect	Held indirectly by	Method 31.12.2014
Shimmick CO. INC. - FCC CO S.A. - Impregilo S.p.A -J.V.	USA			30	30			equity
SI.VI.CI.CA. 2	Switzerland			25		25	CSC S.A.	equity
Sirjo S.c.p.A.	Italy	Euro	30,000,000	40	40			equity
Sistranyac S.A.	Argentina	ARS	3,000,000	20.1		20.1	Impregilo Intern. Infrastruc. N.V.	equity
società di Progetto Consortile per Azioni M4	Italy	Euro	360,000	29	29			equity
Soingit S.c.r.l. (in liq.)	Italy	Lit	80,000,000	29.49		29.49	Imprepar S.p.A.	equity
SPV Linea M4 S.p.A.	Italy	Euro	1,200,000	9.67	9.67			equity
Strade e Depuratori Palermo S.c.r.l.	Italy	Euro	10,200	16		16	Imprepar S.p.A.	equity
Techint S.A.C.I.- Hochtief A.G.- Impregilo S.p.A.- Iglys S.A. UTE	Argentina			35	26.25	8.75	Iglys S.A.	equity
Thessaloniki Metro CW J.V.	Greece			42.5	42.5			equity
Todedil S.c.r.l. (in liq.)	Italy	Euro	10,000	85		85	Todini Costr. Generali S.p.A.	equity
Trasimeno S.c.r.l. (in liq.)	Italy	Euro	10,000	30		30	Todini Costr. Generali S.p.A.	equity
Variante di Valico S.c.r.l. (in liq.)	Italy	Euro	90,000	100	66.67	33.33	Todini Costr. Generali S.p.A.	equity
VE.CO. S.c.r.l.	Italy	Euro	10,200	25	25			equity
Villagest S.c.r.l. (in liq.)	Italy	Euro	13,944	50		50	Fisia Italimpianti S.p.A.	equity
Wohnanlage Hohenstaufenstrasse Wiesbaden	Germany			62.7		62.7	Imprepar S.p.A.	equity
Yacylec S.A.	Argentina	ARS	20,000,000	18.67		18.67	Impregilo Intern. Infrastruc. N.V.	equity
Yuma Concessionaria S.A.	Colombia	COP	26,000,100,000	40	40			equity

Scope of Consolidation

Statement on the consolidated financial statements



Statement on the Consolidated financial statements

On the Consolidated financial statements pursuant to article 81-ter of Consob regulation no. 11971 of May 14, 1999 as amended and supplemented

1. Considering the provisions of article 154-bis, paragraphs 3 and 4 of Legislative Decree no. 58 of February 24, 1998, Pietro Salini, as CEO, and Massimo Ferrari, as manager in charge of financial reporting, of Salini Impregilo S.p.A., hereby state:
- that the administrative and accounting procedures are adequate given the Group's characteristics, also considering the changes during the year;
- that they were actually applied during 2014 to prepare the Consolidated financial statements.

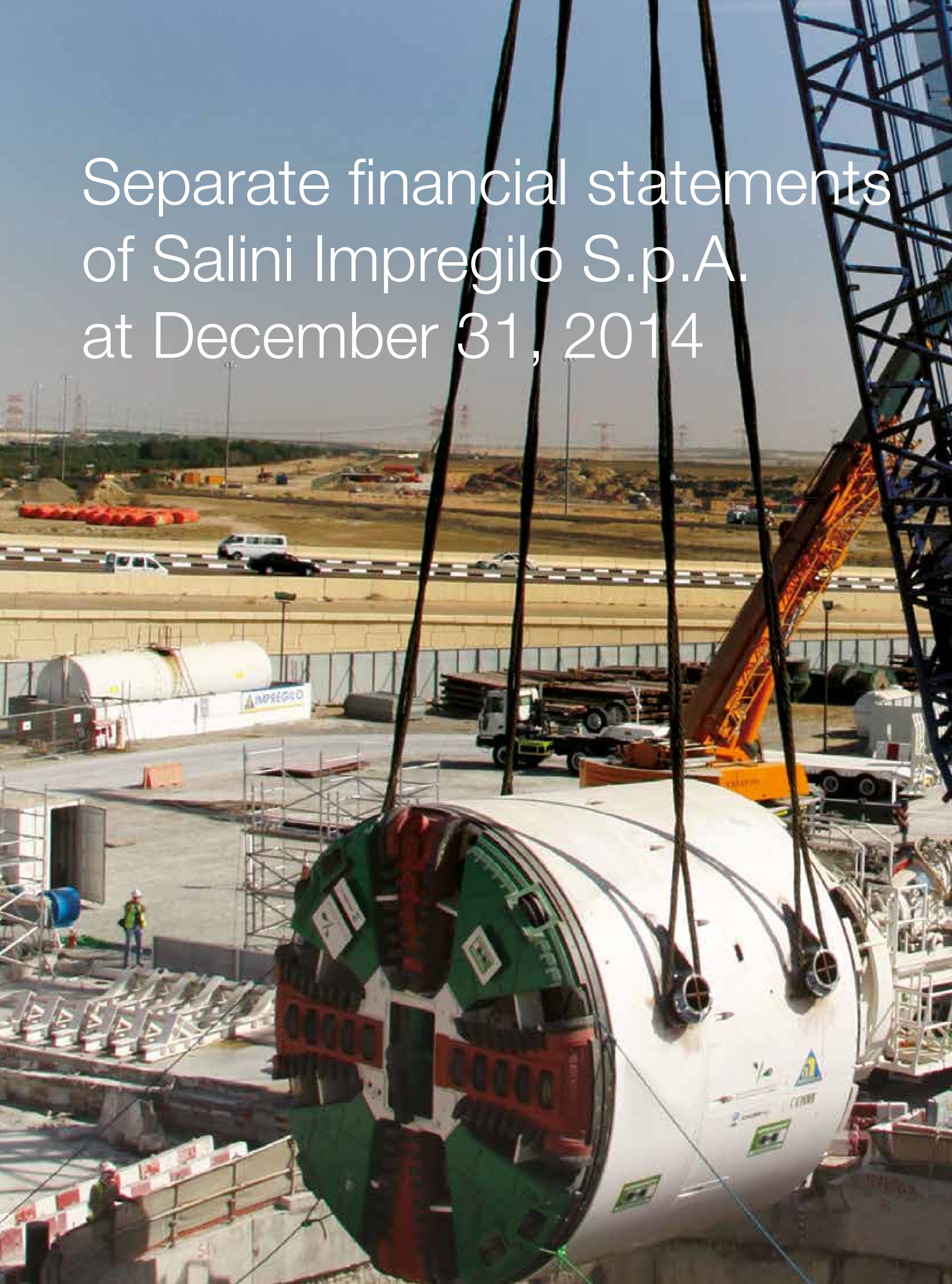
2. No significant issues arose.

3. Moreover, they state that:
3.1 the Consolidated financial statements:
a) have been prepared in accordance with the applicable International Financial Reporting Standards endorsed by the European Union pursuant to EC Regulation 1606/2002 of the European Parliament and Council of July 19, 2002;
b) are consistent with the accounting records and entries;
c) are suitable to give a true and fair view of the financial position at December 31, 2014 and the results of operations and cash flows for the year then ended of the Issuer and its consolidated companies.
3.2 The Directors' Report includes a reliable analysis of the financial position and results of operations of the Issuer and the consolidated companies, together with information about the key risks and uncertainties to which they are exposed.

Milan, March 19, 2015

Chief Executive Officer Pietro Salini	Manager in charge of financial reporting Massimo Ferrari

Separate financial statements of Salini Impregilo S.p.A. at December 31, 2014

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Statement of financial position of Salini Impregilo S.p.A.

ASSETS (Amounts in euros)	Note	December 31, 2014	of which: related parties	December 31, 2013 (§)	of which: related parties
Non-current assets					
Property, plant and equipment	1	268,804,647		19,974,897	
Intangible Fixed Assets	2	84,058,391		44,947,991	
Investments in associates	3	702,626,149		484,250,643	
Non-current financial assets	4	39,082,762	*81,250*	29,810,541	*1,523,590*
Deferred tax assets	5	57,527,009		36,433,648	
Total non-current assets		**1,152,098,957**		**615,417,720**	
Current assets					
Inventories	6	192,129,842		33,833,582	
Contract work in progress	7	765,791,590		441,444,418	
Trade receivables	8	1,052,390,881	*611,390,991*	840,046,755	*526,216,577*
Derivatives and other current financial assets	9	435,926,391	*405,309,543*	226,988,995	*190,942,556*
Current tax assets	10	46,581,218		46,541,341	
Other tax receivables	10	47,091,234		52,962,872	
Other current assets	11	318,956,545	*121,271,260*	116,218,719	*70,712,979*
Cash and cash equivalents	12	380,866,790		310,441,663	
Total current assets		**3,239,734,491**		**2,068,478,345**	
Total assets		**4,391,833,448**		**2,683,896,065**	

(§) Figures restated following the application of IFRS 10 and 11.

SHAREHOLDERS' EQUITY AND LIABILITIES (Amounts in euros)	Note	December 31, 2014	of which: related parties	December 31, 2013 (§)	of which: related parties
Shareholders' equity					
Share capital		544,740,000		718,364,457	
Share premium reserve		120,798,000		1,222,023	
Other reserves		235,165,559		58,447,381	
Other components of comprehensive income		8,934,232		(3,107,734)	
Retained earnings		2,656,099		302,413,281	
Net profit (loss)		30,692,695		116,485,501	
Total shareholders' equity	13	**942,986,584**		**1,193,824,909**	
Non-current liabilities					
Bank loans and other facilities	14	405,086,250		98,839,150	
Bond issues	15	394,326,127		-	
Finance lease payables	16	88,673,550		12,430	
Post-employment benefits and employee benefits	18	11,321,972		11,689,587	
Deferred tax liabilities	5	97,871,789		98,931,528	
Provisions for risks	19	36,951,690		134,228,519	
Total non-current liabilities		**1,034,231,377**		**343,701,214**	
Current liabilities					
Bank account overdrafts and current portion of financing facilities	14	529,102,255	410,869,151	357,925,276	252,766,883
Current portion of bond issues	15	10,202,740		-	
Current portion of finance lease payables	16	36,742,324		22,130	
Derivatives and other current financial liabilities	17	293,459		-	
Advances on contract work in progress	20	803,169,372		198,484,243	
Trade payables to suppliers	21	863,254,817	*544,685,603*	476,227,526	*376,120,869*
Current tax liabilities	22	27,292,014		45,750,144	
Other tax payables	22	7,406,328		4,341,825	
Other current liabilities	23	137,152,177	*51,586,741*	63,618,798	*14,122,541*
Total current liabilities		**2,414,615,487**		**1,146,369,942**	
Liabilities directly associated with					
Total shareholders' equity and liabilities		**4,391,833,448**		**2,683,896,065**	

(§) Figures restated following the application of IFRS 10 and 11.

Income statement of Salini Impregilo S.p.A.

(Amounts in euros)	Note	2014	of which with related parties	2013 (§)	of which with related parties
Revenue					
Revenue	26	2,247,515,717	*207,417,278*	1,230,898,613	*195,889,986*
Other revenue	26	94,345,095	*43,299,107*	43,226,676	*4,865,844*
Total revenue		**2,341,860,812**		**1,274,125,289**	
Costs					
Purchasing costs	27.1	(256,510,766)	*(6,520)*	(52,389,028)	*(61,216)*
Subcontracts	27.2	(529,325,428)	*(708,838)*	(130,795,554)	*(10,302,019)*
Service costs	27.3	(1,020,438,022)	*(507,159,335)*	(765,072,057)	*(689,000,680)*
Personnel costs	27.4	(251,124,246)	*(1,177,658)*	(115,054,165)	*(712,738)*
Other operating costs	27.5	(53,281,192)	*(80,468)*	(28,942,490)	*(16,780)*
Amortization, depreciation, provisions and impairment losses	27.6	(105,250,702)	*(1,888,828)*	(28,734,322)	*(218,915)*
Total costs		**(2,215,930,356)**		**(1,120,987,616)**	
Operating profit		**125,930,456**		**153,137,673**	
Financing income (costs) and gains (losses) on investments					
Financial income	*28.1*	*39,128,395*	*22,223,876*	*13,476,291*	*11,006,412*
Financial expense	*28.2*	*(117,215,802)*	*(15,690,704)*	*(28,395,496)*	*(5,174,455)*
Net exchange rate gains (losses)	*28.3*	*(35,227,694)*		*41,760,836*	
Net financing income (costs)		(113,315,101)		26,841,631	
Gains (losses) on investments	29	28,790,975		(13,245,282)	
Net financing costs and net gains on investments		**(84,524,126)**		**13,596,349**	
Profit (loss) before taxes		**41,406,330**		**166,734,022**	
Income taxes	30	(10,713,634)		(50,248,521)	
Net profit (loss)		**30,692,695**		**116,485,501**	

(§) Figures restated following the application of IFRS 10 and 11.

Statement of comprehensive income

(Amounts in thousands of euros)	Note	2014	2013
Profit for the year (a)		**30,693**	**116,486**
- items that may be subsequently reclassified to profit or loss, net of the tax effect:			
Change in the translation reserve		5,580	(2,658)
Net gains (losses) on cash flow hedges, net of the tax effect	13	(13)	-
- items that may not be subsequently reclassified to profit or loss, net of the tax effect:			
Actuarial gains (losses) on defined benefit plans	13	(304)	(50)
Other comprehensive income (expense) (b)		**5,263**	**(2,708)**
Total comprehensive income (expense) (a) + (b)		**35,956**	**113,778**

Statement of cash flows

(Amounts in thousands of euros)	Note	2014	2013
Cash and cash equivalents	12	310,442	887,375
Current account facilities	14	(85,174)	(82,819)
Total opening cash and cash equivalents		**225,268**	**804,556**
Operating activities			
Net profit (loss) for the year		**30,693**	**116,486**
Amortization of intangible assets	27	22,953	2,997
Depreciation of property, plant and equipment	27	77,005	16,794
Net impairment losses and provisions	27	5,292	8,942
Accrual for post-employment benefits and employee benefits	18	7,616	6,563
Net (gains) losses on the sale of assets	26 - 27	(8,424)	(1,243)
Deferred taxes and national tax consolidation system	30	(18,828)	1,533
Impairment losses on equity investments	29	95,064	16,698
Dividends distributed by subsidiaries			(3,390)
Other non-monetary items *of which: non-recurring*		(852)	(3,938)
Total income statement		**210,519**	**161,442**
Decrease (increase) in inventories		(99,120)	53,079
Decrease (increase) in trade receivables		(11,810)	(244,708)
(Decrease) increase in progress payments and advances from customers		47,087	49,920
(Decrease) increase in trade payables		61,503	(56,132)
Decrease (increase) in other assets/liabilities *of which: cash flows from related party transactions*	 *32*	(122,059)	(26,749) (5,061)
Total operating cash flows		**(124,399)**	**(224,590)**
Cash flows from (used in) operating activities		**86,120**	**(63,148)**
Investing activities			
Net investments in intangible assets		(33,233)	
Acquisition of the Cociv share			(20,009)
Investments in property, plant and equipment	1	(108,776)	(2,920)
Proceeds from the sale or reimbursement value of property, plant and equipment		17,711	5,393
Investments in non-current financial assets		(178,360)	(37,942)
Dividends received from subsidiaries		123,227	2,725
Proceeds from the sale or reimbursement value of non-current financial assets		1,228	44,012
Cash flows generated (used) in investing activities		**(178,203)**	**(8,741)**

(Amounts in thousands of euros)	Note	2014	2013
Financing activities			
Share capital increase		161,568	
Dividend distribution	13	(420)	(602,238)
Share buy-back		(7,677)	
Increase in bank and other loans		193,838	72,911
Decrease in bank and other loans		(401,093)	(88,402)
Change in other financial assets/liabilities		158,309	111,841
Merger effect		32,310	
Exchange rate losses on cash and cash equivalents and bank overdrafts		99,411	(1,509)
Cash flows generated (used) in financing activities		**236,246**	**(507,397)**
Increase (decrease) in cash and cash equivalents		**144,163**	**(579,286)**
Cash and cash equivalents	12	380,867	310,442
Current account facilities	14	(11,436)	(85,172)
Total closing cash and cash equivalents		**369,431**	**225,270**

(§) Figures restated following the application of IFRS 10 and 11.

Statement of changes in equity

			Other reserves					
(Amounts in thousands of euros)	Note	Share capital	Share premium reserve	Legal reserve	Ancillary expenses for share capital increase	Extraordinary reserve and other reserves	Treasury shares	Total other reserves
As at 1 January 2013 (§)	**13**	**718,364**	**1,222**	**21,517**	**-**	**-**	**-**	**21,517**
Allocation of profit and reserves	13			36,930				36,930
Dividend distribution	13							-
Net profit (loss) for the period	*13*							-
Other comprehensive expense	*13*							-
Total comprehensive income	**13**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at December 31, 2013 (§)	**13**	**718,364**	**1,222**	**58,447**	**-**	**-**	**-**	**58,447**
As at 1 January 2014 (§)	**13**	**718,364**	**1,222**	**58,447**	**-**	**-**	**-**	**58,477**
Merger – Shareholders equity contributed by Salini S.p.A. and allocation of Impregilo shareholders' equity	13	(218,364)	(1,222)	41,553	-	5,766	-	47,319
Merger – Writeoff of carrying value of Impregilo S.p.A.	13							-
Merger – Alignment of carrying values in consolidated Financial statement	13					141,047		141,047
Dividend distribution	13							-
Capital increase	13	44,740	120,798		(3,970)			(3,970)
Share buy-back	13						(7,677)	(7,677)
Net profit (loss) for the period	*13*							-
Other comprehensive expense	*13*							-
Total comprehensive income	**13**				**-**			**-**
As at December 31, 2014	**13**	**544,740**	**120,798**	**100,000**	**(3,970)**	**146,813**	**(7,677)**	**235,166**

(§) Figures restated following the application of the new IFRSs 10 and 11.

Other components of comprehensive income						
Translation reserve	**Hedging reserve**	**Actuarial (gains) losses reserve**	**Total other components of comprehensive income**	**Retained earnings**	**Net profit (loss) for the period**	**Shareholders' equity**
1		(401)	(400)	941,581		1,682,284
				(36,930)		-
				(602,238)		(602,238)
					116,486	*116,486*
(2,658)		*(50)*	*(2,708)*			*(2,708)*
(2,658)	**-**	**(50)**	**(2,708)**	**-**	**116,486**	**113,778**
(2,657)		**(451)**	**(3,108)**	**302,413**	**116,486**	**1,193,824**
(2,657)		**(451)**	**(3,108)**	**302,413**	**116,486**	**1.193.824**
7,225	(5)	(441)	6,779	953,980	(116,486)	672,006
			-	(1,253,317)		(1,253,317)
			-			141,047
			-	(420)		(420)
			-			161,568
			-			(7,677)
			-		*30,693*	*30,693*
5,580	*(13)*	*(304)*	*5,263*			*5,263*
5,580	**(13)**	**(304)**	**5,263**	**-**	**30,693**	**35,956**
10,148	**(18)**	**(1,196)**	**8,934**	**2,656**	**30,693**	**942,987**

Notes to the Financial statements

Introduction

Salini Impregilo S.p.A. has prepared its 2014 Separate financial statements on a going concern basis. As required by Regulation no. 1606/2002 issued by the European Parliament and Council, implemented in Italy by Legislative decree no. 38/2005, these Separate financial statements of Salini Impregilo S.p.A have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, in force at December 31, 2014. They comprise a statement of financial position, an income statement, a statement of comprehensive income, a statement of cash flows, a statement of changes in equity and these notes.

The Separate financial statements have been prepared using the historical cost principle, except for those items which are recognized at fair value in accordance with the IFRS, as described in the section on “Accounting policies”. The carrying amounts of assets and liabilities, hedged with transactions which qualify for hedge accounting, are adjusted to reflect changes in fair value related to the hedged risks.

The statement of financial position, income statement and statement of comprehensive income are presented in Euros, whereas the amounts in the statement of cash flows, statement of changes in equity and these notes are shown in thousands of Euros, unless stated otherwise.

Foreign currency translation of the assets and liabilities related to Venezuela

Please note that, from the end of the first half of 2014, the estimates referring to the set of industrial activities that the Group has in the Bolivarian Republic of Venezuela needed to be updated. In line with the previous financial reports, made available to the public as required by the current legal provisions, the deterioration of the economic conditions of the country, which have been going downhill since the early months of the year, were such that it became necessary to review the time and financial parameters according to which the Group’s net assets can be generated in reference to this area. The Group’s relations with the local economic system as well as with the client local administrations are still excellent and geared toward maximum cooperation in pursuit of the respective goals, as demonstrated by the additional work awarded at the end of June 2014 in relation to existing railway contracts. However, in light of the current general framework of the local currency/financial market situation in the area, stemming from the conditions of the above-mentioned local economic system, and consistent with the changes to the currency regulations of the country during 2014, it was considered reasonable, among other things, to adopt, with effect from June 30, 2014, a new reference exchange rate for the translation of both the current values of working capital denominated in Venezuelan currency and the perspective values both to be paid/realized in the entire life estimates of the ongoing railway projects under direct management.

The new official exchange rate used, called SICAD 2, whose first fixing took place during the last few days of the first quarter of 2014, is currently believed to be the most representative of the relationship under which future cash flows, expressed in local currency, may be adjusted in the event that they were verified at the valuation date also considering the possibility to access the Venezuelan currency market and the Group’s specific needs to obtain currency other than the functional currency.

This new exchange rate expresses a substantial depreciation (by about 9 times) of the local currency against the US Dollar, compared with the official exchange rate previously used, i.e. CENCOEX (formerly CADIVI), for the purposes of preparing both the Consolidated financial statements of the Salini Group as at December 31, 2013 and the interim financial report as at March 31, 2014.

The updated estimates had a number of effects on the accounts as at December 31, 2014, the most significant of which is the overall reduction in the value of net assets in local currency, for a total of approximately €97 million, of which €55 million calculated upon adoption of the new exchange rate and the remaining €42 million connected to changes in balances and the exchange rate during the second half of 2014.

Lastly as regards the impacts that this update has had from the point of view of the railway projects in progress in the area, it is noted that the credit and liquidity risk management policies adopted by the Group for its operations in areas characterized by structural currency weaknesses, like Venezuela, has always been based on a number of rules, including, in particular: (i) contracts with clients being denominated partly in 'strong' currencies (e.g. Euro, US Dollar) and partly in 'local' currency; (ii) the preparation of full-life production cost structure, accordingly composed of 'local' currency based on a 'natural hedging' approach; and (iii) covering temporary financial requirements to support the management of working capital through borrowings in the same currency as the working capital. In the specific situation of Venezuela, this risk management policy – bearing in mind the long-term presence of the Group in this market, which in previous years has shown moments of economic and currency uncertainty, albeit of shorter duration but of equivalent economic/financial significance – has been in effect in a situation characterized by (i) a surplus of net working capital offset by (ii) a more than corresponding expected deficit for the periods subsequent to that under review and expressed in the same currency. As in the past, updating the aforementioned estimates – which is one part of the review of full-life projections of railway works in progress in the area – has resulted in the recognition of mainly positive current and future impacts on profit and loss, even taking into account the conservative assumptions made in connection with the future development of production.

Furthermore, in the Extraordinary Official Gazette No. 6,171 of February 10, 2015, the Ministry of Popular Power for the Economy, Finance and Public Banking (MPPEFBP) and the Central Bank of Venezuela (BCV) published the "Convenio Cambiario No. 33", replacing the SICAD II exchange rate system with a newly-introduced floating official exchange rate called SIMADI.

To sum up, with the entry into force of this latest exchange convenio, three levels of exchange rate are set:

- CENCOEX 6.30 BSF per 1 US$, for essential foodstuffs;
- SICAD 12 BSF per 1 US$, for specific economic sectors and public sector enterprises;
- SIMADI, whereby exchange rate transactions will be executed based on offer and demand, generating a floating exchange rate that will be published on a daily basis.

To date, there are no large exchange volumes to establish whether the aforementioned free exchange rate will effectively be supplied by operators with hard currency needed for transactions. At the moment, the SIMADI exchange rate is set at 187.78 BSF per US$.

In compliance with the provisions of international financial reporting standards, the effects of this further change in Venezuela's currency system – which are not expected to be significant – will be reflected in the 2015 financial year.

Changes in standards

The following accounting standards, amendments and interpretations have been implemented since January 1, 2014.

On May 29, 2013 the IASB published an amendment to IAS 36 "Impairment of non-financial assets – Recoverable Amount Disclosures for Non-Financial Assets" to provide guidance on the recoverable amount of assets, when this amount is based on fair value less costs of disposals, for impaired assets. The amendments establish that disclosure of the recoverable amount for assets or cash generating units in only required when an impairment or a reversal of a previous impairment have been recognized. The amendment also provides guidance on the disclosure of the impairment of assets, when the recoverable amount has been determined on the basis of fair value less costs to sell.

On May 12, 2011, the IASB issued IFRS 10, IFRS 11 and IFRS 12 and amendments to IAS 27 and IAS 28. The main changes covered:

- ***IFRS 10 - Consolidated financial statements***
  This standard replaces SIC 12 Consolidation - Special purpose entities and certain parts of IAS 27 - Consolidated and Separate financial statements. The new standard identifies a single control model and defines, on a more structured basis, the requirements for determining whether or not control exists. This provision is particularly important for cases that qualify as "de facto control".

- ***IFRS 11 - Joint Arrangements***
  This standard replaces IAS 31 - Interests in joint ventures and SIC 13 - Jointly controlled entities - Non-monetary contributions by venturers. It defines the criteria for the identification of joint arrangements and how they should be accounted for based on the rights and obligations arising from the contract, regardless of its legal form. The new standard provides for different recognition methods, depending on whether the transaction is a joint operation or a joint venture, and eliminates the possibility to apply different accounting treatments to the same types of arrangements and, conversely, defines a single model based on the contractual rights and obligations.

- ***IFRS 12 - Disclosure of interests in other entities***
  The standard sets out the disclosures to be provided about any type of interest in other entities, including joint arrangements, associates, special purpose entities and other entities not included in the financial statements.
  Its aim is to provide information to allow users of financial statements to best understand the nature of risks associated with interests in strategic entities (qualified or not) which the entity intends to hold on to for the medium to long-term.

- ***IAS 27 - Separate financial statements***
  The standard defines how investments in subsidiaries, associates and joint ventures should be treated in the Separate financial statements. The standard has been amended following the changes introduced by IFRS 10 and IFRS 11.

- ***IAS 28 – Investments in Associates and Joint Ventures***
  This standard defines the accounting treatment of investments in associates and joint venture and is a rewording of the old IAS 28 in light of the new provisions introduced with IFRS 10 and IFRS 11.

IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 were published in the EU Official Journal on 29 December 2012. Their latest application date is the start of the first annual period beginning on or after 1 January 2014.

On December 16, 2011, the IASB published an amendment to IAS 32: *Offsetting Financial Assets and Financial Liabilities* to clarify the rules for offsetting financial assets and liabilities. The amendment clarified that:

- the right of set-off shall exist at the reporting date instead of being contingent on a future event;

- this right shall be legally enforceable by the counterparties during the normal course of business or in the event of insolvency or bankruptcy of the entity and all of the counterparties.

The amendment was published in the EU Official Journal on 29 December 2012. It is applicable retrospectively to annual periods beginning on or after 1 January 2014.

Except for IFRS 11, the application of the above amendments did not have significant effects on the Separate financial statements. The effects of the application of IFRS 11 are highlighted in the Section "Effects of the application of the new financial reporting standards".

The following standards, amendments and interpretations will be applied after the current reporting period and the Group has not adopted them early.

On November 12, 2009, the IASB issued the first part of *IFRS 9 - Financial instruments*, which will replace *IAS 39 - Financial instruments: recognition and measurement.* This part covers the classification of financial instruments and is part of a three-phase project. The next parts will cover how to determine impairment of financial assets and application of hedge accounting, respectively. Issue of the new standard, designed to simplify and reduce the complexity of recognizing financial instruments, provides for the classification of financial instruments into three categories which the Group will define based on its business model, contractual terms and the related cash flows of the instruments.

On October 28, 2010, the IASB issued new requirements for the recognition of financial liabilities. They will be integrated into IFRS 9 to complete the classification and measurement phase as part of the project to replace IAS 39.

On 16 December 2011, the IASB published the *Mandatory effective date and transition disclosures* (amendment to IFRS 9 and IFRS 7), which postpones the application date for IFRS 9 from 1 January 2013 to 1 January 2015. However, the standard may still be applied early.

The adoption of the above-mentioned amendments will not have significant effects on the Consolidated financial statements.

A list of the accounting standards, amendments and interpretations published by the IASB is provided below. However, at the reporting date, the competent bodies of the European Union have yet to complete the approval process of the amendment:

- ***Annual Improvements*** 2010-2012 and ***Annual Improvements*** 2011-2013 published on December 12, 2013;
- IFRS 9 ***Financial Instruments***, published on July 24, 2014;
- IFRS 14 ***Regulatory Deferral accounts***, published on January 30, 2014;
- IFRS 15 ***Revenue from contracts with customers***, published on May 28, 2014;
- amendments to IAS 16 and IAS 41: ***Bearer Plants***, published on June 30, 2014;
- amendments to IAS 16 and 38: ***Clarification of Acceptable Methods of Depreciation and Amortization***, published on May 12, 2014;
- amendments to IFRS 11: ***Accounting for Acquisitions of Interest in Joint Operations***, published on May 6, 2014;
- amendments to IAS 19: **Defined Benefit Plans:** ***Employee Contributions***, published on November 21, 2013.

Effects of the application of the new financial reporting standards

These new standards were adopted retrospectively to allow a presentation of results on a like-for-like basis with the information for previous periods. As mentioned above, the adoption of the new standards did not have any significant impacts except as regards IFRS 11, for which the greatest difficulties in interpretation and application were encountered above all in relation to Special Purpose Vehicles ("SPVs") in which the Group participates jointly with other partner companies and which are established for the sole purpose of carrying out specific construction projects. These entities were mainly identified as Joint Ventures and recognized in the Group Consolidated financial statements using the proportional consolidation option provided in the previously applicable IAS 31, while in the Separate financial statements they were measured at cost minus permanent impairment (where applicable) after the allocation of costs and revenues in the cases specifically set out in the contractual agreements.

With reference to the application of IFRS 11 and the definition of joint control and the cases of Joint Operations and Joint Ventures, in relation to the foreign entities, under the new standards, Joint Operations are recognized on a line by line basis in the Separate financial statements.

For entities qualified as Italian Special Purpose Vehicles that recharge costs and are under joint control, application of IFRS 11 resulted in them being classified as Joint Ventures, which are measured at cost minus permanent impairment.

As these entities recharge their costs, the main effect on the income statement is recognition of the costs incurred and charged back by the SPV in a single cost item while revenues and works in progress are recognized in the financial statements of the venturers on the basis of their quotas.

Given the cost recharging system, the parent company's net financial position represents the net balance of receivables/payables with the SPV, which corresponds to the Group's share of cash and cash equivalents or financial debt with SPVs.

The tables below contain the reconciliation of the amounts in the financial statements before and after the application of the new standards, specifically:

(a) reconciliations of the separate shareholders' equity at December 31, 2012 and December 31, 2013 and the consolidated net profit for 2013;

(b) comparative tables of the statement of financial position as at December 31, 2013;

(c) comparative tables of the income statement and statement of cash flows of 2013.

Certain items included in the financial statements needed to be reviewed and adapted because of the application of the new standards. In addition, some reclassifications were carried, mainly regarding intragroup transactions which were previously represented in a single current/non-current receivable/payable item but are now represented by type under current and non-current trade, financial and other items.

Reconciliation	Shareholders' equity at January 1, 2013	Income statement 2013	Shareholders' equity at December 31, 2013
Shareholders' equity and income before introduction of new standards	**1,682,283**	**113,829**	**1,193,824**
Effects of the application of the new standards	-	2,657	-
Total shareholders' equity and income after introduction of new standards	**1,682,283**	**116,486**	**1,193,824**

Statement of financial position as at January 1, 2013

ASSETS (Amounts in thousands of euros)	Published	Reclassifications	Implementation of Joint Operations	Reclassified due to the adoption of the new standards
Non-current assets				
Property, plant and equipment	32,986		6,206	39,192
Intangible Fixed Assets	32,941			32,941
Investments in associates	580,195	(87,780)		492,415
Non-current financial assets	4,960	88,595		93,555
Non-current intragroup loans and receivables	88,595	(88,595)		
Other non-current assets	436	(436)		
Deferred tax assets	37,948			37,948
Total non-current assets	**778,061**	**(88,216)**	**6,206**	**696,051**
Current assets				
Inventories	32,763		4,882	37,645
Contract work in progress	490,758			490,758
Trade receivables	647,868	(27,305)	(23,950)	596,613
Derivatives and other current financial assets	1,092	274,521		275,613
Current tax assets	52,565	403	3,897	56,865
Other tax receivables	45,004	(403)	141	44,742
Other current assets	51,659	51,878	(482)	103,055
Cash and cash equivalents	876,982		10,393	887,375
Total current assets	**2,198,691**	**299,094**	**(5,119)**	**2,492,666**
Non-current assets held for sale				
TOTAL ASSETS	**2,976,752**	**210,878**	**1,087**	**3,188,717**

SHAREHOLDERS' EQUITY AND LIABILITIES (Amounts in thousands of euros)	Published	Reclassifications	Implementation of Joint Operations	Reclassified due to the adoption of the new standards
Shareholders' equity				
Share capital and reserves	1,682,283			1,682,283
Total shareholders' equity	**1,682,283**	-	-	**1,682,283**
Non-current liabilities				
Bank loans and other facilities	100,835			100,835
Finance lease payables	15			15
Post-employment benefits and employee benefits	11,403			11,403
Deferred tax liabilities	115,575			115,575
Provisions for risks	253,477	(56,018)		197,459
Total non-current liabilities	**481,305**	**(56,018)**	-	**425,287**
Current liabilities				
Bank account overdrafts and current portion of financing facilities	**115,411**	**189,485**		**304,896**
Current portion of bond issues				
Current portion of finance lease payables	28			28
Derivatives and other current financial liabilities	65			65
Advances on contract work in progress	74,813	65,540	14,381	154,734
Trade payables to suppliers	512,969	1,398	(15,117)	499,250
Current tax liabilities	41,848			41,848
Other tax payables	8,315		33	8,348
Other current liabilities	59,715	10,473	1,790	71,978
Total current liabilities	**813,164**	**266,896**	**1,087**	**1,081,147**
Liabilities directly associated with non-current assets held for sale				
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**2,976,752**	**210,878**	**1,087**	**3,188,717**

Statement of financial position as at December 31, 2013

ASSETS (Amounts in thousands of euros)	Published	Reclassifications	Implementation of Joint Operations	Reclassified due to the adoption of the new standards
Non-current assets				
Property, plant and equipment	16,731		3,244	19,975
Intangible Fixed Assets	44,948			44,948
Investments in associates	580,537	(96,285)	(1)	484,251
Non-current financial assets	28,287	1,524		29,811
Non-current intragroup loans and receivables	1,524	(1,524)		
Other non-current assets	588	(1,381)	793	
Deferred tax assets	36,434			36,434
Total non-current assets	**709,049**	**(97,666)**	**4,036**	**615,419**
Current assets				
Inventories	30,333		3,501	33,834
Contract work in progress	437,560		3,884	441,444
Trade receivables	805,797	63,693	(29,444)	840,046
Derivatives and other current financial assets	392	226,597		226,989
Current tax assets	42,712	466	3,363	46,541
Other tax receivables	51,992	(466)	1,437	52,963
Other current assets	46,637	67,967	1,615	116,219
Cash and cash equivalents	304,032		6,410	310,442
Total current assets	**1,719,455**	**358,257**	**(9,234)**	**2,068,478**
Non-current assets held for sale				
TOTAL ASSETS	**2,428,504**	**260,591**	**(5,198)**	**2,683,897**

SHAREHOLDERS' EQUITY AND LIABILITIES (Amounts in thousands of euros)	Published	Reclassifications	Implementation of Joint Operations	Reclassified due to the adoption of the new standards
Shareholders' equity				
Share capital and reserves	1,079,995		(2,657)	1,077,338
Net profit (loss)	113,829		2,657	116,486
Total shareholders' equity	**1,193,824**	-	-	**1,193,824**
Non-current liabilities				
Bank loans and other facilities	98,839			98,839
Finance lease payables	2		10	12
Post-employment benefits and employee benefits	11,690			11,690
Deferred tax liabilities	98,932			98,932
Provisions for risks	206,867	(72,638)		134,229
Total non-current liabilities	**416,330**	**(72,638)**	**10**	**343,702**
Current liabilities				
Bank account overdrafts and current portion of financing facilities	105,158	252,767		357,925
Current portion of bond issues				
Current portion of finance lease payables	17		5	22
Derivatives and other current financial liabilities				
Advances on contract work in progress	130,837	63,566	4,081	198,484
Trade payables to suppliers	486,314	2,775	(12,861)	476,228
Current tax liabilities	45,748		2	45,750
Other tax payables	4,325		17	4,342
Other current liabilities	45,951	14,121	3,548	63,620
Total current liabilities	**818,350**	**333,229**	**(5,208)**	**1,146,371**
Liabilities directly associated with non-current assets held for sale				
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**2,428,504**	**260,591**	**(5,198)**	**2,683,897**

Income statement

(Amounts in thousands of euros)	Published	Reclassifications	Implementation of Joint Operations	Reclassified due to the adoption of the new standards
Revenue				
Revenue	1,235,136		(4,237)	1,230,899
Other income	41,255		1,972	43,227
Total revenue	**1,276,391**	-	**(2,265)**	**1,274,126**
Costs				
Purchasing costs	(51,992)		(397)	(52,389)
Subcontracts	(101,355)		(29,441)	(130,796)
Service costs	(830,120)	28,810	36,238	(765,072)
Personnel costs	(114,503)		(551)	(115,054)
Other operating costs		(28,810)	(132)	(28,942)
Amortization, depreciation, provisions and impairment losses	(26,076)		(2,658)	(28,734)
Total costs	**(1,124,046)**	-	**3,059**	**(1,120,987)**
Operating profit	**152,345**	-	**794**	**153,139**
Financing income (costs) and gains (losses) on investments				
Financial income	*13,333*		*143*	*13,476*
Financial expense	*(28,382)*		*(13)*	*(28,395)*
Net exchange rate gains (losses)	*40,025*		*1,736*	*41,761*
Net financing income (costs)	24,976	-	1,866	26,842
Gains (losses) on investments	(13,245)			(13,245)
Net financing costs and net gains on investments	**11,731**	-	**1,866**	**13,597**
Profit (loss) before taxes	**164,076**	-	**2,660**	**166,736**
Income taxes	(50,247)		(3)	(50,250)
Profit (loss) from continuing operations	**113,829**	-	**2,657**	**116,486**
Net profit (loss)	**113,829**	-	**2,657**	**116,486**

Statement of cash flows at December 31, 2014

(Amounts in thousands of euro)	Salini Impregilo S.p.A. Published	Salini Impregilo S.p.A. Reclassified due to the adoption of the new standards	Change
Cash and cash equivalents at start of year	**794,164**	**804,556**	**(10,392)**
Cash flows generated (used) in operations	58,314	(63,148)	121,462
Cash flows generated (used) in investing activities	(16,509)	(8,741)	(7,768)
Cash flows generated (used) in financing activities	(617,109)	(507,397)	(109,712)
Increase (decrease) in cash and cash equivalents	(575,304)	(579,286)	3,982
Cash and cash equivalents at end of year	**218,860**	**225,270**	**(6,410)**

Merger of Salini S.p.A. into Impregilo S.p.A.

On January 1, 2014, the merger of Salini S.p.A. into Impregilo S.p.A. became effective, in implementation of the Shareholders' Meeting resolution of September 12, 2013. The share capital of the company resulting from the merger, which assumed the name Salini Impregilo S.p.A., was established 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. Starting from the effective date, Salini Impregilo S.p.A. took over all contracts, assets and existing legal relationships of Salini S.p.A. which the latter was previously a party to, taking on the relevant rights and obligations without interruption. The process was launched on June 24, 2013 when the Board of Directors of Salini S.p.A. and Impregilo S.p.A. approved the merger plan.

The merger was an essential step in the industrial and strategic plan to create a Campione Nazionale® in the complex works and infrastructures construction industry, thus becoming a major Italian player with shares listed on the Italian MTA market that can be a leading industry player worldwide. In this perspective, the merger between the two companies will enable the optimization of the critical success factors that characterize the business sectors of interest and yielding further significant benefits, including:

- broader geographical presence, founded on expert knowledge of the individual countries where the two groups have been successfully operating for decades;
- scale on a par with global industry leaders, providing possible access to large-scale and technologically complex infrastructure projects;
- solid financial structure characterized by an adequate credit standing and better conditions for access to capital markets;
- commercial and cost synergies that can be achieved by pooling specific expertise and reputations acquired in other market segments, and by striving for greater efficiency through integrated resource management;
- creation of value for all shareholders and stakeholders by significantly increasing the value of production and operating margins.

The merger was defined under international financial reporting standards as a 'business combination under common control' and is excluded from the scope of IFRS 3 Business Combinations as it does not involve an exchange with any third parties.

Therefore, in determining the effects of the merger on the Separate financial statements of Salini Impregilo S.p.A., the instructions of the document Assirevi OPI No. 2 – Accounting treatment of mergers in the financial statements, which affirms that, in accordance with the accounting continuity principle, it is necessary "*take account of the pre-existing relationship of control between the companies involved in the merger (surviving and merged), as well as the cost incurred by the surviving company for the original acquisition of the merged company.*

This cost, as well as the allocation thereof to the current values of the assets and liabilities of the merged company, are added the Consolidated financial statements of the Group formed by the surviving company and the merged company".

Consequently, the difference from offsetting the acquisition cost incurred by Salini S.p.A. for the acquisition of control over Impregilo S.p.A. on April 1, 2013 and the corresponding portion of Impregilo S.p.A. shareholders' equity has been allocated for the corresponding amounts up to the net book value of assets recognized in the Group Consolidated financial statements at the merger effective date.

Since it was a merger of the subsidiary into the parent ("reverse merger"), the merger deficit arising from the transaction is the difference between the cost incurred by Salini S.p.A. for the acquisition of Impregilo S.p.A. and the shareholders' equity of the latter at January 1, 2014:

Portion of Impregilo S.p.A. shareholders' equity held by Salini S.p.A. at January 1, 2014	1,061,191
Carrying amount of Impregilo S.p.A. in Salini S.p.A. at January 1, 2014	1,253,318
Theoretical merger goodwill	**192,127**
Attributed to:	
Investments in associates	117,359
Intangible fixed assets (contract acquisition costs)	36,269
Non-current financial assets	(2,582)
Receivables	(1,013)
Deferred tax assets (liabilities)	(8,986)
Total merger goodwill attributed to the pre-existing assets and liabilities of Impregilo S.p.A.	**141,047**
Difference not attributed recognized at equity	51,080

As noted above, the merger in question is a so-called reverse merger, so in the financial statements below the comparative data refer to Impregilo S.p.A. at December 31, 2013, prior to the merger.

With reference to the method of presentation of the merger for comparative purposes, the decision was taken not to use the retroactive method set out in OPI 2, also in view of the fact that acquisition of control of Impregilo S.p.A. by Salini S.p.A. took place on April 1, 2013, hence in restated income statement and financial position are not shown the financial statements as if the merger took place on January 1, 2013.

Form and content of the Separate financial statements

Format of the Consolidated financial statements
Impregilo S.p.A. opted to present its Separate financial statements at December 31, 2014 as follows:

- Current and non-current assets and current and non-current liabilities are presented separately in the statement of financial position. Current assets and liabilities are those expected to be realized, sold, used or settled in the company's normal operating cycle, which usually exceeds 12 months. Non-current assets and liabilities include non-current assets, deferred tax assets, employee benefits, deferred tax liabilities and other balances expected to be realized, sold, used or settled after the company's normal operating cycle, i.e., more than twelve months after the reporting date.

- The income statement gives a classification of costs by nature and shows the profit or loss before "Financing income (costs) and gains (losses) on investments" and income taxes. The statement of comprehensive income shows all non-owner changes in equity.

- The cash flow statement presents the cash flows from operating, investing and financing activities separately. The indirect method is used.

Accounting policies

The accounting policies adopted to draw up Salini Impregilo S.p.A.'s Separate financial statements at December 31, 2014 comply with IFRS/IAS and are consistent with those used to prepare the 2013 Separate financial statements, except for the standards coming into force after January 1, 2014, summarized in the section on "Changes in accounting standards".

Property, plant and equipment

Property, plant and equipment are recognized at purchase or production cost, net of accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis using rates determined based on the assets' residual possible use. The annual rates are as follows:

Category	Depreciation rate
Land	-
Buildings	3
Plant and machinery	from 10 to 20
Industrial and commercial equipment	from 25 to 40
Other assets	from 12 to 25

Land and buildings, plant and machinery with a carrying amount to be recovered mainly through their sale (rather than the asset's continued use) are measured at the lower of their carrying amount and fair value less costs to sell.

Assets held for sale shall be immediately available for sale and their sale shall be highly probable (i.e., the related commitments already exist). Their sales value shall be reasonable compared to their fair value.

The carrying amount of property, plant and equipment is tested for impairment whenever events or changes in circumstances take place indicating that the carrying amount will not be recovered. Reference should be made to the section on "Impairment of financial assets" for details of impairment testing.

Borrowing costs directly related to the acquisition or construction of an asset are capitalized as part of the cost of the asset, to the extent of its recoverable amount.

As established by IAS 23 - Borrowing costs, the company has applied this method to all qualifying assets.

Borrowing costs are capitalized when the costs of the acquisition of the asset and borrowing costs are incurred, and the activities necessary to bring the asset to a condition for its use have been started.

The costs provided for but not yet paid related to qualifying assets are excluded from determination of the amount to be capitalized.

Capitalization of borrowing costs is suspended during periods in which active development is interrupted.

Subsequent expenditure is only capitalized if it increases the future economic benefits of the related asset. All other expenditure is expensed when incurred.

Ordinary maintenance costs are fully expensed when incurred. Costs that increase the carrying amount of assets are allocated thereto and depreciated over their residual economic lives.

Dismantlement and restoration costs of assets used for contract work in progress are added to the cost of the related asset and depreciated in line with the depreciation pattern of the asset to which they refer when they are foreseeable and objectively determinable.

Leasehold improvements are classified in the different items of property, plant and equipment on the basis of their nature. They are depreciated over the shorter of the estimated useful life of the relevant asset and the residual term of the lease.

Leased property, plant and equipment
Assets held under finance leases whereby all the risks and rewards of ownership are substantially transferred to the company are recognized as company assets and classified as property, plant and equipment.

The related payable to the lessor is shown under financial liabilities. The lease payment is split into the financial expense, taken to the income statement, and the principal repayment, offset against the financial liability. The carrying amount of the leased asset is determined considering its fair value or, if lower, the present value of the minimum future lease payments.

The depreciation method and subsequent measurement are consistent with those applied to non-leased assets.

Leases where the lessor retains all the risks and rewards of ownership are treated as operating leases. The initial negotiation costs incurred for this type of lease increase the value of the related lease and are recognized over the lease term netted against the revenue generated by the lease.

Operating lease payments are recognized as an expense in the income statement on a straight-line basis over the lease term.

Other intangible assets
Other intangible assets purchased or generated internally are recognized under assets in accordance with IAS 38 - Intangible assets when it is probable that the use of the asset will generate future economic benefits and the cost of the asset can be measured reliably. Those assets with finite useful lives are measured at purchase or development cost and amortized on a straight-line basis over their estimated useful lives. Recoverability of their carrying amount is checked by using the criteria set out in the section on "Impairment of non-financial assets".

The excess of the purchase cost compared to the company's share of the net fair value of the high capacity business units acquired in the past is classified as other intangible assets and mainly refers to acquisition costs of the business units purchased.

The related amortization is calculated in line with the stage of completion and duration of the work.

Investments in associates
Investments in subsidiaries and associates and interests in joint ventures are measured at cost and tested regularly for impairment. This test is carried out whenever there is an indication that the investment may be impaired.

The method used is described in the section on "Impairment of non-financial assets". When an impairment loss is required, this is recognized immediately in profit or loss. When the reasons for a previous impairment loss no longer exist, the carrying amount of the investment is restated to the extent of its original cost. Reversals of impairment losses are recognized in profit or loss.

Impairment of non-financial assets
If there is any indication that an intangible asset or an item of property, plant and equipment is impaired, the recoverable amount of the asset is estimated to determine the amount of the impairment loss.

Goodwill and other intangible assets with indefinite lives are tested at least annually for impairment.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

If a binding sales agreement does not exist, fair value is estimated using the observable prices of an active market, recent transactions or the best information available to reflect the amount the Group could obtain by disposing of the asset.

Value in use is determined by discounting to present value the estimated future cash flows expected to arise from the continuing use of an asset, net of taxes, and, if reasonably determinable, from its disposal at the end of its useful life.

Discounting is applied by using a post-tax discount rate which reflects the present market value of the time value of money and specific risks.

The assessment is made for individual assets or the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets from its continuing use (cash-generating unit).

An impairment loss is recognized when the recoverable amount is lower than the carrying amount. If the reasons for the impairment loss are no longer valid, the impairment loss (except in the case of goodwill) is reversed and the adjustment is taken to profit or loss as a reversal of impairment losses.

A reversal of impairment losses is recognized to the extent of the lower of the recoverable amount and original carrying amount less depreciation/amortization that would have been recognized had the impairment loss not been recognized.

Inventories of goods

Inventories of goods are measured at the lower of average purchase cost and net realizable value. Cost includes the directly related costs and estimated realizable value is determined using the replacement cost of the assets or similar assets.

Any writedowns are eliminated in subsequent years when the reasons therefore are no longer valid.

Contract work in progress and revenue from construction contracts

Contract work in progress consists of work performed net of progress billings issued to customers.
When final payment of the consideration is made, the related progress billings and advances are recognized under “Operating revenue” in the income statement, with the related variation in inventories.

The provision for contractual risks directly offsets inventories and is set up to cover possible charges and losses on contracts performed either directly by the Group or as part of a joint venture.

Contract work in progress is measured considering the consideration agreed with the customer and the stage of completion of the work.

Revenue related to contract work in progress is recognized using the stage of completion method.

The stage of completion is determined using the cost to cost method whereby the percentage of completion (the ratio between costs incurred and total estimated costs) is applied to the total estimated revenue.

Given the technical complexity, size and length of time involved in completing contracts, the additional considerations are measured before an agreement is reached with the customer.

Claims for additional considerations are considered when measuring contract work in progress when they can be quantified and they are reasonably certain to be made.

In the case of events that take place after the reporting date but before the financial statements are approved, which provide additional information about expected profits or losses on the contract, this additional information is considered when determining the contractual revenue or costs to be incurred to complete the contract and for the recognition of any profits or losses.

When it is probable that total contract costs will exceed total contract revenue, the loss to complete the contract is recognized as an expense immediately.

The contract costs, included in the cost to cost calculation, may be classified as:

- pre-operating costs, which include costs incurred during the start-up stage of the contract, before construction starts, such as the costs of design and specific studies carried out for the contract; organization and production start-up costs; building site start-up costs.

  These pre-operating costs are included in the stage of completion calculation and in the cost to cost calculation once they have been incurred. During the initial stage of the contract, they are included in the carrying amount of contract work in progress, if recoverable, without recognizing any profit margin when the contract profit or loss cannot be reliably estimated;

- contract operating costs, which include those directly attributable to the contract (e.g., materials, subcontracting, labor, amortization and depreciation, compulsory purchases, any directly attributable borrowing costs, etc.). They are recognized on an accruals basis and included in the calculation of the stage of completion;

- post-operating costs, which include site dismantlement costs generally incurred after the contract has been closed to remove the installations (or entire sites) and to return the machinery or plant to the company's premises or transfer them to another site.

  This category also includes losses on abandoned materials and the cost of transporting unused materials. They are included in the contract estimate and, therefore, if incurred during the contract term, they are comprised in the calculation of the progress billings. Therefore, no specific accruals are made to the income statement;

- costs for services to be rendered after completion of the contract, which mainly relate to services rendered after the contract has been completed. They may include assistance and supervision provided in the early stages of use of the plant or scheduled maintenance.

  If the contract does not include specific additional considerations for these services and the contract may be "closed" for accounting purposes (contracts are usually closed once work is completed and the customer has accepted the end result), the costs to be incurred to render these services when the contract is closed in the accounting records should be estimated and provided for in the specific items. These costs are included in the calculation to determine the contract revenue.

Real estate projects
Closing inventories of real estate projects are those real estate areas developed with a view to selling them.

They are measured at the lower of cost and estimated realizable value. Costs incurred consist of the consideration paid to purchase the areas and related charges, construction costs and borrowing costs related to the project up to and not exceeding its completion.

Financial assets and liabilities
Measurement and presentation of financial instruments are covered by IAS 39 and IAS 32, respectively. The company introduced the disclosure required by IFRS 7 in 2007.

The financial instruments used by Salini Impregilo S.p.A. are classified as follows: financial assets or financial liabilities at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

Financial assets or financial liabilities at fair value through profit or loss
This category includes derivatives that do not meet hedge accounting requirements.

Fair value gains or losses on derivatives in this category are recognized as "Financing income (costs)" in profit or loss when they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market.

They are measured at amortized cost, as detailed further on, and any gains or losses arising therefrom are recognized as "Financing income (costs)" in profit or loss under the amortized cost method.

This category includes the following items:

- Trade receivables and payables and other receivables and payables

  Trade and other receivables are recognized at amortized cost, net of impairment losses determined on the basis of their estimated recoverable amount calculated by analyzing each position and the total non-collection risk.

  If the collection date is postponed and exceeds normal collection times for the sector, these receivables are discounted.

  All factored receivables that do not meet the requirements for derecognition under IAS 39 continue to be recognized in the Impregilo S.p.A.'s Separate financial statements even when they have been legally transferred.

  They are thus included as assets and a financial liability of the same amount is recognized.

  Trade and other payables are recognized at amortized cost, allocating interest to the income statement based on the effective interest rate, being the rate that exactly discounts estimated future cash payments through to the carrying amount of the related asset.

- Cash and cash equivalents

  Cash and cash equivalents comprise cash on hand and demand deposits and other short-term, highly liquid investments with a term of less than three months. This item is shown in the statement of cash flows net of bank borrowings at the reporting date.

- Loans and bonds

  Loans and bonds are initially recognized at cost, being the fair value of the consideration received less transaction costs.

  After initial recognition, loans are measured at amortized cost, whereby repayments are determined using the effective interest method with a rate which matches, at initial recognition, the expected cash flows with the initial carrying amount.

  Loan transaction costs are classified under liabilities decreasing the loan; amortized cost is calculated considering these costs and any discounts or premiums expected at settlement.

  The effects arising from the recognition at amortized cost are taken to "Financing income (costs)".

Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the company has the positive intention and ability to hold to maturity. They are recognized at amortized cost and interest accrued thereon is taken to profit or loss under "Financial income" using the effective interest method.

Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are not classified in the other categories. They mainly relate to consortia and consortium companies of which the company holds less than 20%. In accordance with IAS 39, such investments are stated as non-current

assets measured at cost, adjusted for impairment, since their fair value cannot be determined. Dividend income from such financial instruments is recognized in profit or loss under financial income when the company is given the right to such dividend.

Fair value of financial instruments
The fair value of financial instruments has been estimated as follows:

- The fair value of financial instruments traded on an active market is based on the market price at the reporting date.

  This method has been applied especially to listed financial instruments classified as "Available-for-sale financial assets" and financial instruments classified as "Held-to-maturity investments".

- The fair value of the derivatives classified as "Hedging derivatives" and "Financial assets and financial liabilities at fair value through profit or loss" has been measured using the Discounted Cash Flow Model. With respect to interest rate swaps, future cash flows have been estimated using the implicit forward rate of the market Euro curve at December 31, 2013 and 2012, while the forward exchange rate market prices at the relevant reporting date have been used for currency forward transactions.

- The fair value of loans and receivables has been determined, for disclosure purposes in the notes, on the basis of the present value of their future cash flows discounted at a rate equal to the current interest rates applicable in the relevant markets and the average spread agreed by the company.

Derecognition of financial assets and liabilities

(a) Financial assets

A financial asset (or, where applicable, part of a financial asset or parts of a Group of similar financial assets) is derecognized when:

(i) the contractual rights to the cash flows from the financial asset expire;

(ii) the company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in full and immediately;

(iii) the company transfers the contractual rights to receive the cash flows of the asset and has transferred substantially all the risks and rewards of ownership of the financial asset and the related control.

When the company has transferred the contractual rights to receive the cash flows of the financial asset and has neither transferred nor retained substantially all the risks and rewards or has retained control, it continues to recognize the asset to the extent of its continuing involvement in the asset.

Continuing involvement that takes the form of guaranteeing the transferred asset is measured at the lower of the initial carrying amount of the asset and the maximum amount of the consideration that the company could be required to pay.

(b) Financial liabilities

Financial liabilities are derecognized when the underlying obligation is discharged, cancelled or expires.

When an existing financial liability is exchanged with another by the same lender at substantially different terms, or the terms of an existing liability are substantially modified, this exchange or modification is treated as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amounts is recognized in profit or loss.

Impairment of financial assets
If there is any indication that a financial asset is

impaired, the recoverable amount of the asset is estimated to determine the amount of the impairment loss.

Derivatives and hedging transactions
Salini Impregilo S.p.A. has derivatives recognized at fair value when the related agreement is signed and for subsequent fair value changes. The treatment of the related fair value gains or losses changes depending on whether the conditions for hedge accounting are met, as described below.

Salini Impregilo S.p.A. has derivatives to hedge currency and financial risks. At the inception of the transaction, it documents the hedging relationship, its risk management and strategy objectives in entering into the transaction, the hedging instrument and hedged item or transaction and the nature of the hedged risk.

Moreover, at the inception of the transaction and thereafter on an ongoing basis, the company documents whether or not the hedge meets the effectiveness requirements to offset its exposure to changes in the fair value of the hedged item or cash flows attributable to the hedged risk.

Based on the above-mentioned documentation, derivatives used for specific hedging purposes are classified and recognized as follows:

(a) ***Fair value hedges*** - If a derivative is designated as a hedge of exposure to changes in the fair value of an asset or liability due to a specific risk that may affect profit or loss, the gain or loss deriving from the subsequent measurement of the fair value of the hedging instrument is taken to profit or loss. The gain or loss on the hedged item, related to the hedged risk, changes the carrying amount of this item and is taken to profit or loss.

(b) ***Cash flow hedges*** - If a derivative is designated as a hedge of exposure to changes in cash flows of an asset or liability or a highly probable transaction and could affect profit or loss, the effective part of the gains or losses on the financial instrument is taken to equity. The cumulative gain or loss is derecognized from equity and taken to profit or loss in the same period in which the hedged transaction is recognized.

The gain or loss related to a hedge or part of a hedge which has become ineffective is taken to profit or loss immediately. If a hedging instrument or a hedging relationship is closed, but the hedged transaction has not yet taken place, the cumulative gains and losses, recognized in equity up to then, are reclassified to profit or loss when the transaction takes place. If it is unlikely the hedged transaction will take place, the unrealized gains and losses recognized in equity are immediately recognized in profit or loss.

"Hedging purposes" are assessed in strategic terms. When they do not meet the requirements of IAS 39 for hedge accounting, the derivatives are classified as "Financial assets or financial liabilities at fair value through profit or loss".

Employee benefits

- Post-employment benefits

Post-employment benefits are recognized at the actuarial value of the company's liability determined in line with ruling legislation and national and in-house labor agreements.

The actuarial method, based on demographic, financial and turnover assumptions, is applied by independent actuaries.

The gains and losses resulting from the actuarial calculation are recognized in profit or loss for the cost items related to work service and net financial expenses, whereas the actuarial gains and losses resulting from the measurement of the liabilities and assets are recognized in comprehensive income.

The 2007 Finance Act and related implementing decrees introduced significant changes to legislation governing Italian post-employment benefits, effective as from January 1, 2007.

These include the option given to employees, to be exercised before June 30, 2007, of where to allocate their future benefits.

Specifically, employees can opt to allocate them to selected pension funds or maintain them with the company, in which case, the latter shall pay the contributions to the treasury fund of INPS (the Italian social security institution).

Following these changes, the Italian post-employment benefits accruing after the date of the employees' decision and, in any case, after June 30, 2007, are considered part of a defined contribution plan and treated like all other social security contributions.

Income taxes

Current taxes are provided for using the tax rates and applying the tax laws ruling in Italy and other countries in which the company operates, including through its branches, based on the best estimate of the taxable profit for the year.

Beginning from 2004, the company has joined the national tax consolidation system, which is regulated by the conditions set out in agreements drawn up by the participating companies, as the consolidating party.

The agreements provide that tax losses transferred by the subsidiaries give rise to a benefit for them to the extent to which they could have been used had the national tax consolidation system not existed.

Otherwise, the parent benefits, except for a partial payment to the companies transferring the losses, in proportion to the effective use in the national tax consolidation system.

Moreover, the smaller taxes paid by Impregilo following the national tax consolidation system are prudently provided for when it is probable that the tax losses will be paid in the future to the subsidiaries that transferred them.

Deferred tax assets and liabilities are calculated on the basis of the temporary differences between the tax base of an asset or liability and their carrying amount in the statement of financial position. Deferred tax assets are recognized when the company holds their recovery to be probable.

The carrying amount of deferred tax assets is reviewed at each reporting date and, to the extent necessary, is decreased when it is no longer probable that sufficient taxable profits will be available in the future to use all or part of the related benefit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the reporting date.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

In the case of transactions recognized directly in equity, the related deferred tax asset or liability also affects equity.

Provisions for risks and charges

In accordance with IAS 37, Salini Impregilo S.p.A. makes accruals to provisions for risks and charges when the following conditions exist:

- the company has a present obligation (legal or constructive) at the reporting date as a result of a past event where an outflow of resources embodying economic benefits will be required to settle the obligation;
- it is probable that the obligation (through an outflow of resources) will have to be settled;
- a reliable estimate can be made of the amount of the obligation.

When the time value of money is material and the obligation payment dates can be estimated reliably, the amount recognized as the provision equals the pre-tax future cash flows (i.e., forecast outflows) discounted at a rate that reflects the present market value and risks specific to the liability.

The increase in the provision due to discounting is recognized as a financial expense.
When the expected cash flows are included in an estimate range with the same probability of occurrence, the median value is discounted to measure the liability.

Provision for restructuring costs is recognized when the company has approved a detailed formal plan that has been implemented and communicated to the third parties involved.

Translation criteria for foreign currency items
The translation criteria for foreign currency items adopted by the company are as follows:

- foreign currency monetary assets and liabilities, excluding property, plant and equipment, intangible assets and equity investments measured at cost are measured at the closing spot rate with any exchange rate gains or losses taken to the income statement;
- property, plant and equipment and intangible assets (non-monetary assets) are recognized at historical cost denominated in the foreign currency and translated using the historical exchange rate;
- revenue and costs related to foreign currency transactions are recognized in profit or loss at the exchange rate ruling on the date of the transaction;
- any material effects deriving from changes in exchange rates after the reporting date are disclosed in the notes.

The foreign branches' functional currency is the Euro, as it is the primary currency they use in their operations.

Non-current assets held for sale and discontinued operations
Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

Assets held for sale are recognized as such when the following events take place:

- signing of a binding sales agreement;
- approval and communication of a formal sales plan by directors.

In order to be correctly measured, the assets shall be:

- available for immediate sale in their present condition;
- subject only to terms that are usual and customary for sales of such assets;
- the sale must be highly probable and expected to take place within twelve months.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of an entity that either has been disposed of or classified as held for sale and that meets any of the following criteria: i) it represents a separate major line of business or geographical area of operations; ii) it is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or iii) it is a subsidiary acquired exclusively with a plan to resell.

The results of discontinued operations are disclosed separately in the income statement.
As required by IFRS 5.34 - Non-current assets held for sale and discontinued operations, the corresponding prior year figures are restated accordingly.

Revenue recognition
Revenue is measured to the extent it is probable that the economic benefits will flow to the company and the related amount can be determined reliably.

Revenue from the sale of goods is recognized when the Group has shipped the goods and has transferred all the material risks and rewards of ownership to the buyer. Revenue from construction contracts is recognized as provided for in the related Standard, described below.

When the outcome of a construction contract can be estimated reliably, contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date based on the ratio of the costs incurred up to the reporting date to the total estimated contract costs, unless this is held to not represent the stage of completion of the contract.

Changes in the contract, claims and incentive payments are recognized to the extent that they are reasonably certain.
Revenue is recognized only to the extent of contract costs incurred that it is probable will be recovered. Contract costs are recognized as an expense in the year in which they are incurred.

Interest income
Interest income is recognized on an accruals basis, considering the principal and applicable effective interest rate, i.e., the rate that discounts the estimated future inflows over the expected life of the financial asset to return it to its carrying amount.

Dividends
Dividends are recognized when the investors' right to receive payment arises in line with local ruling legislation.

Risks relating to customers and the countries in which Salini Impregilo S.p.A. operates
Salini Impregilo S.p.A. is active in sectors where most of the contracts are with state-owned customers. Therefore, its results are strictly related to the amount and term of investments in large-scale infrastructure works scheduled and awarded by governments or public bodies of the countries in which Salini Impregilo S.p.A. carries out its ongoing activities. Impregilo is also exposed to a series of country risks, such as changes in political or social conditions and developments in economic policies.

Significant accounting estimates
Preparation of financial statements and the related notes in accordance with the IFRS requires management to make judgments and estimates that affect the carrying amount of assets and liabilities and financial statements disclosures. The estimates are used to:

- determine amortization and depreciation (see the “Property, plant and equipment”, “Leased property, plant and equipment” and “Other intangible assets” paragraphs of the “Accounting policies” section);

- recognize impairment losses (see the “Impairment of non-financial assets” paragraph of the “Accounting policies” section);

- recognize employee benefits (see the “Employee benefits” paragraph of the “Accounting policies” section);

- recognize taxes (see the “Income taxes” paragraph of the “ Accounting policies” section);

- recognize provisions for risks and charges (see the “Provisions for risks and charges” paragraph of the “Accounting policies” section);

- determine total contract costs and the related stage of completion (see the “Contract work in progress and revenue from construction contracts” paragraph of the “Accounting policies” section). A significant part of the company's activities is typically performed on the basis of contracts which provide that a specific consideration is agreed when the contract is awarded. This implies that the profits on these contracts may undergo change compared to the original estimates depending on the recoverability of greater expenses and/or costs the company may incur during performance of such contracts.

The actual results may differ from those estimated due to uncertainties underlying the assumptions and the conditions on which the estimates are based.

Fundamental assumptions about the future and other reasons for uncertainty when making the estimates at the reporting date that may lead to material adjustments to the carrying amount of the assets and liabilities are described in the specific section of the Directors' Report which gives an analysis of the risk areas of each segment.

Income statement 2014 of Salini Impregilo S.p.A. by geographical region

(Amounts in thousands of euros)	Italy	Other countries	Total
Operating revenue	498,602	1,748,914	2,247,516
Other revenue	30,404	63,941	94,345
Total revenue	**529,006**	**1,812,855**	**2,341,861**

Statement of financial position at December 31, 2014 of Salini Impregilo S.p.A. by geographical region

(Amounts in thousands of euros)	Italy	Other countries	Total
Net non-current assets	836,512	218,977	1,055,489
Provisions for risks	(34,494)	(2,458)	(36,952)
Post-employment benefits and employee benefits	(10,367)	(955)	(11,322)
Tax assets (liabilities)	20,233	(1,604)	18,629
Working capital	***775,445***	***(315,706)***	***459,739***
Net invested capital	**1,587,329**	**(101,746)**	**1,485,583**
Shareholders' equity			942,987
Net financial position			542,596
Total financial resources			**1,485,583**

Statement of financial position

1. Property, plant and equipment

Property, plant and equipment totaled €268.8 million, up €248.8 million compared to December 31, 2013.

The historical cost and carrying amount are given in the following table:

	December 31, 2014			December 31, 2013		
(Amounts in thousands of euros)	Cost	Acc. depreciation	Carrying amount	Cost	Acc. depreciation	Carrying amount
Land	245	-	245	258	-	258
Buildings	36,488	(16,221)	20,267	16,256	(10,833)	5,423
Plant and machinery	516,681	(292,769)	223,913	79,641	(66,743)	12,898
Industrial and commercial equipment	75,739	(61,806)	13,933	6,414	(5,822)	592
Other assets	17,854	(10,995)	6,859	2,952	(2,149)	803
Assets under const. and payments on account	3,588	-	3,588	1	-	1
Total	**650,595**	**(381,790)**	**268,805**	**105,522**	**(85,547)**	**19,975**

Changes during the year are summarized below:

(Amounts in thousands of euros)	December 31, 2013	Mergers	Increases	Amortization	Revaluations/ Impairment Losses	Reclassifications and other change	Disposals	Exchange rate gains (losses)	December 31, 2014
Land	258							(13)	245
Buildings	5,423	17,080	1,849	(2,744)	(5)	(95)	(2,793)	1,552	20,267
Plant and machinery	12,898	186,730	90,362	(60,391)	(40)	89	(5,967)	231	223,912
Industrial and commercial equipment	593	13,615	11,695	(11,676)	-	15	(313)	5	13,933
Other assets	802	5,266	3,218	(2,194)	(4)	(9)	(184)	(34)	6,860
Assets under const. and payments on account	1	1,944	1,653				(30)	20	3,588
Total	19,975	224,635	108,777	(77,005)	(49)	-	(9,287)	1,761	268,805

The most significant changes include:

- increases of roughly €108.8 million, mainly due to the investments made in the United Arab Emirates, Qatar and Ethiopia projects;
- depreciation for the year of €77.0 million, calculated as described in the "Accounting policies" section;
- disposals of €9.3 million, mainly referring to sales to third parties and the disposal of assets related to foreign contracts;
- the Mergers column amounting to €224.6 million includes balances at January 1, 2014 of Salini S.p.A. as a result of the reverse merger and the formation of the new legal entity Salini Impregilo S.p.A.

The amount as at December 31, 2014 includes €142.3 million of leased assets, of which €140.2 million relating to "plant and machinery", €1 million relating to the category "industrial and commercial equipment" and €1.1 million to the category "other assets".

Prior year changes are as follows:

(Amounts in thousands of euros)	December 31, 2012	Increases	Depreciation	Revaluations/ Impairment Losses	Reclassifications and other changes	Disposals	Exchange rate gains (losses)	Change in consolidation scope	December 31, 2013
Land	262	-	-	-	-	-	(4)	-	258
Buildings	7,405	230	(2,130)	-	4	(68)	(18)	-	5,423
Plant and machinery	29,348	2,240	(13,486)	(42)	(4)	(4,073)	(1,085)	-	12,898
Industrial and commercial equipment	1,177	162	(743)	-	-	(2)	(2)	-	592
Other assets	1,000	266	(434)	-	-	(6)	(23)	-	803
Assets under const. and payments on account	-	18	-	-	-	-	(17)	-	1
Total	**39,192**	**2,916**	**(16,793)**	**(42)**	**-**	**(4,149)**	**(1,149)**	**-**	**19,975**

2. Intangible assets

Intangible assets amounted to €84.1 million, up €39.1 million from the December 31, 2013 figure. The historical cost and carrying amount of the other fixed assets are given in the following table:

	December 31, 2014			December 31, 2013		
(Amounts in thousands of euros)	Cost	Acc. depreciation	Carrying amount	Cost	Acc. depreciation	Carrying amount
Software	493	(177)	316	-	-	-
Contract acquisition costs	123,398	(39,655)	83,743	61,735	(16,787)	44,948
Total	**123,891**	**(39,832)**	**84,059**	**61,735**	**(16,787)**	**44,948**

Changes during the year are set out below:

(Amounts in thousands of euros)	December 31, 2013	Increases	Amortization	Reclass.	Disposals	Exchange rate gains (losses)	Other changes	December 31, 2014
Concessions, licences, trademarks and similar rights	-				(72)		72	-
Software	-	312	(86)				90	316
Contract acquisition costs	44,948	61,663	(22,868)					83,743
Total	**44,948**	**61,975**	**(22,954)**	**-**	**(72)**	**-**	**162**	**84,059**

The other changes refer to the balances of Salini S.p.A. at January 1, 2014 following the reverse merger transaction.

Changes during the previous year are set out below:

(Amounts in thousands of euros)	December 31, 2012	Increases	Amortization	Reclass.	Disposals	Exchange rate gains (losses)	Other changes	December 31, 2013
Contract acquisition costs	32,941	15,004	(2,997)	-	-	-	-	44,948
Total	**32,941**	**15,004**	**(2,997)**	**-**	**-**	**-**	**-**	**44,948**

Contract acquisition costs amount to €83.7 million and refer mainly to considerations paid to purchase the railway high speed/capacity business units in the year and in previous years. These assets have a finite life and are amortized in line with the stage of completion of the related contracts. Their composition is shown in the following table.

A breakdown of changes in this item are as follows:

(Amounts in thousands of euros)	December 31, 2013	Increases	Amortization	December 31, 2014
Cociv (Milan - Genoa railway line)	44,948	6,333	(9,434)	41,847
Riyadh Metro	-	25,394	-	25,394
Arab Emirates	-	8,323	(8,323)	-
Thessaloniki Metro	-	1,386	(184)	1,202
Yarull - Dominican Republic	-	3,109	(26)	3,083
Vegas Tunnel - USA	-	3,770	(1,895)	1,875
Gerald Desmond - USA	-	8,153	(919)	7,234
Stavros Niarchos - Greece	-	5,195	(2,087)	3,108
Total	**44,948**	**61,663**	**(22,868)**	**83,743**

The increase in the period also reflected the contract acquisition costs for the construction of the entire Line 3 of the Riyadh metro, while the other increases refer to the allocation of the merger goodwill determined according to the procedures indicated in the previous paragraph "Merger of Salini S.p.A. into Impregilo S.p.A.". The residual value to be amortized was subjected to a budget analysis in November 2014, resulting in the confirmation of the profitability of the contracts over the provisional November 2013 budget using to determine the corresponding values.

Prior year changes are given below for comparative purposes:

(Amounts in thousands of euros)	December 31, 2014	Increases	Amortization	December 31, 2013
Cociv (Milan - Genoa railway line)	32,941	15,004	(2,997)	44,948
Total	**32,941**	**15,004**	**(2,997)**	**44,948**

Amortization of the contract acquisition costs is calculated using the stage of completion method of the contracts based on the cost to cost method and considering the related purchase dates.

3. Equity investments

Compared to December 31, 2013, equity investments increased by €218.4 million to €702.6 million, as shown in the following table.

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Investments in subsidiaries	609,802	420,235	189,567
Investments in associates	64,351	45,023	19,328
Other investments	28,473	18,993	9,480
Total	**702,626**	**484,251**	**218,375**

Changes during the year are summarized below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013
Merger	154,971	-
Share/quota capital transactions	159,760	-
Acquisitions, capital injections	23,558	37,994
Disinvestments and liquidations	(78)	(44,012)
Reversals of impairment losses	12,230	23,373
Writedowns	(83,806)	(25,473)
Reclassifications	(48,259)	(46)
Total	**218,376**	**(8,164)**

The accounting effect as of January 1, 2014 of the merger of Salini S.p.A. into Impregilo S.p.A. amounted to €155 million, of which €42.6 million refer to investments held by the merged company Salini S.p.A. at December 31, 2013, and €112.4 million deriving from the merger goodwill as described in the preceding paragraph "Merger of Salini S.p.A. into Impregilo S.p.A.".

The increase in "Capital transactions" mainly refers to the payments made to cover the losses accumulated by the interest in Todini Costruzioni Generali for €113.5 million. It also includes capital payments to Impregilo Colombia SAS for €22.9 million and the project company Grupo Unido por el Canal (Panama) for €10.8 million, the latter resulting from offsetting the provision relating to the investment in the project company with the receivable arising from the capital injections performed during the course of the year.

The item "Acquisitions" refers mainly the purchase of an 85% interest in the company C.I.V. S.p.A. for €18.0 million and the purchase of a further 22.2% interest in the subsidiary Todini Costruzioni Generali for €5 million. The value of this latter equity investment has been reduced by €9.4 million, as described below, and the final value of the equity investment in Todini Costruzioni Generali at December 31, 2014 is €75.3 million.

The item "Reclassifications" contains €33.8 million for offsetting the provision relating to the equity investment in the subsidiary Todini Costruzioni Generali.

The impairment test of the item "Equity investments", carried out also to assess any reversals of previously recognized impairment losses, has been carried out on a case–by-case basis, considering the specific objectives pursued by each investee during the performance of their operating activities.

Based on such approach, the item can be analyzed as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Interests in special purpose entities (SPEs)	202,563	116,682	85,881
Other investments	500,063	367,569	132,494
Total	**702,626**	**484,251**	**218,375**

Special purpose entities (SPEs) are legal entities set up specifically and solely to carry out construction contracts which the company will not carry out directly and in which it has an interest equal to its share of the tender. These entities have a corporate structure compliant with the customers' requirements as communicated during the tender procedure and considering the specific legal context of the country in which the contract will be performed. They are classified in two specific categories as follows: (i) SPEs, the profit or loss of which are allocated to their venturers in line with their interests as provided for by law (i.e.: Italian-based consortia and consortium companies which operate on a "recharges of costs" basis), and (ii) SPEs for which this allocation is not provided for by law.

Due to the periodic allocation of the contract profits and losses to the venturers, the profit (loss) of the SPEs in item (i) is substantially nil. Any losses recorded in the contracts performed by these entities are recognized by the venturers upon allocation of the contract profits and losses. For the SPEs in point 2 above, losses are assessed in the Separate financial statements of Salini Impregilo S.p.A. as the profit and loss effects of the contracts performed by these entities are reflected in the Consolidated financial statements only. The contracts performed by these SPEs are therefore considered when testing for indication of impairment. Specifically, the SPEs' statements of financial position, which include the estimated contract costs or profits and are prepared in accordance with the relevant accounting standards interpreted by the Group's procedures, are considered as they show the estimated cash flows of the entity.

In 2014, the impairment losses were adjusted with respect to the previous year, by adjusting the provision for impairment losses on investments, already recognized for a modest amount with reference to the SPEs performing the "Angostura hydroelectric plant" contract (Chile), for €0.4 million, and the "Rio Sogamoso hydroelectric plant" contract (Colombia), for €2.9 million.

At year-end the subsidiary Todini Costruzioni Generali reported a loss of €48.6 million, mainly affected by non-recurring items. Non-recurring items were mitigated as of the last quarter of 2014 which resulted in positive margins being achieved by the company.

It should be recalled that in 2013 the impairment test had led to the recognition of a loss of €70 million. Regarding to 2014, the subsidiary has been tested for impairment on the basis of the 2015 - 2019 financial plan approved by the Board of Directors of Todini on March 9, 2015.

The value in use was determined by discounting the operating cash flows in question using the following parameters:

- Discount rate (WACC) 11.5%;
- Growth Rate: 2%.

Sensitivity analyses were also performed taking into account the potential effects of changes in the discount rate and growth rate.

As a result of the impairment test, the carrying amount of the investment had to be written down by €9.4 million.

At year-end the subsidiary SGF Inc. reported a net loss of €4.2 million and negative equity of €0.3 million while the carrying amount of the investment was €5.9 million.

It should be recalled that in 2013 the impairment test had led to the recognition of an impairment loss of €3.9 million.

The value in use of the subsidiary was determined for the purposes of the 2014 financial statements on the basis of the company 2015-2019 projected income statement.

By discounting net operating incomes using the following parameters:

- Growth Rate: 0%;
- Discount rate (Ke) 10.5%.

No impairment loss was detected as the resulting equity value is higher than the carrying amount of the investment.

At year-end the subsidiary FIBE reported a net loss of €7.2 million and shareholders' equity of €43.2 million, after a dividend distribution of €70 million in 2014; the carrying amount of the investment was €113.1 million.
The subsidiary is not operational and only manages the outstanding disputes related to the SUW Campania projects; as a result, value creation is primarily based on its assets and liabilities. In light of this consideration, the value of the investment was aligned to its shareholders' equity at December 31, 2014.
As regards the other residual interests in smaller companies, the carrying amount of the investments has been adjusted to the corresponding share of the subsidiaries' net assets as recognized in their financial statements at December 31, 2014. This adjustment, totaling €4.4 million, specifically affected IGL Arabia and Suropca.

4. Non-current financial assets

This item includes loans due from third parties. Changes compared to December 31, 2013 are as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Other financial assets, Securities	18,739	10,867	7,872
Loans to Group companies	81	1,523	(1,442)
Loans to third parties	20,263	17,420	2,843
Total	**39,083**	**29,810**	**9,273**

Other financial assets, Securities totaled €18.7 million at December 31, 2014, up €7.8 million compared to December 31, 2013. This amount refers to unlisted collective investment undertakings are cash investments with a guaranteed return, which mature after twelve months. The increase is due to new payments made during the year.

Loans from third parties amounted to €20.2 million at December 31, 2014 (€17.4 as at December 31, 2013) and refer mainly to the receivable with the company Itinera arising from the sale to third parties of the investment in the company "TE". They amounted to €17.9 million (€17.4 million) at December 31, 2014, including interest. This loan is interest bearing and will be collected by October 31, 2016.

Loans to Group companies amounting to €1.5 million as at December 31, 2013 related to the long-term portion of the Salini Impregilo's loan to the Argentine associate Puentes del Litoral. This figure was down €1.4 million because at December 31, 2014, this loan was reclassified as short term.

5. Deferred tax assets and liabilities

Deferred tax assets and liabilities amount to €57.5 million and €97.9 million respectively.

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Prepaid tax assets	57,527	36,434	21,093
Deferred tax liabilities	(97,872)	(98,932)	1,060

Deferred tax liabilities of €97.9 million at December 31, 2014 relate, for €97.6 million, to Salini Impregilo S.p.A.'s potentially attributable liability with the Group companies that participate in the national tax consolidation system for their losses transferred and not yet settled with them, considering the characteristics of these losses from the subjective point of view of the companies that incurred them and also the terms of the existing tax consolidation system agreement (see the paragraph on "Income taxes" in the "Accounting policies" section).
The reduction over the previous year is mainly attributable to the recognition of the gain from the tax consolidation to FIBE S.p.A. following the transfer of the tax loss 2013.

Changes in deferred tax assets and liabilities and the related impact on the income statement are set out below:

(Amounts in thousands of euros)	December 31, 2013	Increases	Decreases	Effects recognized in equity	Merger	Other	December 31, 2014
Deferred tax assets:							
Amortization and depreciation exceeding tax rates	1,389				7,727		9,116
Provisions for risks and impairment losses	42,295	1,421	(6,307)		5,522		42,931
Tax effect of share capital increase			(301)	1,506			1,205
Maintenance					6,373		6,373
Unrealized currency translation differences					640		640
Other	91	75,217	(4,217)	106	1,142		72,339
Total	**43,775**	**76,638**	**(10,825)**	**1,612**	**21,404**		**132,604**
Offsetting	(7,341)					(67,736)	(75,077)
Net deferred tax assets (a)	**36,434**	**76,638**	**(10,825)**	**1,612**	**21,404**	**(67,736)**	**57,527**
Deferred tax liabilities:							
Default interest	(5,530)				(523)		(6,053)
Contract acquisition costs			4,015		(9,974)		(5,959)
Gains on the disposal of assets					(459)		(459)
Other	(1,811)	(51,660)	662		(10,029)	(38)	(62,876)
Total	**(7,341)**	**(51,660)**	**4,677**		**(20,985)**	**(38)**	**(75,347)**
Offsetting	7,341					67,736	75,077
Net deferred tax liabilities (b)		**(51,660)**	**4,677**			**67,698**	**(270)**
Net deferred tax (income) expense (a+b)		**24,978**	**(6,148)**				**18,830**

Prior year changes are given below:

(Amounts in thousands of euros)	December 31, 2012	Increases	Decreases	Exchange rate gains (losses)	Other changes	December 31, 2013
Deferred tax assets:						
Amortization and depreciation exceeding tax rates	1,389					1,389
Provisions for risks and impairment losses	47,150	4,227	(9,082)			42,295
Other	909		(837)		19	91
Total	**49,448**	**4,227**	**(9,919)**		**19**	**43,775**
Offsetting	(11,500)				4,159	(7,341)
Net deferred tax assets (a)	**37,948**	**4,227**	**(9,919)**		**4,178**	**36,434**
Deferred tax liabilities:						
Unrecognized fiscally-driven amortization and depreciation	(4,231)		4,231			
Default interest income - Venezuelan branch	(5,530)					(5,530)
Other	(1,739)	(244)	172			(1,811)
Total	**(11,500)**	**(244)**	**4,403**			**(7,341)**
Offsetting	11,500				(4,159)	7,341
Net deferred tax liabilities (b)		**(244)**	**4,403**		**(4,159)**	
Net deferred tax (income) expense (a+b)		**3,983**	**(5,516)**			**(1,533)**

6. Inventories

This item is analyzed in the following table:

	December 31, 2014			December 31, 2013			
(Amounts in thousands of euros)	Gross carrying amount	Acc. depreciation	Net carrying amount	Gross carrying amount	Acc. depreciation	Net carrying amount	Change
Real estate projects	19,508	(7,772)	11,736	19,533	(7,772)	11,761	(25)
Finished products and goods	426	-	426	376	-	376	50
Raw materials, consumables and supplies	180,716	(748)	179,968	21,840	(144)	21,696	158,272
Total	**200,650**	**(8,520)**	**192,130**	**41,749**	**(7,916)**	**33,833**	**158,297**

Real estate projects

Real estate projects amounted to €11.7 million and showed a net decrease of €0.3 million, mainly related to the sale of a project in Argentina. This item refers to the real estate project of €11.7 million (net of the related allowance of €7.8 million) for the construction of a trade point in Lombardy. Although the project had not yet been launched at the reporting date, considering the current zoning provisions implemented by the relevant authorities, the directors deemed its carrying amount adequate, based also on appraisals of independent experts.

Finished products and goods and Raw materials, consumables and supplies

Finished products of €0.4 million (2013: €0.4 million) principally comprise materials for resale.
Raw materials, consumables and supplies of €180.0 million (December 31, 2013: €21.7 million) mainly relate to items used at the Ethiopian (€146 million) and Venezuelan (€19 million) building sites.

7. Contract work in progress

Contract work in progress totaled €765.8 million at the reporting date, up on the previous year-end figure of €441.4 million. The table below shows the amount of work in progress measured according to the percentage of completion method, net of actual or estimated losses at the reporting date and progress billing:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Contract work in progress	12,262,213	7,619,824	4,642,389
Progress payments and advances received (on approved work)	(11,496,422)	(7,178,379)	(4,318,043)
Total	**765,791**	**441,445**	**324,346**

Compared to December 31, 2013 there was an overall increase of €324.3 million, due (for approximately €194.9 million) to the merger.

There was also an increase due to the expansion of foreign industrial activities for contracts in Venezuela, Saudi Arabia and South Africa, and to high speed/high capacity contracts in Italy, only partially offset by the decrease related to contracts in Italy and Qatar.

The key contracts making up contract work in progress at December 31, 2014 are summarized below:

	Contract work in progress		
(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Venezuela	241,922	228,923	12,999
Romania	44,992	22,216	22,776
High speed/capacity	89,721	20,946	68,775
Salerno - Reggio Calabria Lots 5-6	50,902	73,077	(22,175)
Gibe III Hydroelectric Project	49,877	-	49,877
Mill. Hydro Elect. Project (5250 MW)	44,664	-	44,664
Messina Bridge	22,722	21,178	1,544
South Africa Mavundla	48,876	3,884	44,992
Arabia Civil Work	21,664	-	21,664
- S.S. 36	25,244	32,242	(6,998)
Metro B1 Bologna/Conca d'Oro and Conca d'Oro/Ionio	66,931	-	66,931
Other	58,276	38,979	19,297
Total	**765,791**	**441,445**	**324,346**

As regards the work in progress in relation to the project for the "Strait of Messina bridge and roadway and railway connectors on the Calabria and Sicily sides", the values of the work in progress at December 31, 2014 total €22.7 million. With reference to this contract, it is noted that Decree Law 187 was issued on 2 November 2012 providing for "Urgent measures for the renegotiation of the contracts with Stretto di Messina S.p.A. (the client) and for local public transport". Further to the enactment of this decree and in light of the potential implications for the contractual position of the Eurolink General Contractor, of which Salini Impregilo is the leader, Eurolink decided to send to the client, pursuant to the contractual provisions in effect, a notice of its intention to withdraw from the contract also to protect the positions of all Italian and foreign partners in the Association. Nevertheless, given the preeminent interest in constructing the project, the General Contractor also communicated its willingness to review its position, should the client demonstrate a real commitment to pursuing the project. Despite the efforts made, the negotiations carried out by the parties were unsuccessful.

Eurolink commenced various legal proceedings in Italy and at the EU level, on the one hand, arguing that the provisions of the above-mentioned decree are unconstitutional and contrary to EU laws and thus injurious to Eurolink's legally acquired rights under the contract and, on the other hand, asking that Stretto di Messina be ordered to pay the amounts claimed, under various titles by the General Contractor due to the termination of the contract for reasons for which it was not responsible. With regard to the actions filed at the EU level, it is worth mentioning that, in November 2013, the European Commission communicated its decision to suspend the lawsuit, as no treaties were violated, and confirmed it on January 7, 2014, with a communication dismissing the lawsuit. As regards the civil action in Italy, Salini Impregilo S.p.A. and all the members of Eurolink have jointly and severally asked that Stretto di Messina be ordered to pay the amounts claimed, under various titles, due to the termination of the contract for reasons for which it was not responsible. Consistent with the developments described above, the order backlog of the Impregilo Group at the end of 2012 was restated to reflect the elimination of the above-mentioned project. Considering the complex nature of the various legal proceedings and although the legal advisors assisting Impregilo and the general contractor are reasonably confident about the outcome of the proceedings and the recoverability of the remaining assets recognized for this contract, it cannot be excluded that events not currently foreseeable may arise in the future which would require the current assessments to be revised.

The Salini Impregilo Group has been active in Venezuela through a stable organization that, directly or in association with international partners, carried out several railway and hydroelectric projects, with a presence in the local territory consolidated in the Country over a span of more than 30 years.

In recent years, relationships with clients, all government entities, were generally characterized by delays in payments. This problem became more pronounced this past year due to a change in the country's government leadership, at the beginning of 2013, and the resulting heightened social tensions that accompanied this political transition. In response to the virtual suspension of activity by clients in this context, the Group suffered a significant slowdown in production activities.
With regard to the railway works, particularly for the P.Cabello-La Encrucijada project, two agreements have been drawn up, one in March and the other in May, (called "Puntos de Cuenta") both signed by the Chairman of IFE (the client) and ratified by the President of the Republic, which provided for the progressive payment of 85% of the receivable accumulated in Bolivares and 47% of the receivable in Euro, accumulated at September 2013. To date we can say that 94% the proceeds due in local currency have been received and 34.6% for the Euro receivable (with reference to the percentages above).
In this context, an Addendum to the contract for the Puerto Cabello – La Enrcuijada line and related to electromechanical works was signed at the end of the first half of 2014.

An addendum is currently being negotiated with the Customer, which will set out the claim for the contractual extension of the works and form of payment for these works and for the work to be completed.

The projects that are being developed by the Salini Impregilo Group are priority infrastructures of the utmost importance, both in economic-industrial and social terms. With this in mind and based on a constant and careful monitoring of the situation in the country, carried out together with its partners and through meetings with clients and local government authorities with the aim of defending and protecting the positions of the Salini Impregilo Group, there appears to be no particular problems at this stage with regard to the realizable value of the Group's net assets, except for the lengthening of collection time, which was duly taken into account in the measurements performed for Financial statement purposes and for the issues relating to the new exchange rates adopted for the translation of the net assets expressed in local currency, as reflected in the full-life projections of projects under construction.

In view of the delicate and complex situation that developed at the political level, the possibility that events not foreseeable at the date of preparation of this Annual Report may arise in the future requiring an update of the existing measurements cannot be excluded.

8. Trade receivables

Trade receivables amount to €1,052.4 million (€840.0 million at December 31, 2013) of which €611.4 million (€526.2 million at December 31, 2013) with Group companies and other related parties.

Trade receivables of €439.9 million, net of the allowance for impairment (€16.8 million), show a net increase of €99.7 million. They comprise amounts due from customers for invoices issued and for work performed and approved by customers but still to be invoiced. The increase is mainly due to the branches in Romania, Qatar, Venezuela and the United Arab Emirates. The increase in receivables relating to Venezuela reflects the temporary delays in payments by the customers also as a consequence of the situation recently observed in this country and described in the 'Risk Areas' section in the Directors' Report.

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Receivables from clients	456,713	352,825	103,888
Allowance for impairment	(16,815)	(12,664)	(4,151)
Net trade receivables	**439,898**	**340,161**	**99,737**

(Amounts in thousands of euros)	December 31, 2013	Merger	Provisions	Utilizations / Releases	Reversals	Exchange rate gains (losses)	Other changes	December 31, 2014
Provision for impairment losses on trade receivables	12,664	5,993	3,676	(5,717)	(124)	-	21	16,513
Default interest	-	-	302	-	-	-	-	302
Total	**12,664**	**5,993**	**3,978**	**(5,717)**	**(124)**	**-**	**21**	**16,815**

Prior year changes in the provision for impairment losses are given below for comparative purposes:

(Amounts in thousands of euros)	December 31, 2012	Provisions	Utilizations / Releases	Reversals	Exchange rate gains (losses)	Other changes	December 31, 2013
Provision for impairment losses on trade receivables	8,716	9,175	54	(5,187)	(94)	-	12,664
Total	**8,716**	**9,175**	**54**	**(5,187)**	**(94)**	**-**	**12,664**

Current intragroup loans and receivables and current loans and receivables with other related parties amounted to €612.5 million compared to €500.3 million at the end of 2013. They mainly comprise trade receivables.

A breakdown of loans and receivables with Group companies and other related parties is as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Receivables from parent companies	17	-	17
Receivables from subsidiaries	192,970	73,315	119,655
Receivables from associates	187,715	173,253	14,462
Receivables from other companies	231,791	253,318	(21,527)
Intragroup receivables and receivables from other related parties	**612,493**	**499,886**	**112,607**

The key debtors of the above net intragroup receivables are summarized below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Salerno-Reggio Calabria	74,238	63,096	11,142
Consorzio Cavtomi	86,390	129,776	(43,386)
Rc Scilla	9,451	3,212	6,239
Cociv	88,491	101,253	(12,762)
Fisia Italimpianti	1,460	795	665
Mestre Bypass Salerno-Reggio di Calabria	8,620	10,489	(1,869)
Salini Namibia	14,530	-	14,530
Grupo Unidos por el Canal	22,474	15,435	7,039
Metro Blu	81,956	17,433	64,523
Pedelombarda	48,213	113,737	(65,524)
Eriday	11,557	2,632	8,925
Eurolink	11,000	10,710	290
Other	154,113	31,318	122,795
Total	**612,493**	**499,886**	**112,607**

This item increased by a total of €98.1 million as a result of the merger.
Reference should be made to the Annex “Intragroup transactions” of the Separate financial statements, for a breakdown of the receivable shown as the gross balance and net of the related payables.

9. Derivatives and other current financial assets

Derivatives and other current financial assets amounted to €435.9 million compared to €227.0 million at December 31, 2013. This item is broken down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Other current financial assets	435,926	226,597	209,329
Derivative assets	-	392	(392)
Total derivatives and other current financial assets	**435,926**	**226,989**	**208,937**

Other current financial assets are broken down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Treasury and insurance securities	99	-	99
Current loans	435,827	226,597	209,230
Other current financial assets	**435,926**	**226,597**	**209,329**

These current financial assets relate to financial transactions with Group companies and other related parties. This item increased by a total of €447.9 million as a result of the merger. During the period approximately €99 million was collected. The balance also fell because of the exchange rate in Venezuela.

The balance consists of current accounts and loans with Group companies and other related parties. The complete list of transactions is provided in the annex "Intragroup Transactions" at the bottom of these Notes. Loans are governed by contracts. The balance includes the loan to Salini Costruttor for €10 million which accrues interest at Euribor 3M + 5%. The balance of this loan at December 31, 2014 was approx. €72.6 million mainly as a result of collections during the year.

This item also includes financial receivables with third parties for €30.6 million, of which €29 million due to the amount receivable for the enforcement of the guarantee during the year for delays on the work on the Metro 6 contract. This receivable is deemed to be recoverable, also by the counsel assisting the Group in the dispute with the client.

This item "Derivative assets" fell to zero in the period (€0.4 million at December 31, 2013). This item comprised currency hedges, as detailed below.

10. Current tax assets and other current tax assets

Current tax assets amounted to €46.6 million as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Direct taxes	28,388	28,280	108
IRAP	2,390	1	2,389
Foreign direct taxes	15,803	18,260	(2,457)
Total	**46,581**	**46,541**	**40**

"Direct taxes" show the amounts claimed for reimbursement. "Foreign direct taxes" mainly relate to the Venezuelan and US branches (€2.3 million and €2.0 million, respectively) and to the Ghazi Barotha Joint Operation (€3.9 million). Other current tax assets amounted to €47.1 million as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
VAT	31,094	40,223	(9,129)
Other indirect taxes	15,997	12,740	3,257
Total	**47,091**	**52,963**	**(5,872)**

"Other indirect taxes" include withholdings of €7.9 million paid by the Icelandic branch on the remuneration paid to foreign temporary workers involved in the building site. A dispute arose with the local tax authorities about the party required to act as the withholding agent for the remuneration of foreign temporary workers at the building site.

Salini Impregilo was initially wrongly held liable for the payment of the withholdings on this remuneration, which it therefore paid. Subsequent to the final ruling in the proceedings activated in this dispute before the local lower court, the company obtained full satisfaction of its claims. Nevertheless, the local authorities subsequently commenced a new proceeding for exactly a similar issue.

The Supreme Court rejected the company's claims in its ruling handed down in February 2010, which is blatantly contrary to the previous ruling issued in 2006 on the same matter by the same judiciary authority.

The company had expected to be refunded both the unduly paid withholdings of €6.9 million (at the original exchange rate) and the related interest accrued to date of €6.0 million. In previous years, the company had conservatively written off the accrued interest component, despite a favorable final decision by the local court and the comfort of the opinion of counsel confirming the validity of its position, recognizing only the unduly paid principal amount. After the last ruling, the company took legal action at international level (appeal presented to the EFTA Surveillance Authority on June 22, 2010) and, as far as possible, again at local level (another reimbursement claim presented to the local tax authorities on June 23, 2010) as it deems, again supported by its advisors, that the last ruling issued by the Icelandic Supreme Court is unlawful both in respect of local legislative and international agreements which regulate trade relations between the EFTA countries and international conventions which do not allow application of discriminatory treatments to foreign parties (individuals and companies) working in other EFTA countries.

On February 8, 2012, the EFTA Surveillance Authority sent the Icelandic government a communication notifying an infraction regarding the free exchange of services and requesting the government to provide its response. In April 2013, at the conclusion of this process, the EFTA Surveillance Authority issued its reasoned opinion finding the provisions of the Icelandic legislation applied to the dispute in question to be inconsistent with the regulations governing trade relations between member countries and asking that Iceland take action consistent with this position; as a result the Salini Impregilo Group formally requested the re-opening of the case.

Based on the above considerations, Impregilo does not believe objective reasons currently exist to change the valuations made in relation to this dispute.

11. Other current assets

Other current assets amounted to €319.0 million, increasing by €202.7 million over the previous year, of which €75.9 million as a result of the merger. This item is broken down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Other receivables	88,472	16,545	71,927
Advances to suppliers	57,341	18,296	39,045
Other payables to non-consolidated Group entities and other related parties	121,271	70,713	50,558
Prepayments and accrued income	51,873	10,665	41,208
Total	**318,957**	**116,219**	**202,738**

Other receivables amounted to €88.5 million, increasing by €71.9 million over the previous year. The increase is due to the following main factors:

- a receivable of €28.7 million from the Republic of Argentina for damages following the ruling issued on June 21, 2011, confirmed by the Court of Arbitration of Buenos Aires on January 24, 2014;
- the receivable for an amount of €15.9 million related to reserves transferred by Todini Costruzioni Generali S.p.A. to Salini Impregilo S.p.A. on June 30, 2014 and regarding the works at Capo Boi (Sardinia) and Naples Alifana;
- the increase in receivables from a number of Salini Impregilo's partners in joint ventures in various countries, amounting to €21.5 million. The increase mainly relates to €6 million for the works on Line 3 of the Riyadh metro system in the Middle East and €15.5 million caused by the merger in relation to the TAV/San Rufillo works.

At December 31, 2013 the item included €8.3 million for an interest-bearing deposit pledged to a major bank, for the purchase of shares in the company Collegamenti Integrati Veloci – C.I.V. S.p.A., finalized during the year.

Advances to suppliers of €57.3 million increased by €39.0 million and mainly refer to work in Kazakhstan and Saudi Arabia, of which €18.4 million resulting from the merger. The effective increase is mainly attributable to the works on Line 3 of the Riyadh metro system in Saudi Arabia.

Intragroup receivables amounted to €121.3 million, increasing by €50.6 million over the previous year. This change is mainly attributable to the increase in receivables from the subsidiary Groupment Todini Enaler and the parent Salini Costruttori S.p.A., for €14.0 million and €8.6 million respectively, both resulting from the merger, as well as the increase in the receivable from Consorzio OIV Tocoma for €13.6 million and the increase in receivables from entities operating in the United States for €8 million.

Prepayments and accrued income of €51.9 million show an increase of €41.2 million on the previous year, of which €18.7 million relate to the merger. The effective increase is mainly attributable to the works on Line 3 of the Riyadh metro system in Saudi Arabia.

They are broken down in the following table:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Accrued income:			
- Insurance	3	-	3
- Other	-	51	(51)
Total accrued income	**3**	**51**	**(48)**
Prepayments:			
- Insurance	10,373	2,737	7,636
- Sureties	5,796	4,920	876
- Rents payable	597	-	597
- Consultancy	181	-	181
- Subscriptions	12	-	12
- Utility fees	99	-	99
- Other	34,812	2,957	31,855
Total prepayments	**51,870**	**10,614**	**41,256**
Total	**51,873**	**10,665**	**41,205**

12. Cash and cash equivalents

As at December 31, 2014, cash and cash equivalents amounted to €380.9 million, up by €70.4 million, as shown below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Cash and cash equivalents	380,867	310,442	70,425

The statement of cash flows shows the reason for this increase and changes in current account facilities (Note 14).

A breakdown of this item by geographical segment is as follows:

(Amounts in thousands of euros)	
Italy	65,499
Other countries	315,368
Total	**380,867**

13. Equity

Salini Impregilo S.p.A.'s equity amounted to €943,0 million at December 31, 2014, an increase on €1,193.8 million at the end of 2013. Changes of the year in the different equity items are summarized in the schedule attached to the Separate financial statements.

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Share capital	544,740	718,364	(173,624)
Share premium reserve	120,798	1,222	119,576
- Legal reserve	*100,000*	*58,447*	*41,553*
- Treasury shares reserve	*(7,677)*	-	*(7,677)*
- Ancillary expenses capital increase reserve	*(3,970)*	-	*(3,970)*
- Extraordinary reserve and other reserves	*146,813*		*146,813*
Total other reserves	235,166	58,447	176,719
- Actuarial gains and losses reserve	*(1,196)*	*(452)*	*(744)*
- Translation reserve	*10,148*	*(2,656)*	*12,804*
- Cash flow hedge reserve	*(18)*	-	*(18)*
Total other components of comprehensive income	8,934	(3,108)	12,042
Retained earnings	2,656	302,413	(299,757)
Net profit (loss) for the year	30,693	116,487	(85,794)
Total shareholders' equity	**942,987**	**1,193,825**	**(250,838)**

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 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., in implementation of the resolution of the Shareholders' Meeting of September 12, 2013, the share capital of Salini Impregilo S.p.A. was reduced to €500.0 million – i.e. by an amount of €218.4 million, of which €100.0 million to be allocated to the Legal reserve and €118.4 million for the establishment of a specific equity reserve called "Other reserves" – and 44,974,754 million 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.

Savings shares issued pursuant to the law do not carry voting rights, have preference dividend and capital repayment rights and can be bearer shares, subject to the provisions of article 2354.2 of the Italian Civil Code. Upon the shareholder's request and at its own expense, they can be converted into registered shares and vice versa. Savings shares held by directors, statutory auditors and general managers are registered. Except when the company's bylaws or relevant legislation provide for otherwise, savings shares give the holders the same rights as those of ordinary shares.

Holders of savings shares do not have the right to attend the company's shareholders' meetings or to request that they be called. The special savings shareholders' meeting is regulated by law. When reserves are distributed, the savings shares have the same rights as ordinary shares.

Upon dissolution of the company, savings shares bear preference rights to capital repayment, up to €5.2 per share. When shares are grouped or split (as well as when capital transactions are carried out and as necessary in order to protect the savings shareholders' rights in the case the shares have nominal value), the above fixed amount shall be adjusted accordingly.

The profit for the year as per the Separate financial statements is allocated as follows:

a) 5% to the legal reserve, up to the legally-required amount;

b) to savings shares, to the extent of 5% of €5.2 per share (i.e., €0.26 per share). If a dividend lower than 5% of €5.2 per share (i.e., €0.26 per share) is paid one year, the difference is taken as an increase in the preferred dividend of the following two years;

c) the residual amount, to all shareholders in such a way as to allocate to savings shares a total dividend which is 2% of €5.2 per share (i.e., €0.104 per share) greater than that distributed to ordinary shares, except when the shareholders decide to allocate an amount to the extraordinary reserves or for other uses.

Details on the possible use of shareholders' equity items and uses in prior years are summarized below:

				Summary of use in the previous three years	
Nature / Description	**Amount**	**Possible use (A, B, C)**	**Available portion**	**To cover losses**	**Other**
Share capital	**544,740**				
Equity-related reserves:					
Share premium reserve	120,798	A, B	120,798	-	
Other reserves:					
Legal reserve	100,000	B	100,000	-	
Treasury shares reserve	(7,677)			-	
Ancillary expenses for share capital increase	(3,970)				
Cash flow hedge unavailable reserve	(18)			-	
Actuarial gains (losses) unavailable reserve	(1,196)				
Translation reserve	10,148				
Merger reserve	146,813	A, B, C	146,813		
Total other reserves	**244,100**		**246,813**	**-**	
Retained earnings (losses)	**2,656**	**A, B, C**	**2,656**		**-**
Total	**912,294**		**370,267**	**-**	**-**
Non-distributable portion			**283,020**		
Residual distributable portion			**87,247**		

A: share capital increase B: to cover losses C: dividends

The share premium reserve cannot be distributed until the legal reserve reaches 20% of the share capital.

Share premium reserve

The share premium reserve amounted to €120,798,000 and increased as a result of the aforementioned capital increase.

Other reserves

This item is broken down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Legal reserve	100,000	58,447	41,553
Merger reserve	146,813	-	146,813
Treasury shares	(7,677)	-	(7,677)
ancillary expenses capital increase reserve	(3,970)	-	(3,970)
Total other reserves	**235,166**	**58,447**	**176,719**

Legal reserve

This reserve underwent the following changes:

(Amounts in thousands of euros)	
December 31, 2013	58,447
Merger effects	41,553
Allocation of profit	
December 31, 2014	**100,000**

Prior year changes are given below:

(Amounts in thousands of euros)	
December 31, 2012	21,517
Allocation of profit	36,930
December 31, 2013	**58,447**

Actuarial gains (losses) reserve

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

(Amounts in thousands of euros)	
December 31, 2013	(451)
Merger effects	(441)
actuarial gains (losses) recognized in comprehensive income	(304)
December 31, 2014	**(1,196)**

The reserve includes the effect of actuarial gains and losses, as required by IAS 19 revised.

Prior year changes are given below:

(Amounts in thousands of euros)	
December 31, 2012	(401)
actuarial gains (losses) recognized in comprehensive income	(50)
December 31, 2013	**(451)**

14. Bank and other loans and factoring payables

Bank and other loans and factoring payables amounted to €934.2 million. They decreased by €477.4 million compared to December 31, 2013.

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Bank loans and other facilities	405,086	98,839	306,247
- Current account facilities and other loans	529,102	357,925	171,177
Total	**934,188**	**456,764**	**477,424**

Salini Impregilo S.p.A.'s financial indebtedness is broken down by loan type in the following table:

	December 31, 2014			December 31, 2013		
(Amounts in thousands of euros)	Non-current	Current	Total	Non-current	Current	Total
Bank corporate loans	389,775	64,058	453,833	74,101	9,197	83,298
Bank project financing	-	5,975	5,975	4,573	611	5,184
Other financing	11,937	32,761	44,698	-	-	-
Current account facilities		11,436	11,436		85,172	85,172
Intragroup financial payables	-	410,923	410,923	-	252,767	252,767
Factoring payables for receivables factored with recourse	3,374	3,949	7,323	20,165	10,178	30,343
Total	**405,086**	**529,102**	**934,188**	**98,839**	**357,925**	**456,764**

Bank loans

They are broken down in the following table:

			December 31, 2014			December 31, 2013		
(amounts in thousands of euros)	company	Country	Total financial liabilities	Current	Non-current	Total financial liabilities	Current	Non-current
Royal Bank of Scotland	Salini Impregilo	Italy	-	-	-	9,000	9,000	-
Banco do Brasil	Salini Impregilo	Italy	28,215	28,215	-	-	-	-
Banca IMI (agent)	Salini Impregilo	Italy	66,701	168	66,533	74,298	197	74,101
Intesa Sanpaolo	Salini Impregilo	Italy	42,485	25,000	17,485	-	-	-
Banca IMI Refinancing	Salini Impregilo	Italy	285,899	785	285,114	-	-	-
Banca del Mezzogiorno	Salini Impregilo	Italy	30,533	9,890	20,643	-	-	-
Total bank corporate loans			**453,833**	**64,058**	**389,775**	**83,298**	**9,197**	**74,101**
Banco de Bogotà	Colombia Branch	Colombia	-	-	-	730	611	119
BMCE	Morocco Branch	Morocco	5,975	5,975	-	-	-	-
Other banks	Venezuelan branch	Venezuela	-	-	-	4,454	-	4,454
Total bank project financing			**5,975**	**5,975**	**-**	**5,184**	**611**	**4,573**

The main conditions of the bank loans in place at December 31, 2014 are as follows:

	company	Interest rate	Expiry date	Note
Banco do Brasil	Salini Impregilo	Euribor	2015	
Banca IMI	Salini Impregilo	Euribor	2016	(1)
Intesa SanPaolo	Salini Impregilo	Euribor	2016	
Banca IMI Refinancing	Salini Impregilo	Euribor	2016	(1)
Banca del Mezzogiorno	Salini Impregilo	Euribor	2017	

(1) The loan is backed by covenants that establish the requirement for the borrower to maintain certain financial and equity ratios, which at the date of this Annual Report are fully respected.

The interest rates shown in the table have floating spreads depending on the term and conditions of the financing. The decision to apply the Euribor (1, 2, 3 or 6 months) has been contractually provided for to the benefit of Salini Impregilo.

The non-current portion of the above loans will be repaid at their contractual maturity, based on the following time bands:

(amounts in thousands of euros)	company	Country	Total non-current portion	Due after 13 months but within 24 months	Due after 25 months but within 60 months	Due after 60 months
Banca IMI (agente)	Salini Impregilo	Italy	66,533	66,533		
Intesa SanPaolo	Salini Impregilo	Italy	17,485	17,485		
Banca IMI Refinancing	Salini Impregilo	Italy	285,114	285,114		
Banca del Mezzogiorno	Salini Impregilo	Italy	20,643	10,100	10,543	
Total			**389,775**	**379,232**	**10,543**	-

The fair value of the bank loans of Salini Impregilo S.p.A., measured as set out in the “Accounting policies” section, is €486.9 million.

Current account facilities

Current account facilities totaled €11.4 million. This item refers to the Venezuelan branch for €3.3 million.

Other financing

Other financing at December 31, 2014 totals €44.7 million, €16.7 million of which payable to Caterpillar Financial for the purchase of plant and machinery relative to foreign branches. The fair value of this payable, measured as set out in the “Accounting policies” section, is €16.9 million.

The remaining part, equal to €28.2 million, falling due within the next year, refers to the amount payable for the purchase of the additional 15% stake in the investee Civil Work, in the UAE. The fair value of this loan is substantially in line with the booked value.

Factoring payables

Payables to factoring companies at December 31, 2014 amounted to €7.3 million and relate to the sale of invoices by foreign branches (Ethiopia, Venezuela). During the year, debt positions regarding the sale of former Impregilo S.p.A. VAT receivables and the sale of the Venezuelan branch receivables for a total of €23.0 million were settled.

15. Bonds

The bonds outstanding at December 31, 2014 amounted to €404.5 million. This balance beaks down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Non-current	394,326	-	394,326
Current	10,203	-	10,203

A breakdown of this item is set out in the following table:

	December 31, 2014			December 31, 2013		
(Amounts in thousands of euros)	Total financial liabilities	Current	Non-current	Total financial liabilities	Current	Non-current
Salini Impregilo S.p.A.	404,529	10,203	394,326	-	-	-
Total	**404,529**	**10,203**	**394,326**	-	-	-

On July 23, 2013, the parent company Salini Impregilo S.p.A. (formally Salini S.p.A.) completed a senior unsecured bond issue for a nominal amount of €400 million with maturity on August 1, 2018, intended for international institutional investors. The bonds, which have a minimum denomination of €100,000 and an annual gross coupon of 6.125%, were placed with primary international institutional investors at a price of 99.477.

As a result of the merger of Salini S.p.A. into Impregilo S.p.A which took effect on January 1, 2014, the surviving company changed its company name to Salini Impregilo S.p.A. The comparative figures solely refer to the financial statements of Impregilo S.p.A., as previously described.

The fair value of this bond issue at the end of this year, measured as set out in the "Accounting policies" section, is €427.1 million.

16. Finance lease payables

inance lease payables at December 31, 2014 may be broken down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Non-current portion	88,673	12	88,661
Current portion	36,742	22	36,720
Total	**125,415**	34	**125,381**

This item includes the principal of future lease payments at the reporting date. The change in the period mainly refers to the merger of Salini S.p.A. into Impregilo S.p.A.

The present value of the minimum future lease payments is €125.4 million.
Payables for these leases are guaranteed to the lessor via rights on the leased assets.

17. Derivative liabilities

Derivative liabilities amounted to €293 thousand at December 31, 2014. They relate to currency and interest rate hedges.

(Amounts in thousands of euros)	December 31, 2014 Liabilities	December 31, 2013 Liabilities
Interest rate swaps - Cash flow hedges	293	-
Currency swaps - FVTPL		
Total derivatives presented in net financial position	**293**	**-**

INTEREST RATE SWAP - Cash flow hedges liabilities at fair value

company	Agreement date	Expiry date	Currency	Notional amount	Fair value (€)
Salini Impregilo S.p.A.	12/02/2010	01/08/2016	EUR	985,240	28,925
Total					**28,925**

FOREIGN EXCHANGE DERIVATIVES

Contract reference	Agreement date	Expiry date	Currency	Notional amount	Fair value (€)
Royal Bank of Scotland	11/12/2014	05/03/2015	USD	1,579,895	23,776
Royal Bank of Scotland	05/12/2014	05/03/2015	USD	2,520,000	33,962
Royal Bank of Scotland	20/11/2014	20/05/2015	USD	8,772,000	206,687
TOTAL FX DERIVATIVE ASSETS					**264,425**

This category includes derivatives that have been entered into to hedge the company against currency risks but that do not meet (or no longer meet and the situation has not been currently resolved) hedge accounting requirements for cash flows hedges.

Net financial position of Salini Impregilo S.p.A.

(Amounts in thousands of euros)	Note (*)	December 31, 2014	December 31, 2013 (§)	Change
Non-current financial assets	4	39,083	29,810	9,273
Current financial assets	9	435,927	225,973	209,954
Cash and cash equivalents	12	380,867	310,442	70,425
Total cash and cash equivalents and other financial assets		**855,877**	**566,255**	**289,652**
Bank loans and other facilities	14	(405,086)	(98,839)	(306,247)
Bond issues	15	(394,326)	-	(394,326)
Finance lease payables	16	(88,673)	(12)	(88,661)
Total non-current indebtedness		**(888,085)**	**(98,851)**	**(789,234)**
Bank account overdrafts and current portion of financing facilities	14	(529,102)	(357,925)	(171,177)
Current portion of bond issues	15	(10,203)	-	(10,203)
Current portion of finance lease payables	16	(36,742)	(22)	(36,720)
Total current indebtedness		**(576,047)**	**(357,947)**	**(218,100)**
Derivative assets	9	-	1,016	(1,016)
Derivative liabilities	17	(294)	-	(294)
Net financial assets held by SPVs and unconsolidated project companies (**)		65,953	44,545	21,408
Total other financial assets (liabilities)		65,659	45,561	20,098
Net financial position including non-current assets held for sale		**(542,596)**	**154,988**	**(697,584)**

(*) The note numbers refer to the notes to the Consolidated financial statements where the items are analyzed in detail.
(**) This item recognizes the portion of net payables and receivables pertaining to consortia and/or consortium companies over which no entity has control and operating under a cost recharging system, which corresponds to the Group's share of cash and cash equivalents or financial debt with SPVs. In the financial statements, the balances are included in Trade Receivables.
(§) The data at December 31, 2013 were reclassified due to the adoption of the new standards IFRS 10 and IFRS 11.

18. Post-employment benefits and employee benefits

At December 31, 2014, Salini Impregilo S.p.A.'s liability due to all its employees determined using the criteria set out in IAS 19 was €11.3 million.

The balance mainly consists of post-employment benefits relating to Salini Impregilo S.p.A.

At December 31, 2014 and 2013, the liability for post-employment benefits is the outstanding payable at the reform effective date, net of benefits paid up to the reporting dates. The liability is considered part of a defined benefit plan under IAS 19 and has, therefore, been subjected to actuarial valuation. The valuation, performed with the assistance of an independent expert, was based on the following rates:

- turnover rate: 7.25%;
- discount rate: 1.49%;
- advance payment rate: 3%;
- inflation rate: 2%.

The benchmark used for the discount rate is the Iboxx AA Corporate index for the Eurozone with an average financial duration in line with the fund being valued.

Changes in the provision are as follows:

(Amounts in thousands of euros)	December 31, 2013	Accrual for the year	Payments	Contributions transferred fund treasury and other provisions	Profits (losses) actuarial	Other changes and changes in consolidation scope	December 31, 2014
Post-employment benefits and employee benefits	11,690	7,616	(5,091)	(5,061)	745	1,423	11,322

Changes during 2013 are shown in the following table:

(Amounts in thousands of euros)	December 31, 2012	Accrual for the year	Payments	Contributions transferred fund treasury and other provisions	Profits (losses) actuarial	Other changes and changes in consolidation scope	December 31, 2013
Post-employment benefits and employee benefits	11,403	6,563	(4,151)	(2,530)	50	355	11,690

The net decrease in post-employment benefits in 2014 is due to both payments made during the year and contributions transferred to the INPS treasury and other funds, as well as the accrual for the year.

Other changes includes the effect of actuarial gains and losses recognized in a specific equity reserve, as required by the revised IAS 19.

For the liabilities as at December 31, 2014, a +0.25% change in the discount rate used for the calculation would have generated a positive effect of €0.3 million. Likewise a -0.25% change in the discount rate would have generated a negative effect of 0.5 million. The same change in the discount rate as at December 31, 2013 (+0.25%) would have generated a positive effect of €0.1 million or (-0.25%) negative effect of €0.1 million.

19. Provisions for risks

These provisions amounted to €37.0 million at the reporting date. Changes during the year are as follows:

(Amounts in thousands of euros)	December 31, 2013	Merger	Accrual	Utilizations/ Releases	Reversals	Reclassifications	December 31, 2014
Provision for risks on equity investments	125,207	1,787	23,489	(1,151)	-	(121,973)	27,359
Other provisions	9,021	5,073	756	(242)	(4,884)	(131)	9,593
Total	**134,228**	**6,860**	**24,245**	**(1,393)**	**(4,884)**	**(122,104)**	**36,952**

Prior year changes are given below for comparative purposes:

(Amounts in thousands of euros)	December 31, 2012	Provisions	Utilizations/ Releases	Reversals	Other changes	December 31, 2013
Provision for risks on equity investments	244,544	18,275	(3,678)	(61,295)	(72,639)	125,207
Other provisions	8,933	1,240	(569)	(583)	-	9,021
Total	**253,477**	**19,515**	**(4,247)**	**(61,878)**	**(72,639)**	**134,228**

The provision for risks on equity instruments may be analyzed as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Equity investments in SPEs with negative carrying amounts	25,572	125,207	(99,635)
Investments in associates and other companies with a negative carrying amount	1,786	-	1,786
Total	**27,358**	**125,207**	**(97,849)**

As disclosed in Note 3 (to which reference should be made), the provision for risks on equity investments includes the impairment losses on investments in certain SPEs for the part exceeding their carrying amounts.

The provisions for risks on equity investments decreased by €122.0 million as a result of the reclassifications, the most significant of which is due to the receivable that the parent company claims is due from the associate Grupo Unidos por el Canal SA (Panama) being shown net of the provisions for risks on equity investments recognized in line with the assessment of the loss to complete the contract; in 2013, the net receivable had a negative value and was recognized in the item provisions for risks on equity investments for €76.6 million, while in 2014, following the increase in the receivables for loans granted during the year, it was positive and classified in the item equity investments.

Other provisions increased by €0.6 million to €9.6 million. Changes of the year comprise:

(i) provisions of €0.8 million relating mainly to a legal dispute in Uganda and disputes over the property business unit in Italy;

(ii) utilizations/releases of €5.1 million, due to the occurrence of the events for which the accruals had been made;

(iii) increase of €5.1 million due to the merger of Salini S.p.A. into Impregilo S.p.A.

Other provisions include the following:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Ongoing litigation	8,267	7,298	969
Building segment litigation	795	1,402	(607)
Other	530	321	209
Total	**9,592**	**9,021**	**571**

The provision for ongoing litigation mainly relates to foreign contracts completed in previous years.

The provision for building segment litigation was originally set up by Impregilo Edilizia e Servizi, merged into Salini Impregilo S.p.A. (then Impregilo S.p.A.) in previous years.

The parent's dispute with Italian tax authorities, concerning the tax treatment of impairment losses and losses reported by the company in 2003, is currently before the Supreme Court following the tax authorities' appeal. In particular, the main observation concerning the sale – made by Impregilo S.p.A. to Impregilo International NV – of the investment held in the Chilean company Costanera Norte SA was dismissed by the Milan Regional Tax Commission.
The Group is involved in another two first-instance disputes related to 2005 mainly concerning: (i) the costs of a joint venture set up in Venezuela; and (ii) the method used to "realign" the carrying amount of equity investments as per Article 128 of Presidential Decree 917/86. An additional charge for the year 2006 concerning (a) the costs incurred by a participatory association established in Venezuela, (b) a loss realized on an equity investment, and (c) costs for (presumed) services not attributable to the year. In the ruling at second instance, the Milan Regional Tax Commission – with decision on May 28, 2014 – cancelled almost all of the tax claim. The Italian tax authorities did not challenge the ruling, which therefore became definitive. Regarding the pending disputes, the company – comforted by the option of its tax counsel – believes that its actions were proper and, consequently, treated the associated risk as improbable, but not impossible.
In addition, the Italian Finance Police – Milan Tax Police Unit have begun a tax audit of the company regarding IRES tax, IRAP tax and VAT for the years 2011 and 2012. While in progress, the audit was extended to the year 2010.
With regard to the criminal proceedings activated against the C.A.V.E.T. Consortium and certain individuals, including some former managers of the Consortium, it is worth mentioning that the appellate proceedings ended in June 2011 with a decision handed down on June 27, 2011, which reversed in full the lower court's decision, thus reversing the convictions handed down by the lower court and finding both the Consortium and the indicted individuals not guilty of any of the charges.

The Public Prosecutor of the Court of Florence appealed this decision to the Court of Cassation, which, on March 18, 2013, set aside in part the decision of the Florence Court of Appeals ordering that the case be returned to the Court of Appeals. The reinstated proceedings before the Florence Court of Appeals got under way on January 30, 2014 and, on March 21, 2014, the Court of Appeals handed down a decision by which it rejected most of the charges levied by the Public Prosecutor, but upheld them in some important cases. The ruling of the Courts of Appeal of Florence, whose grounds were filed on May 29, 2014, was challenged by all the defendants and by C.A.V.E.T, as a party liable under civil law, and the related appeals were filed for Cassation in September this year. The Consortium, in protecting its interests, is confident that it will be able to demonstrate, again, in the subsequent courts of instance, the correctness of its actions.

The increase in "other" mainly relate to risks referable to claims for compensation made by third parties during litigation, to the extent to which the risk of a negative outcome is considered likely.

20. Progress payments and advances on contract work in progress

The item "Progress payments and advances on contract work in progress" included in "Current liabilities" amounted to €803.2 million, up by €604.7 million on the figure at December 31, 2013. This item breaks down as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Contract work in progress	(6,782,720)	(6,524,611)	(258,109)
Progress payments and advances received (on approved work)	6,858,694	6,574,967	283,727
Contractual advances	727,195	148,129	579,066
Total	**803,169**	**198,485**	**604,684**

Contract work in progress recognized under liabilities (negative WIP) is the negative net balance, for each contract, of work performed to date, the provision for contractual risks and progress billings.

Contractual advances received include the amounts paid by customers as per the related contract and recovered over the contract term.

The following table shows the contribution by key contract:

	December 31, 2014			December 31, 2013			
(Amounts in thousands of euros)	Negative WIP	Contractual advances	Total	Negative WIP	Contractual advances	Total	Change
Arab Emirates			-	10,985	816	11,801	(11,801)
Qatar	15,821	5,524	21,345	19,863	7,374	27,237	(5,892)
Saudi Arabia		218,594	218,594		69,541	69,541	149,053
Venezuela	6,354	-	6,354	4,134	6,242	10,376	(4,022)
Ethiopia	-	451,719	451,719			-	451,719
High speed/capacity	6,429		6,429	8,387	63,674	72,061	(65,632)
Austria	12,829		12,829			-	12,829
Metro Blu	20,113		20,113	884		884	19,229
Other	14,428	51,358	65,786	6,103	483	6,586	59,200
Total	**75,974**	**727,195**	**803,169**	**50,356**	**148,129**	**198,485**	**604,684**

Compared to December 31, 2013 there was an overall increase of €604.7 million, due (for approximately €467.5 million) to the merger.

The most significant balances for contractual advances at December 31, 2014 refer to the following works: Grand Ethiopian Renaissance Dam Project in Ethiopia for €377.2 million, Gibe III Hydroelectric Project, again in Ethiopia, for €74.5 million and Riyadh Line 3 Metro, in Saudi Arabia for €218.6 million.

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

21. Trade payables to suppliers

Trade receivables amount to €863.3 million (€476.2 million at December 31, 2013) of which €543.0 million (€376.1 million at December 31, 2013) with Group companies and other related parties.

Trade payables to external suppliers amounted to €320.3 million. The increase compared to December 31, 2013 was €220.1 million as shown in the table below:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Trade payables to suppliers	**320,256**	**100,107**	**220,149**

The increase in trade payables is mainly attributable to the merger into former Impregilo S.p.A., which contributed approximately €197 million. As at December 31, 2014 the figure includes payables accrued on contracts in Africa for about €161 million and in Asia for about €25 million.

Payables to Group entities and other related parties total €543.0 million, an increase of €166.9 million, of which €102.2 million resulting from the merger.

The most significant changes are attributable to:

- increase in the balance with Metro Blue for €42.7 million as a result of billing of contract work completed;
- decrease in the balance with Pedelombarda due to payments made and to the decrease in invoices to be received as a result of contract work nearing completion.

22. Current tax liabilities and other current tax liabilities

Current tax liabilities amounted to €27.3 million as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
IRES	5,383	36,178	(30,795)
IRAP	-	807	(807)
Foreign taxes	21,909	8,765	13,144
Total	**27,292**	**45,750**	**(18,458)**

Other current tax liabilities of €7.4 million decreased by €3.1 million over December 31, 2013.

They may be analyzed as follows:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
VAT	3,838	983	2,855
Other indirect taxes	3,568	3,359	209
Total	**7,406**	**4,342**	**3,064**

23. Other current liabilities

Other liabilities amount to €137.2 million (€63.6 million). This item increased by a total of €26.7 million as a result of the merger. Other liabilities comprise:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Social security institutions	7,496	3,982	3,514
Employees	28,493	11,796	16,697
Security deposits	6	8	(2)
Other payables	29,068	24,678	4,390
Other payables to Group entities and other related parties	51,587	14,123	37,464
Accrued expenses and deferred income	20,502	9,032	11,470
Total	**137,152**	**63,619**	**73,533**

They include:

- payables to social security institutions and personnel, amounting to €7.5 million and €28.4 million respectively, accrued and not yet paid;
- other payables of €29.1 million (€24.7 million), up by €4.4 million over the previous year. This change is especially due to an increase in payables to a number of Salini Impregilo's partners in joint ventures in Saudi Arabia; offset by a decrease relating to the adjustment of amounts denominated in Venezuelan currency to the new official "SICAD 2" exchange rate, which was adopted by the Group since June 30, 2014 and which depreciated substantially compared to the prior official exchange rate (known as Bolivar Fuerte or VEF);
- intragroup payables amounted to €51.6 million, an increase of €37.4 million compared to the previous year. This change mainly resulted from the merger of Salini S.p.A, which became effective on January 1, 2014.. The most significant amounts refer to payables to the subsidiary Todini S.p.A., for €22.4 million in relation to the national tax consolidation system and to investments in joint ventures operating in Argentina and Switzerland;
- accrued expenses and deferred income of €20.5 million, include €4.6 million for the ten-year post-contract guarantee and relate to the following items:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2013	Change
Accrued expenses:			
- Commissions on sureties	295	260	35
- Other	8,995	8,103	892
Total accrued expenses	**9,290**	**8,363**	**927**
Deferred income:			
- Provision of services	11,212	669	10,543
Total deferred income	**11,212**	**669**	**10,543**
Total	**20,502**	**9,032**	**11,470**

Other accrued expenses mainly include costs not yet paid for contract work in progress. The change over the previous year is mainly attributable to work performed in Namibia.

24. Guarantees and commitments

The key guarantees given by the Group are set out below:

- Contractual sureties: these totaled €5,376.3 million and are given to customers as performance bonds, to guarantee advances, retentions and involvement in tenders for all ongoing contracts. In turn, the company has guarantees given by its subcontractors.
- Sureties for credit: they amounted to €1,083.9 million and relate to subsidiaries (€527.5 million), associates (€309.3 million) and other Group companies (€62.0 million). The residual amount, €184.6 million, relates to sureties granted on behalf of Salini Impregilo S.p.A.
- Sureties granted to SACE for export credit of €157.1 million.
- Other personal guarantees of €69.8 million consisting of guarantees related to customs and tax obligations, and other obligations totaling €580.7 million.
- Collateral related to:
  - liens on shares of the consortium company Reggio Calabria-Scilla S.c.p.A. given to guarantee a loan (€17.8 million);
  - liens on the remaining shares of Tangenziale Esterna S.p.A. given to guarantee a loan (€17.4 million).

25. Financial instruments and risk management

Categories of financial instruments

The company's financial instruments are broken down by category in the following table, which also shows their fair value:

December 31, 2014 (Amounts in thousands of euros)	**Note**	**Loans and receivables**	**Financial assets at fair value through profit or loss**	**Hedging derivatives**	**Held-to-maturity investments**	**Available-for-sale financial assets**	**Total**	**Fair value**
Financial assets								
Non-current financial assets	4	20,344			18,739		39,083	39,083
Trade receivables	8	1,052,391					1,052,391	1,052,391
Other current financial assets	9	435,827			99		435,926	435,926
Derivatives	9							
Cash and cash equivalents	12	380,867					380,867	380,867
Total		**1,889,429**			**18,838**		**1,908,267**	**1,908,267**

December 31, 2014 (Amounts in thousands of euros)	**Note**	**Other liabilities at amortized cost**	**Financial liabilities at fair value through profit or loss**	**Hedging derivatives**	**Total**	**Fair value**
Financial liabilities						
Bank loans and other facilities	14	934,188			934,188	961,512
Bonds	15	404,529			404,529	427,120
Finance lease payables	16	125,415			125,415	125,415
Derivatives	17			293	293	293
Trade payables to suppliers	21	863,255			863,255	863,255
Total financial liabilities		**2,327,387**		**293**	**2,327,680**	**2,377,595**

December 31, 2013 (Amounts in thousands of euros)	**Note**	**Loans and receivables**	**Financial assets at fair value through profit or loss**	**Hedging derivatives**	**Held-to-maturity investments**	**Available-for-sale financial assets**	**Total**	**Fair value**
Financial assets								
Non-current financial assets	4	18,943			10,867		29,810	29,810
Trade receivables	8	840,046					840,046	840,046
Other current financial assets	9	226,597					226,597	226,597
Derivatives	9		392				392	392
Cash and cash equivalents	12	310,442					310,442	310,442
Total		**1,396,028**	**392**		**10,867**		**1,407,287**	**1,407,287**

December 31, 2013 (Amounts in thousands of euros)	**Note**	**Other liabilities at amortized cost**	**Financial liabilities at fair value through profit or loss**	**Hedging derivatives**	**Total**	**Fair value**
Financial liabilities						
Bank loans and other facilities	14	456,764			456,764	453,678
Bonds	15					
Finance lease payables	16	34			34	34
Derivatives	17					
Trade payables to suppliers	21	476,228			476,228	476,228
Total financial liabilities		**933,026**			**933,026**	**929,940**

The note column gives the section in which the relevant item is described.
Reference should be made to the section on accounting policies for information on the fair value measurement of these items. Specifically, their fair value is based on the present value of the estimated forecast cash flows.

Risk management

Impregilo is exposed to financial risks, including the following:

- ***market risk*** deriving from the company's exposure to interest rate fluctuations and exchange rate fluctuations;
- ***credit risk*** deriving from the company's exposure to potential losses arising from customers' non-compliance with their obligations;
- ***liquidity risk*** deriving from the risk that the financial resources necessary to meet obligations may not be available at the agreed terms and deadlines.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk and interest rate risk.

Currency risk

Salini Impregilo's international presence entails its exposure to the risk of fluctuations in exchange rates of the Euro and the currencies of the various countries in which it operates. Currency risk at December 31, 2014 mainly related to the following currencies:

- Dollar (United States)
- SICAD2 (Venezuela)
- Tenge (Kazakhstan)

The Group's currency risk management strategy is essentially based on the following policies:

- agreement of contractual considerations for works and projects in countries with weak currencies using a primarily multi-currency format, in which only a portion of the consideration is expressed in local currency;
- use of portions of the contractual considerations in local currency mainly to cover project expenses to be incurred in that currency;
- analysis of exposure in US dollars on a cumulative and prospective basis with consistent deadlines and setting up forward transactions in the same currency to hedge the company's net exposure at those deadlines.

During the year the values expressed in Venezuelan currency were adjusted to the official exchange rate ("SICAD 2") adopted by the Group from June 30, 2014, which led to a substantial depreciation compared to the values using the prior official exchange rate ("CENCOEX", formerly known as "CADIVI").
Adoption of the above-mentioned policies has contained Salini Impregilo S.p.A.'s exposure to currency risk, which only relates to the US dollar (USD), the Venezuelan currency (SICAD2) and the Kazakh currency (KZT).
Given the above description of Salini Impregilo S.p.A.'s strategy to hedge currency risk on currencies other than the US dollar or other strong currencies, whereby they are hedged directly in the contract, it did not perform a sensitivity analysis of the Venezuelan currency, the depreciation of which had impacts on the income statement for the year, as has already been adequately disclosed in the preceding sections.
Had the Euro appreciated or depreciated by 5% against the US dollar at year end, the pre-tax profit for the year would have been respectively lower or greater by €6.2 million, assuming that all other variables remained constant, mainly due to unrealized exchange rate losses (gains) on net assets in US dollars. A similar change at the end of the previous year would have led to a €5.3 million decrease (increase in the case of depreciation) in the pre-tax profit for the year, mainly due to unrealized exchange rate losses (gains) on net assets in US dollars.
Had the Euro appreciated or depreciated by 15% against the SICAD2 at year end, the pre-tax profit for the year would have been respectively

lower or greater by €1.7 million, assuming that all other variables remained constant, mainly due to unrealized exchange rate losses (gains) on net assets in Venezuelan currency. An equivalent change at December 31, 2013 cannot be measured as this currency was introduced in 2014.
With regard to the Kazakh currency, if the Euro, at December 31, 2014, had appreciated (or depreciated) by 5% against that currency, assuming all other variables as constant, the consolidated earnings before tax for the year would have been higher (or lower in the case of depreciation) by €13.9 million, mainly due to unrealized exchange rate losses (gains) on net liabilities in KZT. Exposure to this currency was not material at December 31, 2013.

Interest rate risk

Impregilo has adopted a combined strategy of streamlining operations by disposing of non-strategic assets, containing debt and hedging interest rate risks on a portion of the non-current structured loans through interest rate swaps (IRSs).

The financial risks arising from market interest rate fluctuations to which the company is potentially exposed and which are monitored by the relevant company personnel relate to non-current floating rate loans. Such risk is mitigated by interest accrued on short-term investments of liquidity available at the Italian-based consortia and consortium companies and foreign subsidiaries, which are used to support the company's operations.

Had interest rates increased or decreased by an average 75 basis points in 2014, the pre-tax profit for 2014 would have been respectively lower or greater by €9.0 million, assuming that all other variables remained constant and without considering cash and cash equivalents. A similar change in 2013 would have led to a €1.6 million decrease or increase in the pre-tax profit for the year, assuming that all other variables remained constant.

Credit risk

The credit risk is that deriving from the company's exposure to potential losses arising from customers' (which are mostly governments or state bodies) non-compliance with their obligations.
Management of this risk is complex, starting as early as the assessment of bids, through a careful analysis of the characteristics of the countries in which the Group's activities should be carried out and the customers, which are usually state or similar bodies, requesting a bid.

Therefore, this risk can be essentially assimilated to the country risk. An analysis of this risk based on the age of the outstanding amounts is not very meaningful, since the receivables should be assessed together with the related working capital items, especially those reflecting the net exposure to customers (positive and negative work in progress, contractual advances and progress payments and advances) in relation to contract work in progress as a whole.
A breakdown of working capital by country, as shown in the section on segment reporting, is set out below:

Working capital by country (Amounts in thousands of euros)	**December 31, 2014**	**December 31, 2013**
Italy	775,445	73,095
Other EU countries	(44,850)	(112,970)
Other non-EU countries	(1,826)	(2,716)
America	(62,638)	764,925
Asia/ME	(223,446)	(64,040)
Rest of the world	118,642	(7,678)
Australia	(14,545)	(1,950)
Elimination	(87,043)	-
Total	**459,739**	**648,666**

The reconciliation of the reclassified consolidated statement of financial position details the items included in working capital.

Impregilo's exposure to customers, broken down by contract location, is analyzed below:

Customer by contract location	Receivables	Positive WIP	Negative WIP and contractual advances	Total	Allowances
December 31, 2014					
Italy	454,285	289,315	(33,396)	710,204	
Other EU countries	9,463	44,993	(21,927)	32,529	
Other non-EU countries	117	-	-	117	
America	233,196	232,978	(11,812)	454,362	
Asia/ME	63,544	43,367	(242,291)	(135,380)	
Rest of the world	221,489	155,139	(480,914)	(104,286)	
Australia	4,344	-	(12,829)	(8,485)	
Total	**986,438**	**765,792**	**(803,169)**	**949,061**	**-**
December 31, 2013					
Italy	458,262	188,119	(77,002)	569,379	
Other EU countries	6,566	22,216	(651)	28,130	
America	294,011	219,158	(11,770)	501,399	9,175
Asia/ME	35,268	8,067	(108,578)	(65,243)	
Rest of the world		3,884	(482)	3,402	
Australia	1,395			1,395	
Total	**795,502**	**441,444**	**(198,483)**	**1,038,462**	**9,175**

Liquidity risk

Liquidity risk derives from the risk that the financial resources necessary to meet obligations may not be available to the company at the agreed terms and deadlines.

The company's strategy aims at ensuring that each ongoing contract is financially independent. This strategy is strictly monitored centrally.

A breakdown of financial liabilities by composition and due date (based on undiscounted future cash flows) is set out below:

(Amounts in thousands of euros)	December 31, 2015	December 31, 2016	December 31, 2019	After	Total
Current account facilities	11,436				11,436
Bond issues	24,500	24,567	438,797		487,864
Bank and other loans	593,101	378,281	18,164	-	989,546
Finance lease payables	36,742	36,317	52,343	14	125,416
Interest rate derivatives	293				293
Gross financial liabilities	**666,072**	**439,165**	**509,304**	**14**	**1,614,555**
Trade payables	863,255				863,255
Total	**1,529,327**	**439,165**	**509,304**	**14**	**2,477,810**

Future interest has been estimated based on the market interest rates at the date of preparation of these Consolidated financial statements, summarized in the notes.

The prior year figures are given below for comparative purposes:

(Amounts in thousands of euros)	December 31, 2014	December 31, 2015	December 31, 2018	After	Total
Current account facilities	85,172				85,172
Bank and other loans	272,897	24,749	85,934		383,580
Finance lease payables	22	12			34
Gross financial liabilities	**358,091**	**24,761**	**85,934**	-	**468,786**
Trade payables	476,228				476,228
Total	**834,319**	**24,761**	**85,934**	-	**945,014**

Liquidity risk management is mainly based on containing debt and maintaining a balanced financial position.
Loans (principal) and trade payables (net of advances to suppliers) falling due before March 31, 2015 are compared with the cash and cash equivalents that can be used to meet such obligations in the table below.

(Amounts in thousands of euros)	
Total current financial commitments	*349,123*
of which: due before March 31, 2015	198,255
Cash and cash equivalents	379,261
Difference	**181,006**

Fair value measurement hierarchy

IFRS 7 requires that the fair value of financial instruments recognized in the statement of financial position be classified using a fair value hierarchy that reflects the significance of the inputs used to determine fair value. There are three different levels:

- Level 1 - Fair values measured using quoted prices in active markets;
- Level 2 - Fair values measured using valuation techniques for which inputs significant to the fair value measurement are based on observable market data;
- Level 3 - Fair values measured using valuation techniques for which inputs significant to the fair value measurement are based on unobservable market data.

Financial instruments recognized by Salini Impregilo S.p.A. at fair value are classified at the following levels:

(Amounts in thousands of euros)	Note	Level 1	Level 2	Level 3
Derivative assets	9		-	
Derivative liabilities	17		(293)	
Total		-	**(293)**	-

There were no movements from Level 1 to Level 2 during the year.

Income statement

26. Revenue

Revenue for 2014 amounted to €2,341.9 million, up 83.8% on the previous year:

(Amounts in thousands of euros)	2014	2013	Change	% Change
Operating revenue	2,247,516	1,230,898	1,016,618	82.6%
Other revenues and earnings	94,345	43,227	51,118	118.3%
Total revenue	**2,341,861**	**1,274,125**	**1,067,736**	**83.8%**

The increase in revenues of 83.8% over 2013 was mainly due to the inclusion of the orders coming from Salini S.p.A. as a result of the merger, which took effect on January 1, 2014.

Operating revenues may be broken down as follows:

(Amounts in thousands of euros)	2014	2013	Change	% Change
Works invoiced to clients	2,105,088	1,205,635	899,453	74.6%
Services	136,012	22,486	113,526	504.9%
Sales revenues	6,416	2,777	3,639	131.0%
Total operating revenues	**2,247,516**	**1,230,898**	**1,016,618**	**82.6%**

Work invoiced to customers includes contractual revenue deriving from production carried out during the year, measured using the stage of completion method.

Services mainly relate to sponsorship fees and services provided to support Group companies.
A breakdown of other revenue and income is given in the following table:

(Amounts in thousands of euros)	2014	2013	Change	% Change
Other income	22,784	12,478	10,306	82.6%
Rent and leases	188	411	(223)	(54.3%)
Staff services	2,339	-	2,339	
Revenue for rebilling costs	46,602	24,935	21,667	86.9%
Insurance reimbursements	6,417	-	6,417	-
Gains on disposal of non-current assets and investments	9,275	1,560	7,715	-
Prior year income	6,740	3,843	2,897	75.4%
Total other revenues and earnings	**94,345**	**43,227**	**51,118**	**118.3%**

27.1 Purchasing costs

The cost of raw materials and consumables incurred in 2014 totaled €256.5 million, up €204.1 million from the previous year:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Purchases of raw materials and consumables	281,774	12%	50,937	4.0%	230,837
Change in raw materials and consumables	(25,263)	-1.1%	1,452	0.1%	(26,715)
Total	**256,511**	**11%**	**52,389**	**4.1%**	**204,122**

27.2 Subcontracts

Costs of subcontracts amounted to €529.3 million, down €398.5 million on the previous year. The change is mainly due to the inclusion, as of January 1, 2014, of the contracts from Salini S.p.A. as a result of the merger, which contributed €137.6 million to the income statement 2014.

A summary table is provided below:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Subcontracts	529,326	22.6%	130,796	10.3%	398,530
Total Subcontracts	**529,326**	**22.6%**	**130,796**	**10.3%**	**398,530**

27.3 Service costs

Service costs came to €1,020.4 million, recording an increase of €255.3 million compared to the previous year, as shown in the next table:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Consultancy and technical services	129,102	5.5%	48,402	3.8%	80,700
Fees to directors, statutory auditors and independent auditors	11,529	0.5%	7,543	0.6%	3,986
Employee travel expenses	11,404	0.5%	-	0.0%	11,404
Maintenance and testing	6,448	0.3%	2,536	0.2%	3,912
Transport and customs	96,863	4.1%	11,526	0.9%	85,337
Insurance	20,180	0.9%	8,608	0.7%	11,572
Reversal of consortia costs	656,128	28.0%	651,230	51.1%	4,898
Rent and leases	40,596	1.7%	20,812	1.6%	19,784
Charge backs	401	0.0%	-	0.0%	401
Lease payments and expenses	280	0.0%	60	0.0%	220
Trade expenses	5,620	0.2%	-	0.0%	5,620
Other	41,887	1.8%	14,355	1.1%	27,532
Total cost of services	**1,020,438**	**43.6%**	**765,072**	**60.0%**	**255,366**

The change in this item mainly due to the inclusion, as of January 1, 2014, of the contracts from Salini S.p.A. as a result of the merger, which contributed €239.5 million to the income statement 2014.

Item “Consultancy and technical services” increased €80.7 million on the same period last year, and mainly consist of costs for the design and construction work carried out by the project companies and the costs for legal and administrative services. The following items increased, as shown in the table below:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Design and engineering consulting	102,266	4.4%	35,216	2.8%	67,050
Legal, administrative and other services	23,458	1.0%	8,986	0.7%	14,472
Testing	1,037	0.0%	44	0.0%	993
Construction	2,341	0.1%	4,156	0.3%	(1,815)
Total	**129,102**	**5.5%**	**48,402**	**3.8%**	**80,700**

Fees to the independent auditors, PricewaterhouseCoopers S.p.A., and other companies of its network for 2014 are detailed as follows:

Service		**Fees** (thousands of euros)
Audit	Salini Impregilo S.p.A.	1,286
Audit	Subsidiaries	1,020
Total audit		**2,306**
Tax assistance	Salini Impregilo S.p.A.	134
Tax assistance	Subsidiaries	19
Total tax assistance		**153**
Other services	Salini Impregilo S.p.A.	418
Other services	Subsidiaries	13
Other services		**431**
Total Salini Impregilo Group		**2,890**

27.4 Personnel expenses

Personnel expenses for the year amount to €251.1 million, up €136.1 million on 2013.

The item is made up as follows:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Wages and salaries	193,083	8.2%	78,466	5.7%	114,617
Social security and pension contributions	28,129	1.2%	15,796	1.2%	12,333
Post-employment benefits	7,616	0.3%	6,562	0.4%	1,054
Other personnel expenses	22,296	1.0%	14,230	1.6%	8,066
Total	**251,124**	**10.7%**	**115,054**	**8.9%**	**136,070**

The change in this item is mainly due to the inclusion, as of January 1, 2014, of personnel from Salini S.p.A. as a result of the merger, which contributed €103.9 million to the income statement 2014.

Other personnel expenses mainly relate to termination benefits and repayments of travel expenses.
The table below shows the number of employees at December 31, 2014 and the relevant averages.

Number of employees	December 31, 2014 Total	December 31, 2013 Total	Average 2014 Total
Management	210	109	160
Office workers	3,095	864	1,980
Construction workers	14,489	1,522	8,006
Total	**17,794**	**2,495**	**10,146**

27.5 Other operating expenses

At December 31, 2014, other operating expenses amounted to €53.3 million, down by €24.3 million over December 31, 2013. The item breaks down as follows:

(Amounts in thousands of euros)	2014	% of revenue	2013	% of revenue	Change
Other operating expenses	32,935	1.4%	27,585	2.2%	5,350
Non-recurring charges	20,346	0.9%	1,357	0.1%	18,989
Total	**53,281**	**2.3%**	**28,942**	**2.3%**	**24,339**

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)	2014	% of revenue	2013	% of revenue	Change
Impairment losses	4,778	0.2%	8,271	0.6%	(3,493)
Provisions	514	0.0%	671	0.1%	(157)
Total provisions and impairment losses	**5,292**	**0.2%**	**8,942**	**0.7%**	**(3,650)**
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
Total amortization and depreciation	**99,959**	**4.3%**	**19,792**	**1.6%**	**80,167**
Total	**105,251**	**4.5%**	**28,734**	**2.3%**	**76,517**

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.

28.1 Financial income

Financial income totaled €39.1 million in 2014 (€13.5 million in 2013) and is made up as follows:

(Amounts in thousands of euros)	2014	2013	Change
Interest income from receivables	**2,564**	-	**2,564**
Financial income from securities	**272**	**2**	**270**
Interest and other income from Group companies	**30,282**	**11,006**	**19,276**
Interest income and other financial income	**6,011**	**2,468**	**3,543**
- Interest on financing	*941*	*739*	*202*
- Bank interest	*1,662*	*718*	*944*
- Default Interest	*2,205*	*303*	*1,902*
- Financial discounts and allowances	*222*	*2*	*220*
- Other	*981*	*706*	*275*
Total	**39,129**	**13,476**	**25,653**

The change compared to the prior year reflected the following situations:

- increase in interest income on loans for €2.6 million;
- increase in default interest of €1.9 million;
- higher interest income overall of €19.3 million accrued on intragroup transactions with the companies listed below.

(Amounts in thousands of euros)	2014	2013	Change
Todini Costruzioni Generali S.p.A.	9,872	-	9,872
Consorzio C.A.V.TO.MI	1,352	925	427
Consorzio C.A.V.E.T.	424	540	(116)
Salini Nigeria Ltd	4,802	-	4,802
SGF-INC S.p.A.	657	670	(13)
Salini Malaysia	4,149	-	4,149
Salini Polska	247	-	247
Salini Costruttori S.p.A.	1,499	-	1,499
Metro B1	151	-	151
Todini-Impregilo Almaty Khorgos J.V.	192	-	192
Gupc	4,884	2,134	2,750
Eriday	516	424	92
Impregilo International Infrastructures N.V.	-	4,022	(4,022)
Fisia Italimpianti	-	1,283	(1,283)
Other	1,537	1,008	529
Total	**30,282**	**11,006**	**19,276**

28.2 Financial expense

Financial expense in 2014 amounted to €117.2 million, up €88.8 million over the previous year.

The item is broken down as follows:

(Amounts in thousands of euros)	2014	2013	Change
Interest payable and expenses from Group companies	**(15,691)**	**(5,175)**	**(10,516)**
- Interest payable	*(15,691)*	*(5,175)*	*(10,516)*
Interest payable and other financial expense	**(101,525)**	**(23,221)**	**(78,304)**
- Bank interests on accounts and loans	*(60,478)*	*(19,886)*	*(40,592)*
- Interest on bond issues	*(25,819)*	*-*	*(25,819)*
- Interest on tax payables	*(1,693)*	*(1,649)*	*(44)*
- Default interest	*(155)*	*-*	*(155)*
- Interest payable from discounting to PV	*56*	*(278)*	*334*
- Bank fees	*(5,275)*	*(989)*	*(4,286)*
- Charges on sureties	*(74)*	*-*	*(74)*
- Other loans	*(883)*	*(306)*	*(577)*
- Factoring and Leasing	*(5,969)*	*(8)*	*(5,961)*
- Other	*(1,235)*	*(105)*	*(1,130)*
Total	**(117,216)**	**(28,396)**	**(88,820)**

The €88.8 million change is mainly due to the inclusion, as of January 1, 2014, of financial liabilities from Salini S.p.A. as a result of the merger, which contributed €81.6 million to the income statement 2014 and refer mainly to bank interest expense of €45.2 million, interests on bond issues totaling €25.8 million and factoring and leasing interest of €6.0 million.

Interest expense (€15.7 million) on intragroup transactions relate to the following companies:

(Amounts in thousands of euros)	2014	2013	Change
Consorzio C.A.V.TO.MI	(583)	(611)	28
Consorzio C.A.V.E.T.	(73)	(148)	75
Impregilo International Infrastructures N.V.	(10,416)	(396)	(10,020)
FISIA Babcock Environment Gmbh	-	(3,570)	3,570
Impregilo Lydco	(140)	(302)	162
Co.Ge.Ma.	(138)	-	(138)
Copenaghen Metro Team I/S	(3,513)	-	(3,513)
Salini Namibia Proprietary Ltd.	(598)	-	(598)
Other	(230)	(148)	(82)
Total	**(15,691)**	**(5,175)**	**(10,516)**

28.3 Net exchange rate gains (losses)

Net exchange rate losses amounted to €35.2 million, higher by €77.0 million on the previous year.

The change reflects the non-recurring charge of about €97 million resulting from the adoption by the Group of the new official SICAD 2 exchange rate to translate its net financial assets denominated in the Venezuelan currency (called Bolivar Fuerte or VEF), effective as of June 30, 2014. This situation, described in detail in the Section 'Foreign currency translation of the assets and liabilities related to Venezuela' in these explanatory notes, was necessary in light of the continuing financial/currency crisis being experienced in the country, for the purpose of achieving a more reliable estimate of the value that these net financial assets will be realized and also in consideration of the regulatory characteristics of the local currency market, which puts significant restrictions on the movement of Venezuelan currency.

(Amounts in thousands of euros)	2014	2013	Change
Realized exchange rate gains (losses)	23,608	80,591	(56,983)
Unrealized exchange rate gains (losses)	(57,476)	(39,345)	(18,131)
Currency hedging gains (losses)	(1,360)	515	(1,875)
Total	**(35,228)**	**41,761**	**(76,989)**

29. Net gains on investments

Net gains on investments came to €28.8 million compared to net losses of €13.2 million for the previous year. They are made up as follows:

(Amounts in thousands of euros)	2014	2013	Change
Revaluation of investments	12,230	27,096	(14,866)
- Revaluation of investments	*12,230*	*27,096*	*(14,866)*
Writedown/provisions for investments	(107,294)	(43,790)	(63,504)
- Writedown/provisions for investments	*(107,294)*	*(43,790)*	*(63,504)*
Income from investments	123,855	3,449	120,406
- Dividends	*123,227*	*3,393*	*119,834*
- Other income	*628*	*56*	*572*
Total	**28,791**	**(13,245)**	**42,036**

Net gains on investments mainly include the following effects:

- the dividend distribution authorized in 2014 by the subsidiaries Fibe S.p.A, Impregilo International Infrastructures NV. and CSC SA. for a total €123.2 million;
- the write-up of the investment in the subsidiary Impregilo Colombia S.a.S. for €12.2 million;
- the impairment losses on the investments in the subsidiaries Fibe S.p.A., Todini S.p.A. Suropca and Igl Saudi totaling €83.8 million.
- the writedown of the investment value of the Companies Grupo Unidos por el Canal, for the Grupo ICT totaling €23.5 million.

Note 3 provides more information about changes in the carrying amounts of the above equity investments.

30. Income tax expense

Salini Impregilo S.p.A.'s income tax expense for the year was €10.7 million as follows:

(Amounts in thousands of euros)	2014	2013	Change
Current taxes (income taxes)	31,012	41,648	(10,636)
Net deferred tax (income) expense	(18,830)	1,533	(20,363)
Prior year taxes	(5,050)	2,292	(7,342)
Total income taxes	7,132	45,473	(38,341)
IRAP	3,582	4,776	(1,194)
Total income taxes	**10,714**	**50,249**	**(39,535)**

An analysis and reconciliation of the theoretical income tax rate, calculated under Italian tax legislation, and the effective tax rate are set out below:

	Income tax expense € m	%
Loss before tax	**41.4**	
Theoretical tax expense	11.4	27.5%
Effect of permanent differences	(9.4)	(22.7%)
Net effect of foreign taxes	13.1	31.6%
Other	(8.0)	(19.3%)
Total	**7.1**	**17.1%**

The effective tax expense is affected by the following:

- the effect of permanent differences;
- the receivable for taxes paid abroad for which the conditions for their recovery are satisfied in the year and those for which the conditions are not met;
- net income from the national IRES consolidation agreement with other Group companies.

An analysis and reconciliation of the theoretical IRAP tax rate and the effective tax rate are set out below:

	IRAP	
	€ m	%
Operating profit	125.9	
Personnel costs	251.1	
Operating profit for IRAP tax purposes	**377.0**	
Theoretical tax expense	14.7	3.9%
Tax effect of foreign production	(10.2)	(2.7%)
Tax effect of permanent differences	(0.9)	(0.2%)
Total	**3.6**	**1.0%**

The net deferred tax income contributes positively to the company's profit for €18.8 million, specifically for the following items:

(Amounts in thousands of euros)	
Deferred tax expense for the year	51,660
Reversal of deferred tax liabilities recognized in previous years	(4,677)
Deferred tax income for the year	(76,637)
Reversal of deferred tax assets recognized in previous years	10,825
Total	**(18,829)**

31. Related party transactions

Transactions with related parties, as defined by IAS 24, were of an ordinary nature.

As of January 1, 2014 Salini Impregilo S.p.A. is subject to management and coordination by the parent Salini Costruttori.

During the year 2014 the related-party transactions involved the following counterparties:

- directors, statutory auditors and key management personnel – solely involving transactions provided for in the legal relationships governing their positions within the Salini Impregilo Group;
- investments in associates. These transactions mainly relate to:
  - commercial assistance with purchases and procurement of services necessary to carry out work on contracts, contracting and subcontracting;
  - services (technical, organizational, legal and administrative), carried out at centralized level;
  - financial transactions, namely loans and joint current accounts as part of cash pooling transactions and guarantees given on behalf of Group companies.

  Transactions are carried out with associates in the interests of Salini Impregilo, aimed at building on existing synergies in the Group in terms of production and sales integration, efficient use of existing skills, streamlining of centralized structures and financial resources. These transactions are regulated by specific contracts and are carried out on an arm's length basis;
- other related parties: the main transactions undertaken by Salini Impregilo with other related parties, identified pursuant to IAS 24, including the companies subject to management and coordination by Salini Costruttori S.p.A., are summarized below:

	December 31, 2014					
Name (Amounts in thousands of euros)	**Financial assets**	**Receivables**	**Payables**	**Total revenues**	**Total costs**	**Total financial income and expenses**
Zeis Group	21	576	185	309	500	55
Madonna dei Monti Srl	-	63	92	9	256	3
Salini Saudi Arabia company Ltd	-	424	-	-	-	-
Salini Costruttori S.p.A.	-	18,648	184	70	1,346	3,037
Salini Simonpietro & C. S.A.P.A.	-	4	-	14	-	-

Most of the Salini Impregilo Group 's production is carried out through SPVs, set up with other partners that have participated with Salini Impregilo in tenders. The SPVs carry out the related contract on behalf of its partners.

The other transactions refer to costs for design and similar activities, incurred when presenting bids and for recently started contracts. They are also governed by specific agreements and carried out on an arm's length basis and, where applicable, in line with the contract terms.

Their effects on the statement of financial position and income statement are shown together with the related contract, when appropriate.

Transactions with directors, statutory auditors and key management personnel are shown below:

	2014			2013		
(Amounts in thousands of euros)	Total remuneration/ fees for the year	Termination benefits and post-employment benefits for the year	Total	Total remuneration/ fees for the year	Termination benefits and post-employment benefits for the year	Total
Directors and Auditors	6,264		6,264	5,352		5,352
Managers with strategic responsibilities	4,389		4,389	201		201
Total	**10,653**	**-**	**10,653**	**5,553**	**-**	**5,553**

The company's production is carried out mainly through special purpose entities, which, depending on Salini Impregilo's share in their contracts, qualify as subsidiaries or associates. In many cases, they have corporate structures that directly and continuously allocate the profits and losses on contracts to their investors, including by "reallocating costs and fees". They can be considered to be "transparent" considering the original contractual relationship whereby Impregilo, together with the other investors, depending on the type of organization selected during the tender stage, is the direct counterparty of the customer and the SPE acts in its own name but on behalf of its investors, including vis-à-vis third party suppliers. Accordingly, transactions between Salini Impregilo and the SPEs, in which it has an investment, are not presented in this section but are summarized with other transactions with subsidiaries and associates in the annex "Intragroup transactions - Salini Impregilo S.p.A.".

The next table shows the impact of transactions with the above companies on the statement of financial position and the income statement (including as a percentage), while their effect on cash flows is shown in the statement of cash flows, when material:

As at December 31, 2014 (Amounts in thousands of euros)	Non-current loans and receivables (1)	Current loans and receivables (2)	Current payables (3)	Revenue	Costs	Financial income	Financial expense
Total - Group companies	81,250	1,137,972	1,010,142	250,716	511,022	22,224	15,691
Total financial statements item	1,152,099	3,239,734	2,414,615	2,341,861	2,215,930	39,128	117,216
% of financial statements item	7.05%	35.1%	41.8%	10.7%	23.1%	56.8%	13.4%

As at December 31, 2013 (Amounts in thousands of euros)	Non-current loans and receivables (1)	Current loans and receivables (2)	Current payables (3)	Revenue	Costs	Financial income	Financial expense
Total - Group companies	1,524	787,872	643,011	200,756	700,312	11,006	5,174
Total financial statements item	615,418	2,068,478	1,146,370	1,274,125	1,120,988	13,476	28,395
% of financial statements item	0.25%	38.1%	56.1%	15.8%	62.5%	81.7%	18.2%

(1) The percentage of non-current loans and receivables is calculated considering total non-current assets.
(2) The percentage of current loans and receivables is calculated considering total current assets.
(3) The percentage of current payables is calculated considering total current liabilities.

Disclosure on management and coordination

In relation to the requirements of paragraph 11 of article 2.6.2. of the Regulation of Markets Organized and Managed by Borsa Italiana S.p.A., the company certifies that all requirements listed i paragraph 1, article 37 of the Consob Regulation on Markets, have been met, as regards the list of subsidiaries subject to the management and coordination of other companies.

In accordance with Article 2497-bis of the Italian Civil Code, the key figures from the financial statements of Salini S.p.A. at December 31, 2013, the last approved financial statements, are presented below. The financial statements at December 31, 2013 of Salini Costruttori S.p.A. have been prepared in accordance with the international reporting standards.

Income and financial position figures at December 31, 2013

(Amounts in thousands of euros)	
Income statement data	
Revenue	16,696
Difference between revenue and production costs	368
Profit (loss) before taxes	5,885
Profit (loss) for the year	8,832

Financial position figures	
Property, plant and equipment	426
Financial assets	272,021
Total non-current assets	**272,447**
Working capital	122,668
Accruals and deferrals	39
Total assets	**395,154**
Shareholders' equity	201,666
Provisions for risks and charges	1,331
Payables	192,152
Accruals and deferrals	5
Total liabilities	**193,488**

Salini Costruttori S.p.A. did not have employees at December 31, 2013.

32. Events after the reporting period

On January 23, 2015, the Salini Impregilo Group was awarded the contract for the doubling of the carriageway of the Suleja Minna road (Phase II) in Nigeria. This is an important communication route since it provides access from the capital Abuja to the Northwest of the country. The project's function is to improve mobility and to facilitate the potential development of the entire region. The contract involves the construction, in 48 months, of a new carriageway and the complete rehabilitation of the existing one. The client is the Ministry of Public Works of Nigeria. The value of the works is approx. 112 Million Euros.

On February 25, Salini Impregilo reached agreement with a pool of banks comprising Banca Intesa, BNP Paribas, Natixis and Unicredit to renegotiate a significant portion of existing bank debt. The agreement concerns approximately €630 million. Under the deal, the term for repayment of €267 million of the existing debt has been extended from 2016 to 2019, with an amortization schedule starting in 2017. As part of the refinancing of the existing debt, a five-year credit line of €165 million with repayment at term was provided. Finally, the "Revolving credit facility" was increased from the current €100 million to €200 million, available for 5 years.

With regard to the events that have occurred after December 31, 2014 concerning the SUW Campania Projects, reference should be made to the section of this Annual Report on "Non-current assets held for sale - SUW Campania Projects".

No other significant events occurred after December 31, 2014, beyond those described the notes.

33. Significant non-recurring events and transactions

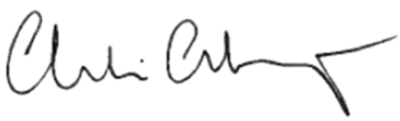
Apart from the effects deriving from the merger of Salini S.p.A. into Impregilo S.p.A. described in the above notes, Salini Impregilo S.p.A.'s financial position, performance and cash flows were not affected by significant non-recurring events and transactions in 2014.

34. Balances or transactions arising from atypical and/or unusual transactions

During the year, Salini Impregilo S.p.A. did not carry out any atypical and/or unusual transactions, as defined in the Consob communication no. DEM/6064293[7].

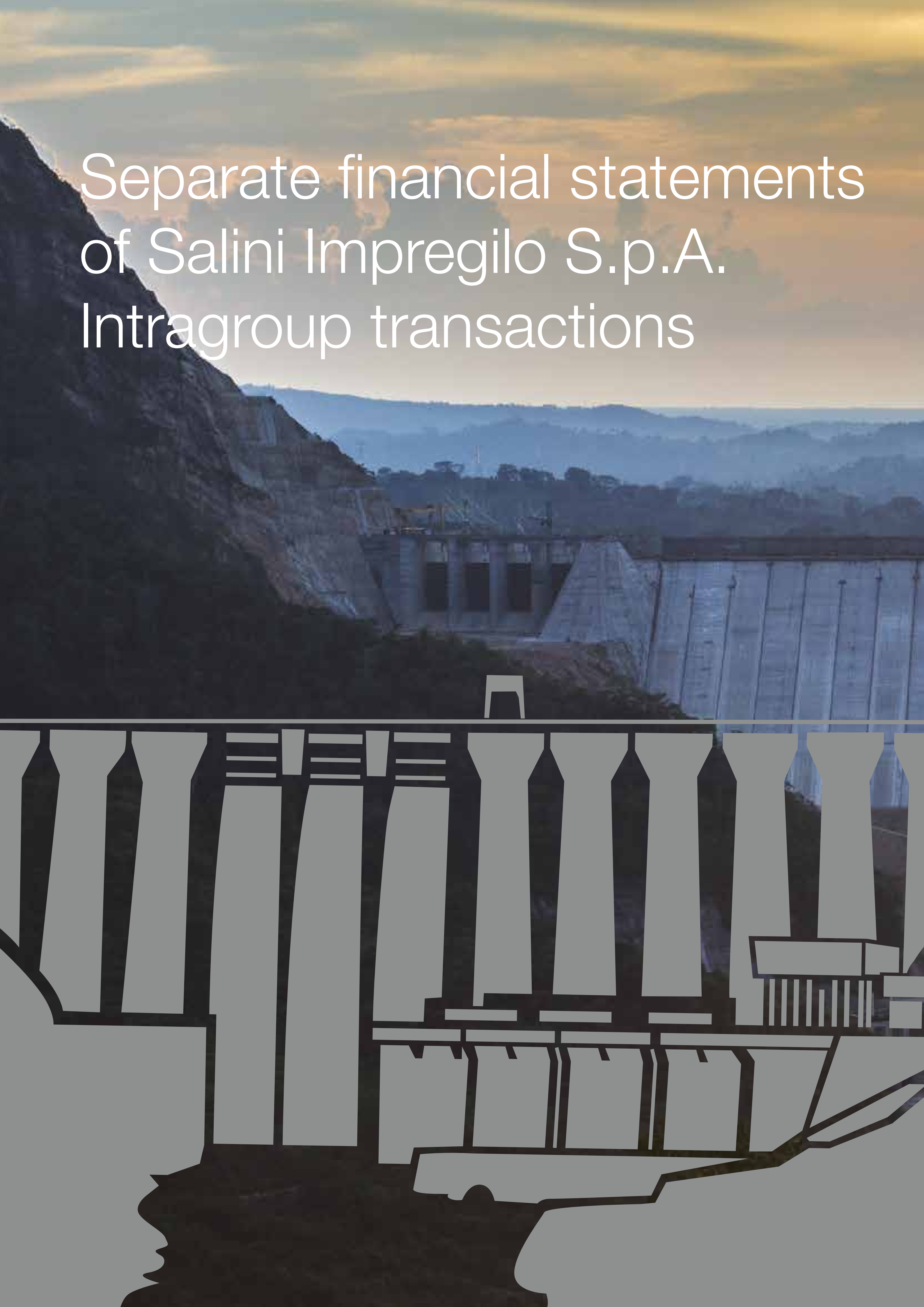
The Board of Directors

The Chairman



7. Atypical and/or unusual transactions are those that, due to their significance and relevance, the counterparty, the object of the transaction, exchange pricing and timing, may cast doubts as to the accuracy and completeness of disclosures, conflicts of interest, protection of the Group's assets and non-controlling interests.

Separate financial statements of Salini Impregilo S.p.A. Intragroup transactions



Transactions recognized among assets and liabilities at 12.31.2014

	Trade receivables	Non-current financial assets	Current financial assets	Other current assets	Total receivables
Alia	5,423	-	251,823	-	257,246
Ancipa S.c.r.l.	31,381	-	-	-	31,381
ANGOSTURA	59,149	-	20,455,206	-	20,514,355
ARIGUANI	58,415	-	-	-	58,415
Aurelia 98 S.c.r.l.	-	-	-	-	-
Autostrada Al Torun - Strykow	34,551	-	2,469,972	-	2,504,523
BOCOGE	-	-	-	-	-
CAO	-	-	-	1,106,868	1,106,868
Castelli	-	-	-	-	-
CAVET	617,916	-	16,761,633	-	17,379,549
CAVTOMI	86,390,474	-	-	-	86,390,474
CCTE	1,414	-	139,756	-	141,170
CFT 2000	-	-	204,520	-	204,520
Cigla	-	-	-	-	-
CIV	30,000	-	-	-	30,000
CMT IS	770,675	-	-	-	770,675
Co.Ge.Ma.	48,003	-	3,460,276	-	3,508,279
COCIV	88,491,263	-	-	-	88,491,263
COMAR	-	-	36,499	-	36,499
Congr 91	-	-	-	-	-
CONS. OHL	2,339,664	-	-	-	2,339,664
Consorcio Cigla-Sade	1,562,654	-	-	-	1,562,654
Consorzio Costral in liquidation	57,835	-	-	-	57,835
Consorzio FAT	60,054	-	-	-	60,054
Constr. of Inn. Sout. Expre. (ISEX)	-	-	68,655	-	68,655
Corav	-	-	-	-	-
Corso del Popolo	38,653	-	-	-	38,653
Corso del Popolo Engineering	652,220	-	-	-	652,220
Diga Ancipa S.c.r.l.	12,396	-	-	-	12,396
District 1 Development	-	-	272,955	-	272,955
DONATI	215,258	-	-	-	215,258
Eurotech	-	-	26,480	-	26,480
FIBE	588,304	-	3,067,366	-	3,655,670
Fisia Italimpianti	1,460,231	-	-	-	1,460,231
G. W. Trans. to Fed. Cap. Ter. Lot A Dam and Aa. W.	-	-	20,277,273	-	20,277,273
GE NAPO	-	-	17,520	-	17,520
Groupement Todini Enaler	-	-	-	14,006,718	14,006,718
Healy	144,810	-	3,723,610	484,412	4,352,832
I INT IN	96,399	-	-	-	96,399
ICT II	2,543,220	-	-	-	2,543,220
IGL-SK-GALFAR	10,348,129	-	-	3,887,068	14,235,197
Iglys	909	-	440	-	1,349
ILIM	-	-	-	-	-
Imprefeal	-	-	203,335	-	203,335
Impregilo-Healy UTE	152,678	-	247,247	-	399,925
Imprepar	101,737	-	8,223,992	-	8,325,729
INC Algeria	-	-	-	-	-
Incave	7	-	-	-	7
IS JV	397,495	-	501,853	748,493	1,647,841

Trade payables to suppliers	Bank loans and other facilities	Bank account overdrafts and current portion of financing facilities	Other current liabilities	Total payables	Net carrying amount
-	-	-	-	-	257,246
-	-	-	-	-	31,381
-	-	-	-	-	20,514,355
-	-	-	-	-	58,415
16,121	-	-	-	16,121	(16,121)
-	-	-	-	-	2,504,523
-	-	2,617,972	-	2,617,972	(2,617,972)
-	-	337,884	-	337,884	768,984
-	-	26,464	-	26,464	(26,464)
582,474	-	-	-	582,474	16,797,075
12,654,795	-	8,215,744	60,441	20,930,980	65,459,494
39,066	-	-	-	39,066	102,104
-	-	-	-	-	204,520
-	-	656,902	-	656,902	(656,902)
-	-	-	-	-	30,000
1,951,280	-	78,027,533	-	79,978,813	(79,208,138)
138,063	-	-	115,490	253,553	3,254,726
156,054,541	-	-	-	156,054,541	(67,563,278)
-	-	-	-	-	36,499
-	-	6,308	-	6,308	(6,308)
-	-	1,729	-	1,729	2,337,935
-	-	-	-	-	1,562,654
-	-	-	-	-	57,835
-	-	-	-	-	60,054
-	-	-	-	-	68,655
30,846	-	-	-	30,846	(30,846)
-	-	-	-	-	38,653
-	-	-	-	-	652,220
-	-	-	-	-	12,396
-	-	-	-	-	272,955
170,618	-	7,472	-	178,090	37,168
-	-	-	-	-	26,480
-	-	-	-	-	3,655,670
14,956	-	11,169,649	-	11,184,605	(9,724,374)
-	-	1,102,594	-	1,102,594	19,174,679
-	-	-	-	-	17,520
-	-	-	-	-	14,006,718
10,470,798	-	8,621,731	-	19,092,529	(14,739,697)
-	-	252,859,638	-	252,859,638	(252,763,239)
908,920	-	276,600	-	1,185,520	1,357,700
214,680	-	343,668	-	558,348	13,676,849
59,345	-	2,978	-	62,323	(60,974)
-	-	3,873,256	-	3,873,256	(3,873,256)
-	-	-	-	-	203,335
-	-	720,399	-	720,399	(320,474)
181,294	-	587,648	-	768,942	7,556,787
133,813	-	-	-	133,813	(133,813)
-	-	21,100	-	21,100	(21,093)
2,475,207	-	-	-	2,475,207	(827,366)

Intragroup transactions

	Trade receivables	Non-current financial assets	Current financial assets	Other current assets	Total receivables
Ital.Sa.Gi. Sp.Z.O.O. (Poland)	43,873	-	-	-	43,873
JV Todini - Samtredia	1,060,271	-	-	-	1,060,271
JV Todini - Akkord - Salini	6,659,358	-	-	135,510	6,794,868
JV_IGL_SGF	1,206,575	-	7,678,661	-	8,885,236
LIBRINO	5,423	-	-	-	5,423
LIBYAN LEC	321,700	-	96,416	-	418,116
Lidco	262,180	-	-	-	262,180
Mazar	-	-	-	192,247	192,247
Metro 6	2,502,558	-	10,660,146	-	13,162,704
Metro B Srl	-	-	-	-	-
Metro B1	6,405,521	-	4,685,213	129,179	11,219,913
MONTENER	-	-	396,152	-	396,152
New Cros	3,200	-	192,579	-	195,779
Nigeria Cultural Centre and Mill. Tower	-	-	279	-	279
Perugia 219	59,432	-	-	-	59,432
PGH Ltd	69,512	-	3,261,190	-	3,330,702
Pietrarossa S.c.r.l.	12,396	-	-	-	12,396
Piscine dello Stadio	67,263	-	-	-	67,263
Piscine dello Stadio scrl	53,408	-	-	-	53,408
RC SCILLA	9,451,918	-	761,123	-	10,213,041
Rimati	867,205	-	-	-	867,205
Risalto Srl	310	-	-	-	310
Rivigo	125,509	-	-	-	125,509
S LEODUE	-	-	1,018	-	1,018
S Leonar	18,592	-	-	-	18,592
S Martin	8,013	-	-	-	8,013
S. Anna Palermo S.c.r.l.	-	-	-	-	-
Sa.Co.Lav. S.c.a r.l.	-	-	-	-	-
SA_RC	74,238,077	-	-	-	74,238,077
Sabrom	95,917	-	-	-	95,917
Salini Australia	111,328	-	1,188,329	-	1,299,657
Salini Bulgaria AD	1,236,727	-	954,997	-	2,191,724
Salini Canada Inc.	-	-	-	-	-
Salini Hydro Sede	-	-	1,317,753	-	1,317,753
Salini Impregilo-Salini Insaat - NTF JV	117,440	-	-	3,905	121,345
Salini India Private	475,595	-	680,000	-	1,155,595
Salini Ins.Taah.San.Ve Tik. Anonim Sirketi	1,148	-	150,000	-	151,148
Salini Malaysia Head Office	1,741,417	-	57,158,758	-	58,900,175
Salini Namibia	14,530,913	-	-	-	14,530,913
Salini Nigeria Ltd	98,554	-	418,215	-	516,769
Salini Polska Sp.	-	-	-	-	-
Salini Russia 00	-	-	1,044,098	-	1,044,098
Salini Usa Inc	33,369	-	658,437	-	691,806
SAMA S.c.a.r.l. in liquidation	-	-	-	-	-
Sapin	-	-	-	-	-
SCILLA	1,706,306	-	-	-	1,706,306
SGF filiale Venezuela	728,304	-	-	-	728,304
SGF INC	51,927	-	13,155,080	-	13,207,007
Sipem	-	-	480,532	-	480,532
SNFCC	1,190,698	-	-	3,997,984	5,188,682
Suropca	-	-	-	-	-
TB Metro in liquidation	18,321	-	-	-	18,321
Todini Costruzioni Generali S.p.A.	1,723,171	-	111,844,660	-	119,567,831

	Trade payables to suppliers	Bank loans and other facilities	Bank account overdrafts and current portion of financing facilities	Other current liabilities	Total payables	Net carrying amount
	-	-	-	-	-	43,873
	-	-	-	-	-	1,060,271
	-	-	-	-	-	6,794,868
	4,840	-	-	-	4,840	8,880,396
	-	-	-	-	-	5,423
	592,898	-	-	-	592,898	(174,782)
	135,199	-	22,051,422	-	22,186,621	(21,924,441)
	-	-	-	-	-	192,247
	-	-	20,924	-	20,924	13,141,780
	-	-	-	7,878,000	7,878,000	(7,878,000)
	32,621,700	-	-	450,134	33,071,834	(21,851,921)
	-	-	-	-	-	396,152
	59,382	-	-	-	59,382	136,397
	-	-	-	-	-	279
	-	-	-	-	-	59,432
	17,703	-	-	-	17,703	3,312,999
	-	-	-	-	-	12,396
	-	-	-	-	-	67,263
	-	-	-	-	-	53,408
	49,673,898	-	-	-	49,673,898	(39,460,857)
	2,544,925	-	-	-	2,544,925	(1,677,720)
	-	-	-	-	-	310
	-	-	-	-	-	125,509
	-	-	-	-	-	1,018
	-	-	9,084	-	9,084	9,508
	-	-	-	-	-	8,013
	92,333	-	-	-	92,333	(92,333)
	1,786	-	34,941	-	36,727	(36,727)
	102,764,314	-	-	-	102,764,314	(28,526,237)
	-	-	-	-	-	95,917
	24,540	-	-	-	24,540	1,275,117
	-	-	-	-	-	2,191,724
	1,596	-	-	7,490	9,086	(9,086)
	48,871	-	896,996	-	945,867	371,886
	-	-	-	-	-	121,345
	-	-	-	-	-	1,155,595
	-	-	-	-	-	151,148
	77,565	-	-	-	77,565	58,822,610
	114,193	-	11,275,978	-	11,390,171	3,140,742
	-	-	-	-	-	516,769
	217,305	-	105,308	-	322,613	(322,613)
	940	-	-	-	940	1,043,158
	-	-	-	-	-	691,806
	3,436	-	67,622	-	71,058	(71,058)
	-	-	8,755	-	8,755	(8,755)
	6,230,028	-	-	-	6,230,028	(4,523,722)
	1,271,251	-	-	-	1,271,251	(542,947)
	965,469	-	-	-	965,469	12,241,538
	-	-	-	-	-	480,532
	-	-	-	-	-	5,188,682
	60,932	-	706,896	-	767,828	(767,828)
	-	-	-	-	-	18,321
	3,373,357	-	-	22,387,904	25,761,261	93,806,570

Intragroup transactions

	Trade receivables	Non-current financial assets	Current financial assets	Other current assets	Total receivables
Tokwe Mukorsi Dam	55,901,060	-	3,883,305	-	59,784,365
TORRE	18,819	-	-	-	18,819
TRIN FER	-	-	3,915	-	3,915
Vegas	283,540	-	-	7,554,488	7,838,028
VITTORIA	5,423	-	-	-	5,423
YARULL	90,297	-	-	1,497,050	1,587,347
Total ICP Subsidiaries	**386,913,885**	**-**	**301,081,267**	**33,743,922**	**721,739,074**
Agua AZ	46,233	-	-	-	46,233
Agua BA	24,119	-	-	-	24,119
BARNARD	-	-	2,368,009	3,391,023	5,759,032
Casada Srl	-	60,000	-	7,310	67,310
CE.S.I.F. S.c.p.A.	-	-	-	-	-
CEDIV S.p.A.	592,111	-	-	-	592,111
Co.Ge.Fin. Srl (shareholders' agreements)	59,793	-	18,089,545	935,510	19,084,848
Con.Sal. S.c.n.c. in liquidation	-	-	50,850	-	50,850
Consorcio OIV-TOCOMA	5,577,806	-	44,987,198	66,197,199	116,762,203
Consorcio Serra do Mar	-	-	-	2,493,651	2,493,651
CONSORZIO CASERTANO	263	-	-	-	263
Consorzio CPS Pedemontana	227,713	-	-	-	227,713
Consorzio Iricav Due	-	-	-	244,290	244,290
Consorzio Iricav Due	1,319,007	-	-	-	1,319,007
Consorzio Mina de Cobrea	-	-	-	-	-
Consorzio Miteco	66,585	-	-	-	66,585
Consorzio MM4	382,102	-	-	-	382,102
Consorzio NOG.MA	-	-	-	-	-
Consorzio Pedelombarda 2	8,951,584	-	-	-	8,951,584
Consorzio San Cristoforo	-	-	-	-	-
EUROLINK	10,999,543	-	-	-	10,999,543
Forum S.c.a.r.l.	-	-	-	-	-
G.A.B.I.RE. Srl	28,806	-	-	-	28,806
Galileo S.c.a.r.l.	40,738	-	-	-	40,738
Groupment Italgisas (Morocco) IN LIQUIDATION	-	-	-	289,555	289,555
GUP CANAL	22,474,940	-	-	-	22,474,940
IGL Arabia	944,983	-	-	-	944,983
Impregilo S.p.A.	-	-	-	-	-
INTER_HEALY	-	-	-	-	-
ISARCO	71,029	-	-	-	71,029
J.V.Salini Necso	1,052,218	-	-	-	1,052,218
LA QUADO	375,314	-	3,493,363	-	3,868,677
M2 LIMA	-	-	2,191,055	-	2,191,055
Metrogenova S.c.r.l.	8,417	-	-	-	8,417
Monte Vesuvio S.c.r.l.	17,713	-	-	-	17,713
PANTANO S.c.r.l. (10.5%)	-	-	-	-	-
Passante Dorico S.p.A.	40,810	-	-	-	40,810
PDM	8,620,423	-	-	-	8,620,423
PEDELOMB	48,212,596	-	-	-	48,212,596
Pedemontana Veneta S.p.A.	267,267	-	-	-	267,267
Puentes	7,951,316	-	-	-	7,951,316
Quattro Venti S.c.r.l.	159,503	-	-	-	159,503
Riviera S.c.r.l.	305,716	-	-	-	305,716
S. Ruffillo S.c.a.r.l.	-	-	-	-	-
San Giorgio Caltagirone S.c.r.l.	7,747	-	-	-	7,747

Trade payables to suppliers	Bank loans and other facilities	Bank account overdrafts and current portion of financing facilities	Other current liabilities	Total payables	Net carrying amount
12,992,289	-	-	-	12,992,289	46,792,076
5,104,402	-	-	-	5,104,402	(5,085,583)
-	-	-	-	-	3,915
7,344	-	2,573,450	-	2,580,794	5,257,234
-	-	-	-	-	5,423
-	-	200,548	-	200,548	1,386,799
405,099,313	**-**	**407,429,193**	**30,899,459**	**843,427,965**	**(121,688,891)**
10,282	-	-	-	10,282	35,951
52,751	-	-	-	52,751	(28,632)
1,061,552	-	-	-	1,061,552	4,697,480
-	-	-	82,772	82,772	(15,462)
419	-	-	-	419	(419)
-	-	-	-	-	592,111
-	-	-	-	-	19,084,848
-	-	-	160,127	160,127	(109,277)
183,660	-	-	-	183,660	116,578,543
-	-	1,967,455	-	1,967,455	526,196
-	-	-	-	-	263
-	-	-	-	-	227,713
6,592,968	-	-	1,126,342	7,719,310	(7,475,020)
5,994,316	-	-	-	5,994,316	(4,675,309)
41,390	-	-	-	41,390	(41,390)
-	-	-	-	-	66,585
1,072,472	-	-	-	1,072,472	(690,370)
36,077	-	-	-	36,077	(36,077)
73,850	-	-	-	73,850	8,877,734
35,609	-	-	-	35,609	(35,609)
17,833,560	-	-	-	17,833,560	(6,834,017)
174,070	-	-	-	174,070	(174,070)
-	-	-	-	-	28,806
-	-	-	-	-	40,738
-	-	-	-	-	289,555
-	-	-	-	-	22,474,940
95,629	-	-	-	95,629	849,354
7,549	-	-	-	7,549	(7,549)
40,771	-	-	-	40,771	(40,771)
30,750	-	-	-	30,750	40,279
1,124,451	-	-	-	1,124,451	(72,233)
498,512	-	-	-	498,512	3,370,165
-	-	-	-	-	2,191,055
-	-	-	2,580	2,580	5,837
-	-	-	-	-	17,713
64,818	-	-	1,230	66,048	(66,048)
-	-	-	-	-	40,810
3,439,421	-	-	-	3,439,421	5,181,002
12,306,675	-	-	-	12,306,675	35,905,921
-	-	-	-	-	267,267
3,601	-	-	10,491	14,092	7,937,224
112,205	-	-	-	112,205	47,298
1,122,423	-	-	-	1,122,423	(816,707)
21,152,331	-	-	-	21,152,331	(21,152,331)
-	-	-	-	-	7,747

Intragroup transactions

	Trade receivables	Non-current financial assets	Current financial assets	Other current assets	Total receivables
Sclafani S.c.r.l.	7,746	-	-	-	7,746
SFI leasing	-	-	-	-	-
SHIMMICK	144,341	-	-	3,009,626	3,153,967
Sirjo S.c.p.A.	1,428,070	-	-	-	1,428,070
Sistranyac S.A.	68	-	-	-	68
Società di progetto consortile per azioni M4	1,916,570	-	18,280,651	-	20,197,221
Variante di Valico	33,040				33,040
VE.CO. S.c.r.l.	-	-	-	-	-
Total ICP Associates	**122,325,230**	**60,000**	**89,460,671**	**76,568,164**	**288,455,065**
Consorzio Costruttori TEEM	1,562		-	-	1562
Consorzio TRA.DE.CI.V.	236,946	-	-	-	236,946
G.T.B. S.c.r.l.	297,631	-	-	-	297,631
Joint Venture Aktor S.A. - Impregilo S.p.A.	-	-	332	-	332
Lambro Scrl	174,599	-	134	-	174,733
M.N. 6 S.c.r.l.	542,825	-	-	-	542,825
Metropolitana di Napoli S.p.A.	85,245	-	-	-	85,245
S.I.MA. GEST 3 S.c.r.l.	-	-	-	-	-
Sarmento S.c.r.l.	473,118	-	-	-	473,118
SO.C.E.T. Societa' Costruttori Edili Toscani	-	-	-	-	-
Tangenziale Esterna di Milano S.p.A.	27,672	-	-	-	27,672
Total ICP Other companies	**1,839,598**		**466**	**-**	**1,840,064**
Group d'entreprises Salini Strabag (Guinea)	-	-	-	-	-
Consorcio Contuy Medio	575,224	-	-	-	575,224
Consorcio Grupo Contuy-Proyectos y Ob. De F.	-	-	196,824	-	196,824
Consorcio V.S.T. Tocoma	21,953	-	-	-	21,953
Consorcio VIT Tocoma	2,541,010	-	182,171	-	2,723,181
Consorzio TAT-Tunnel Alp Transit Ticino	308,745	-	-	-	308,745
Consorzio VIT Caroni Tocoma	-	-	92,001	-	92,001
E.R. Impregilo/Dumez y Asociados para Yaciretê	11,557,538	-	-	-	11,557,538
Gaziantep Hastane Saglik	-	-	-	-	-
Grupo Empresas Italianas - GEI	-	-	192,160	-	192,160
METRO BLU	81,956,178	-	-	-	81,956,178
Techint S.A.C.I.- Hochtief A.G.- Impregilo S.p.A	-	-	1,514,198	342,123	1,856,321
Total ICP Joint Ventures	**96,960,648**	**-**	**2,177,354**	**342,123**	**99,480,125**
Executive J.V. Impregilo S.p.A. Terna S.A.	-	-	7,974	-	7,974
Joint Venture Aktor Ate - Impregilo S.p.A.	12,063	-	-	-	12,063
Joint Venture Impregilo S.p.A. - Empedos S.A. - Ak	1,498,407	-	463,239	-	1,961,646
Line 3 Metro Stations	53,640	-	215,000	-	268,640
Thessaloniki Metro	-	-	1,587,137	-	1,587,137
Thessaloniki Metro CW	1,751,979	-	-	1,221,489	2,973,468
Total ICP Joint Operations	**3,316,089**	**-**	**2,273,350**	**1,221,489**	**6,810,928**
Madonna dei Monti Srl	-	-	60,912	2,557	63,469
Salini Costruttori	-	-	10,017,325	8,630,994	18,648,319
Salini Saudi Arabia company Ltd	-	-	-	424,062	424,062
Salini Simon Pietro & C. S.A.P.A.	4,390	-	-	-	4,390
Zeis Tot	151	21,250	238,198	337,949	597,548
Total ICP Salini Costruttori	**4,541**	**21,250**	**10,316,435**	**9,395,562**	**19,737,788**
Total	**611,390,991**	**81,250**	**405,309,543**	**121,271,260**	**1,138,053,044**

Trade payables to suppliers	Bank loans and other facilities	Bank account overdrafts and current portion of financing facilities	Other current liabilities	Total payables	Net carrying amount
-	-	-	-	-	7,746
-	-	-	113,516	113,516	(113,516)
-	-	1,472,503	-	1,472,503	1,681,464
8,940,661	-	-	-	8,940,661	(7,512,591)
-	-	-	-	-	68
571,737	-	-	-	571,737	19,625,484
719				719	32,321
138,527	-	-	-	138,527	(138,527)
82,813,756	**-**	**3,439,958**	**1,497,058**	**87,750,772**	**200,694,293**
1,351	-	-	-	1,351	211
170,101	-	-	-	170,101	66,845
175,913	-	-	-	175,913	121,718
-	-	-	-	-	332
15,097	-	-	-	15,097	159,636
646,934	-	-	-	646,934	(104,109)
66,879	-	-	-	66,879	18,366
162,355	-	-	-	162,355	(162,355)
-	-	-	-	-	473,118
106,287	-	-	-	106,287	(106,287)
-	-	-	-	-	27,672
1,344,917	**-**	**-**	**-**	**1,344,917**	**495,147**
484,722	-	-	85,767	570,489	(570,489)
-	-	-	-	-	575,224
-	-	-	-	-	196,824
-	-	-	-	-	21,953
-	-	-	-	-	2,723,181
-	-	-	3,318,363	3,318,363	(3,009,618)
-	-	-	-	-	92,001
80,927	-	-	7,182,896	7,263,823	4,293,715
-	-	-	161,458	161,458	(161,458)
-	-	-	-	-	192,160
57,675,272	-	-	-	57,675,272	24,280,906
-	-	-	-	-	1,856,321
58,240,921	**-**	**-**	**10,748,484**	**68,989,405**	**30,490,720**
-	-	-	-	-	7,974
-	-	-	-	-	12,063
-	-	-	4,017,543	4,017,543	(2,055,897)
-	-	-	52,823	52,823	215,817
-	-	-	2,557,025	2,557,025	(969,888)
2,380	-	-	1,536,842	1,539,222	1,434,246
2,380	**-**	**-**	**8,164,233**	**8,166,613**	**(1,355,685)**
-	-	-	92,400	92,400	(28,931)
184,316	-	-	-	184,316	18,464,003
-	-	-	-	-	424,062
-	-	-	-	-	4,390
-	-	-	185,107	185,107	412,441
184,316	**-**	**-**	**277,507**	**461,823**	**19,275,965**
547,685,603	**-**	**410,869,151**	**51,586,741**	**1,010,141,495**	**127,911,549**

Transactions recognized through P&L in 2014

	Revenue	Other revenues and earnings	Purchasing costs	Subcontracts	Service costs
Alia	-	1,908	-		-
Ancipa S.c.r.l.	-	14,068	-		-
ANGOSTURA	76,348	4,000	-		-
AQUILPAR	-	-	-		-
ARIGUANI	3,179,933	36,176	-		-
Autostrada Al Torun - Strykow	-	-	-		-
BOCOGE	30,000	104	-		-
CAVET	31,917	394,397	-		2,865,224
CAVTOMI	27,577	68,247	-		1,729,678
CFT 2000	-	100	-		-
Cigla	-	-	-		-
CIV	26,200	3,800	-		-
CMT IS	3,466,236	-	-		-
Co.Ge.Ma.	517,921	-	-		2,584,716
COCIV	172,272	1,513,211	-		111,982,880
COMAR	-	100	-		-
Congr 91	-	100	-		-
CONS. OHL	192,438	128,755	-		-
Consorcio Cigla-Sade	-	100	-		-
Consorzio Costral in liquidation	11,309	-	-		-
Consorzio FAT	11,309	-	-		-
Corav	-	-	-		104,624
Corso del Popolo	11,309	-	-		-
Corso del Popolo Engineering	71,489	-	-		-
CSC	147,511	44,767	-		-
Diga Ancipa S.c.r.l.	-	4,132	-		-
DONATI	-	100	-		4,674
Edilfi S.c.a.r.l. in liquidation	2,827	-	-		-
Eurotech	-	100	-		-
FIBE	87,370	286,229	-		-
Fisia Italimpianti	404,696	99,042	-		20,007
G. W. Trans. to Fed. Cap. Ter. Lot A Dam and Aa. W.	-	-	-		-
Healy	-	781,409	2,142		4,276,062
I INT IN	-	692,575	-		-
ICT II	39,800	265,351	-		3,969
IGL-SK-GALFAR	2,210,667	17,931,344	-		-
Iglys	-	23,877	-		96,548
Imprepar	125,000	571,087	-		4,586
Incave	-	100	-		-
IS JV	-	1,927,911	-		-
Ital.Sa.Gi. Sp.Z.O.O. (Poland)	-	-	-		-
JV Todini - Samtredia	468,524	-	-		-
JV Todini - Akkord - Salini	-	-	-		-
JV_IGL_SGF	-	-	-		75,000
LIBRINO	-	1,808	-		-
LIBYAN LEC	371,095	410,154	-		679,666
Lidco	972	7,950	-		-
Maver in liquidation	2,827	-	-		-

	Personnel costs	Other operating costs	Amortization, depreciation, provisions and impairment losses	Financial income	Financial expense
	-	-	-	12,718	-
	-	-	-	-	-
	-	-	-	194,887	-
	-	-	-	25,771	-
	-	-	-	11,579	-
	-	-	-	581,394	-
	-	-	-	-	20,309
	-	-	-	423,386	72,753
	-	-	-	1,352,183	583,097
	-	-	-	10,348	-
	-	-	-	-	20,928
	-	-	-	-	-
	-	1,228	-	-	3,513,439
	-	-	-	-	138,064
	-	-	-	-	-
	-	-	-	1,839	-
	-	-	-	-	6
	-	60,629	-	60,502	-
	-	-	-	71,139	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	8
	-	-	-	-	-
	-	-	-	1,333	-
	-	-	-	-	714
	-	-	-	-	8,903
	-	-	-	385,734	-
	1,177,659	7,885	-	25,091	79,852
	-	-	-	-	10,416,324
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	286
	-	-	-	-	-
	-	-	43,873	-	-
	-	-	-	-	-
	-	-	-	56,134	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	139,987
	-	-	-	-	-

Intragroup transactions

	Revenue	Other revenues and earnings	Purchasing costs	Subcontracts	Service costs
Metro 6	2,134	72,539	-		-
Metro B1	518,862	-	-		13,579,800
MONTENER	-	100	-		-
N DOLON	-	-	-		5,521
New Cros	-	6,400	-		178,925
Perugia 219	11,309	-	-		-
PGH Ltd	710	7,373	-		-
Pietrarossa S.c.r.l.	-	4,132	-		-
Piscine dello Stadio	11,309	-	-		-
Piscine dello Stadio scrl	12,151	-	-		-
RC SCILLA	10,000	304,791	-		40,854,550
Rimati	-	-	-		1,417,579
Rivigo	5,131	35,768	-		-
S LEODUE	-	100	-		-
S Leonar	-	6,297	-		-
Sa.Co.Lav. S.c.a r.l.	-	-	-		-
SA_RC	10,000	281,390	-		20,456,145
Sabrom	40,000	55,250	-		-
Salini Australia	-	120,081	-		-
Salini Bulgaria AD	-	-	-		-
Salini Canada Inc.	-	-	-		21,924
Salini Hydro Sede	-	-	-		-
Salini Impregilo Duha JV	-	-	-		374,332
Salini India Private	201,459	826	-		1,467
Salini Ins.Taah.San.Ve Tik. Anonim Sirketi	-	-	-		-
Salini Kolin Cgf Joint Venture	-	379,250	-		-
Salini Malaysia Head Office	3,270,480	-	-		-
Salini Namibia	718,416	2,635,075	-		-
Salini Nigeria Ltd	1,600,001	-	-		-
Salini Polska Sp.	33,010,112	64,499	-		32,993,196
Salini Russia 00	1	-	-		-
Salini Singapore Pte.	-	-	-		-
Salini Usa Inc	-	-	-		-
SAMA S.c.a.r.l. in liquidation	-	-	-		-
SCILLA	-	-	-		21,620
SGF INC	181,132	538,508	-	708,838	150,000
SNFCC	3,074,923	131,600	-		-
Suropca	-	100	-		-
TB Metro in liquidation	5,141	-	-		-
Todini Central Asia Commessa	202	-	-		29,629
Tokwe Mukorsi Dam	18,107,956	-	-		2
TORRE	-	-	-		54,754
TRIN FER	-	100	-		-
castel	261,235	1,688,497	4,378		7,086
VITTORIA	-	1,808	-		-
YARULL	784	8,400	-		4,183
Total ICP Subsidiaries	**72,740,995**	**31,555,886**	**6,520**	**708,838**	**234,578,347**
Agua AZ	238,571	7,600	-		-
BARNARD	17,249,850	-	-		15,611,778
Casada Srl	5,500	-	-		265,058
CE.S.I.F. S.c.p.A.	-	-	-		2,500
Co.Ge.Fin. Srl (shareholders' agreements)	11,309	-	-		-

Personnel costs	Other operating costs	Amortization, depreciation, provisions and impairment losses	Financial income	Financial expense
-	-	-	-	-
-	-	-	151,476	-
-	-	-	20,010	-
-	-	-	-	47
-	-	-	-	-
-	-	-	-	-
-	-	-	11,638	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	46	-
-	-	-	-	9
-	-	-	-	1,786
-	-	-	-	-
-	-	-	-	-
-	-	-	65,727	-
-	-	-	46,719	-
-	-	-	-	-
-	-	-	64,701	48,871
-	-	-	-	-
-	-	-	38,433	-
-	-	-	1,148	-
-	-	-	-	-
-	-	-	4,148,854	-
-	-	-	85,993	598,409
-	-	-	4,416,078	-
(1)	-	-	16,838	-
-	-	-	34,733	-
-	-	10,946	-	-
-	-	-	30,559	-
-	-	-	-	3,436
-	-	-	-	-
-	-		656,735	176
-	-	-	-	-
-	-	-	-	5,948
-	-	1,765,837	28,395	-
-	-	-	-	-
-	-	-	98,859	-
-	-	-	681	-
-	-	-	193	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,177,658	**69,742**	**1,820,656**	**13,131,854**	**15,653,532**
-	-	-	-	-
-	-	-	-	-
-	-	-	600	-
-	-	-	-	-
-	-	-	-	-

Intragroup transactions

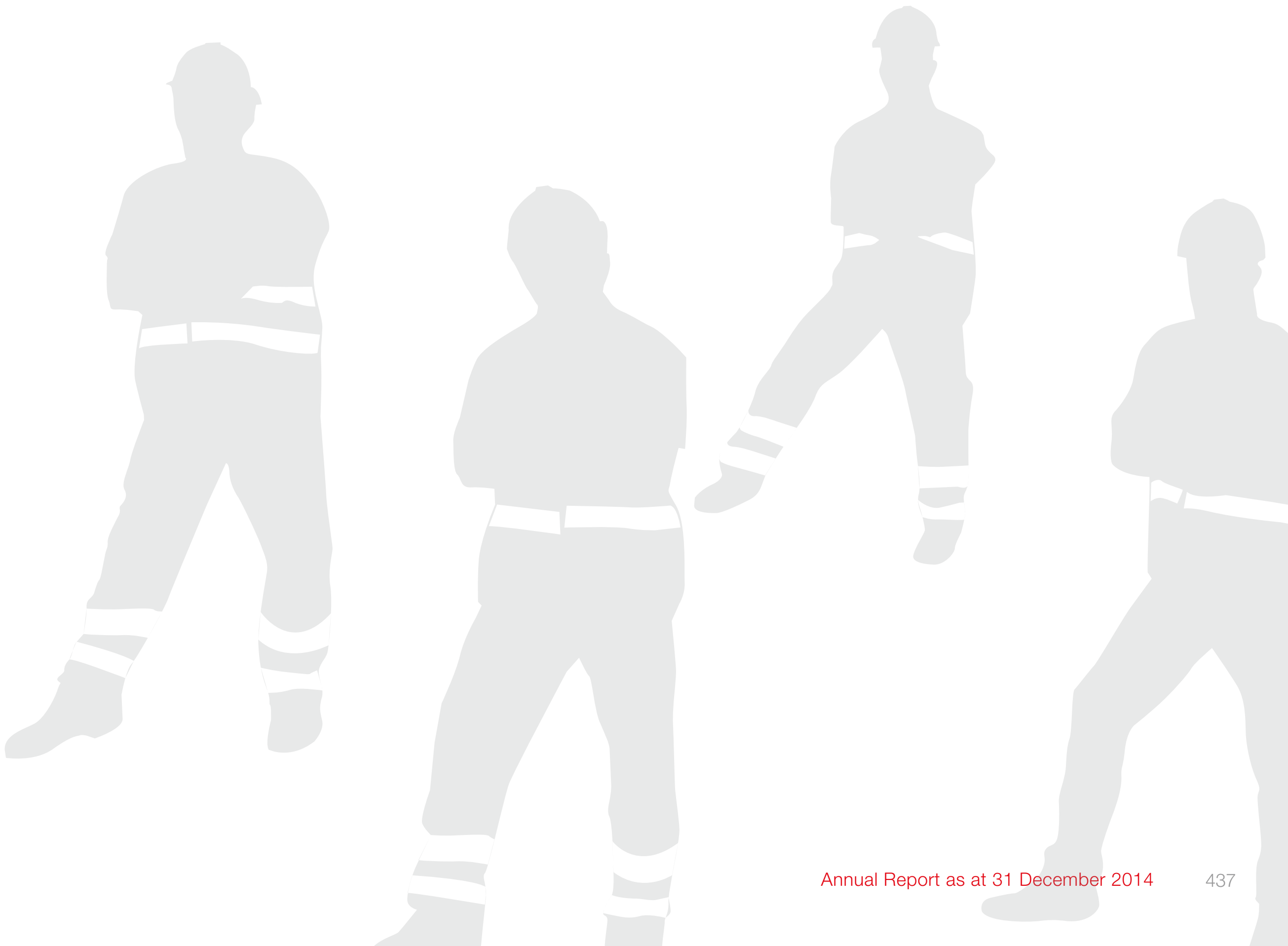
	Revenue	Other revenues and earnings	Purchasing costs	Subcontracts	Service costs
Colle Todi S.c.a.r.l. in liquidation	2,827	-	-		-
Consorcio OIV-TOCOMA	46,973,984	3,800	-		39,867,016
Consorcio Serra do Mar	14,666,290	-	-		14,278,799
Consorzio CPS Pedemontana	-	-	-		4,456
Consorzio Iricav Due	-	-	-		209,120
Consorzio Iricav Due	-	53,670	-		-
Consorzio Miteco	-	-	-		1,553
Consorzio MM4	55,332	170,792	-		1,249,460
Consorzio Pedelombarda 2	-	3,800	-		113,740
EUROLINK	60,000	214,351	-		608,653
Forum S.c.a.r.l.	-	-	-		362
G.A.B.I.RE. Srl	11,309	-	-		-
Galileo S.c.a.r.l.	11,309	-	-		-
Groupment Italgisas (Morocco) IN LIQUIDATION	-	-	-		-
GUP CANAL	6,053,063	396,659	-		-
IGL Arabia	715,757	8,400	-		-
ISARCO	18,000	53,029	-		-
LA QUADO	735,568	183,273	-		22,569,371
Metro de Lima Linea 2 S.A.	-	18,716	-		-
Metrogenova S.c.r.l.	8,751	-	-		606,865
PANTANO S.C.R.L.(10.5%)	-	-	-		228
Passante Dorico S.p.A.	-	4,167	-		-
PDM	223,115	201,506	-		14,652,081
PEDELOMB	50,000	548,891	-		74,139,635
Puentes	-	124,684	-		-
Quattro Venti S.c.r.l.	-	-	-		34,088
Riviera S.c.r.l.	-	132	-		201,957
S. Ruffillo S.c.a.r.l.	-	-	-		105,187
San Giorgio Caltagirone S.c.r.l.	-	2,582	-		-
Sclafani S.c.r.l.	-	2,582	-		-
SFI leasing	803,589	-	-		919,957
SHIMMICK	21,950,331	-	-		19,957,636
Sirjo S.c.p.A.	-	360,517	-		1,641,068
Società di progetto consortile per azioni M4	210,480	383,122	-		534,385
Total ICP Associates	**110,054,935**	**2,742,273**	**-**	**-**	**207,574,953**
Consorzio Costruttori TEEM	-	4,749	-		2,744
G.T.B. S.c.r.l.	-	1,602	-		145,822
Lambro S.c.r.l.	-	3,410	-		11,990
M.N. 6 S.c.r.l.	-	-	-		214,311
Sarmento S.c.r.l.	-	100	-		-
Tangenziale Esterna di Milano S.p.A.	-	158,586	-		-
Total ICP Other companies	**-**	**168,447**	**-**	**-**	**374,867**
Consorcio Contuy Medio	-	-	-		2,962
Consorcio Grupo Contuy-Proyectos y Ob. De F.	8,101	-	-		779,036
Consorcio VIT Tocoma	-	-	-		18,167
Consorzio TAT-Tunnel Alp Transit Ticino	9,490,108	14,620	-		4,391,181
Consorzio VIT Caroni Tocoma	24,609	-	-		-
E.R. Impregilo/Dumez y Asociados para Yaciretê	-	200	-		2,247,571
Group. d'entreprises Salini Strabag (Guinea)	-	46	-		56
Grupo Empresas Italianas - GEI	154,621	-	-		158,419

Personnel costs	Other operating costs	Amortization, depreciation, provisions and impairment losses	Financial income	Financial expense
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	9,285	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	1,211	-	-	-
-	-	-	4,883,500	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	68,172	-	-
-	-	-	-	-
-	-	-	69	-
-	230	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	574,319	37,352
-	**10,726**	**68,172**	**5,458,488**	**37,352**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	23,687	-
-	-	-	-	-
-	**-**	**-**	**23,687**	**-**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	515,729	-
-	-	-	-	-
-	-	-	-	-

Intragroup transactions

	Revenue	Other revenues and earnings	Purchasing costs	Subcontracts	Service costs
METRO BLU	26,000	594,678	-		38,397,566
Techint S.A.C.I.- Hochtief A.G.- Impregilo S.p.A	41,034	-	-		502,541
Total ICP Joint Ventures	**9,744,473**	**609,544**	**-**	**-**	**46,497,499**
ANM	-	241,115	-	-	1,225,302
CIVIL WORK	-	1,689,397	-		-
CMC-MAVUNDLA-IGL JV	-	6,284,763	-		564,967
GHAZI JV	-	7,682	-		-
Line 3 Metro Stations	52,428	-	-		45,801
Thessaloniki Metro CW	14,421,580	-	-		14,195,602
Total ICP Joint Operations	**14,474,008**	**8,222,957**	**-**	**-**	**16,031,672**
Madonna dei Monti Srl	8,952	-	-		256,000
Salini Costruttori	70,000	-	-		1,346,398
Salini Saudi Arabia company Ltd	300	-	-		-
Salini Simon Pietro & C. S.A.P.A.	14,394	-	-		-
Zeis Tot	309,221	-	-		499,599
Total ICP Salini Costruttori	**402,867**	**-**	**-**	**-**	**2,101,997**
Total	**207,417,278**	**43,299,107**	**6,520**	**708,838**	**507,159,335**

Personnel costs	Other operating costs	Amortization, depreciation, provisions and impairment losses	Financial income	Financial expense
-	-	-	-	-
-	-		-	-
-	**-**	**-**	**515,729**	**-**
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	**-**	**-**	**-**	**-**
-	-	-	2,556	-
-	-	-	3,036,828	-
-	-	-	-	-
-	-	-	-	-
-	-	-	54,734	-
-	**-**	**-**	**3,094,118**	**-**
1,177,658	**80,468**	**1,888,828**	**22,223,876**	**15,690,704**



Separate financial statements of Salini Impregilo S.p.A. Equity investments

Equity investments of Salini Impregilo S.p.A. at December 31, 2014

Name	% invest-ment	Head office	Amount Igl S.p.A. 1.1.2013 (€)	Increases in the year	No.
SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES					
Agba - Aguas Gran B Aires Sa in liq (Argentina)	16.504	Milan	-	13,825	D
Anagnina 2000 S.c.a.r.l. in liq.	50.000	Milan	2,008	3,156	Q
Arriyadh New Mobility Consortium (Arabia)	33.480	S. Arabia	-	-	
Camaiore Impianti Consorzio	55.000	Cavriago	14,203	-	
Cao - Consorcio Acueducto Oriental (Dominican Republic)	67.000	Santo Domingo	-	-	
Caserma Donati Consorzio	84,200	Milan	240,000	-	
Cavet Consorzio	75.983	Pianoro	4,120,404	-	
CavToMi Consorzio	74.690	Milan	3,715,391	20,023	O
CCT Consorzio Costruttori TEEM	0.001	Milan	-	-	
CCTE Consorzio in liq.	60.000	Milan	24,790	-	
Cesif S.c.p.A. in liq.	24.175	Cavriago	63,460	-	
Cigla Constructora Sa (Brazil)	100.000	San Paolo	-	738,778	C
Civ S.p.a.	85.000		-	18,040,477	A
Civil Works Jv (Saudi Arabia)	28.500	S. Arabia	-	-	
Cociv Consorzio	64.000	Genoa	330,532	-	
Coincar Sa (Argentina)	26.250	Argentina	-	-	
Conai Consorzio Nazionale Imballaggi	1.000	Milan	5	-	
Consi Consorzio	2.273	Pordenone	516	-	
Constructora Ariguani Sas (Colombia)	51.000	Colombia	19,849	-	
Constructora Mazar Consorcio (Ecuador)	70.000	Ecuador	-	-	
Contuy Ferrocarriles Consorcio (Venezuela)	33.329	Venezuela	-	-	
Contuy Medio Consorcio (Venezuela)	29.040	Venezuela	-	-	
Corav Consorzio	96.970	Milan	51,563	-	
CPS Consorzio Pedemontana Veneta	35.000	Verona	35,000	-	
Empresa Constructora Metro 6 Ltda (Chile)	100.000	Chile	-	20,924	Q
Eriday Ute (Impregilo - Dumez) (Argentina)	8.875	Argentina	-	-	
Eurolink S.c.p.A.	45.000	Rome	16,875,000	-	
Gestione Napoli Srl in liq.	24.000	Genoa	-	-	
Ghazi Barotha Contractors Jv (Pakistan)	57.800	Pakistan	-	-	
GTB S.c.a.r.l.	0.010	Naples	5	-	
Impregilo Civilcad Ingco (Dominican Republic)	70.000	Dominican Republic	-	-	
Impregilo Rizzani de Eccher Jv (Switzerland)	67.000	Switzerland	-	-	
Impregilo Salini Sa (Panama)	50.000	Panama	-	3,753	Q
Impregilo Yarul Consorcio (Dominican Republic)	70.000	Dominican Republic	-	-	
Impresit Bakolori Plc (Nigeria)	50.707	Nigeria	-	-	
Iricav Due Consorzio	27.280	Rome	70,339	70,445	Q

Decreases in the year	No.	Amount Igl S.p.A. 31.12.2014 (€)	Portion of shareholders' equity	Diff. shareholders' equity Net carrying amount of investments	Date Shareholders' Equity
(13,825)	**N**	**-**	**-**	**(0)**	
(5,165)	I	-	-	-	
-		-	-	(0)	12/31/2014
(14,203)	I	-	14,203	14,203	
-		-	1,106,868	1,106,868	12/31/2014
-		240,000	252,600	12,600	12/31/2014
(13,738)	N	4,106,666	4,106,665	(0)	12/31/2014
(36,019)	N	3,699,395	3,698,481	(914)	12/31/2014
-		-	-	(0)	
-		24,790	24,788	(2)	12/31/2014
-		63,460	-	(63,460)	
-		738,778	700,853	(37,925)	12/31/2014
-		18,040,477	12,145,224	(5,895,253)	12/31/2014
-		-	5,314,826	5,314,826	12/31/2014
-		330,532	254,310	(76,222)	12/31/2014
-		-	-	(0)	
-		5	-	(5)	
-		516	-	(516)	
-		19,849	231,044	211,194	12/31/2014
-		-	10,364,803	10,364,803	12/31/2014
-		-	-	(0)	
-		-	-	(0)	
-		51,563	49,580	(1,984)	12/31/2014
-		35,000	-	(35,000)	
-		20,924	254,687	233,763	12/31/2014
-		-	-	(0)	
-		16,875,000	16,875,000	-	12/31/2014
-		-	(10,700)	(10,700)	12/31/2014
-		-	(1,316,880)	(1,316,880)	12/31/2014
-		5	-	(5)	
-		-	-	(0)	
-		-	-	(0)	
(3,753)	I	-	-	-	
-		-	1,047,935	1,047,935	12/31/2014
-		-	-	(0)	
-		140,784	-	(140,784)	

Equity investments

Name	% invest-ment	Head office	Amount Igl S.p.A. 1.1.2013 (€)	Increases in the year	No.
Isarco S.c.a.r.l.	41.000		-	41.000	D
La Quado S.c.a.r.l.	35.000	Milan	3,500	-	
Lambro S.c.a.r.l.	0.010	Milan	20	-	
LEC Libyan Expressway Contractors Consorzio	58.000	Milan	4,250	1,550	Q
Markland Srl in liq	1.900	Milan	1,269	-	
Metroblu S.c.a.r.l.	50.000	Milan	5,000	-	
Metro de Lima Linea 2 Sa (Peru)	18.250	Peru	-	8,566,176	D
Metrogenova S.c.a.r.l.	35.627	Genoa	8,257	-	
Miteco Consorzio	44.160	Castelnovo (RE)	4,416	-	
MM4 Consorzio	31.050	Milan	62,100	-	
MN - Metropolitana di Napoli S.p.a.	5.176	Naples	313,652	-	
MN 6 S.c.a.r.l.	1.000	Naples	510	-	
Mohale Dam Contractors Jv (Lesotho)	50.000	Lesotho	-	-	
Mohale Tunnel Contractors Jv (Lesotho)	35.000	Lesotho	-	-	
Nogma Consorzio	14.000	Venice	84,000	-	
Normetro Ace (Portugal)	2.120	Portugal	-	-	
Normetro Consorcio (Portugal)	13.180	Portugal	-	-	
Nuovo Dolonne S.c.a.r.l. in liquidation	100.000	Milan	50,000	-	
Passante di Mestre S.c.p.A.	42.000	Venice	4,200,000	-	
Passante Dorico S.p.A.	47.000	Milan	2,820,000	-	
Pedelombarda 2 Consorzio (CP2)	40.000	Milan	4,000	-	
Pedelombarda S.c.p.A.	47.000	Milan	9,400,000	-	
Pedemontana Veneta S.p.a. in liq.	20.225	Verona	1,213,500	-	
PGH Ltd (Nigeria)	100.000	Nigeria	-	2,082,611	C
Puentes del Litoral Sa in concorso prev (Argentina)	22.000	Argentina	-	-	
Quattro Venti S.c.a.r.l. in liq.	40.000	Rome	20,658	-	
Reggio Calabria Scilla S.c.p.A.	51.000	Rome	17,850,000	-	
Riviera S.c.a.r.l.	10.541	Naples	5,271	1,199	A
S8 Jv (Poland)	47.500	Poland	-	-	
S3 Jv (Poland)	47.500	Poland	-	-	
Sabrom - Soc Autostrada Broni Mortara S.p.a.	60.002	Milan	17,342,000	-	
Salerno Reggio Calabria S.c.p.A.	51.000	Rome	25,500,000	-	
Salini Australia Pty Ltd (Australia)	100.000	Australia	-	2,820,463	Q
Salini Impregilo Duha Jv (Slovakia)	75.000	Slovakia	-	-	
Salini Insaat Ntf Jv (Turkey)	55.000	Turkey	-	-	
Salini Namibia Proprietary Ltd (Namibia)	100.000	Namibia	-	358	Q
Sant'Anna Palermo S.c.a.r.l. in liq.	71.600	Palermo	18,592	-	
Scilla Consorzio in liq.	51.000	Palmi	510	-	
Sima Gest 3 S.c.a.r.l. in liq.	0.010	Zola Pedrosa	5	-	
Sipem - Soc Ind Prefabbr Edilizia Medit Srl in liq.	100.000	Assoro	-	-	
Sirjo S.c.p.A.	40.000	Rome	3,000,000	-	
SP M4 - Soc di Progetto M4 S.c.p.A.	28.900	Milan	104,040	-	
SPV Linea M4 S.p.A.	9.667	Milan	-	116,000	A
TAT - Tunnel Alp Transit Consorzio (Switzerland)	17.500	Switzerland	-	-	

Decreases in the year	No.	Amount Igl S.p.A. 31.12.2014 (€)	Portion of shareholders' equity	Diff. shareholders' equity Net carrying amount of investments	Date Shareholders' Equity
-		41,000	-	(41,000)	
-		3,500	3,500	-	12/31/2014
-		20	-	(20)	
-		5,800	5,800	-	12/31/2014
-		1,269	-	(1,269)	
-		5,000	1,250	(3,750)	12/31/2014
-		8,566,176	-	(8,566,176)	
-		8,257	9,200	943	12/31/2014
-		4,416	-	(4,416)	
-		62,100	-	(62,100)	
-		313,652	1,664,660	1,351,008	12/31/2013
-		510	-	(510)	
(0)		-	-	-	
(0)		-	-	-	
-		84,000	-	(84,000)	
-		-	-	(0)	
-		-	-	(0)	
(50,000)	I	-	578,538	578,538	
-		4,200,000	4,200,000	-	12/31/2014
-		2,820,000	-	(2,820,000)	
-		4,000	-	(4,000)	
-		9,400,000	9,400,000	-	12/31/2014
-		1,213,500	1,211,640	(1,860)	12/31/2013
-		2,082,611	2,150,588	67,977	12/31/2014
-		-	-	(0)	
-		20,658	-	(20,658)	
-		17,850,000	17,850,000	-	12/31/2014
-		6,470	-	(6,470)	
-		-	-	(0)	
-		-	-	(0)	
-		17,342,000	16,437,877	(904,123)	12/31/2014
-		25,500,000	25,465,591	(34,409)	12/31/2014
-		2,820,463	429,334	(2,391,129)	12/31/2014
-		-	-	(0)	
-		-	-	(0)	
-		358	2,534,830	2,534,472	12/31/2014
-		18,592	-	(18,592)	
-		510	510	-	12/31/2014
-		5	-	(5)	
-		-	(397,308)	(397,308)	12/31/2014
-		3,000,000	3,000,000	-	12/31/2014
-		104,040	-	(104,040)	
-		116,000	-	(116,000)	
-		-	-	(0)	

Equity investments

Name	% invest-ment	Head office	Amount Igl S.p.A. 1.1.2013 (€)	Increases in the year	No.
TE - Tangenziale Esterna S.p.a. (ex STP)	-	Milan	100	-	
Todini Impregilo Almaty Khorgos Jv (Kazakhstan)	49.995	Kazakhstan	-	-	
Torre Consorzio	94.600	Milan	4,730,000	-	
Tradeciv Consorzio	8.058	Naples	12,533	-	
Transmetro Ace (Portugal)	5.000	Portugal	-	-	
Impregilo Healy Parsons Jv	45.000	Argentina	-	-	
Veco S.c.a.r.l.	25.000	Venice	2,582	-	
Yellow River Contractors Jv (China)	36.500	China	-	-	
Yuma Concesionaria Sa (Colombia)	40.000	Colombia	4,348,551	2,003,000	T
Metro B Srl	52.520	Rome	-	10,504,000	Q
Metro B1 S.c.a.r.l.	80.700	Rome	-	1,952,940	Q
RI.MA.TI. S.c.a.r.l.	83.420	Rome	-	699,420	Q
Copenaghen Metro Team I/S	99.990	Denmark	-	16,929,306	Q
Salini Insaat Taahhut Sanayi Ve Ticaret Anonim Sirketi	100.000	Turkey	-	378,432	D.Q
Salini Impregilo - Salini Insaat - NTF J.V - Legal	55.000	Turkey	-	-	
Salini-Kolin-GCF Joint Venture	38.000	Turkey	-	-	
Todini Akkord Salini	25.000	Ukraine	-	2,054,820	Q
Forum S.c.r.l. (in liq.)	51.000	Rome	-	10,329	Q
Risalto Srl (in liq.)	66.670	Rome	-	77,463	Q
Variante di Valico S.c.r.l. (in liq.)	66.670	Rome	-	32,828	Q
Compagnia Gestione Finanziarie - Co.Ge.Fin. Srl	51.000	Rome	-	5,773,157	L
San Ruffillo S.c.a.r.l.	35.000	Rome	-	21,000	Q
Gaziantep Hastane Sanglik Hizmetleri Isletme Yatrim Joint Stock company	35.000	Turkey	-	1,529,032	B.Q
Salini Acciona Joint Venture	50.000	Ethiopia	-	9,430	Q
Salini Strabag Joint Ventures	50.000	Giunea	-	5,165	Q
Grupo Unidos Por El Canal S.A.	48.000	Panama		10,729,253	C
GR. ITALGISAS	30.000	Morocco	-	842,251	Q
I.S.V.E.U.R. S.p.A.	1.000	Rome	-	34,086	Q
PANTANO S.c.r.l.	10.500	Rome	-	4,338	Q
Consorzio Mina De Cobre	100.000	Milan	-	5,000	Q
Investments with positive carrying amount - project companies			**116,672,386**	**86,135,990**	
CSC Impresa Costruzioni Sa (ex Magnenat) (Switzerland)	100.000	Switzerland	3,208,553	22,519,000	T
Emittenti Titoli S.p.A.	0.244	Milan	10,832	-	
Fibe S.p.a. (commitment 100% coverage of losses)	99.989	Naples	40,449,203	72,667,797	T
Fisia Italimpianti S.p.a. (former Hiatus)	100.000	Genoa	61,800,000	-	
Healy company Sa (Chicago)	100.000	USA	26,370,486	13,628,000	T
I Faber S.p.A.	8.000	Milan	583,317	-	
Ilim Iniziative Lombarde Immobiliari Srl in liq	100.000	Milan	3,834,610	-	
Immobiliare Golf Club Castel d'Aviano S.p.a.	0.444	Aviano	62,910	-	
Impregilo Arabia Ltd	50.000	S. Arabia	4,164,064	-	
Impregilo Colombia SAS	100.000	Colombia	-	12,094,597	D.C.M
Impregilo International Infrastructures Nv (Netherlands)	100.000	Netherlands	170,000,000	-	
Impregilo Lidco Co	60.000	Libya	1,785,000	-	
Imprepar - Impregilo Partecipazioni S.p.A.	100.000	Milan	45,941,191	-	

Decreases in the year	No.	Amount Igl S.p.A. 31.12.2014 (€)	Portion of shareholders' equity	Diff. shareholders' equity Net carrying amount of investments	Date Shareholders' Equity
-		100	-	(100)	
-		-	-	(0)	
-		4,730,000	4,730,000	-	12/31/2014
-		12,533	-	(12,533)	
-		-	-	(0)	
-		-	-	-	
-		2,582	-	(2,582)	
-		-	-	-	
-		6,351,551	8,867,659	2,516,108	12/31/2014
-		10,504,000	1,592,499	(1,033,501)	12/31/2014
-		1,952,940	1,951,516	(1,424)	12/31/2014
-		699,420	697,420	(2,000)	12/31/2014
-		16,929,306	61,579,337	44,656,885	12/31/2014
-		378,432	(53,816)	(432,248)	12/31/2014
-		-	10,570	10,570	12/31/2014
-		-	4,471,310	4,471,310	12/31/2014
-		2,054,820	3,834,327	1,779,507	12/31/2014
-		10,329	26,339	16,010	12/31/2013
-		77,463	47,296	(30,167)	12/31/2013
-		32,828	52,874	20,046	12/31/2013
-		5,773,157	9,095,317	3,322,160	12/31/2014
-		21,000	21,000	-	12/31/2013
-		1,529,032	-	(1,367,542)	12/31/2014
-		9,430	-	(9,430)	
-		5,165	-	-	
-		10,729,253	-	-	
(842,251)	Q	-	(847,500)	(847,500)	
-		34,086	-	(34,086)	
-		4,338	4,338	-	12/31/2013
(5,000)	I	-	-	-	
(983,954)		**201,824,421**	**235,740,785**	**52,697,125**	
-		25,727,553	24,152,261	(1,575,292)	12/31/2014
-		10,832	-	(10,832)	
(69,936,731)	N	43,180,269	43,180,269	-	12/31/2014
-		61,800,000	30,127,069	(31,672,931)	12/31/2014
-		39,998,486	33,261,624	(6,736,862)	12/31/2014
-		583,317	1,333,107	749,790	12/31/2014
-		3,834,610	3,655,737	(178,873)	12/31/2014
-		62,910	-	(62,910)	
(790,903)	N	3,373,162	3,373,162	-	12/31/2014
-		12,094,597	12,094,597	-	12/31/2014
-		170,000,000	216,803,109	46,803,109	12/31/2014
-		1,785,000	1,250,098	(534,902)	12/31/2014
-		45,941,191	47,344,434	1,403,243	12/31/2014

Equity investments

Name	% invest-ment	Head office	Amount Igl S.p.A. 1.1.2013 (€)	Increases in the year	No.
Rimini Fiera S.p.A.	2.089	Rimini	3,193,670	-	
SGF - INC S.p.a.	100.000	Milan	2,700,000	3,200,000	O
Skiarea Valchiavenna S.p.a.	0.977	Madesimo	99,740	-	
Suropca - Suramericana de Obras Ca (Venezuela)	99.000	Venezuela	3,365,396	1,560,000	T
Compagnia Gestione Macchinari CO.GE.MA. S.p.A.	100.000	Rome	-	2,059,428	Q
SA.CO.LAV. S.c.r.l. (in liq.)	100.000	Rome	-	10,329	Q
SA.MA. S.c.a.r.l. (in liq.)	99.000	Rome	-	40,904	Q
TB Metro Srl (in liq.)	51.000	Rome	-	35,754	Q
Todini Costruzioni Generali S.p.A.	100.000	Rome	-	84,701,440	B.D.C
Hemus Motorway A.D. (in liq.)	51.000	Bulgaria	-	337,688	Q
Salini Hydro Ltd.	100.000	Ireland	-	2,692,078	Q
Salini Polska Ltd. Liability Co	100.000	Poland	-	55,476	Q
Salini Rus Ltd. Liability company.	99.000	Russia	-	-	
Salini India Private Ltd.	95.000	India	-	-	
Salini Malaysia SDN BHD	90.000	Malaysia	-	610,468	Q
Salini Nigeria Ltd.	99.000	Nigeria	-	-	
Salini Canada Inc.	100.000	Canada	-	7,490	Q
Salini Singapore Ltd.	100.000	Singapore	-	10,491	Q
Salini USA Inc	100.000	USA	-	15,469	Q
Investments with positive carrying amount - Other companies			**367,568,971**	**216,246,409**	
Abu Dhabi - Tristar Salini Jv	40.000	Abu Dhabi	-	-	
Argent - Eriday Ute (Impregilo - Dumez)	9.875	Argentina	-	-	
Argent - Impregilo Healy Ute	98.000	Argentina	-	678,530	D
Argent - Impregilo Iglys Techint Ezeiza Ute (Carceles)	26.250	Argentina	3,944	-	
Australia - IS Jv	50.000	Australia	-	-	
Austria - Arge Tulfes Pfons	49.000	Austria	-	490	D
Brazil - Serra do Mar Consorcio	25.000	Brazil	-	-	
Chile - Empresa Angostura Ltda (carrying amount in HQ)	65.000	Chile	-	-	
Chile - Empresa Constructora Lo Saldes Ltda	35.000	Chile	5,341	-	
Greece - Aegek Igl Altom Transport Jv	45.800	Greece	-	-	
Greece - Aktor Impregilo Jv (Agios Constantinos) (Strada)	40.000	Greece	-	-	
Greece - Aktor Impregilo Jv (Metropolitana)	0.100	Greece	-	-	
Greece - Executive Impregilo Terna Iris Jv in liq	33.333	Greece	-	-	
Greece - Igl Sgf Jv (former Empedos - former Gnomon Tcgc) (Canale/Tunnel)	99.000	Greece	-	-	
Greece - Igl Terna SNFCC Jv (Centro Niarchos)	51.000	Greece	-	51,000	D
Greece - Impregilo Empedos Aktor Jv	66.000	Greece	-	-	
Greece - Line 3 Metro Stations Jv	50.000	Greece	-	-	
Greece - Terna Impregilo Jv (Tram)	45.000	Greece	-	-	
Greece - Thessaloniki Metro CW Jv	42.500	Greece	-	-	
Greece - Thessaloniki Metro Jv (Aegek)	26.710	Greece	-	-	
India - Nathpa Jhakri Jv	60.000	India	-	-	
Peru - Consorcio Constructor M2 Lima	25.500	Peru	-	-	
Poland - Generalny Wykonawca Salini Impregilo Kobylarnia Jv	33.340	Poland	-	-	

Decreases in the year	No.	Amount Igl S.p.A. 31.12.2014 (€)	Portion of shareholders' equity	Diff. shareholders' equity Net carrying amount of investments	Date Shareholders' Equity
-		3,193,670	3,221,670	28,000	12/31/2013
-		5,900,000	(322,762)	(6,222,762)	31/12/2014
-		99,740	-	(99,740)	
(3,614,344)	N	1,311,052	1,311,051	-	31/12/2014
-		2,059,428	940,182	(1,119,246)	31/12/2014
-		10,329	12,248	1,919	31/12/2014
-		40,904	53,668	12,764	31/12/2014
-		35,754	(749,076)	(784,830)	31/12/2014
(9,400,000)	N	75,301,440	23,667,376	(51,634,064)	31/12/2014
-		337,688	335,511	(2,177)	31/12/2014
-		2,692,078	1,603,509	(1,088,569)	31/12/2014
-		55,476	(726,523)	(781,999)	31/12/2014
-		-	(863,996)	(863,996)	31/12/2014
-		-	(1,108,063)	(1,108,063)	31/12/2014
-		610,468	15,695,108	15,084,640	31/12/2014
-		-	46,563,855	46,563,855	31/12/2014
-		7,490	-	-	
(10,491)	Q	-	-	-	
-		15,469	(327,098)	(342,567)	31/12/2014
(83,752,469)		**500,062,911**	**505,882,127**	**5,826,706**	
-		-	-	(0)	
-		-	-	(0)	
-		678,530	1,121,675	443,144	13/12/2014
-		3,944	-	(3,944)	
-		-	748,493	748,493	12/31/2014
(490)	Q	-	(46,980)	(46,980)	12/31/2014
-		-	-	(0)	
-		-	-	-	
-		5,341	-	(5,341)	
-		-	-	(0)	
-		-	-	(0)	
-		-	-	(0)	
-		-	-	(0)	
-		-	(4,017,544)	(4,017,544)	12/31/2014
-		51,000	4,048,984	3,997,984	12/31/2014
-		-	-	(0)	
-		-	-	(0)	
-		-	-	(0)	
-		-	-	(0)	
-		-	-	(0)	
-		-	1,096,407	1,096,407	12/31/2014
-		-	-	(0)	
-		-	-	(0)	

Equity investments

Name	% invest-ment	Head office	Amount Igl S.p.A. 1.1.2013 (€)	Increases in the year	No.
Qatar - Impregilo SK Galfar Jv	41.250	Qatar	-	-	
South Africa - CMC Mavundla Impregilo Jv	39.200	South Africa	-	-	
Usa - Barnard Impregilo Healy Jv	25.000	USA	-	-	
Usa - Impregilo Healy Parsons Jv	45.000	USA	-	-	
Usa - Salini Impregilo Healy Jv	30.000	USA	-	-	
Usa - SFI Leasing company Jv	30.000	USA	-	-	
Usa - Shimmick FCC Impregilo Jv	30.000	USA	-	-	
Usa - Vegas Tunnel Constructors Jv	40.000	USA	-	-	
Venez - Contuy Medio Grupo A Consorcio	36.400	Venezuela	-	-	
Venez - GEI Grupo Empresas Italianas Consorcio	33.333	Venezuela	-	-	
Venez - OIV Tocoma Consorcio	40.000	Venezuela	-	-	
Venez - VIT Caroni Tocoma Consorcio	35.000	Venezuela	-	-	
Venez - VIT Tocoma Consorcio	35.000	Venezuela	-	-	
Venez - VST Tocoma Consorcio	30.000	Venezuela	-	-	
Investments branches with positive carrying amount - project companies			**9,286**	**730,020**	
Total investments with positive carrying amounts			**484,250,643**	**303,112,419**	

Summary of changes in equity investments

(Amounts in thousands of euros)	% invest-ment	Head office	Amount Igl S.p.A. 1.1.2013 (€)	Increases in the year	No.
Incorporations and subscriptions	A			18,157,677	
Acquisitions and increases in investments	B			5,400,000	
Reclassifications	C			(43,304,155)	
Capital increases	D			145,810,871	
Disposal/liquidation	I			-	
Reclassifications	L			5,773,157	
Reversals of impairment losses to the extent of previously recognized impairment losses	M			12,230,093	
Impairment losses	N			-	
Reconstitution of share/quota capital to cover losses	O			3,220,023	
Mergers	Q			43,446,957	
Revaluation from PPA	T			112,377,797	
Total				**303,112,419**	

Decreases in the year	No.	Amount Igl S.p.A. 31.12.2014 (€)	Portion of shareholders' equity	Diff. shareholders' equity Net carrying amount of investments	Date Shareholders' Equity
-		-	3,887,068	3,887,068	12/31/2014
-		-	38,628,362	38,628,362	12/31/2014
-		-	3,391,023	3,391,023	12/31/2014
-		-	1,024,451	1,024,451	12/31/2014
-		-	-	(0)	
-		-	(113,516)	(113,516)	12/31/2014
-		-	3,009,626	3,009,626	12/31/2014
-		-	7,554,488	7,554,488	12/31/2014
-		-	273,546	274,573	12/31/2014
-		-	-	(0)	
-		-	-	(0)	
-		-	-	(0)	
-		-	-	(0)	
-		-	-	(0)	
(490)		**738,816**	**60,606,084**	**59,868,295**	
(84,736,913)		**702,626,149**	**802,228,996**	**118,392,126**	

Decreases in the year
-
-
-
-
(78,120)
-
-
(83,805,561)
-
(853,232)
-
(84,736,913)

Name	% invest-ment	Head office	Amount Igl S.p.A. 1.1.2013 (€)	Increases in the year	No.
SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES - CONSOLIDATED, WITH NEGATIVE CARRYING AMOUNT					
Campione S.c.a.r.l. in liq	99.900	Milan	(1,150,384)	1,150,384	I
Cigla Constructora Sa (Brazil)	100.000	Brazil	(380,222)	380,222	C
Empresa Angostura Ltda (Chile)	65.000	Chile	(18,614,995)	-	
Grupo ICT II Sas (Colombia)	100.000	Colombia	(3,645,365)	-	
Grupo Unidos por el Canal (Panama)	48.000	Panama	(76,581,037)	96,860,388	C
Impregilo Colombia SAS	100.000	Colombia	(23,056,237)	23,056,237	C
PGH Ltd (Nigeria)	100.000	Nigeria	(1,779,389)	1,779,389	C
Salini Bulgaria A.D.	100.000	Bulgaria	-	-	
Salini - Impregilo Joint Venture for Mukorsi	99.900	Zimbabwe	-	-	
Risalto Srl (in liq.)	66.670	Rome	-	-	
Variante di Valico S.c.r.l. (in liq.)	66.670	Rome	-	-	
Con. Sal S.c.n.c. (in liq.)	15.000	Rome	-	-	
ITALSAGI SPZOO	33.000	Poland	-	-	
Total investments in subsidiaries, associates and jointly controlled entities – consolidated, with negative carrying amount			**(125,207,628)**	**123,226,620**	**-**

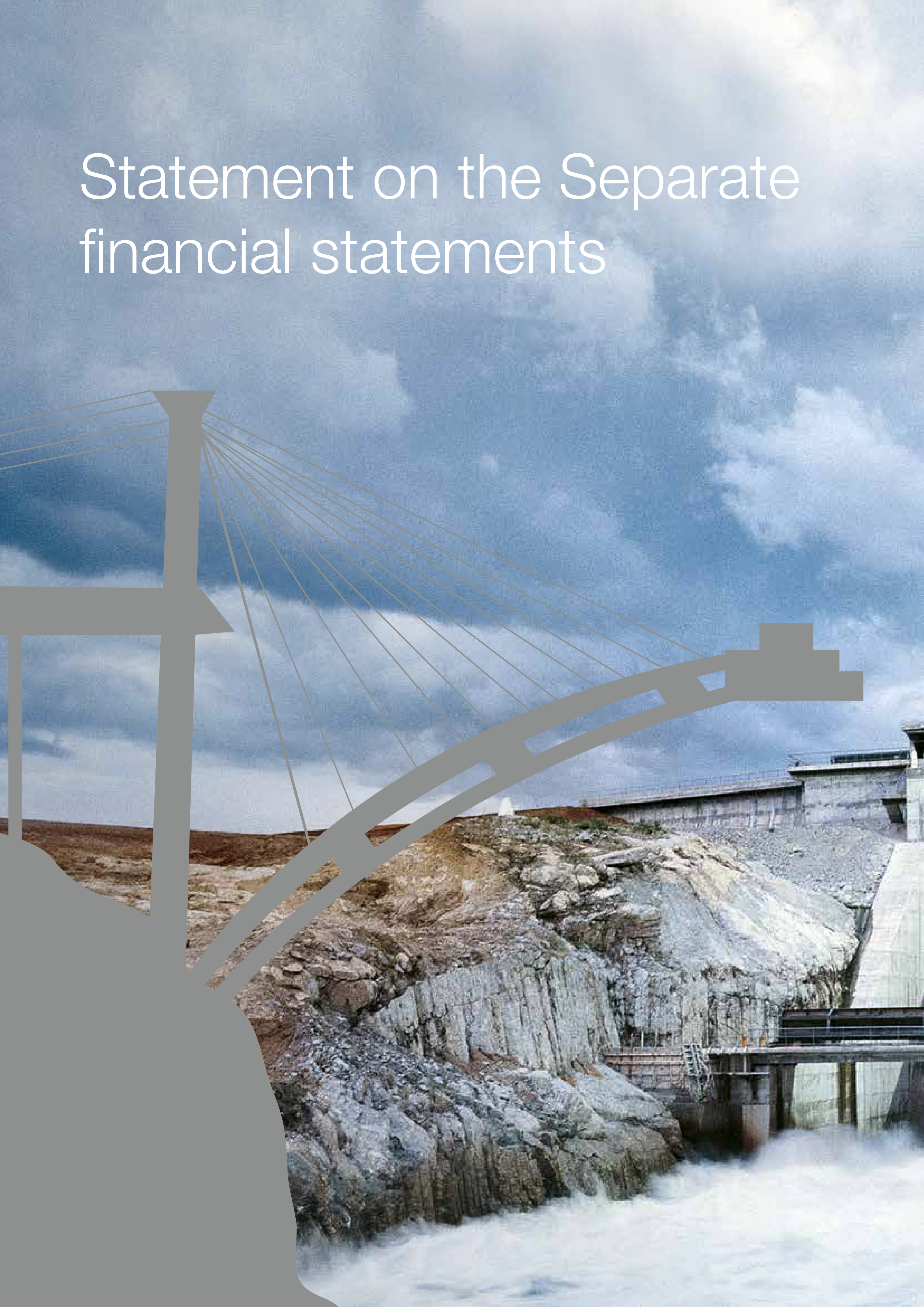
Summary of changes in equity investments

(Amounts in thousands of euros)	% invest-ment	Head office	Amount Igl S.p.A. 1.1.2013 (€)	Increases in the year	No.
Reclassifications	C			122,076,236	
Liquidations	I			1,150,384	
Impairment losses	N			-	
Mergers	Q			-	
Total				**123,226,620**	

Decreases in the year	No.	Amount Igl S.p.A. 31.12.2014 (€)	Portion of shareholders' equity	Diff. shareholders' equity Net carrying amount of investments	Date Shareholders' Equity
-		-	(1,083,374)	(1,083,374)	Cancelled
-		-	-	-	Transferred to positive
(414,821)	N	(19,029,816)	(19,029,816)	-	12/31/2014
(2,896,597)	N	(6,541,962)	(6,541,962)	-	12/31/2014
(20,279,351)	N	-	(169,498,499)	-	12/31/2014
-		-	-	-	Transferred to positive
-		-	-	-	Transferred to positive
(1,424,807)	Q	(1,424,807)	(2,125,048)	(700,241)	12/31/2014
(120,966)	Q	(120,966)	7,633	128,599	12/31/2014
(2,182)	Q	(2,182)	-	-	
(4,674)	Q	(4,674)	-	-	
(12,428)	Q	(12,428)	(16,485)	(4,057)	12/31/2013
(222,489)	Q	(222,489)	-	222,489	
(25,378,315)	**-**	**(27,359,324)**	**(198,287,551)**	**(1,436,584)**	

Decreases in the year
-
-
(23,590,769)
(1,787,546)
(25,378,315)

Statement on the Separate financial statements



Statement on the Separate financial statements

Pursuant to article 81-ter of Consob regulation no. 11971 of May 14, 1999 and subsequent amendments and integrations

1. Considering the provisions of article 154-*bis*, paragraphs 3 and 4 of Legislative Decree no. 58 of February 24, 1998, Pietro Salini, as CEO, and Massimo Ferrari, as manager in charge of financial reporting, of Salini Impregilo S.p.A., hereby state:

- that the administrative and accounting procedures are adequate given the Group's characteristics, also considering the changes during the year;
- that they were actually applied during 2014 to prepare the Separate financial statements of Salini Impregilo S.p.A.

2. No significant issues arose.

3. Moreover, they state that:

3.1 the Separate financial statements:

a) have been prepared in accordance with the applicable International Financial Reporting Standards endorsed by the European Union pursuant to EC Regulation 1606/2002 of the European Parliament and Council of July 19, 2002;

b) are consistent with the accounting records and entries;

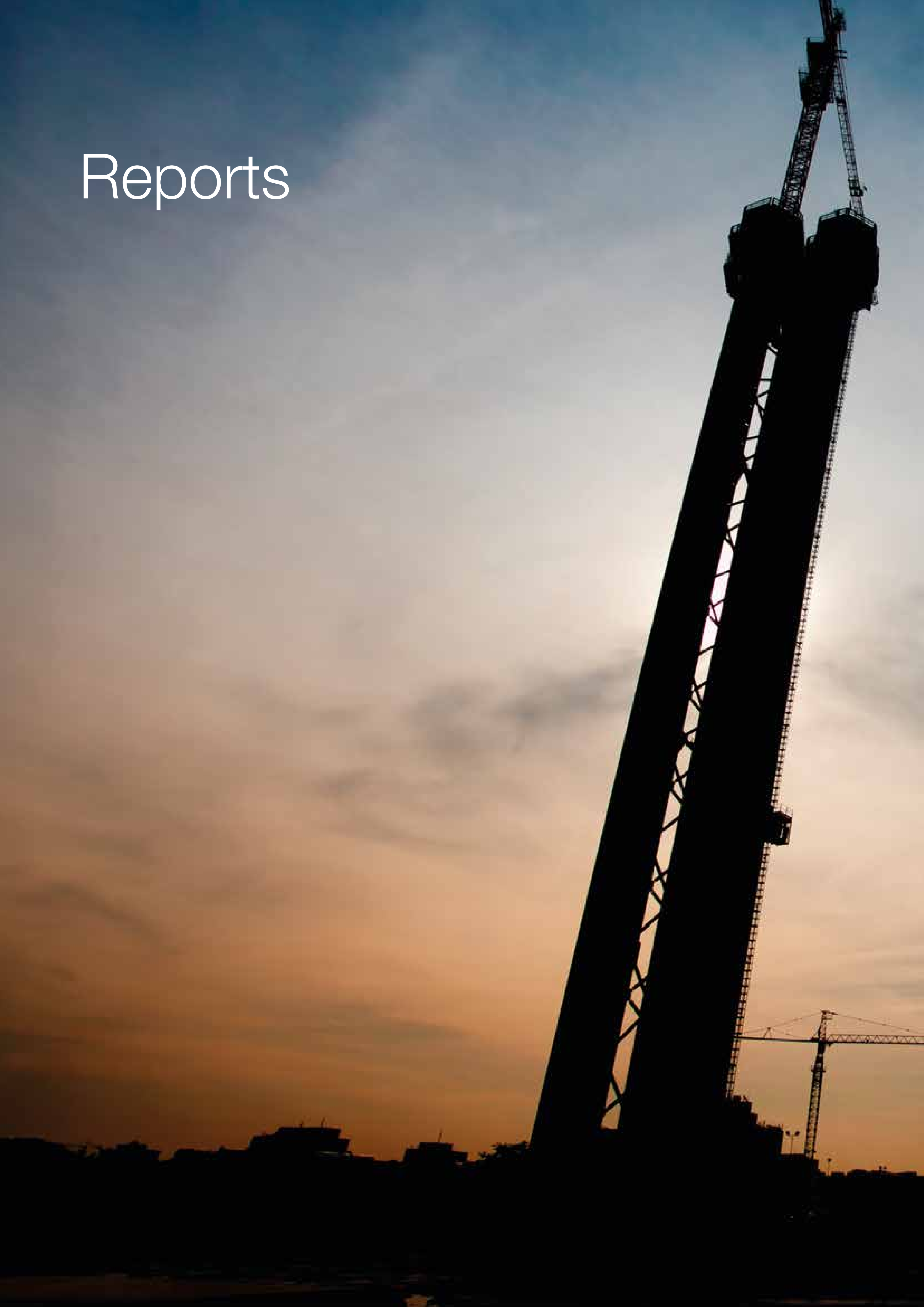
c) are suitable to give a true and fair view of the financial position of the Issuer at December 31, 2014 and its results of operations and cash flows for the year then ended;

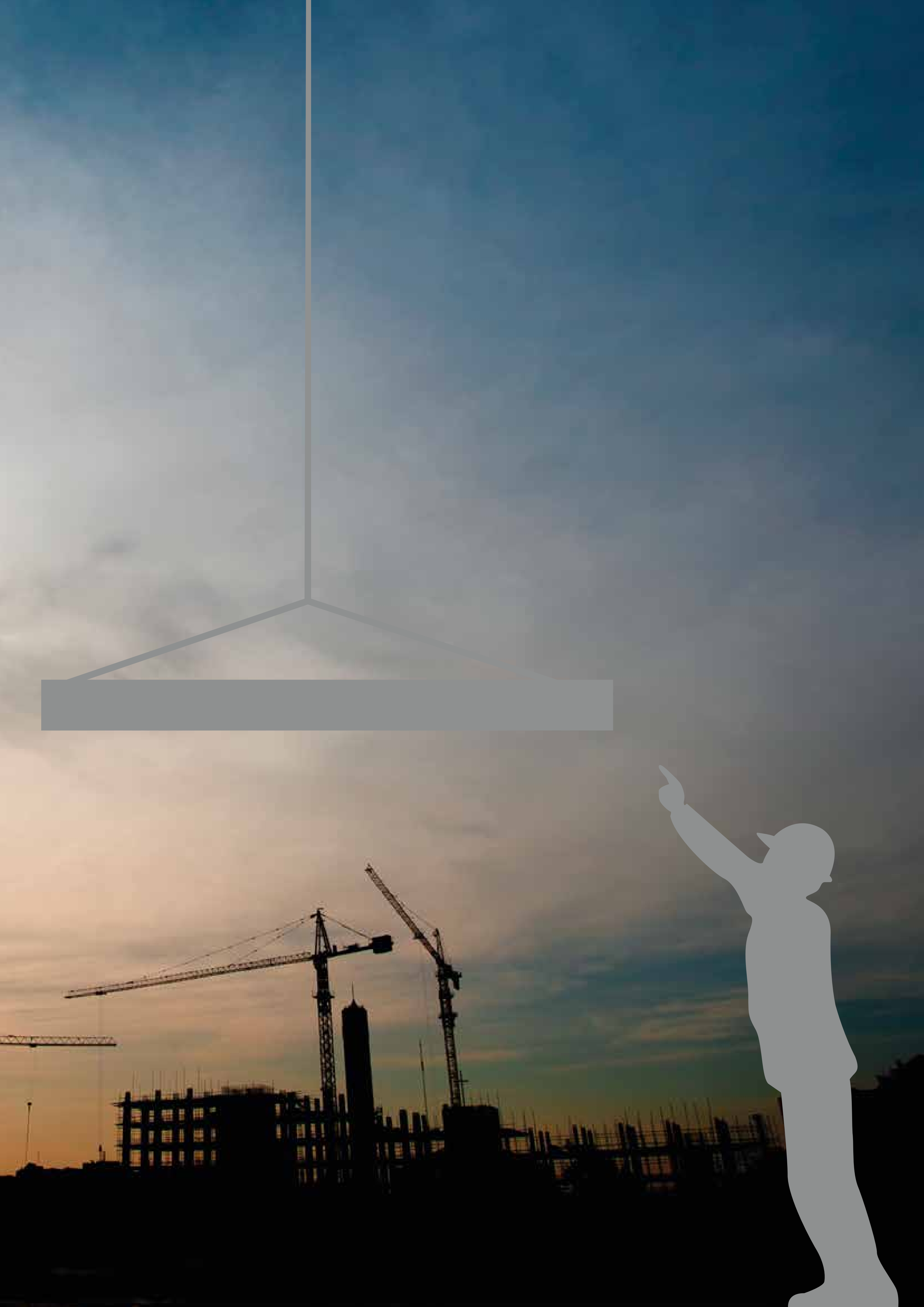
3.2 the Directors' Report includes a reliable analysis of the financial position and results of operations of the Issuer and the consolidated companies, together with information about the key risks and uncertainties to which they are exposed.

Milan, March 19, 2015

Chief Executive Officer Pietro Salini	Manager in charge of financial reporting Massimo Ferrari

Reports





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AUDITORS' REPORT IN ACCORDANCE WITH ARTICLES 14 AND 16 OF LEGISLATIVE DECREE N° 39 OF 27 JANUARY 2010

To the shareholders of
Salini Impregilo SpA

1 We have audited the consolidated financial statements of Salini Impregilo SpA and its subsidiaries ("Salini Impregilo Group") as of 31 December 2014 which comprise the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity, consolidated statement of cash flows and related notes. The directors of Salini Impregilo SpA are responsible for the preparation of these financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards and criteria recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the consolidated financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our opinion.

The consolidated financial statements present, for comparative purposes, the prior year consolidated financial figures. As disclosed in the notes, directors restated some comparative figures related to the prior year, in respect to the figures previously presented and on which other auditors issued their report on 14 April 2014. The methods used to restate the comparative figures and the disclosures presented in the notes have been examined by us for the purpose of expressing the opinion on the consolidated financial statements as of 31 December 2014.

3 In our opinion, the consolidated financial statements of Salini Impregilo Group as of 31 December 2014 comply with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005; accordingly, they have been prepared clearly and give a true and fair view of the financial position, result of operations and cash flows of Salini Impregilo Group for the period then ended.

4 We draw your attention to the following circumstances described in more details in the Directors' report and in the notes to the consolidated financial statements as of 31 December 2014:

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Sede legale e amministrativa: **Milano** 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. Euro 6.890.000,00 i.v., C.F. e P.IVA e Reg. Imp. Milano 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 0712132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 0805640211 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 0516186211 - **Brescia** 25123 Via Borgo Pietro Wuhrer 23 Tel. 0303697501 - **Catania** 95129 Corso Italia 302 Tel. 0957532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 01029041 - **Napoli** 80121 Piazza dei Martiri 58 Tel. 08136181 - **Padova** 35138 Via Vicenza 4 Tel. 049873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 - **Parma** 43100 Viale Tanara 20/A Tel. 0521275911 - **Roma** 00154 Largo Fochetti 29 Tel. 06570251 - **Torino** 10122 Corso Palestro 10 Tel. 011556771 - **Trento** 38122 Via Grazioli 73 Tel. 0461237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 - **Udine** 33100 Via Poscolle 43 Tel. 043225789 - **Verona** 37135 Via Francia 21/C Tel.0458263001

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(i) "USW Campania Projects"

Directors have disclosed the developments of the issues connected to the activity related to the realization and management of the Urban Solid Waste disposal plants in Campania (USW projects) operated by Fibe SpA and Fibe Campania SpA (merged in Fibe SpA).

Details are reported in chapter "Non-current assets held for sale and discontinued operations" of the Directors' report – Part II and in the notes to the consolidated financial statements.

(ii) "Libyan situation"

Directors have disclosed the situation of the Group's activities in Libya.
Details are reported in the paragraph "Risk Areas - Abroad" of the chapter "Operating performance by geographic region" of the Directors' report – Part II and in the notes to the consolidated financial statements.

5 The directors of Salini Impregilo SpA are responsible for the preparation of the Directors' report in compliance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the Directors' report and of the specific section on corporate governance and ownership structure, solely with reference to the information referred to in paragraph 1, letters c), d), f), l), m), and paragraph 2, letter b), of article 123-bis of Legislative Decree No. 58/98, with the financial statements, as required by law. For this purpose, we have performed the procedures required under Italian Auditing Standard No. 001 issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and recommended by Consob. In our opinion, the Directors' report and the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b), of article 123-bis of Legislative Decree No. 58/98 presented in the specific section of the aforementioned report are consistent with the consolidated financial statements of Salini Impregilo Group as of 31 December 2014.

Milan, 8 April 2015

PricewaterhouseCoopers SpA

Signed by

Andrea Brivio
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.
We have not examined the translation of the consolidated financial statements referred to in this report.

AUDITORS' REPORT IN ACCORDANCE WITH ARTICLES 14 AND 16 OF LEGISLATIVE DECREE N° 39 OF 27 JANUARY 2010

To the shareholders of
Salini Impregilo SpA

1 We have audited the separate financial statements of Salini Impregilo SpA as of 31 December 2014 which comprise the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and related notes. The directors of Salini Impregilo SpA are responsible for the preparation of these financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005. Our responsibility is to express an opinion on these separate financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards and criteria recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the separate financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our opinion.

The separate financial statements present, for comparative purposes, the prior year separate financial figures. As disclosed in the notes, directors restated some comparative figures related to the prior year, in respect to the figures previously presented and on which we issued our report on 7 April 2014. The methods used to restate the comparative figures and the disclosures presented in the notes have been examined by us for the purpose of expressing the opinion on the separate financial statements as of 31 December 2014.

3 In our opinion, the separate financial statements of Salini Impregilo SpA as of 31 December 2014 comply with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/2005; accordingly, they have been prepared clearly and give a true and fair view of the financial position, result of operations and cash flows of Salini Impregilo SpA for the period then ended.

4 As required by law, the company has included in the notes the key figures from the financial statements of the company that exerts on it the management and coordination activities. Our opinion on the separate financial statements of Salini Impregilo SpA does not extend to such data.

5 We draw your attention to the following circumstances described in more details in the Directors' report and in the notes to the separate financial statements as of 31 December 2014:

PricewaterhouseCoopers SpA

Sede legale e amministrativa: **Milano** 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. Euro 6.890.000,00 i.v., C.F. e P.IVA e Reg. Imp. Milano 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 0712132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 0805640211 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 0516186211 - **Brescia** 25123 Via Borgo Pietro Wuhrer 23 Tel. 0303697501 - **Catania** 95129 Corso Italia 302 Tel. 0957532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 01029041 - **Napoli** 80121 Piazza dei Martiri 58 Tel. 08136181 - **Padova** 35138 Via Vicenza 4 Tel. 049873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 - **Parma** 43100 Viale Tanara 20/A Tel. 0521275911 - **Roma** 00154 Largo Fochetti 29 Tel. 06570251 - **Torino** 10122 Corso Palestro 10 Tel. 011556771 - **Trento** 38122 Via Grazioli 73 Tel. 0461237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 - **Udine** 33100 Via Poscolle 43 Tel. 043225789 - **Verona** 37135 Via Francia 21/C Tel.0458263001

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(i) "USW Campania Projects"

Directors have disclosed the developments of the issues connected to the activity related to the realization and management of the Urban Solid Waste disposal plants in Campania (USW projects) operated by Fibe SpA and Fibe Campania SpA (merged in Fibe SpA).

Details are reported in chapter "Non-current assets held for sale and discontinued operations" of the Directors' report – Part II and in the notes to the separate financial statements.

(ii) Merger by incorporation of Salini SpA into Impregilo SpA

The separate financial statements include the effects of the merger by incorporation of the parent company Salini SpA into Impregilo SpA effective from 1 January 2014, which accounting method are described in the notes to the paragraph "Merger of Salini SpA into Impregilo SpA".

6 The directors of Salini Impregilo SpA are responsible for the preparation of the Directors' report in compliance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the Directors' report and of the specific section on corporate governance and ownership structure, solely with reference to the information referred to in paragraph 1, letters c), d), f), l), m), and paragraph 2, letter b), of article 123-bis of Legislative Decree No. 58/98, with the financial statements, as required by law. For this purpose, we have performed the procedures required under Italian Auditing Standard No. 001 issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and recommended by Consob. In our opinion, the Directors' report and the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b), of article 123-bis of Legislative Decree No. 58/98 presented in the specific section of the aforementioned report are consistent with the separate financial statements of Salini Impregilo SpA as of 31 December 2014.

Milan, 8 April 2015

PricewaterhouseCoopers SpA

Signed by

Andrea Brivio
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.
We have not examined the translation of the separate financial statements referred to in this report.

Report of the board of statutory auditors to the Shareholders of Salini Impregilo S.p.A. pursuant to article 153 of legislative decree 58/1998

Dear Shareholders,

Pursuant to current legislation covering public companies listed on regulated markets and in accordance with Italian Civil Code requirements, we inform you that we have performed the supervisory activities based on the conduct standards recommended by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti and Esperti contabili) and taking into account Consob (the Italian Commission for Listed Companies and the stock exchange) communications about company controls and board of statutory auditors' activities during 2014.

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This report is provided by the Board of Statutory Auditors to the shareholders of Salini Impregilo S.p.A. called upon to approve, inter alia, the annual financial statements at December 31, 2014.

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Based on our work performed during the year and considering specifically the guidelines set out by Consob in its communications, we note the following:

- we monitored compliance with the law and bylaws;
- we took part in Shareholders' Meetings, as well as all the meetings of the Board of Directors held during the year and obtained regular information from the directors on the activities and key transactions performed by the company and its subsidiaries;
- pursuant to article 19.1, of Italian Legislative Decree 39/2010, we monitored the financial information reporting system; the effectiveness of the internal controls, internal audit and risk management; the statutory audits of the annual separate and Consolidated financial statements; the independence of the auditors engaged to perform the statutory audit, especially as regards the provision of non-audit services;
- in accordance with article 19.3 of Legislative Decree 39/2010, the independent auditors informed us about the key findings of their statutory audit and, specifically, on the absence of significant weaknesses in the internal controls over financial reporting;
- we actively took part in meetings of the Executive Committee, the Control and Risk Committee, the Compensation and Nominating Committee and the Supervisory Body and collected information about their work, including at the subsidiaries;
- we acknowledged preparation of the remuneration report as per Article 123-ter of Italian Legislative Decree 58/1998, and Article 84-quater of Consob regulation No. 11971/1999, as well as the Report on Corporate Governance and Ownership Structure as per Article 123-bis of Italian Legislative Decree 58/1998, and have no comments to make.
- Lastly, we checked compliance with laws and regulations regarding the preparation and format of the financial statements, verifying the suitability of the impairment tests (in terms of the method used) and the consistency of the 2014 Directors' Report.

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A number of significant events took place in 2014 which are worthy of mention in this report; specifically:

- At the meetings held on June 16 and 20, 2014, the Board of Directors of Salini Impregilo S.p.A. resolved in compliance with the rules set out in Article 2443 of the Italian Civil Code and within the limits of the delegated power pursuant to Articles 2443 and 2441.4, second sentence, of the Italian Civil Code, resolved by the Extraordinary Shareholders' Meeting of

Salini Impregilo S.p.A. of September 12, 2013, to increase the share capital of the company, in tranches, and pursuant to Article 2439 of the Italian Civil Code, against payment, from €500,000,000.00 to €544,740,000.00, i.e., by a nominal amount of €44,740,000.00 in addition to a share premium of €120,798,000.00 through the issue of 44,740,000 new ordinary shares without par value and with regular dividend entitlement. The said capital increase took effect on July 8, 2014, i.e., the date of registration in the company Register of Milan of the subscription of the capital increase.

- On September 19, 2014, Salini Impregilo S.p.A. Shareholders' Meeting authorized the Board of Directors to buy treasury shares with a view to medium and long term investment, in order to (i) establish a portfolio of treasury shares for any extraordinary transactions, (ii) establish a portfolio of treasury shares to service the remuneration and retention plans for management and personnel and (iii) operate on the market to support the liquidity of the company's shares and for the purpose of stabilizing their price in the event of anomalous trends within the framework of relevant market practices.
  The authorization was resolved upon for the maximum duration permitted by the applicable legal and regulatory provisions (which is currently 18 months from the date of the shareholders' meeting, pursuant to article 2357.3, of the Italian Civil Code) for the purchase on one or more occasions of 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, at a unit price such that it 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.
  Pursuant to the Shareholders' Meeting resolution of September 19, 2014, on October 7, 2014 Salini Impregilo S.p.A. launched a program for the purchase of treasury shares, of which information was duly provided according to existing regulations, in order to establish a portfolio of ordinary treasury shares with a view to medium and long term investment as part of extraordinary financing transactions. Pursuant to this program, from October 7, 2014 to October 31, 2014, Salini Impregilo purchased a total of 3,104,377 treasury shares, equivalent to 0.631% of the ordinary share capital and 0.629% of the total capital, still present in the portfolio at the closing date of FY2014, in several tranches and at an average unit price of €2.47. To date no purchase has been made in 2015.

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Pursuant to Consob guidelines, this Report is accompanied by the following information:

1. **Significant financial or capital transactions.**
   The directors informed us periodically about the operations and key transactions undertaken by the company and its subsidiaries. They also described such operations and transactions in their report with details of their characteristics and effects.
   We obtained adequate information about them in order to be in a position to assess their compliance with the law, bylaws and principles of correct administration.

2. **Atypical and/or unusual transactions, intragroup transactions or related party transactions.**
   We did not identify and were not informed by the Board of Directors, the Independent Auditors or Internal Control Supervisor about any atypical and/or unusual transactions carried out with third parties, related parties or other Group companies.

3. **Adequacy of information provided in the Directors' Report about atypical and/or unusual transactions, intragroup transactions or related party transactions.**
   The Directors have described the day-to-day transactions carried out during the year with

Group companies and related parties in the notes to the Separate financial statements to which reference should be made, also for details about their characteristics and financial effects. They did not identify any critical issues with respect to their suitability and compliance with the company's interests. As described in detail in the Report on Corporate Governance, the Board of Directors approved a new procedure for related party transactions at its meeting of November 30, 2010 pursuant to Consob regulation No. 17221 of March 12, 2010. On November 29, 2010, the Board of Statutory Auditors assessed the procedure's compliance with the criteria set out in the Regulation. At its meetings of April 20 and July 9, 2012, May 13, 2013 and December 17, 2014, the Board of Directors amended the Procedure, upon recommendation of the Committee for Related-Party Transactions. On the same dates, the Board of Statutory Auditors confirmed that the amended Procedure was consistent with the principles of the Regulation. We verified that the Procedure had been posted on the Internet site under the "*Corporate Governance - Related party transactions*" section.

4. **Comments on and proposals about the findings and disclosures in the independent auditors' report.**
The independent auditors issued an unqualified report on the Separate financial statements. They stated that the financial statements comply with the regulations governing their preparation and included two some instances of emphasis of matter with which we agree.

5. **Complaints as per Article 2408 of the Italian Civil Code.**
No complaints pursuant to Article 2408 of the Italian Civil Code were received.

6. **Communications presented.**
No communications were presented.

7. **Engagement of independent auditors.**
We obtained evidence from the company supporting the recognition of the fees paid to the independent auditors, PricewaterhouseCoopers S.p.A., and companies belonging to their network for their services provided in 2014. Details are set out in the following table (in euros):

Fees Description	Audit	Other services for 2014	Total
Audit of the Separate financial statements (*)	773,964		773,964
Audit of Consolidated financial statements	302,650		302,650
Review of the interim financial report	182,000		182,000
Quarterly checks as per Legislative Decree 58/1998:	27,513		27,513
Total ordinary audit activities	**1,286,127**		**1,286,127**
Other services			
Audit of the financial statements of the Italian subsidiaries	574,578		574,578
Other services (Attestation services and other agreed audit procedures, etc.)		395,900	395,900
Tax services			
Total other services	**574,578**	**395,900**	**970,478**
Total			**2,256,605**

(*) Includes €86,127 related to audit services provided to foreign branches of Salini Impregilo S.p.A. by foreign entities of the PricewaterhouseCoopers network.

PricewaterhouseCoopers S.p.A. in accordance with article 17.9. a) of Italian Legslative Decree 39/2010, confirmed their continued independence and objective position in respect of Salini Impregilo S.p.A. and the Salini Impregilo Group during the year. The approval of the annual (and consolidated) financial statements at December 31, 2014 will mark the end of the auditing engagement granted to PricewaterhouseCoopers S.p.A. by the Shareholders' Meeting of Salini Impregilo S.p.A. held on May 3, 2006 for the period from 2006 to 2011 and extended to 2014, pursuant to article 8 of Italian Legislative Decree no. 29 303/2006, by the Shareholders' Meeting of Salini Impregilo S.p.A. held on May 3, 2007.
Since the engagement covered 9 years, it can no longer be renewed as set out by article 17 of Italian Legislative Decree 39/2010. It is therefore necessary to appoint a new auditor to engage for the independent statutory audit of the financial statements of Salini Impregilo S.p.A. in the period from 2015 to 2023.
Pursuant to the provisions of article 13 of Italian Legislative Decree no. 39/2010, the Board of Statutory Auditors issued a proposal with reasons for the engagement for the independent statutory audit of the financial statements of Salini Impregilo S.p.A. for the reporting period from 2015 to 2023, which will be submitted for approval at the Shareholders' Meeting of Salini Impregilo S.p.A. to be held on April 30, 2015.

8. **Assignment of other engagements to parties related to the independent auditors.**
The company also recorded the following additional fees paid to companies or professional firms part of the international network of PricewaterhouseCoopers for the following engagements (in Euros):

Global network company/ member firm	Services provided	Amount
PricewaterhouseCoopers network	Audit services for foreign Group companies	445,730
PricewaterhouseCoopers network	Other attestation, administrative and tax advisory services	188,375
Total		**634,105**

9. **Legally-required opinions.**
During the year, an opinion was issued pursuant to article 2389.3 of the Italian Civil Code.

10. **Frequency of attendance at company body meetings.**
We attended 17 meetings of the Board of Directors, 20 of the Executive Committee, 21 of the Control and Risk Committee, 8 of the Compensation and Nominating Committee and held 18 Board of Statutory Auditors' meetings.

11. **Compliance with correct administration standards.**
We have no comments to make about compliance with such standards based on our work.

12. **Observations on the adequacy of the organizational structure.**
We were promptly and adequately informed of the changes made to the company's organizational structure resulting from and connected to the merger by incorporation of Salini S.p.A. in Impregilo S.p.A. (which resulted in the change of name to Salini Impregilo S.p.A.), with effect from January 1, 2014, having constantly monitored the integration activities, and believe that the company's organizational structure is adequate given its size and type of activities.

13. **Adequacy of the internal control system.**
We supervised, tested and checked the adequacy of the internal control system. Specifically:
a) we regularly obtained information about the operations carried out during the meetings of the Control and Risk Committee, through meetings with the Internal Audit Head and by obtaining specific periodic documentation;
b) we were provided with the Internal Audit Head's report which summarized the activities carried out during the year, principally aimed at ensuring compliance with and the adequacy of the Group's internal controls and risk management. This entailed our performing tests at different internal levels at the company's sites and corporate offices;

c) we were provided with the Supervisory Body's reports required by Legislative Decree 231/2001 which summarize its activities for the year, also meeting the members. No significant issues arose.

We also acknowledged the approval by the Board of the Anti-corruption Model of Salini Impregilo on June 16, 2014. It provides a systematic reference framework of regulatory instruments and policies concerning the prevention of corruption that the company is set on pursuing against active and passive corruption activities ensuring compliance with anti-corruption laws.

14. **Adequacy of the administrative and accounting system and its reliability.**
We monitored and tested the adequacy of the administrative and accounting system and its ability to correctly show the company's operations of the year by obtaining information from the different department heads, reviewing internal documentation and analyzing the findings of the work performed by the Independent Auditors.
To the extent of its duties, this board finds that the company has implemented the new accounting standards set out below in the preparation of its separate and Consolidated financial statements.

IFRS 10 - Consolidated financial statements
This standard replaces SIC 12 Consolidation - Special purpose entities and certain parts of IAS 27 - Consolidated and Separate financial statements. The new standard identifies a single control model and defines, on a more structured basis, the requirements for determining whether or not control exists. This provision is particularly relevant with regard to situations that qualify as entailing "de facto control", even if the essential conditions for determining the existence of control are basically the same as those contained in the standards previously in effect.

IFRS 11 - Joint Arrangements
This standard replaces IAS 31 - Interests in joint ventures and SIC 13 - Jointly controlled entities - Non-monetary contributions by venturers. It defines the criteria for the identification of joint arrangements and how they should be accounted for based on the rights and obligations arising from the contract, regardless of its legal form. The new standard provides for different recognition methods, depending on whether the transaction is a joint operation or a joint venture, and eliminates the possibility to apply different accounting treatments to the same types of arrangements and, conversely, defines a single model based on the contractual rights and obligations.

IAS 28 – Investments in Associates and Joint Ventures
This standard defines the accounting treatment of investments in associates and joint ventures and is a rewording of the old IAS 28 in light of the new provisions introduced with IFRS 10 and IFRS 11.

15. **Adequacy of the instructions given to subsidiaries.**
The company's control over the operations of its subsidiaries, also pursuant to Article 114.2 of Legislative Decree 58/1998 is adequate to ensure compliance with the legal disclosure requirements.

16. **Issues which arose during meetings with the Independent Auditors.**
No issues arose during the meetings with the Independent Auditors, held in accordance with Article 150 of Legislative Decree 58/1998, that require disclosure or were significant in nature.

17. **Compliance with the Code of Conduct of the Committee for Corporate Governance of Listed companies.**
The company has long since complied with the Code of Conduct prepared by the Committee for Corporate Governance of Listed Companies. It has made the necessary changes to comply with the new version of the Code issued in July 2014.
Pursuant to the provisions of the Consolidated Finance Act, the company prepared and published the subject report and included it in the "Directors' Report".

We checked the correct application of the criteria and procedures used by the Board of Directors to assess the independence of its Members.
We verified that all the Statutory Auditors continued to meet the independence criteria established by the Code of Conduct throughout 2014.

18. Assessment of the supervisory activities.
No reprehensible behavior, omissions or irregularities were noted during our supervisory work that would require communication to the supervisory bodies.

19. Proposals to the shareholders.
To the extent we are concerned, we state our consent to approve the 2014 financial statements and the Directors' Report as they are presented by the Board of Directors, and the proposals made regarding allocation of the profit for the year.

Milan, April 8, 2015

The Board of Statutory Auditors

Alessandro Trotter – Chairperson
Teresa Cristiana Naddeo – Statutory Auditor
Gabriele Villa – Statutory Auditor

This document is available at:
www.salini-impregilo.com

Salini Impregilo S.p.A.

Salini Impregilo S.p.A., a company subject to
management and coordination by Salini Costruttori S.p.A.

Salini Impregilo S.p.A.
Share capital € 544,740,000

Registered office in Milan, Via dei Missaglia 97
Tax code and Milan Company Registration no 00830660155
R.E.A. no. 525502 - VAT no. 02895590962

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