

## Separate financial statements of Salini Impregilo S.p.A. at December 31, 2014

### 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)
<b>Total income taxes</b>	<b>10,714</b>	<b>50,249</b>	<b>(39,535)</b>

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	%
<b>Loss before tax</b>	<b>41.4</b>	
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%)
<b>Total</b>	<b>7.1</b>	<b>17.1%</b>

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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	
<b>Operating profit for IRAP tax purposes</b>	<b>377.0</b>	
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%)
<b>Total</b>	<b>3.6</b>	<b>1.0%</b>

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
<b>Total</b>	<b>(18,829)</b>