

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

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.

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Transactions with directors, statutory auditors and key management personnel are shown below:

	2014			2013		
	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
(Amounts in thousands of euros)						
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.

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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 in 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.