

Consolidated financial statements

Statement of financial position

ASSETS (€'000)	Note	31 December 2016	of which: related parties	31 December 2015	of which: related parties
Non-current assets					
Property, plant and equipment	7	803,039		594,365	
Intangible assets	8	168,763		193,821	
Goodwill	9	175,188		-	
Equity investments	10	201,468		131,254	
Derivatives and non-current financial assets	11	62,614	19,005	67,832	19,986
Deferred tax assets	12	121,925		64,064	
Total non-current assets		1,532,997		1,051,336	
Current assets					
Inventories	13	270,579		268,073	
Contract work in progress	14	2,367,263		1,775,791	
Trade receivables	15	2,359,273	155,629	1,560,684	180,586
Derivatives and other current financial assets	16	323,393	178,392	312,104	162,463
Current tax assets	17	135,987		114,577	
Other current tax assets	17	146,503		142,652	
Other current assets	18	591,271	35,623	518,642	33,882
Cash and cash equivalents	19	1,602,721		1,410,775	
Total current assets		7,796,990		6,103,298	
Non-current assets held for sale and discontinued operations	20	6,032		147,606	
Total assets		9,336,019		7,302,240	

EQUITY AND LIABILITIES (€'000)	Note	31 December 2016	of which: related parties	31 December 2015	of which: related parties
Equity					
Share capital		544,740		544,740	
Share premium reserve		120,798		120,798	
Other reserves		96,052		90,163	
Other comprehensive income (expense)		47,088		(24,552)	
Retained earnings		336,406		324,259	
Profit for the year		59,921		60,592	
Equity attributable to the owners of the parent		1,205,005		1,116,000	
Non-controlling interests		156,326		100,860	
Total equity	21	1,361,331		1,216,860	
Non-current liabilities					
Bank and other loans and borrowings	22	866,362		745,554	
Bonds	23	868,115		396,211	
Finance lease liabilities	24	119,742		79,789	
Non-current derivatives	25	4,429		4,113	
Post-employment benefits and employee benefits	26	91,930		25,412	
Deferred tax liabilities	12	108,493		55,857	
Provisions for risks	27	105,765		106,361	
Total non-current liabilities		2,164,836		1,413,297	
Current liabilities					
Current portion of bank loans and borrowings and current account facilities	22	398,589	13,707	538,802	9,825
Current portion of bonds	23	18,931		10,203	
Current portion of finance lease liabilities	24	55,281		49,617	
Derivatives and other current financial liabilities	25	2,751		10,685	
Progress payments and advances on contract work in progress	28	2,455,632		1,862,759	
Trade payables	29	2,344,773	111,162	1,630,437	128,757
Current tax liabilities	30	109,991		68,273	
Other current tax liabilities	30	67,589		61,097	
Other current liabilities	31	356,315	13,747	334,198	13,061
Total current liabilities		5,809,852		4,566,071	
Liabilities directly associated with non-current assets held for sale and discontinued operations	20	-		106,012	
Total equity and liabilities		9,336,019		7,302,240	

Income statement

(€'000)	Note	2016	of which: related parties	2015 (*)	of which: related parties
Revenue					
Revenue	34	5,760,358	210,096	4,624,066	479,912
Other income	34	123,451	12,529	146,229	21,991
Total revenue		5,883,809		4,770,295	
Costs					
Purchases	35.1	(1,161,046)	(116)	(815,101)	
Subcontracts	35.2	(1,505,428)		(1,249,957)	(811)
Services	35.3	(1,555,996)	(220,024)	(1,498,977)	(477,721)
Personnel expenses	35.4	(886,237)		(538,764)	
Other operating expenses	35.5	(222,265)	(744)	(162,067)	(19)
Amortisation, depreciation, provisions and impairment losses	35.6	(277,324)	(433)	(237,842)	(2,214)
Total costs		(5,608,296)		(4,502,708)	
Operating profit (EBIT)		275,513		267,587	
Financing income (costs) and gains (losses) on equity investments					
Financial income	36.1	44,499	9,625	34,587	8,729
Financial expense	36.2	(146,542)	(361)	(108,336)	(189)
Net exchange rate gains (losses)	36.3	15,537		(16,675)	
Net financing costs		(86,506)		(90,424)	
Net gains on equity investments	37	9,122		335	
Net financing costs and net gains on equity investments		(77,384)		(90,089)	
Profit before tax (EBT)		198,129		177,498	
Income tax expense	38	(77,952)		(84,577)	
Profit from continuing operations		120,177		92,921	
Loss from discontinued operations	20	(20,662)		(10,690)	
Profit for the year		99,515		82,231	
Profit for the year attributable to:					
Owners of the parent		59,921		60,592	
Non-controlling interests		39,594		21,639	

(*) The 2015 income statement was restated to comply with IFRS 5 given the new disposal scope of Todini Costruzioni Generali Group.

Statement of comprehensive income

(€'000)	Note	2016	2015 (*)
Profit for the year (a)		99,515	82,231
Items that may be subsequently reclassified to profit or loss, net of the tax effect:			
Exchange rate gains (losses) on the translation of foreign companies' financial statements	21	61,742	(28,339)
Net gains (losses) on cash flow hedges, net of the tax effect	21	7,581	(9,830)
Other comprehensive income (expense) related to equity-accounted investees	21	1,483	(15)
Items that may not be subsequently reclassified to profit or loss, net of the tax effect:			
Net actuarial gains on defined benefit plans	21	4,364	174
Other comprehensive income (expense) (b)		75,170	(38,010)
Comprehensive income (a) + (b)		174,685	44,221
Comprehensive income attributable to:			
Owners of the parent		131,261	23,925
Non-controlling interests		43,124	20,296
Earnings per share			
<i>From continuing and discontinued operations</i>			
Basic	40	0.12	0.12
Diluted		0.12	0.12
<i>From continuing operations</i>			
Basic	40	0.16	0.14
Diluted		0.16	0.14

(*) The 2015 statement of comprehensive income was restated to comply with IFRS 5 given the new disposal scope of Todini Costruzioni Generali Group.

Statement of cash flows

(€'000)	Note	2016	2015 (*)
Cash and cash equivalents	19	1,410,774	1,030,925
Current account facilities	22	(115,615)	(27,711)
Total opening cash and cash equivalents		1,295,159	1,003,214
Operating activities			
Profit from continuing operations		120,177	92,920
Amortisation of intangible assets	35	34,009	24,563
Depreciation of property, plant and equipment	35	226,812	190,495
Net impairment losses and provisions	35	16,503	22,784
Accrual for post-employment benefits and employee benefits	26	13,878	15,486
Net gains (losses) on the sale of assets		1,877	(1,192)
Deferred taxes	38	(5,761)	33,436
Share of loss of equity-accounted investees	37	(5,104)	(412)
Income taxes	38	83,713	51,141
Net interest paid during the year		88,279	78,153
Other non-monetary items		15,478	14,081
Cash flows generated by operations		589,861	521,454
Increase in inventories and contract work in progress		(557,589)	(407,531)
Decrease (increase) in trade receivables	15	(633,010)	213,505
(Decrease) increase in progress payments and advances on contract work in progress	28	512,312	(94,658)
Increase in trade payables	29	622,259	160,668
Decrease (increase) in other assets/liabilities		(49,241)	205,779
Total changes in working capital		(105,269)	77,763
Increase in other items not included in working capital		(56,277)	(90,358)
Interest expense paid		(76,140)	(64,699)
Income taxes paid		(64,742)	(24,925)
Cash flows generated by operating activities		287,433	419,235
Investing activities			
Net investments in intangible assets	8	(2,422)	(62,815)
Investments in property, plant and equipment	7	(257,632)	(215,386)
Proceeds from the sale or reimbursement value of property, plant and equipment		61,287	38,598
Investments in non-current financial assets and capital transactions	10	(51,159)	(37,412)
Dividends and capital repayments from equity-accounted investees	10	27,270	925
Proceeds from the sale or reimbursement value of non-current financial assets		4,399	(704)
Acquisitions and/or disposals of subsidiaries or business units, net of cash and cash equivalents	(**)	(376,420)	146,701
Cash flows used in investing activities		(594,677)	(130,039)

(€'000)	Note	2016	2015 (*)
Financing activities			
Dividends distributed	21	(43,655)	(22,921)
Capital injection by non-controlling investors in subsidiaries		(73)	11,295
Increase in bank and other loans	22	3,094,337	1,537,498
Decrease in bank and other loans	22	(2,547,252)	(1,229,818)
Change in other financial assets/liabilities		27,191	(352,983)
Cash flows generated by (used in) financing activities		530,548	(56,879)
Net cash flow from discontinued operations	19	(1,180)	3,429
Net exchange rate gains on cash and cash equivalents		34,140	50,370
Increase in cash and cash equivalents		256,264	291,946
Cash and cash equivalents	19	1,602,721	1,410,775
Current account facilities	22	(51,297)	(115,615)
Total closing cash and cash equivalents		1,551,424	1,295,160

(*) The 2015 statement of cash flows was restated to comply with IFRS 5 given the new disposal scope of Todini Costruzioni Generali Group.

(**) The 2015 balance has been reclassified to Investing activities for ease of comparison.

Statement of changes in equity

		Share capital	Share premium reserve	Other reserves				
				Legal reserve	Share capital increase related	Extraordinary and other reserves	Reserve for treasury shares	LTI reserve
(€'000)								
As at 1 January 2015	21	544,740	120,798	100,000	(3,970)	136	(7,677)	-
Allocation of profit and reserves	21	-	-	1,535	-	-	-	-
Dividend distribution	21	-	-	-	-	-	-	-
Change in consolidation scope	21	-	-	-	-	-	-	-
Stock options	21	-	-	-	-	-	-	139
Capital Increase	21	-	-	-	-	-	-	-
Other changes and reclassifications	21	-	-	-	-	-	-	-
Dividend distribution to non-controlling interests	21	-	-	-	-	-	-	-
<i>Profit for the year</i>	<i>21</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Other comprehensive expense</i>	<i>21</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Comprehensive income</i>	<i>21</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
31 December 2015	21	544,740	120,798	101,535	(3,970)	136	(7,677)	139
As at 1 January 2016	21	544,740	120,798	101,535	(3,970)	136	(7,677)	139
Allocation of profit and reserves	21	-	-	1,786	-	-	-	-
Dividend distribution	21	-	-	-	-	-	-	-
Change in consolidation scope	21	-	-	-	-	-	-	-
Stock options	21	-	-	-	-	-	-	4,103
Capital Increase	21	-	-	-	-	-	-	-
Other changes and reclassifications	21	-	-	-	-	-	-	-
Dividend distribution to non-controlling interests	21	-	-	-	-	-	-	-
<i>Profit for the year</i>	<i>21</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Other comprehensive expense</i>	<i>21</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Comprehensive income</i>	<i>21</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
31 December 2016	21	544,740	120,798	103,321	(3,970)	136	(7,677)	4,242

Total other reserves	Other comprehensive income (expense)				Retained earnings	Profit for the year	Equity attributable to the owners of the parent	Non-controlling interests	Total
	Translation reserve	Hedging reserve	Actuarial reserve	Total other comprehensive income					
88,489	15,575	1,987	(5,447)	12,115	249,988	93,773	1,109,903	76,513	1,186,416
1,535	-	-	-	-	92,238	(93,773)	-	-	-
-	-	-	-	-	(19,983)	-	(19,983)	-	(19,983)
-	-	-	-	-	2,668	-	2,668	(4,306)	(1,638)
139	-	-	-	-	-	-	139	-	139
-	-	-	-	-	-	-	-	11,295	11,295
-	-	-	-	-	(652)	-	(652)	-	(652)
-	-	-	-	-	-	-	-	(2,938)	(2,938)
-	-	-	-	-	-	60,592	60,592	21,639	82,231
-	(26,769)	(10,072)	174	(36,667)	-	-	(36,667)	(1,343)	(38,010)
-	(26,769)	(10,072)	174	(36,667)	-	60,592	23,925	20,296	44,221
90,163	(11,194)	(8,085)	(5,273)	(24,552)	324,259	60,592	1,116,000	100,860	1,216,860
90,163	(11,194)	(8,085)	(5,273)	(24,552)	324,259	60,592	1,116,000	100,860	1,216,860
1,786	-	-	-	-	58,806	(60,592)	-	-	-
-	-	-	-	-	(19,983)	-	(19,983)	-	(19,983)
-	-	-	-	-	(26,676)	-	(26,676)	35,562	8,886
4,103	-	-	-	-	-	-	4,103	-	4,103
-	-	-	-	-	-	-	-	(73)	(73)
-	-	-	-	-	-	-	-	525	525
-	-	-	-	-	-	-	-	(23,672)	(23,672)
-	-	-	-	-	-	59,921	59,921	39,594	99,515
-	59,723	7,553	4,364	71,640	-	-	71,640	3,530	75,170
-	59,723	7,553	4,364	71,640	-	59,921	131,561	43,124	174,685
96,052	48,529	(532)	(909)	47,088	336,406	59,921	1,205,005	156,326	1,361,331