

17. Equity

Consolidated shareholders' equity totaled € 1,119.3 million at June 30, 2014, which was greater than

December 31, 2013 (€ 892.1 million), and comprised:

(Values in €/000)	June 30, 2014	December 31, 2013	Change
Group equity			
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
- Ancillary expenses capital increase reserve	(4,078)		(4,078)
- Extraordinary reserve and other reserves	137	13,811	(13,674)
Total other reserves	96,059	16,063	79,996
Other components of comprehensive income			
- Translation reserve	(6,493)	3,120	(9,613)
- Hedging reserve	2,394	2,151	243
- Actuarial reserve	(2,238)	(1,860)	(378)
Total of other components of comprehensive income	(6,337)	3,411	(9,748)
Retained earnings	253,896	309,488	(55,592)
Net profit (loss) for the period	79,290	166,781	(87,491)
Total Group equity	1,088,446	699,627	388,819
Share capital and reserves attributable to non-controlling interests	34,884	201,761	(166,877)
Profit for the year attributable to non-controlling interests	(4,065)	(9,239)	5,174
Share capital and reserves attributable to non-controlling interests	30,819	192,522	(161,703)
TOTAL EQUITY	1,119,265	892,149	227,116

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 16, 2014, the Board of Directors approved the launching of a bookbuilding process to offer ordinary shares for sale to institutional investors in Italy and abroad. This offer involves 44,740,000 newly issued ordinary shares, resulting from the share capital increase excluding option rights pursuant to Art. 2441 paragraph 4 second sentence of the Italian Civil Code as approved by the Extraordinary Shareholder Meeting of the Company on September 12, 2013 ; 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:

(Values in €/000)	June 30, 2014	December 31, 2013	Change
Legal reserve	100,000	2,252	97,748
Translation reserve	(6,493)	3,120	(9,613)
Hedging reserve	2,394	2,151	243
Actuarial reserve	(2,238)	(1,860)	(378)
Ancillary expenses capital increase reserve	(4,078)	-	(4,078)
IFRS conversion reserve	(4,272)	14,174	(18,446)
Other	4,408	(363)	4,771
Total other reserves	89,721	19,474	70,247

The change in other reserves is due to both the merger that brought the legal reserve to € 100.0 million and the IFRS conversion reserve of € 4.3 million, as described

above, as well as the effect of exchange rate differences, as detailed in the next table:

(Values in €/000)	H1 2014	H1 2013
Opening balance	3,120	5,478
Reclassification from the statement of comprehensive income to the income statement	6	
Equity-accounted investees	845	
Increase (decrease)	(10,464)	7,299
Total changes	(9,613)	7,299
Closing balance	(6,493)	12,777

The effect of changes in the cash flow hedge reserve due to fair value gains (losses) on financial instruments is detailed below:

(Values in €/000)	H1 2014	H1 2013
Opening balance	2,151	-
Reclassification of fair value gains/losses on settled transactions to profit or loss	357	
Net fair value losses	109	1,777
Exchange rate gains (losses)	(171)	
Net gains (losses) for equity-accounted investees	(52)	
Total changes	243	1,777
Closing balance	2,394	1,777

The actuarial gains (losses) reserve underwent the following changes:

(Values in €/000)	H1 2014	H1 2013
Opening balance	(1,860)	(954)
Actuarial profit (loss) comprehensive income	(378)	(181)
Closing balance	(2,238)	(1,135)

Share capital and reserves attributable to non-controlling interests

Share capital and reserves attributable to non-controlling interests are as follows:

(Values in €/000)	H1 2014	H1 2013
Opening balance	192,522	28,761
Merger	(173,641)	
<i>Profit attributable to non-controlling interests</i>	<i>(4,065)</i>	<i>355</i>
<i>Payment to cover losses</i>	<i>15,823</i>	
<i>Change in consolidation scope</i>		<i>178,236</i>
<i>Components of comprehensive income</i>	<i>180</i>	<i>1,200</i>
Total changes	(161,703)	179,791
Closing balance	30,819	208,552