

37. Related party transactions

Transactions with related parties, as defined by IAS 24, were of an ordinary nature.

Following the merger of Impregilo and Salini, the resulting company assumed the name Salini Impregilo S.p.A. and became subject to management and coordination by the parent Salini Costruttori from 1 January 2014. At 31 December 2013 Impregilo S.p.A. was subject to management and coordination by Salini S.p.A. Accordingly, for the purposes of this disclosure the transactions with Salini S.p.A. and the companies subject to its management and coordination constitute related-party transactions up to 31 December 2013.

During the year 2013 the related-party transactions involved the following counterparties:

- directors, statutory auditors and key management personnel, in line with the contracts regulating their positions within the Group.
- 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, organisational, legal and administrative), carried out at centralised 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 Impregilo, aimed at building on existing synergies in the Group in terms of production and sales integration, efficient use of existing skills, streamlining of centralised 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 S.p.A., are summarised below:

31 December 2013

(Values in €/000) Name	Loans and receivables	Other current assets	Payables	Other current liabilities	Operating revenue	Costs	Financial income (expense)	Cash flows for the year
Salini S.p.A.	587		182	286		678		(21)
Salini Australia Pty	53		14		48	14		
Salini Costruttori S.p.A.	1				20	12		(19)
Salini Impregilo JV Mukorsi	7							
Salini Malaysia SDN	127							
Salini Nigeria Ltd.				453				453
Salini Polska Sp.zo.o.	214	5,169			214		169	(5,000)
Salini United States Inc.	113				112	112		
Todini Costruttori Generali S.p.A.	359			26	344			
Todini S.p.A.			11	4		2		
Total	1,461	5,169	207	769	738	818	169	(4,587)

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Most of the Group's production in the construction segment is carried out through SPEs, set up with other partners that have participated with Impregilo in tenders. The SPEs 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. Their impact on the Group's financial position at 31 December 2013 and results of operations for the year then ended has not been material.

With regard to the merger of Salini S.p.A. into Impregilo S.p.A., on 12 September 2013 the respective Extraordinary General Meetings approved the merger of Salini S.p.A. into Impregilo S.p.A. The merger became fully effective from 1 January 2014, with an exchange ratio of 6.45 Impregilo ordinary shares for each Salini share, excluding cash

adjustments, and from that date the merged company has assumed the name of Salini Impregilo S.p.A. The "Prospectus related to major operations with related parties" prepared in accordance with Article 5 of Consob Regulation 17221 of 12 March 2010, as amended, was published on 1 July 2013 in accordance with the applicable laws and regulations.

On 1 January 2014, the effective date of the merger, in implementation of the resolution of the Shareholders' Meeting of 12 September 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 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.

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

	2013			2012		
	Fees and remuneration	Termination benefits and post-employment benefits	Total	Fees and remuneration	Termination benefits and post-employment benefits	Total
(Values in €/000)						
Directors and statutory auditors	5,352		5,352	2,002	–	2,002
Key management personnel	201		201	1,988	8,294	10,282
Total	5,553	–	5,553	3,990	8,294	12,284

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:

31 December 2013 (Values in €/000)	Non-current loans and receivables (1)	Current loans and receivables (2)	Current payables (3)	Revenue	Financial income	Financial expense
Total - Group companies	2,791	241,653	72,722	2,922	1,300	(44)
Total financial statements item	530,532	3,439,982	2,133,971	2,323,334	20,411	(70,506)
% of financial statements item	0.5%	7.0%	3.4%	0.1%	6.4%	0.1%

31 December 2012 (Values in €/000)	Non-current loans and receivables (1)	Current loans and receivables (2)	Current payables (3)	Revenue	Financial income	Financial expense
Total - Group companies	3,478	253,685	87,115	3,824	1,297	(120)
Total financial statements item	614,076	3,721,476	2,337,091	2,280,991	40,925	(75,032)
% of financial statements item	1.8%	6.8%	3.7%	0.2%	3.2%	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.