

Income statement

27. Revenue

Revenue for 2013 amounts to € 1,276.4 million, down 6.6% on the previous year:

(Values in €/000)	2013	2012	Variation	Var. %
Operating revenue	1,235,136	1,302,378	(67,242)	(5.2%)
Other revenue and income	41,255	64,626	(23,371)	(36.2%)
Total revenue	1,276,391	1,367,004	(90,613)	(6.6%)

The 6.6% reduction in revenue compared to 2012 is mainly attributable to the temporary slowdown of some projects in Venezuela, affected by the social/political conditions in the country, which were exacerbated in the first half of 2014. However, the Company has been present in this region for many years and there have been similar temporary situations of instability in the past. Given the social importance of the works in

progress in Venezuela, as well as the relationships at social and contractual level, it is reasonable to assume that the conditions currently being experienced are temporary and it may therefore be assumed that the occurrence of specific situations of a critical nature are attributable to mere chance.

Operating revenue may be broken down as follows:

(Values in €/000)	2013	2012	Variation	Var. %
Works invoiced to clients	918,997	841,692	77,305	9.2%
Allocation of revenue from Group companies	280,794	422,960	(142,166)	(33.6%)
Services	32,967	36,155	(3,188)	(8.8%)
Other revenue	2,378	1,571	807	51.4%
Total	1,235,136	1,302,378	(67,242)	(5.2%)

Work invoiced to clients includes contractual revenue deriving from production carried out during the year, measured using the stage of completion method. The contribution of the main contracts is disclosed in the notes on "Contract work in progress" and "Progress payments and advances on contract work in progress".

Allocation of revenue from Group companies, down € 142.2 million on the previous year, relates to the portion of revenue earned by joint ventures pertaining to Impregilo. This item relates to the Tunnel Alp Transit (T.A.T.) contract (€ 14.5 million), the Consorzio OIV Tocoma (€ 85.2 million), the Greek consortium for the construction of the Thessalonica metro (€ 10,8,0 million), South African contracts (€ 57.1 million) and United States contracts (€ 54.5 million).

Services mainly relate to sponsorship fees and services provided to support Group companies.

A breakdown of other revenue and income is given in the following table:

(Values in €/000)	2013	2012	Variation	Var. %
Cost recoveries	25,091	19,446	5,645	29.0%
Rent and leases	411	492	(81)	(16.5%)
Gains on the disposal of property, plant and equipment	1,411	2,359	(948)	(40.2%)
Prior year income	2,541	1,798	743	41.3%
Other	11,801	40,531	(28,730)	(70.9%)
Total	41,255	64,626	(23,371)	(36.2%)

Cost recoveries relate to the portion of costs (insurance, technical and administrative services and sponsorship fees) incurred by the company on behalf of other Group companies.

The reduction in the item “Other” mainly relates to the additional revenue paid to Impregilo S.p.A. on the basis of the specific agreements with the C.M.C.-Mavundla-IGL joint venture (South Africa).