

## 1. Form, content and other general information

### Company Information

Salini S.p.A. is a leader in the civil engineering sector and mainly in the construction of roads, motorways, railways, dams, hydroelectric plants, tunnels, aqueducts, and civil and commercial construction in general, both in Italy and abroad. At present much of the Group's work is carried out abroad, particularly in Ethiopia, Nigeria, Denmark, Dubai, Sierra Leone, Turkey, Zimbabwe, Malaysia, Libya, Kazakhstan and Romania. In Italy, the main project consists of building the metro B1 line in Rome.

The parent company, Salini S.p.A., is a public limited company with its registered office at Via della Dataria 22, Rome.

In the first half of 2013, with the completion of the voluntary public tender offer for all ordinary shares of Impregilo S.p.A. and with the approval of the resulting merger of Salini S.p.A. into Impregilo S.p.A., in the respective Shareholders' Meetings of 12 September 2013, effective from 1 January 2014, a key step was taken to implement the Campione Nazionale® project, which is fully described in the Directors' Report, with the aim of creating a global leader with the know-how, expertise, track record and size necessary to compete in the global construction sector through more efficient and effective business management.

The merger transaction is an essential phase in the industrial and strategic plan launched by the Group to create a Campione Nazionale® in the sector of the construction of complex works and infrastructures, consisting of a major Italian player with shares listed on the electronic stock market and capable of becoming one of the largest worldwide operators in this sector.

The publication of these consolidated financial statements for the year ended 31 December 2013 was authorised by the Board of Directors on 19 March 2014.

### Form and content of the consolidated financial statements

At its meeting on 30 November 2011, the Board of Directors of Salini Costruttori S.p.A. resolved to establish "Salini S.p.A.", the purpose of which would be to design and build infrastructural works. The same meeting also approved the contribution in kind by the sole shareholder Salini Costruttori S.p.A. – effective as of 1 January 2012 and pursuant to Article 2342 et seq. of the Italian Civil Code – to the aforementioned Salini S.p.A. of the infrastructure construction business unit, inclusive of all associated contracts undertaken directly or indirectly in Italy and abroad at 30 September 2011. As a result of this contribution in kind, Salini Costruttori S.p.A. controls 100% of Salini S.p.A.'s share capital.

That transaction, to be considered an essential component of the parent company's corporate reorganisation project, was completed through the establishment of Salini S.p.A. on 6 December 2011 and the subsequent contribution of the business unit, including its equity, assets and liabilities, examined in the report of the independent expert, appointed pursuant to the procedure set forth in Article 2343-ter, paragraph 2, letter b) of the Italian Civil Code. This transaction, which can be configured as a business combination under common control, does not come under the application scope of IFRS 3; therefore for the purpose of this consolidated financial report, the assets and liabilities transferred are reported at IFRS values.

The Group has decided to prepare these consolidated financial statements in accordance with the International Financial Reporting Standards published by the International Accounting Standards Board ("IASB") and adopted by the European Union and in accordance with the regulations issued in implementation of Article 9 of Legislative Decree 38/2005. IFRS means all revised

international accounting standards (“IAS”) and all interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), including those previously issued by the Standing Interpretations Committee (“SIC”).

Specifically, the Salini Costruttori Group started the conversion project to IAS/IFRS international accounting standards in 2008. Therefore, from the year ended 31 December 2008, Salini Costruttori has prepared the consolidated financial statements on a voluntary basis, in accordance with the International Financial Reporting Standards adopted by the European Union for the sole purpose of presenting them in accordance with the uniform standards which prevail in the sector of construction companies, also with regard to the access procedures for international tenders. Therefore the First-Time Adoption (FTA) date was 1 January 2007.

As a result of the circumstances described above, 2013 is the first year in which the Salini Group has a complete set of consolidated financial statements that can be compared with the previous year (2012), for both the statement of financial position and the income statement.

In particular, the figures for 2012 have been restated with respect to the consolidated financial statements for 2012. This restatement did not result in significant impacts on the statement of financial position, income statement and statement of comprehensive income.

In implementing its management and accounting systems, from 2013 the Company has unified chart of accounts of its branches and entities that fall within the consolidated financial statements. This has resulted in a number of reclassifications of balances on the financial statements of the companies mentioned above, which have consequently changed the comparative figures of the consolidated financial statements. In addition, in the IFRS first-time adoption separate financial statements of the parent company Salini S.p.A. (the date of FTA was 1 January 2012), differences emerged from the calculation of the tax effects of the adjustments arising from the first time adoption of IAS/IFRS differences, that were not significant

in terms of impact on equity at 1 January 2012 and on the income statement and equity at 31 December 2012. For the most significant impacts, details are provided in the notes of the effects of this restatement on the comparative figures at 31 December 2012.

The consolidated financial statements at 31 December 2013 comprise the following statements:

- a consolidated statement of income, which contains a classification of costs according to their nature, in addition to EBIT;
- a statement of comprehensive income;
- a statement of financial position, which is prepared by classifying assets and liabilities according to the “current/non-current” criterion. Minority interests are represented in the consolidated statement of financial position, in shareholders’ equity and separately from shareholders’ equity attributable to the Group;
- a consolidated statement of cash flows, which is prepared by reporting financial flows generated by operating, investing and financing activities according to the “indirect method”, as permitted by IAS 7 (Statement of Cash Flows);
- statement of changes in equity;
- explanatory notes.

The consolidated financial statements were prepared based on the historical cost principle, except for items which in accordance with IFRS are measured at fair value as indicated in the measurement criteria below.

To improve the presentation of the financial statements and for a better reflection of the contractual nature of some contractual advances received from clients, the Group has decided to report these amounts under liabilities in “Amounts due to clients”, distinguishing between the non-current and current portion.

The consolidated financial statements are presented in Euros and all figures are rounded to the nearest thousand, unless otherwise indicated. Compared to 31 December 2012, the scope of consolidation has changed due to:

- acquisition of control of Impregilo S.p.A.; see section 5 for more details;
- incorporation of Salini USA Inc. (100% Salini S.p.A.);

## Notes to the consolidated financial statements

- incorporation of Salini Namibia Pty Ltd (100% Salini S.p.A.) for the construction of the Neckartal dam;
- incorporation of Empresa Constructora Metro 6 Ltd (51% Salini S.p.A. and 49% Impregilo S.p.A.), for the completion of lots 1 and 2 of line 6 of the Santiago metro line in Chile;
- incorporation of Impregilo Salini (Panama) (50% Salini S.p.A. and 50% Impregilo S.p.A.);

- Salini İnşaat Taahhüt Sanayi ve Ticaret Anonim Şirketi (Turkey) (100% Salini S.p.A.).

Regarding the former IFRS 8 segment information, the Group has provided details by geographical area; the content of this information is determined by applying the same accounting standards used to prepare the consolidated financial statements. See Note 6 for the segment information tables.