

24. Trade receivables

Trade receivables totalled €306,527, as indicated in the following table:

(Values in €)	31 December 2013	31 December 2012	Change
Receivables from clients	214,415	131,011	83,404
Receivables from subsidiaries	91,031	62,067	28,965
Receivables from parents	4,769	1,055	3,714
Receivables from associates	2,305	6,295	(3,990)
Provision for impairment losses on trade receivables	(5,993)	(6,471)	478
Provision for impairment losses on receivables for penalty interest	0	(12)	12
Trade receivables	306,527	193,945	112,583

The following table contains a geographical breakdown of the aforementioned receivables:

(Values in €/000)	December 2013	%	December 2012	%	Change
Italy	78,751	26%	38,842	20%	39,909
Panama	1	0%	–	0%	1
Dubai	27,429	9%	26,472	14%	957
Ethiopia	113,745	37%	58,330	30%	55,417
Guinea	290	0%	290	0%	(0)
Kazakhstan	13,135	4%	12,331	6%	804
Libya	270	0%	–	0%	270
Morocco	18,615	6%	18,749	10%	(134)
Sierra Leone	13,618	4%	12,693	7%	925
Turkey	–	0%	3	0%	(3)
Uganda	1,023	0%	9,704	5%	(8,681)
Zimbabwe	39,461	13%	16,532	9%	22,929
Chile	141	0%	–	0%	141
Singapore	49	0%	–	0%	49
Total trade receivables	306,527		193,945		112,582

During the period, a net increase in receivables accrued totalling €112,582. The net effect was due to the following main changes that occurred during the period:

- in Italy the change, of €39,909, was mainly due to: (i) issue of certificates on operational contracts

(€21,521); (ii) the allocation of €4,551 to invoices to be issued following the Council of State ruling (see section 7 of these explanatory notes); (iii) the increase in interest income on the correspondent current account held with the subsidiary Todini Costruzioni Generali S.p.A. of around €4,663

those held with the parent Salini Costruttori S.p.A. of around €3,520;

- in Ethiopia the change, of €55,417, was attributable for around €41 million the classification under liabilities of a contractual advance connected to a contract, and for the remainder, of around €16 million, to ordinary operations and therefore to an increase in receivables from clients;
- in Zimbabwe the change, of €22,929, was mainly due to the reallocation of the 2013 earnings of the subsidiary JV Mukorsi;
- lastly in Uganda the change, of €8,681, was

attributable to receipts on certificates issued, following the completion of the works. The figure still outstanding at 31 December 2013 was due to the sale of a machine that was no longer used because the production activities had ended;

- the remaining changes were attributable to the normal operational management of the contracts.

The provision for impairment losses had a balance at the end of the year of €5,993, having decreased by €478 during the year as shown in the table below:

(Values in €/000)	Balance at 31 December 2012	Allocation to provisions	Balance Sheet use of the provision	Release of provision to Income Statement	Balance at 31 December 2013
For receivables from clients	5,931	0	0	0	5,931
For receivables from other clients	540	53	(531)	0	62
Total Provision for impairment losses on receivables	6,471	53	(531)	0	5,993

The provision made for Clients, of €5,931, is entirely attributable to the Sierra Leone branch. The part relating to “Other Clients”, amounting to €62, decreased during the year by €478 almost entirely

due to the balance sheet use of the provision following the proceeds received on the items written down in previous years.