

8. INTANGIBLE ASSETS

The movements during the period 2013-2014 were as follows:

(in thousands of euro)

	12/31/2012	INCREASES	DEPRECIATION	12/31/2013	INCREASES	DEPRECIATION	12/31/2014
Software licenses	414	284	(183)	515	558	(217)	856
Other:				-			-
- software expenses	508	-	(165)	343	183	(163)	363
- expenses for other projects	841	2,687	(259)	3,269	2,394	(877)	4,786
TOTAL	1,763	2,971	(607)	4,127	3,135	(1,257)	6,005

Increases in the year consist mainly of charges incurred for implementing staff management systems (euro 2,394 thousand for a project in development) and for the purchase of licenses (euro 558 thousand).

No impairment was carried out during the 2014 financial year

9. EQUITY INVESTMENTS IN SUBSIDIARIES

This amounted to euro 1,141,058 thousand (euro 1,162,188 thousand at December 31, 2013), a decrease over the previous year of euro 21,130 thousand.

Below are the details:

(in thousands of euro)

	12/31/2014	12/31/2013
Pirelli Servizi Amministrazioni e Tesoreria S.p.A.	3,238	3,238
Maristel S.p.A.	1,315	1,315
Pirelli Labs S.p.A.	4,079	4,079
Pirelli Sistemi Informativi S.r.l.	1,655	1,655
Pirelli & C. Ambiente S.r.l.	-	13,500
Pirelli Tyre S.p.A.	1,085,861	1,085,861
Pirelli Tyre Commerciale S.r.l.	20	-
PZero Srl	4,894	4,064
Servizi Aziendali Pirelli S.C.p.A.	103	103
HB Servizi S.r.l.	2,010	-
Pirelli Ltda	9,666	9,666
Pirelli Finance (Luxembourg) S.A.	-	10,490
Pirelli UK Ltd.	21,871	21,871
Pirelli Group Reinsurance Company S.A.	6,346	6,346
TOTAL	1,141,058	1,162,188

The table pursuant to Article 2427 of the Italian Civil Code is provided in the attachments.

The changes are outlined below:

(in thousands of euro)

	12/31/2014	12/31/2013
Opening balance	1,162,188	1,160,949
Subscriptions, increases and replenishment of capital	13,030	37,500
Impairment	[23,670]	[36,166]
Liquidated companies	[10,490]	[95]
Closing balance	1,141,058	1,162,188

Increases mainly refer to the capital increase in favour of PZero S.r.l. for euro 11,000 thousand and the capital increase for euro 2,000 thousand in HB Servizi S.r.l.

Impairments refer to the equity investment in PZero S.r.l. [euro 10,170 thousand] and in Pirelli & C. Ambiente S.r.l. [euro 13,500 thousand].

With reference to the investment in Pirelli & C. Ambiente S.r.l., the negative result for the period is an indicator of impairment. Therefore an impairment test was carried out with the estimation of the equity investment recoverable amount which further was compared to its carrying amount. The recoverable amount is the higher of the fair value and value in use.

For the definition of the latter, an independent third party carried out an evaluation of the equity investment held by GWM Renewable Energy II S.p.A, which is the main asset of Pirelli & C. Ambiente S.r.l., in Greentech Energy System listed on the stock exchange in Denmark.

The evaluation is based on the discounted cash flows and on methods that use multiples based on the economic-financial information available to the market.

The comparison showed an impairment of euro 16,156 thousand recognised in the Income Statement, the surplus with respect to the carrying amount was recognized in a specific provision for liabilities and charges.

Decreases refer to the disposal, to third parties, of the subsidiary Pirelli Finance [Luxembourg] S.A., which led to a positive economic effect of euro 4,781 thousand.

10. EQUITY INVESTMENTS IN ASSOCIATES

This amounted to euro 125,100 thousand [euro 93,062 thousand at December 31, 2013].

The breakdown of this item is as follows:

(in thousands of euro)

	12/31/2014	12/31/2013
Listed securities		
Prelios S.p.A.	56,037	21,836
Unlisted securities		
Consortium for the Research into Advanced Materials [CORIMAV]	104	104
Eurostazioni S.p.A. - Rome	52,937	52,937
Fenice S.r.l.	16,022	18,185
TOTAL	125,100	93,062