

14 Intangible assets

	31 December 17	31 December 16	Change
Industrial patents and intellectual property rights	55.8	59.8	(4.0)
Concessions, licences, trademarks and similar rights	86.7	95.5	(8.8)
Public services under concession	2,574.3	2,539.6	34.7
Intangible assets under construction and public services under concession	161.3	111.1	50.2
Intangible assets under construction	63.9	48.5	15.4
Client lists	148.1	86.1	62.0
Total intangible assets	36.9	27.4	9.5
Total	3,127.0	2,968.0	159.0

Intangible assets are stated net of their accumulated amortisation and are broken down below with details of the changes during the year:

	Net opening balance	Investments	Disinvestments	Amortisation and depreciation	Changes in the scope of consolidation	Assets held for sale	Other changes	Net closing balance	of which gross final amount	of which amortisation provisions
31 December 16										
Industrial patents and intellectual property rights	50.6	6.5	-	(24.7)	-	-	27.4	59.8	328.6	(268.8)
Concessions, licences, trademarks and similar rights	107.6	0.5	(0.1)	(12.2)	-	-	(0.3)	95.5	387.0	(291.5)
Public services under concession	2,444.7	142.7	(9.0)	(137.6)	-	-	98.8	2,539.6	4,073.0	(1,533.4)
Intangible assets under construction and public services under concession	140.2	67.5	(0.8)	-	-	-	(95.8)	111.1	111.1	-
Intangible assets under construction	47.7	31.0	(0.3)	-	-	-	(29.9)	48.5	48.5	-
Client lists	76.3	-	-	(8.9)	18.7	-	-	86.1	106.0	(19.9)
Total intangible assets	28.5	3.2	-	(5.5)	0.1	-	1.1	27.4	111.1	(83.7)
Total	2,895.6	251.4	(10.2)	(188.9)	18.8	-	1.3	2,968.0	5,165.3	(2,197.3)
31 December 17										
Industrial patents and intellectual property rights	59.8	7.4	-	(25.7)	-	-	14.3	55.8	351.3	(295.5)
Concessions, licences, trademarks and similar rights	95.5	1.7	-	(12.8)	-	-	2.3	86.7	385.8	(299.1)
Public services under concession	2,539.6	142.2	(0.6)	(145.5)	-	(16.2)	54.8	2,574.3	4,242.4	(1,668.1)
Intangible assets under construction and public services under concession	111.1	103.8	(0.5)	-	-	-	(53.1)	161.3	161.3	-
Intangible assets under construction	48.5	32.1	(0.1)	-	-	-	(16.6)	63.9	63.9	-
Client lists	86.1	-	-	(11.7)	73.7	-	-	148.1	179.8	(31.7)

Total intangible assets	27.4	2.9	(0.1)	(8.2)	13.9	-	1.0	36.9	122.9	(86.0)
Total	2,968.0	290.1	(1.3)	(203.9)	87.6	(16.2)	2.7	3,127.0	5,507.4	(2,380.4)

The breakdown and main changes within each category are commented on below.

"Industrial patents rights and know-how," in the amount of 55.8 million euros, mainly refers to costs incurred in purchasing and implementing corporate information systems.

"Concessions, licences, trademarks and similar rights," amounting to 86.7 million euros, primarily comprises the value of the rights relating to the activities of gas distribution and integrated water management, classified as intangible assets even before the IFRIC 12 - service agreements interpretation was first applied.

"Public services under concession", amounting to 2,574.3 million euros, consists of the goods related to the activities of gas and electricity distribution (in the Imola area), integrated water management and public lighting (except for what is specified in note 17) provided through contracts awarded the respective public bodies. These concession relationships and associated assets involved in carrying out the activities for which the Group holds the use rights, are accounted for by applying the intangible asset model as set forth by IFRIC interpretation 12. The investments for the period mainly involved the water networks for 74 million euros and the gas distribution networks for 57.5 million euros.

"Intangible assets under construction public services under concession," amounting to 161.3 million euros, refers to investments related to the these same contracts that have yet to be concluded at year-end. The significant increase in investments compared to the previous year is attributable mainly to the water cycle.

"Intangible assets under construction", equal to 63.9 million Euros, essentially comprises IT projects that are still incomplete.

"Client lists", amounting to 148.1 million euros are recorded as a result of business combinations and the consequent valuation of the assets acquired. The amortisation period of these client lists is related to the churn rate identified for each individual transaction.

The item "Other intangible assets", amounting to 36.9 million euros, refers mainly to use rights for networks and infrastructures for the passage and laying down of telecommunication networks as well as multi-year contractual rights.

"Other changes" includes the reclassifications of the assets under construction to the specific categories once these have entered service during the financial year and other reclassifications to property, plant and equipment, especially for goods held under concession. Movements in the item "Public services under concession" also include euros 16.2 million deriving from the reclassification of assets held for sale in the specific line of the financial statements, as illustrated in note 24.

For a more detailed description of the information reported in the "Changes in the scope of consolidation" column, see the dedicated paragraph in the introduction of these notes.