



Municipal investments: 2013 year-end closing



April 2014



Contents

01 Budget scenario for the 2012-2015 term

1

02 Budget 2013: capital income and expenditure

2

03 Budget 2013: capital expenditure

10

04.A Capital expenditure evolution

04.B Capital expenditure execution



01 Budget scenario for the 2012-2015 term

The financial framework for the 2012-2015 term is expected to be 1,606 million euros that can be allocated for investments.

Adding to this the investment budget of the group Barcelona Serveis Municipals and Patronat Municipal de l'Habitatge, this amount reaches 1,900 million euros.

For the 2013 annuity, the original settlement estimate was fixed at 313.01 million euros.

| | 2012 | 2013 | 2014 | 2015 |
|---|------------------|------------------|------------------|------------------|
| | Settlement | Settlement | Provision | Provision |
| OPERATING PROFIT AND LOSS | | | | |
| (+) Ordinary income | 2,235,490 | 2,357,272 | 2,426,904 | 2,422,069 |
| (-) Current expenditure | 1,807,696 | 1,889,764 | 1,999,438 | 2,051,666 |
| (=) Gross saving | 427,794 | 467,508 | 427,466 | 370,404 |
| % Gross saving on current income | 19.14% | 19.80% | 17.60% | 15.30% |
| CAPITAL PROFIT AND LOSS | | | | |
| (+) Capital income | 25,589 | 27,665 | 27,062 | 20,000 |
| (-) Capital expenditure | 393,303 | 355,887 | 441,167 | 376,867 |
| (=) Capital surplus (deficit) | -367,714 | -328,222 | -414,105 | -356,867 |
| Total non-financial income | 2,261,079 | 2,384,937 | 2,453,966 | 2,442,069 |
| Total non-financial expenditure | 2,200,999 | 2,245,651 | 2,440,605 | 2,428,533 |
| (=) CNF (Financing Capacity /Need) | 60,080 | 139,286 | 13,361 | 13,537 |
| % CNF on non-financial income | 2.66% | 5.80% | 0.50% | 0.60% |
| CNF FINANCING SOURCES | | | | |
| (-) Financial income | 166,751 | 41,248 | 238,476 | 156,850 |
| (+) Financial expenditure | 91,318 | 105,020 | 238,848 | 157,434 |
| (+) Net financial operations | 75,433 | -63,772 | -372 | -584 |
| (=) Annual financing surplus (deficit) | 135,513 | 75,514 | 12,989 | 12,953 |



02 Budget 2013: capital income and expenditure

On 17th of October 2012, the Budget 2013 Project was presented to the Economy, Business and Employment Committee, but it was not approved due to a lack of political consensus.

PRESSUPOST GENERAL 2013

Ingressos i despeses per capítols

| | | EUR | % |
|------------------|---|-------------------------|----------------|
| INGRESSOS | | 2.328.269.222,32 | 100,000 |
| A | OPERACIONS CORRENTS | 2.196.943.599,96 | 94,360 |
| 1 | IMPOSTOS DIRECTES | 876.034.819,33 | 37,626 |
| 2 | IMPOSTOS INDIRECTES | 34.242.458,40 | 1,471 |
| 3 | TAXES I ALTRES INGRESSOS | 273.551.305,60 | 11,749 |
| 4 | TRANSFERENCIES CORRENTS | 974.796.956,63 | 41,868 |
| 5 | INGRESSOS PATRIMONIALS | 28.218.060,00 | 1,216 |
| B | OPERACIONS DE CAPITAL | 29.575.622,36 | 1,270 |
| 6 | VENDA D'INVERSIONS REALS | 11.256.110,00 | 0,483 |
| 7 | TRANSFERENCIES DE CAPITAL | 18.319.512,36 | 0,787 |
| C | OPERACIONS FINANCERE | 101.750.000,00 | 4,370 |
| 9 | PASSIUS FINANCERS | 101.750.000,00 | 4,370 |
| | | EUR | % |
| DESPESES | | 2.328.269.222,32 | 100,000 |
| A | OPERACIONS CORRENTS | 1.834.577.781,99 | 78,796 |
| 1 | DESPESES DE PERSONAL | 341.944.928,89 | 14,687 |
| 2 | DESPESES EN BENS CORRENTS I SERVEIS | 553.309.356,35 | 23,765 |
| 3 | DESPESES FINANCERES | 51.769.679,32 | 2,224 |
| 4 | TRANSFERENCIES CORRENTS | 887.553.817,43 | 38,121 |
| A' | FONS DE CONTINGÈNCIA | 32.700.000,00 | 1,404 |
| 5 | FONS DE CONTINGÈNCIA I ALTRES IMPREVISTOS | 32.700.000,00 | 1,404 |
| B | OPERACIONS DE CAPITAL | 347.776.799,42 | 14,937 |
| 6 | INVERSIONS REALS | 324.917.851,05 | 13,955 |
| 7 | TRANSFERENCIES DE CAPITAL | 22.858.948,37 | 0,982 |
| C | OPERACIONS FINANCERES | 113.214.640,91 | 4,863 |
| 8 | ACTIUS FINANCERS | 7.739.640,91 | 0,332 |
| 9 | PASSIUS FINANCERS | 105.475.000,00 | 4,530 |



02 Budget 2013: capital income and expenditure

The Budget 2013 Project did not receive the necessary support for its approval, which led to a state of budget extension.

Therefore, the original credit of budget 2012 was extended for an amount of €152.94 M. But, given the limitation of the expenditure sector, a group of investment projects were assigned for an amount of €151.6 M.

Later, when the rest of the investments provided for in the budget project were unblocked, two budget modification motions were approved:

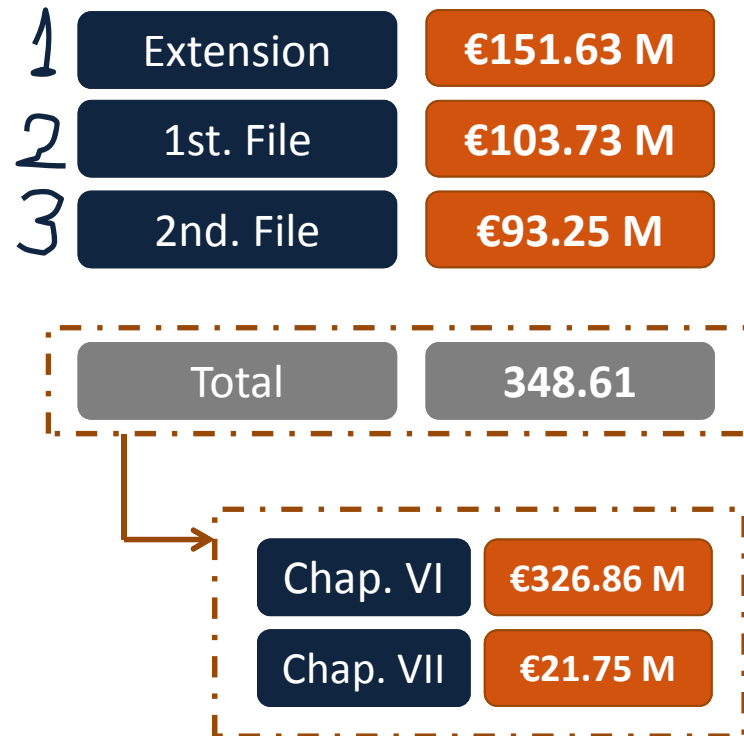
- **Credit Modification File (MC3-035/13)** for €103.7M, was initially approved by the Economy, Business and Employment Committee on the 6th of March, and the definitive approval was granted by the Municipal Plenary Session of 26th of April.
- **Credit Modification File (MC3-066/13)** for €93.2 M, was initially approved by the Economy, Business and Employment Committee on the 24th of April, and the definitive approval was granted by the Municipal Plenary Session of 31st of May.

The expense of the Budget Extension is financed by means of current income and the first Modification file, will be financed with a larger income from the Complementary Financing Fund. Therefore, all capital income will appear as income ledger.



02 Budget 2013: capital income and expenditure

With all this, as of 31/05/2013, the Barcelona City Council has at its disposal a budget of €348.61 M which, compared with the original Budget 2013 Project, will be as follows:





03 Budget 2013: Capital expenditure evolution

| | | |
|----------|-------------------------------|-----------------------|
| B | OPERACIONES DE CAPITAL | 348.610.271,37 |
| 6 | INVERSIONS REALS | 326.857.597,62 |
| 7 | TRANSFERENCIAS DE CAPITAL | 21.752.673,75 |



Regarding capital expenditure, the budget 2013 approved by 31st of May had provided for an amount of €348.61 million, broken down as:

- Chapter VI (Actual investment) for an amount of €326.86 M(*), corresponding to investment that can be activated.
- Chapter VII (Capital transfer) for an amount of €21.75 M, corresponding to investment that cannot be activated.

During the fiscal year some surplus/remaining credit from 2012 was incorporated, for an amount of €6.43 M, as well as a number of budget modifications that resulted in a total investment volume of €353.73 M to manage:

- Chapter VI (Actual investment) for an amount of €326.62 M (**).
- Chapter VII (capital transfer) for an amount of €27.11 M.

The budgeted expense (€353.73 M) is classified as €68.19 M for substitution investments (which is a 19.28% stake and guarantees the continuity of municipal facilities and services), €193.86 M for improvement investments (which is 54.80% and are those where the final purpose of the place on which they are carried out does not change, but which will increase the value of the original) and €91.68 M for new investments (25.92%).

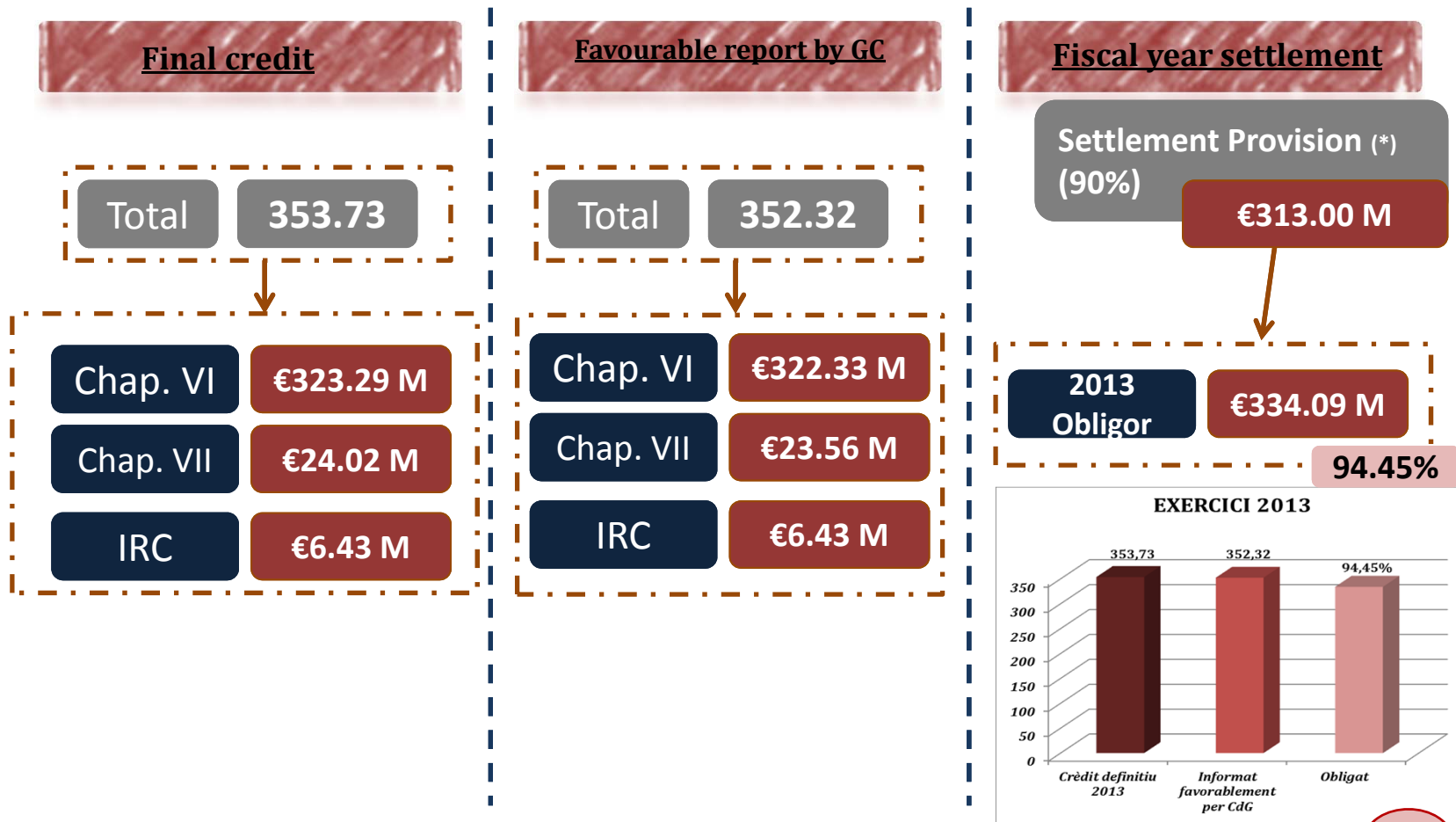
The evolution of the budget item "Capital operations" is detailed below:

(*) This amount includes an item for €30.9M reserved for processing expropriations under judicial process (see p. 21)

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03.a Budget 2013: Capital expenditure evolution



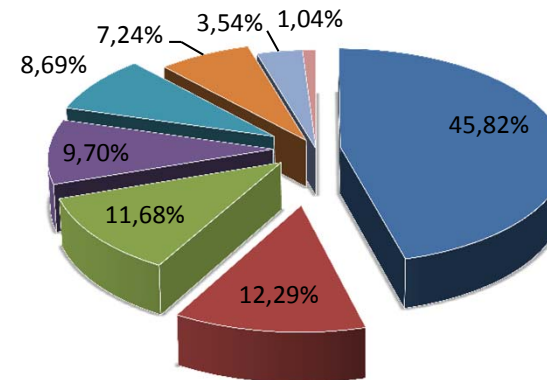
Source: Provision reckoned by the Financing Directorate.

(*) The Government Committee agreed on 19/03/2014 to approve the file no. 47/2014 for the incorporation of 2013 surplus/remaining credit to 2014 accounts for a total amount of €8.19 M, of which €2.35 M, that were the municipal part, were financed by way of the 2014 budget.



03.b Budget 2013: Capital expenditure execution By Department in charge

| Department in charge | Book of Planned Works Total P 2013 | Book of Approved Works Total P 2013 | Obligor 2013 (delivery certificates received by the Council by 31/12/2013) | % |
|---|------------------------------------|-------------------------------------|--|---------------|
| Urban Habitat | 158,152,409 | 158,123,114 | 153,080,791 | 45.82% |
| Resources | 41,651,300 | 41,551,175 | 41,066,362 | 12.29% |
| Culture, Knowledge, Creativity and Innovation | 41,531,631 | 41,531,586 | 39,013,314 | 11.68% |
| Economy, Business and Employment (EEiO) | 37,551,438 | 37,551,438 | 32,406,891 | 9.70% |
| Central Services | 30,838,034 | 29,555,122 | 29,046,152 | 8.69% |
| Quality of Life, Equality and Sports | 26,055,612 | 26,055,612 | 24,174,323 | 7.24% |
| Prevention, Safety and Mobility | 14,054,933 | 14,054,933 | 11,825,537 | 3.54% |
| Resources - Participation | 3,895,354 | 3,895,354 | 3,478,380 | 1.04% |
| Grand total | 353,730,709 | 352,318,332 | 334,091,751 | 94.45% |

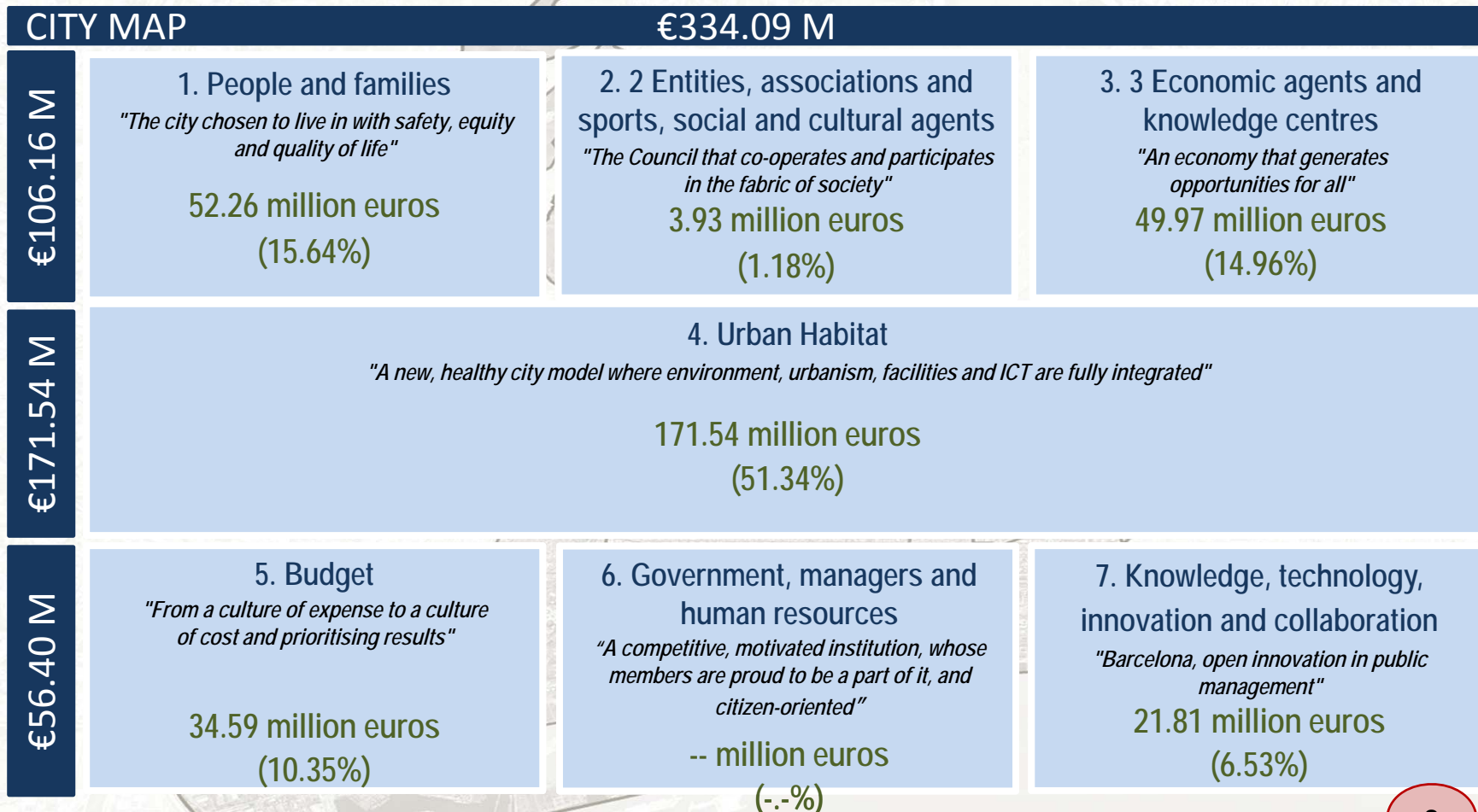


Source: by Sectors and Districts, accounting statement (A, D & O) as of 24th of January 2014; by companies, information received through delivery certificates submitted to the Budget Department.



03.b Budget 2013: Capital expenditure execution

City Map





03.b Budget 2013: Capital expenditure execution

High-profile works

This selection of high-profile works imply a total investment of €691.90 M*, of which €128.55 M** are the investment carried out during 2013.

Of this group, we'd like to highlight **32 high-profile works**, involving **66 projects**, and **95 actions** and which can be broken down in the following way:

| Typology | No. of projects | No. of actions | 2013 Annuity (€M) | % |
|---|-----------------|----------------|-------------------|-------------|
| Construction/ restoration of facilities | 24 | 43 | 55.34 | 43.05% |
| Public areas | 31 | 39 | 37.23 | 28.96% |
| Land | 11 | 13 | 35.98 | 27.99% |
| | 66 | 95 | 128.55 | 100% |

Of this group, €29.29 M are projects that were begun and finished during 2013. On the other hand, €51.68 M are works that were begun in 2013, and the difference (€69.18 M) are attributable to works that were begun in previous years and were finished this year.

These €128.55 M are 38.47 % of the €334.09 M** settled during 2013.

* Total budgeted amount (municipal + external budget). Settled B 2008-2013, Provisions B 2014-2015 (updated by January 2014)

**Settled B 2013 (by year end)

HIGH-PROFILE WORKS 2013(*)

CIUTAT VELLA

1. Born
2. Plaça Gardunya
3. Escola Mediterrània

EIXAMPLE

4. Mercat dels Encants
5. Mercat de Sant Antoni
6. Mercat del Ninot

SANTS-MONTJUÏC

7. Swimming World Championship 2013
8. Mercat de Sants
9. Avinguda Paral·lel
10. Coverage of railways in Sants

LES CORTS

11. Colònia Castells
12. Access to schools SOLC, St.Peter's i Thau
13. Ateneu de fabricació Les Corts

SARRIÀ-SANT GERVASI

14. Via Augusta pavements
15. Biblioteca Sant Gervasi – Joan Maragall.
16. Avinguda Pau Casals

GRÀCIA

17. MPMG Vallcarca
18. Centre de Serveis Socials Camp d'en Grassot

HORTA-GUINARDÓ

19. Avinguda Estatut de Catalunya
20. Block of Mercat del Guinardó
21. Tres Turons

NOU BARRIS

22. MPMG Torre Baró
23. Trinitat Nova
24. Caserna Guàrdia Urbana de Nou Barris

SANT ANDREU

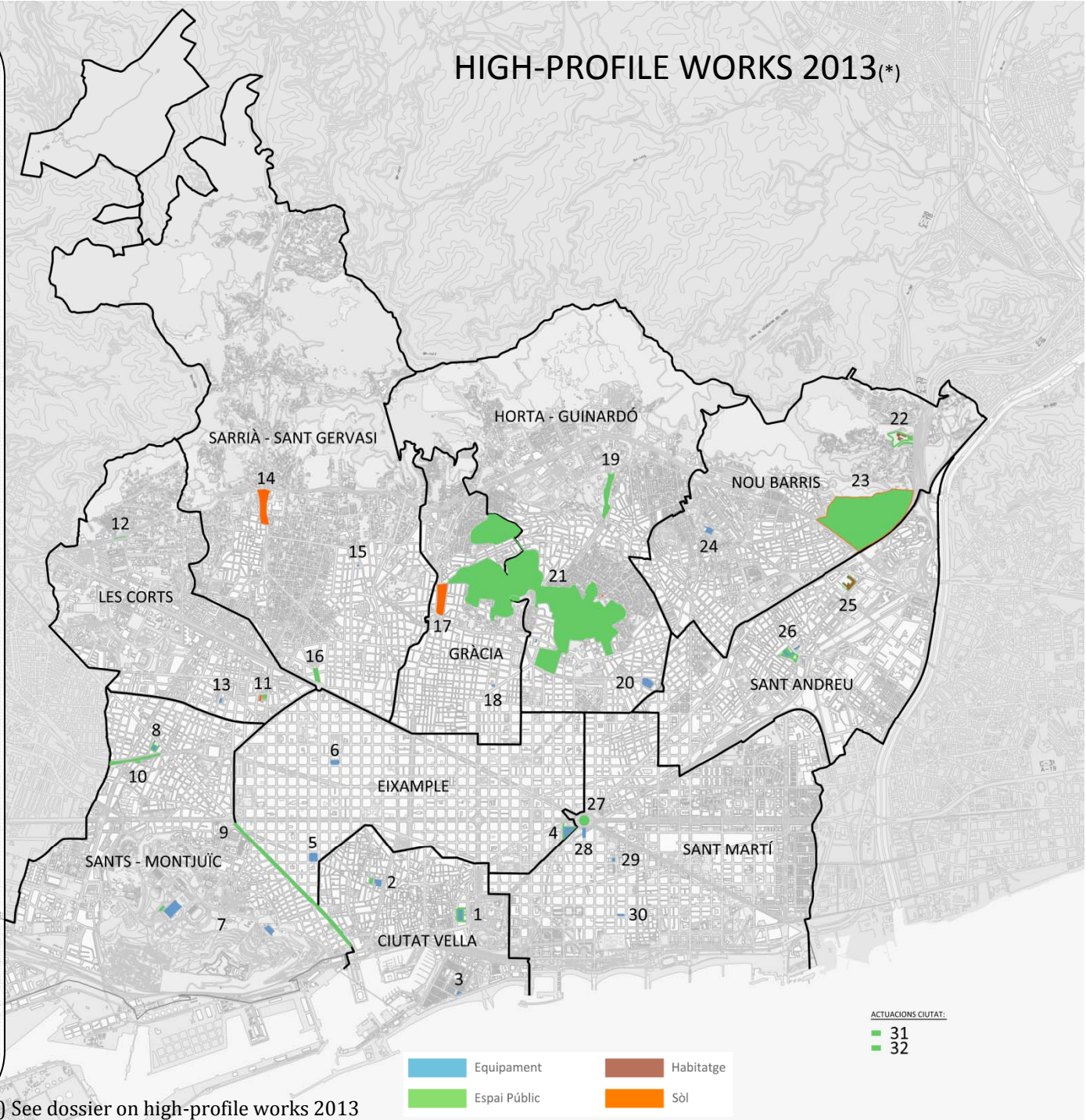
25. Casernes de Sant Andreu
26. Can Fabra – Fabra i Coats

SANT MARTÍ

27. Roads around Plaça de les Glòries
28. Centre del Disseny
29. Oficina Atenció a l'Empresa
30. Centre d'Urgències i Emergències Socials

CITY

31. Safety in traffic
32. New bus network



(*) See dossier on high-profile works 2013



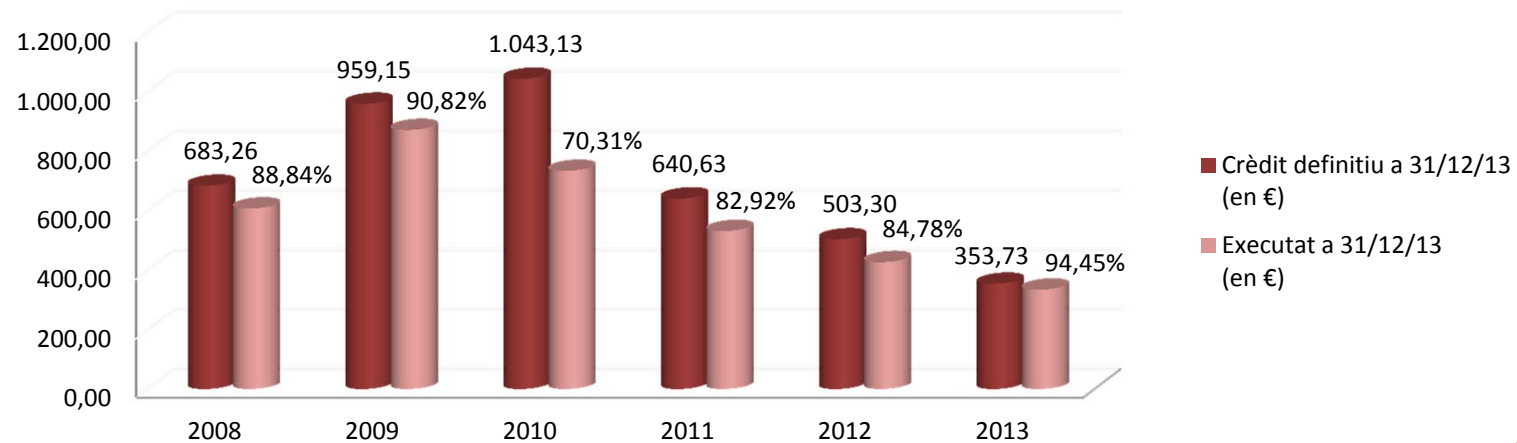
03.b Budget 2013: Capital expenditure execution

Evolution during the last few years

| Evolution of investments | Final credit by 31/12/13 (in €) | Executed by 31/12/13 (in €) | % |
|--------------------------|------------------------------------|--------------------------------|--------|
| YEARS | | | |
| 2008 | 683,264,044.87 | 607,030,531.07 | 88.84% |
| 2009* | 959,150,394.72 | 871,115,184.44 | 90.82% |
| 2010** | 1,043,126,437.83 | 733,435,367.69 | 70.31% |
| 2011 | 640,628,005.44 | 531,232,195.48 | 82.92% |
| 2012 | 503,295,167.65 | 426,550,329.55 | 84.75% |
| 2013 | 353,730,709.20 | 334,091,750.25 | 94.45% |

Average 85.35%

Final credit vs. obligor



* Incorporates investments funded with state funds (FEIL) for an amount of €281.9 M (€265.66 M executed).

** Incorporates investments funded with state funds (FEOSL) for an amount of €139.7 M (€134,1 M executed).

*** Source: accounting statement (obligations) by 30th of September, 2013