

19. Bank and other loans

Bank and other loans amount to € 919.7 million, decreased by € 215.9 million over December 31, 2014. The item is summarized below:

(Amounts in €/000)	June 30, 2015	December 31, 2014	Change
<i>Non-current portion</i>			
- Bank and other loans	484,987	456,209	28,778
<i>Current portion</i>			
- Current account facilities and other loans	434,672	247,522	187,150

The overall financial indebtedness of the Salini Impregilo Group is broken down in the following table:

	June 30, 2015			December 31, 2014		
(Amounts in €/000)	Non-current	Current	Total	Non-current	Current	Total
Bank corporate loans	419,648	183,599	603,247	389,775	64,057	453,832
Bank project financing	37,461	92,007	129,468	33,493	90,179	123,672
Concession financing	10,439	20,345	30,784	9,687	20,362	30,049
Financing and loans of companies in liquidation	2,136	-	2,136	2,136	-	2,136
Other loans	9,524	53,799	63,323	12,022	32,817	44,839
Total bank and other loans	479,208	349,750	828,958	447,113	207,415	654,528
Bank account overdrafts	-	48,740	48,740	-	27,711	27,711
Factoring payables for receivables	932	29,838	30,770	3,374	6,339	9,713
Financial liabilities from unconsolidated companies of the Group	4,847	6,343	11,190	5,725	6,058	11,783
Total	484,987	434,671	919,658	456,212	247,523	703,735

Bank corporate loans

Bank corporate loans as at June 30, 2015 stood at € 603.2 million (€ 453.8 million as at December 31, 2014) and relate to the parent Company Salini Impregilo.

These loans have been granted by major banks and have repayment plans, which provide for payment of the last instalments in 2020. The interest rates have floating spreads depending on the loan term and conditions. The decision to apply the Euribor (1, 2, 3 or 6 months) has been contractually provided for to the benefit of Salini Impregilo.

	Company	Reference interest rate	Spread	Maturity	Note
Pool of banks - Refinancing Facility A	Salini Impregilo	Euribor	2.50%	2019	(1)
Pool of Banks - Refinancing Facility B	Salini Impregilo	Euribor	2.50%	2020	(1)
Pool of Banks - Revolving Facility	Salini Impregilo	Euribor	2.60%	2020	
Banca del Mezzogiorno	Salini Impregilo	Euribor	4.20%	2017	

Loans made by the Pool of banks have been defined during the first half of 2015 following the renegotiation process of a significant part of the existing bank debt. The operation lengthened the timings from 2016 to 2019-2020 with depreciation starting in 2017.

Note

(1) Covenants have been made requiring the debtor to keep certain economic/financial and asset indexes, which to the date of issuance of this Half Yearly report are completely abided by.

Bank project financing

Project financing was € 129.5 million as at June 30, 2015, and relates to projects in Colombia (€ 72.4 million), to projects in Chile (€ 8.9 million), to the Moroccan branch (€ 6.0 million), to the Metro B1 (20.1 million), and to projects in Switzerland (€ 5.6 million). This change mainly relates to the increase registered for contracts of the Swiss subsidiary CSC for € 4.7 million and for some projects of Todini Costruzioni Generali for € 2.5 million. This change was partially offset by the reduction recorded on the Metro 6 contract in Chile.

	Company	Country	Reference interest rate	Maturity
Banco de Bogotá	ICT II	Colombia	DTF	<i>n.a</i>
Banco de Bogotá	Igl OHL	Colombia	DTF	<i>n.a</i>
HSBC Bank	Grupo Unido por el Canal	Panama	Libor	(1)
Banesco	Grupo Unido por el Canal	Panama	Libor	(1)
Helm Bank	Colombia branch	Colombia	Fixed rate	2015
Various	Venezuelan branch	Venezuela	Fixed rate	2015
BMCE	Morocco branch	Morocco	Libor	(1)
Monte dei Paschi di Siena	Corso del Popolo S.p.A.	Italy	Euribor	2028
Banca Popolare del Lazio	Piscine dello Stadio S.r.l.	Italy	Euribor	2020
Banca del Mezzogiorno	Metro B1	Italy	Euribor	2017

The reference rates indicated in the table, include floating spreads based on the duration and conditions of the loan.

Note:

(1) Please note that the contracts under examination have contract maturity dates based on the development of the related projects.

Concession financing

(Amounts in €/000)				June 30, 2015			December 31, 2014		
	Company	Currency	Country	Total financial liabilities	Current	Non-current	Total financial liabilities	Current	Non-current
	Impregilo Parking								
Royal Bank of Scotland	Glasgow	Sterling	UK	10,784	345	10,439	9,967	280	9,687
Unicredit	S.A.BRO.M	Euro	Italy	20,000	20,000	-	20,082	20,082	-
Total				30,784	20,345	10,439	30,049	20,362	9,687

As at June 30, 2015, concession financing amounted to € 30.8 million and related to the Parking Glasgow concession and the new Broni-Mortara motorway concession.

This outstanding financing from Royal Bank of Scotland is included in the project financing category and is secured by the revenue flows arising from the activities carried out under the related concessions. An interest rate hedge has been agreed for this financing (see Note 22). The financing agreement includes a number of covenants, all of which the operator had complied with at the reporting date.

Financing and loans of companies in liquidation

Financing and loans of companies in liquidation as at June 30, 2015 amount € 2.1 million, substantially not varied compared to the closing date of the previous year. The related repayment plans are linked to the liquidation procedures of the companies to which the financing and loans refer.

Other loans

This item is broken down as follows:

(Amounts in €/000)								
			June 30, 2015			December 31, 2014		
Company	Country	Total financial liabilities	Current	Non-current	Total financial liabilities	Current	Non-current	
Cat Finance	Salini Impregilo	Italy	14,413	4,944	9,469	16,694	4,757	11,937
Nesma Riyad	Salini Impregilo	Italy	48,798	48,798	-	-	-	-
Bethar Al Amal	Salini Impregilo	Italy	-	-	-	28,004	28,004	-
Cat Finance	Co.Ge.Ma.	Italy	113	57	55	140	56	84
Total			63,324	53,799	9,524	44,838	32,817	12,021

The conditions relating to the main loans under examination are stated hereunder:

Company	Country	Reference interest rate	Maturity	
CAT Finance	Salini Impregilo	Italy	Fixed rate	2019
CAT Finance	Co.Ge.Ma.	Italy	Fixed rate	2019

The reference rates indicated in the table, include floating spreads based on the duration and terms of the loan.

Bank account overdrafts

Bank overdrafts amount to € 48.7 million and show an increase of € 21.0 million compared to December 31, 2014. Changes are mainly due to the subsidiary company Salini Nigeria for € 15.7 million.

Payables to factoring companies

(Amounts in €/000)	June 30, 2015	December 31, 2014	Change
Venezuelan branch	932	3,374	(2,442)
Salerno-Reggio Calabria S.c.p.a.	14,655	2,359	12,296
Ethiopian branch (Factorit)	14,789	3,853	10,936
Sierra Leone branch (Factorit)	363	97	266
JV Mukorsi (Factorit)	31	31	()
Total	30,770	9,714	21,056

Payables to factoring companies mainly relate to the transfer of receivables.

Net financial position of Salini Impregilo Group

(Amounts in €/000)	Note (*)	June 30, 2015	December 31, 2014	Change
			(\$)	
Non-current financial assets	8.	106,673	89,124	17,549
Current financial assets	13.	130,539	156,908	(26,369)
Cash and cash equivalents	16.	983,451	1,030,925	(47,474)
Total cash and cash equivalents and other financial assets		1,220,663	1,276,957	(56,294)
Bank and other loans	19.	(484,987)	(456,209)	(28,778)
Bond issues	20.	(395,138)	(394,326)	(812)
Payables under finance leases	21.	(96,302)	(102,310)	6,008
Total non-current indebtedness		(976,427)	(952,845)	(23,582)
Bank account overdrafts and current portion of financing facilities	19.	(434,672)	(247,522)	(187,150)
Current portion of bond issues	20.	(181,142)	(166,292)	(14,850)
Current portion of payables under finance leases	21.	(48,474)	(60,231)	11,757
Total current indebtedness		(664,288)	(474,045)	(190,243)
Derivative liabilities	22.	(4,772)	(5,244)	472
Net financial position held by SPVs and unconsolidated project companies (**)		46,180	65,953	(19,773)
Total other financial assets (liabilities)		41,408	60,709	(19,301)
Total net financial position – Continuing operationse		(378,644)	(89,224)	(289,420)
Net financial position for assets held for sale		(55,565)	(81,292)	25,727
Net financial position comprising the non-current assets held for sale		(434,209)	(170,516)	(263,693)

(*) The note numbers refer to the notes to the consolidated financial statements where the items are analyzed in detail

(**) This item acknowledges the net credit/debit position of the Group towards Consortiums and Consortium Companies functioning through cost transfers and not included in the consolidation scope of the Group. The net credit standing and debt position is included in the item in the amount corresponding to the actual liquidity or indebtedness owned by the SPV. The receivables and payables that compose the balance of the item are respectively included among the commercial credit and commercial debts.