



31.2 Financial expense

2015 financial expense decreased by €17.8 million
to €99.4 million as follows:

(€'000)	2015	2014	Variation
Intragroup interest and other expense	(21,247)	(15,691)	(5,556)
Interest and other financial expense	(78,146)	(101,525)	23,379
- Interest on bank loans and credit account facilities	(35,044)	(60,478)	25,434
- Interest on bonds	(25,965)	(25,819)	(146)
- Interest on tax liabilities	(1,188)	(1,693)	505
- Default interest	-	(155)	155
- Discounting	(131)	56	(187)
- Bank fees	(2,747)	(5,275)	2,528
- Charges on sureties	-	(74)	74
- Other loans and borrowings	(1,155)	(883)	(272)
- Factoring and leases	(5,366)	(5,969)	603
- Other	(6,550)	(1,235)	(5,315)
Total	(99,393)	(117,216)	17,823



Financial expense decreased by €17.8 million, mainly due to the reduction of €25.4 million in interest expense on loans and credit account facilities as a result of the lower interest rates and the renegotiation of the term loan facility, agreed in previous years to refinance the liability incurred for the takeover bid. Interest expense on the bank loans and credit account facilities of €35.0 million includes €10.7 million (2014: €16.9 million) arising from the application of the amortised cost method, which did not entail cash outflows during the year, as it was paid in full in previous years.

Interest on bonds of €26.0 million (in line with the previous year) comprises €6.9 million (2014: €6.1 million) arising from the application of the amortised cost method and the release of the PPA effects on bonds that did give rise to cash outflows.

“Other” includes €4.9 million arising from application of the amortised cost method to securities related to the operator in Colombia.

Intragroup interest and other expense (€21.2 million) on intragroup transactions relate to the following companies:

(€'000)	2015	2014	Variation
Consorzio C.A.V.TO.MI	(71)	(583)	512
Consorzio C.A.V.E.T.	-	(73)	73
Impregilo International Infrastructures N.V.	(18,066)	(10,416)	(7,650)
Healy S.A.	(112)	(56)	(56)
Impregilo Lydco	(18)	(140)	122
Co.Ge.Ma.	(16)	(138)	122
Copenhagen Metro Team I/S	(2,120)	(3,513)	1,393
Salini Namibia Proprietary L.t.d.	(494)	(598)	104
Other	(350)	(174)	(176)
Total	(21,247)	(15,691)	(5,556)