

## 18 Bank and other loans

Bank and other loans decreased by €276.4 million over December 31, 2013, to €672.1 million, as summarized below:

(Amounts in thousands of euros)	June 30, 2014	December 31, 2013	Change
<i>Non-current portion</i>			
- Bank and other loans	436,017	634,693	(198,676)
- Indebtedness held by SPVs and unconsolidated project companies	3,086	14,484	(11,398)
<i>Current portion</i>			
- Current account facilities and other loans	236,129	313,819	(77,690)
- Indebtedness held by SPVs	64,102	62,046	2,056

The overall financial indebtedness of the Impregilo group is broken down by loan type in the following table:

(Amounts in thousands of euros)	June 30, 2014			December 31, 2013		
	Non-current	Current	Total	Non-current	Current	Total
Bank corporate loans	413,022	92,103	505,125	590,982	83,763	674,745
Bank project financing	793	64,239	65,032	4,573	46,940	51,513
Concession financing	8,644	27,151	35,795	8,385	20,210	28,595
Financing and loans of companies in liquidation	883	-	883	883	-	883
Other loans	9,671	8,678	18,349	9,705	5,237	14,942
<b>Total bank and other loans</b>	<b>433,013</b>	<b>192,171</b>	<b>625,184</b>	<b>614,528</b>	<b>156,150</b>	<b>770,678</b>
Current account facilities	-	43,697	43,697	-	126,624	126,624
Factoring payables for receivables factored with recourse	3,004	261	3,265	20,165	31,045	51,210
<b>Total</b>	<b>436,017</b>	<b>236,129</b>	<b>672,146</b>	<b>634,693</b>	<b>313,819</b>	<b>948,512</b>

### *Bank corporate loans*

Bank corporate loans as at June 30, 2014 stood at €505.1 million (€674.7 million) 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 2016. 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.

### *Bank project financing*

Project financing was €65.0 million as at June 30, 2014 and relates to projects in Colombia (€56.6 million), the Moroccan branch (€5.8 million), the Dubai branch (€2.0 million) and the Venezuelan branch (€0.7 million). This change mainly relates to the contracts in Colombia for €17.3 million. This change was partially offset by the reduction recorded on the contract in Venezuela.

### *Concession financing*

€'000	Company	Currency	Country	June 30, 2014			December 31, 2013		
				Total financial liabilities	Current	Non-current	Total financial liabilities	Current	Non-current
Royal Bank of Scotland	Impregilo Parking Glasgow	Sterling	UK	8,869	225	8,644	8,595	210	8,385
UniCredit	S.A.BRO.M	Euro	Italy	20,000	20,000	-	20,000	20,000	-
Santander	Metro 6	Euro	Italy	6,926	6,926	-	-	-	-
<b>Total</b>				<b>35,795</b>	<b>27,151</b>	<b>8,644</b>	<b>28,595</b>	<b>20,210</b>	<b>8,385</b>

As at June 30, 2014, concession financing amounted to €35.8 million and related to the Parking Glasgow concession and the new Broni-Mortara motorway concession and the concession for Line 6 of the Santiago Metro in Chile.

The increase for the year relates to the loan, granted by a leading bank, for the construction of Line 6 of the Santiago Metro in Chile, for which Salini Impregilo will also have the 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 21). 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*

This category includes the financing and loans obtained by companies in liquidation. The related repayment plans are linked to the liquidation procedures of the companies to which the financing and loans refer.

### *Other loans*

€'000	Company	Country	June 30, 2014			December 31, 2013		
			Total financial liabilities	Current	Non-current	Total financial liabilities	Current	Non-current
Caterpillar Financial	Salini SpA	Italy	14,122	4,559	9,563	12,786	3,222	9,564
Caterpillar Financial	Co.Ge.Ma.	Italy	167	59	108	199	58	141
Factorit	Ethiopia Branch	Ethiopia	1,688	1,688	-	1,183	1,183	-
Factorit	Sierra Leone Branch	Sierra Leone	97	97	-	-	-	-
Salini Costruttori S.p.A.	Co.Ge.Ma.	Italy	791	791	-	774	774	-
Salini Costruttori S.p.A.	Salini SpA	Italy	1,484	1,484	-	-	-	-
<b>Total</b>			<b>18,349</b>	<b>8,678</b>	<b>9,671</b>	<b>14,942</b>	<b>5,237</b>	<b>9,705</b>

### *Current account facilities*

Current account facilities totaled €43.7 million, down €82.9 million compared to December 31, 2013. This item mainly relates to credit facilities used by the Venezuelan branch (€20.3 million) and credit facilities used by Salini Nigeria (€11.9 million).

### *Factoring payables*

(Amounts in thousands of euros)	June 30, 2014	December 31, 2013	Change
Salini Impregilo S.p.A.	3,177	30,343	(27,166)
Metro B1	88	20,818	(20,730)
Rimati		50	(50)
<b>Total</b>	<b>3,265</b>	<b>51,210</b>	<b>(47,945)</b>

Factoring payables mainly relate to the tax assets factored by the parent company Salini Impregilo S.p.A. for €3.0 million.

### *Indebtedness held by SPVs and unconsolidated project companies*

Non-current indebtedness held by SPVs and unconsolidated project companies amounted to a €67.2 million as at June 30, 2014, (compared to €76.5 million as at December 31, 2013), as shown in the next table:

(Amounts in thousands of euros)	June 30, 2014	December 31, 2013	Change
Non-current indebtedness held by SPVs e unconsolidated project companies	3,086	14,484	(11,398)
Current indebtedness held by SPVs and unconsolidated project companies	64,102	62,046	2,056

The non-current portion relates to:

(Amounts in thousands of euros)	June 30, 2014	December 31, 2013	Change
Joint ventures	1,107	1,208	(101)
Joint Operation	1,979	13,276	(11,297)
<b>Total</b>	<b>3,086</b>	<b>14,484</b>	<b>(11,398)</b>

The current portion is summarized as follows:

(Amounts in thousands of euros)	June 30, 2014	December 31, 2013	Change
Joint ventures	24,075	33,578	(9,503)
Joint Operation	40,027	28,468	11,559
<b>Total</b>	<b>64,102</b>	<b>62,046</b>	<b>2,056</b>

### Net financial position of Salini Impregilo Group

(Amounts in thousands of euros)	Note (*)	June 30, 2014	December 31, 2013	Change
Non-current financial assets	5	58,517	48,928	9,589
Current financial assets	12	8,923	222,113	(213,190)
Cash and cash equivalents	15	645,061	908,631	(263,570)
<b>Total cash and cash equivalents and other financial assets</b>		<b>712,501</b>	<b>1,179,672</b>	<b>(467,171)</b>
Bank and other loans	18	(436,017)	(634,693)	198,676
Bonds	19	(551,155)	(552,542)	1,387
Finance lease payables	20	(93,524)	(97,671)	4,147
<b>Total non-current indebtedness</b>		<b>(1,080,696)</b>	<b>(1,284,906)</b>	<b>204,210</b>
Bank account overdrafts and current portion of financing facilities	18	(236,129)	(313,819)	77,690
Current portion of bonds	19	(28,226)	(11,154)	(17,072)
Current portion of finance lease payables	20	(50,047)	(45,422)	(4,625)
<b>Total current indebtedness</b>		<b>(314,402)</b>	<b>(370,395)</b>	<b>55,993</b>
Derivative assets	12	7	1,016	(1,009)
Derivative liabilities	21	(4,411)	(4,354)	(57)
Financial assets held by SPVs	15	336,460	223,789	112,671
Non-current indebtedness held by SPVs	18	(3,086)	(14,484)	11,398
Current indebtedness held by SPVs	18	(64,102)	(62,046)	(2,056)
<b>Total other financial assets (liabilities)</b>		<b>264,868</b>	<b>143,921</b>	<b>120,947</b>
<b>Total net financial position – Continuing operations</b>		<b>(417,729)</b>	<b>(331,708)</b>	<b>(86,021)</b>
Net financial position for assets held for sale		(67,064)	(53,868)	(13,196)
<b>Net financial position comprising the non-current assets held for sale</b>		<b>(484,793)</b>	<b>(385,576)</b>	<b>(99,217)</b>

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

A large part of the Group's non-current financial indebtedness, mainly related to the €400 million bond issued July 23, 2013 by the parent company and the loan granted by a leading pool of banks in December 2013 for a total of €425 million, are backed by financial covenants that require compliance with certain economic and financial indicators which were complied with at the reporting date.