

30. Financial liabilities

Financial liabilities totalled €1,745,585, increasing by €1,146,083 compared with 2012, as detailed below:

(Values in €/000)	December 2013	December 2012	Change
Payables to banks ord. C/A debit balance	132,590	89,891	42,699
Banks S/T loan - Hot money (30 - 90 days)	20,294	29,048	(8,754)
M-L/T bank loans > 12	663,297	198,647	464,650
M-L/T bank loans < 12	152,102	128,623	23,479
Payables to banks	968,284	446,210	522,074
To shareholders for loans > 12	0	2,889	(2,889)
To shareholders for loans < 12	0	109	(109)
Financial payables to shareholders	0	2,998	(2,998)
Payables to other lenders > 12	135,807	99,696	36,110
Payables to other lenders < 12	119,453	41,984	77,469
Payables to other lenders for leases	255,259	141,680	113,579
Transaction costs for loans - current amount	3,413	0	3,413
Ordinary bonds > 12	559,261	0	559,261
Ordinary bonds < 12	952	0	952
Transaction costs for mortgage/loans	(52,257)	(1,107)	(51,150)
Transactions costs for bonds	(6,719)	0	(6,719)
Accrued expenses for bank and other interest payable < 12	12,264	339	11,925
Accrued expenses for Derivative products < 12	6	7	(1)
Loan and financing costs and accrued financial expenses	516,920	(761)	517,680
Other payables to subsidiaries (Financial) < 12	0	10	(10)
Other payables to associates (Financial) < 12	0	38	(38)
Correspondence C/A with parents	774	9,327	(8,553)
Financial payables to Subsidiaries, Associates and Parents	774	9,375	(8,601)
Derivative instruments (negative fair value) < 12	(2)	0	(2)
Derivative instruments (negative fair value) > 12	4,350	0	4,350
Total financial liabilities	1,745,585	599,503	1,146,083
of which non-current portion	1,303,740	300,125	1,003,615
of which current portion	441,846	299,377	142,468

The following table contains a breakdown of payables to banks, divided into current and non-current:

(Values in €/000)	December 2013	December 2012	Change	December 2013	December 2012	Change
	Current			Non-current		
Debit balances	132,590	89,891	42,699	-	-	-
Short-term loans (30-90 days)	20,294	29,048	(8,754)	-	-	-
Financing	152,102	128,623	23,479	663,297	198,647	464,650
Loans	-	-	-	-	-	-
Total Payables to Banks	304,986	247,563	57,423	663,297	198,647	464,650

Bank overdrafts amounted to around €132,590, of which €93,838 relating to the Impregilo Group, consisting of €85.2 million of credit facilities used by the Venezuelan branch and €6.0 million of credit facilities used by the Grupo Unidos por el Canal. The remainder mainly related to the subsidiary Salini Nigeria LTD (€21,158) and €14,397 relating to the Dubai branch.

Other loans totalled €815,399, of which €152,102 short term and €663,297 medium/long term (on which a fair value adjustment of €928 was made during the PPA - see section 6 on business combinations for more details). The amounts is partly related to the contribution of the Impregilo Group, €94,947 for the non-current portion and €95,475 for the current portion, with the remainder mainly attributable to.

- €354,992 from the subscription, on 10 December 2013, of an unsecured Term Loan Facility (for a total of €425,000 also considering the amount attributable to the former Impregilo S.p.A.) with a 3-year expiry, taken out to refinance debt assumed for the public tender offer as well as some existing credit facilities. Banca IMI/Intesa Sanpaolo SpA, BNP Paribas Italian Branch, Natixis SA Milan Branch, and UniCredit SpA are involved in the transaction as Mandated Lead Arrangers, while Banco Santander SA Milan Branch and Banco Bilbao Vizcaya Argentaria SA Milan Branch are acting as Co-Arrangers;

- €100,220 relating to the BNP Paribas Export SACE loan attributable to the Head Office, of which €19,626 representing the short-term portion, for the purchase of machinery;
- €52,490 relating to the Intesa Sanpaolo loan, of which €9,490 representing the short-term portion, connected to the execution of the Gibe 3 contract in Ethiopia;
- €35,000 relating to the Banca del Mezzogiorno loan, of which €4,683 representing the short-term portion;
- €30,234 relating to the Cariparma medium/long term loan;
- €30,000 relating to the Banca Popolare Emilia Romagna medium/long term loan;
- €15,000 relating to the Banca Popolare di Bergamo short-term loan;

For the unsecured Term Loan Facility (former public tender offer loan) and the BNP Paribas Export SACE loan transaction costs have also been recognised, after amortisation for the year, for a total of €52,257.

Notes to the consolidated financial statements

The following table gives a detailed breakdown of the item loans:

Lending bank	Type	2014 portion	2015 portion	2016 portion	2017 portion	2018 portion	portion > 5 years	Total
Banca Pop. Emilia Romagna	Loan	20,294	0	0	0	0	0	20,294
Intesa San Paolo	Loan	9,490	25,000	18,000	0	0	0	52,490
Banca Popolare di Bergamo	Loan	15,000	0	0	0	0	0	15,000
BNL Bnp Paribas	Loan	19,626	20,000	20,000	20,000	20,594	0	100,220
Banca del Mezzogiorno	Loan	4,683	9,674	10,099	10,543	0	0	35,000
CBD Dubai	Loan	1,974	0	0	0	0	0	1,974
BMCE Marocco	Loan	5,796	0	0	0	0	0	5,796
CAT	Loan	57	56	84	0	0	0	198
Banca IMI Refinancing	Loan	0	354,992	0	0	0	0	354,992
Cariparma	Loan	0	30,234	0	0	0	0	30,234
Banca Pop. Emilia Romagna	Loan	0	30,000	0	0	0	0	30,000
Royal Bank of Scotland	Loan	9,000	0	0	0	0	0	9,000
Banca IMI (pool of banks)	Loan	197	0	74,101	0	0	0	74,298
Banco de Bogotá	Loan	38,559	0	0	0	0	0	38,559
Banco de Bogotá	Loan	15,761	5,254	0	0	0	0	21,016
HSBC Bank e Banesco	Loan	11,138	0	0	0	0	0	11,138
Banco de Bogotá	Loan	611	119	0	0	0	0	730
Prestamos Bancarios Venezuela	Loan	0	4,455	0	0	0	0	4,455
Royal Bank of Scotland	Loan	210	263	320	373	431	6,998	8,595
UniCredit	Loan	20,000	0	0	0	0	0	20,000
Banco di Sicilia	Loan	0	883	0	0	0	0	883
Banco di Sicilia	Loan	0	797	0	0	0	0	797
Banco di Sicilia	Loan	0	27	0	0	0	0	27
Total Loans		172,396	481,753	122,605	30,916	21,025	6,998	835,693

Payables due to other lenders totalled €255,260 and were composed as follows:

(Values in €/000)	December 2013	December 2012	Change	December 2013	December 2012	Change
	Current			Non-current		
Receivables assigned with recourse	20,867	12,370	8,497	20,165	0	20,165
Indirect factoring transactions	37,038	2,736	34,302	0	0	0
Leases	61,548	26,878	34,670	115,642	99,696	15,946
Total payables to other lenders	119,453	41,984	77,469	135,807	99,696	36,111

This change was mainly due to: (i) the increase in leases of €50,616 essentially due to the greater use of leases for the purchase of industrial machinery and equipment (ii) the increase in indirect factoring transactions of €34,302 and (iii) the increase in sales of receivables factored with recourse of €28,662.

On 23 July 2013 the parent Salini S.p.A. completed a senior unsecured bond issue for a nominal amount of €400,000 with a 5-year maturity. The bonds, which have a minimum denomination of €100,000 and an annual gross coupon of 6.125%, were placed with primary international institutional investors at a price of 99.477. Banca IMI S.p.A., Natixis and UniCredit Bank acted as Joint Lead Managers and Joint Bookrunners for the placement of the bonds.

The securities, with issue date of 1 August 2013 and a maturity of 1 August 2018, will pay interest annually. The liability recognised at 31 December 2013, of €393,007, includes the transaction costs directly associated with the issue of the bond,

which amounted to €6,719 after amortisation for the year.

At 31 December 2013, the Impregilo Group recorded bonds totalling €150,164 relating exclusively to the bond issued by the Dutch subsidiary Impregilo International Infrastructures N.V, consisting of a non-current amount of €149,212 and a current amount of €952. The bonds of the Dutch company Impregilo International Infrastructures NV, wholly owned by Impregilo S.p.A., were issued in November 2010 for a total nominal amount of € 300 million. The outstanding bonds at the reporting date with a nominal amount of €150 million are redeemable in 2015 (bearing interest at a fixed rate of 6.526%). The bonds are listed on the Luxembourg stock exchange and underwritten by Impregilo S.p.A..

The breakdown of the bond redemptions by time band is shown below:

(Values in €/000)	Company	Country	Total non-current portion	Due after 13 months but within 24 months	Due after 25 months but within 60 months	Due after 60 months
Salini S.p.A.	Salini S.p.A.	Italy	393,007	-	-	393,007
Impregilo International Infrastructures	Impregilo International Infr	Netherlands	149,212	149,212	-	-
Total			542,219	149,212	-	393,007

A fair value adjustment of €10,323 million was made to the Bonds during the PPA; see section 6 on business combinations for more details.