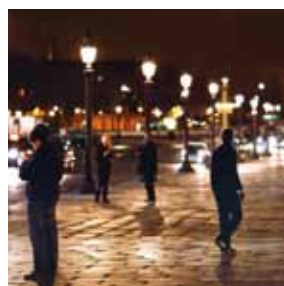


2011 Annual Report



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Key figures

€37.0 billion

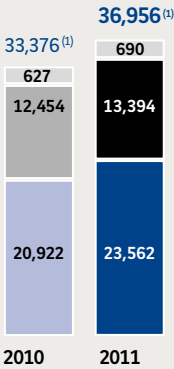
Revenue⁽¹⁾

€19.1 billion

Market capitalisation at 31 December 2011

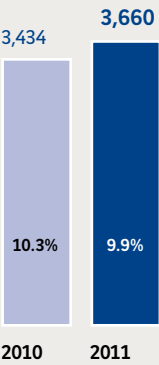
Revenue

(in € millions)



Operating income from ordinary activities

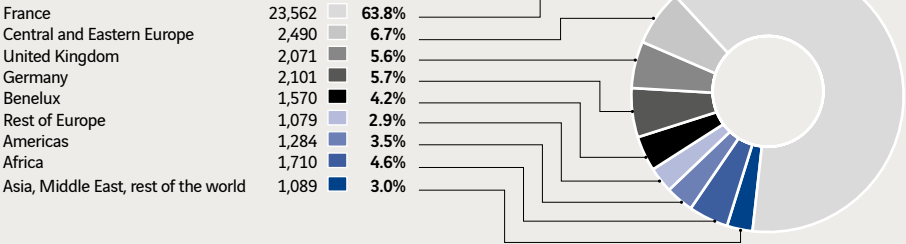
(in € millions and as a percentage of revenue⁽¹⁾)



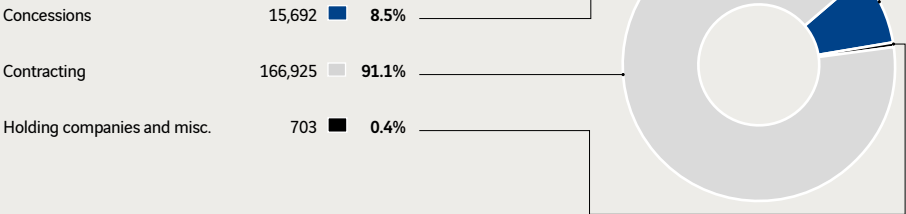
France
International
Concession subsidiaries' revenue derived from works carried out by non-Group companies

Revenue by geographical area⁽¹⁾

(in € millions and as a percentage)



Workforce at 31 December



€1,904 million

Net income attributable to owners of the parent

264,000

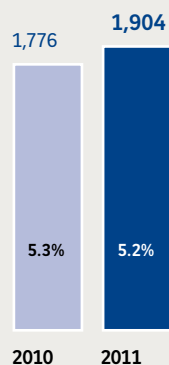
projects⁽²⁾

183,320

employees worldwide⁽³⁾

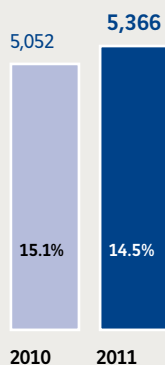
Net income attributable to owners of the parent

(in € millions and as a percentage of revenue⁽¹⁾)



Cash flow from operations⁽⁴⁾

(in € millions and as a percentage of revenue⁽¹⁾)



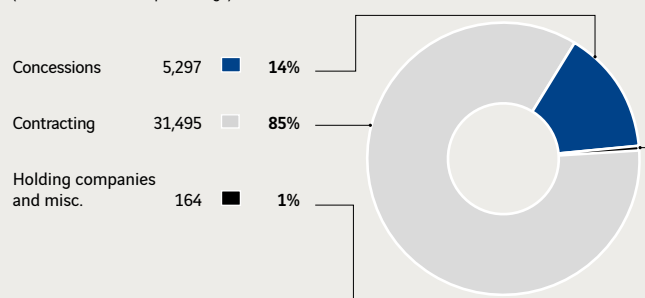
Net financial debt at 31 December

(in € millions)



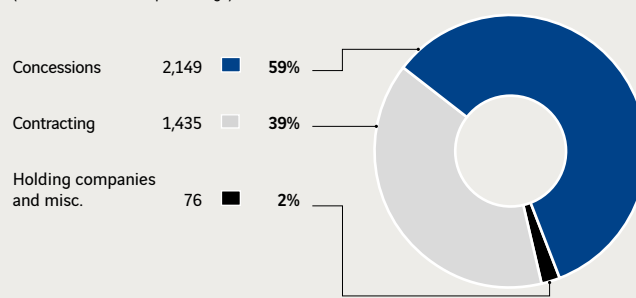
Revenue by business⁽¹⁾

(in € millions and as a percentage)



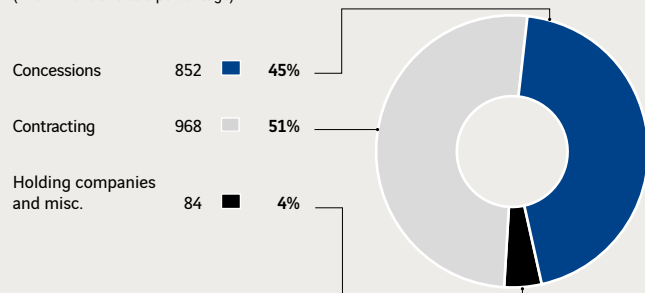
Operating income from ordinary activities by business

(in € millions and as a percentage)



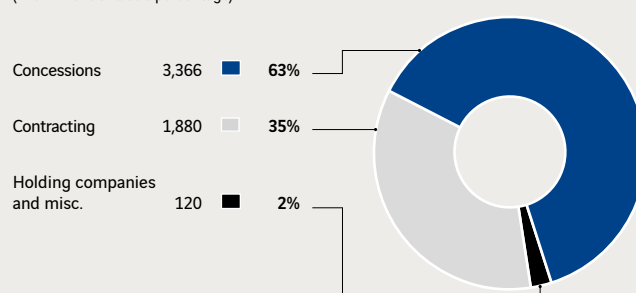
Net income attributable to owners of the parent by business

(in € millions and as a percentage)



Cash flow from operations by business⁽⁴⁾

(in € millions and as a percentage)



(1) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

(2) Estimate.

(3) At 31 December 2011.

(4) Before tax and financing costs.

Our convictions.

Because we believe:

*In all-round performance above and beyond our
economic and financial results,*

*In empowering our people and networking
their skills and energy,*

*In the humanistic values of
trust, respect and solidarity,*



***Our goal is to build strong partnerships
with customers and stakeholders
to ensure the success of every project.***

02



1

2

1
Skirting the Lyonnais and Beaujolais mountains, the motorway will make the most of the resources of the regions it serves while conserving the biodiversity.

2
Thanks to the steps taken to safeguard the species, the white-clawed crayfish was reintroduced into watercourses from which it had disappeared.

3
All water runoff from construction zones is collected and treated to prevent impact on the natural environment.

4
Since work began in 2010, 14,000 visitors have toured the worksite and learned about the measures adopted to conserve biodiversity.

5
Artificial habitats were recreated for a number of bat species, with the help of nature conservation groups.





3



4



5



03

Conserving biodiversity...

...during construction of the A89 Balbigny–La Tour de Salvagny motorway by applying environmental standards far exceeding regulatory requirements.

Outreach and dialogue. From the start of the motorway project, ASF (VINCI Autoroutes) asked conservation groups to help design its environmental component. A written consultation charter was drawn up to serve as a framework. The conservation groups were involved throughout the motorway design and construction process, from the definition of biodiversity conservation measures to environmental awareness sessions for all worksite personnel. The groups will also be involved in tracking these measures following the opening of the motorway.

Water, a major challenge. To prevent muddy worksite water from being washed by rain into watercourses that are home to the white-clawed crayfish and the fario trout, an exceptional protection system was built around the entire earthworks area. It consisted of ditches and settling ponds, water treatment stations to separate mud by flocculation, etc. The entire system was designed to handle 10-year precipitation.

The freshwater white-clawed crayfish. To ensure reintroduction of this protected species in the event of accidental pollution of the watercourses near the worksite, ASF asked the Besançon natural history museum to create a breeding facility. Around 800 crayfish were born in captivity; a first batch of 300 was released in the spring of 2011 into an area outside the construction zone, from which the crayfish had disappeared. Transponders were attached to their shells to track and study their movements. The most effective measures, however, remain those taken *in situ* to protect the watercourses throughout the project.

Bats. Two artificial tunnels designed by the Fédération Rhône-Alpes de Protection de la Nature conservation group were built in a backfill and the bottom of a viaduct. Equipped with roosting structures, they recreate the conditions (darkness, stable low temperatures and high humidity) of bat natural habitats. Other species (insects, small mammals) will also be able to colonise these structures.



1

1 Under the Cité Solidaire programme set up in 2010, the Fondation VINCI supports small non-profits working in local neighbourhoods on community projects involving recreation, housing, child care, learning, healthcare, etc.

2 In the Greater Paris area, the Fondation VINCI supports the activities of the Régie de Quartiers des Portes de l'Essonne neighbourhood association, the activities of which include collecting furniture for re-sale at low prices.

3 Rather than discard 40 tonnes of work clothing made obsolete by the change in ASF's corporate identity, ASF gave them to the La Tresse social integration non-profit for recycling.

4 Funding provided to organisations by the Fondation VINCI supports the commitment made by Group employees who contribute their skills as sponsors of outreach projects.



2



3



Acting in solidarity...

...to combat social exclusion, by joining forces with people working in the field through the Fondation VINCI pour la Cité.

La Tresse. VINCI has forged a long-term working relationship with the La Tresse social integration organisation in France's Dordogne region, which specialises in textile recycling. The Foundation began by providing €20,000 to upgrade the non-profit's production shop and expand its activity. ASF (VINCI Autoroutes) employees sponsoring the organisation then set up a partnership to recycle phased-out work clothes of motorway employees. Forty tonnes of clothing were collected and recycled in 2011. The partnership is now being extended within the company and has already enabled La Tresse to safeguard two social integration jobs.

Portes de l'Essonne. The neighbourhood association created by the Portes de l'Essonne urban community with the participation of social housing authorities and local residents provides services for disadvantaged neighbourhoods and employs people alienated from the job market. The Fondation VINCI supported the association in the start-up phase with an €18,000 grant to buy a collection truck and again in 2011 to help the association create a "resource centre" that collects re-usable equipment that is then sold at low prices to local residents rather than being sent to municipal waste disposal centres. €20,000 were made available to the project to purchase storage equipment. The association is sponsored by employees of Citéos (VINCI Energies), an urban lighting business unit that will supply the resource centre with equipment for recycling.

Cité Solidaire. Under this programme, the Fondation VINCI works with a city and the Group's local companies to support very small civic associations that create social ties in disadvantaged neighbourhoods and carry out activities that directly benefit the local population. Initially launched in Argenteuil in 2010, it was then extended to Saint Denis, Sarcelles, Vitry sur Seine and Tourcoing. At the end of 2011, 36 projects were receiving grants totalling €477,000.



4



1

1 and 3

An IT tool that provides 3D display of all drawings was used in designing the complex South Europe Atlantic high-speed rail line. The realistic images greatly facilitated the work of the “consultation managers” in defining the final route.

2

Following the preliminary assessment phase, some 30 archaeological excavations were begun, providing an opportunity for local residents to explore new aspects of the local heritage.

4

To offset habitat destruction, 2,800 hectares were acquired or placed under habitat protection contracts and will be redeveloped to accommodate protected species such as the little bustard.

5

Fulfilling the Group’s commitment to dialogue and consultations, many public meetings with LISEA and COSEA representatives were held in 2011.



2



3



Reaching out...

...to all the stakeholders through dialogue and consultations is a key focus of the SEA Tours-Bordeaux high-speed line project.



4



5

The construction of the 302 km HSL that will connect Tours and Bordeaux in 2017 began with a dialogue involving all project stakeholders along the route of the line. In the 122 municipalities located along the route, teams from the SEA concession and construction consortiums, LISEA and COSEA, met with local officials to discuss (by means of 3D display software) the most suitable ways to reconnect utility networks and roads and the best solutions for blending the new line into the landscape and conserving quality of life for local residents. The LISEA and COSEA teams are also available to elected officials wanting to organise public meetings with local residents; more than 20 such meetings were held in 2011 during the six-month period following entry into force of the contract. Open-house events are regularly scheduled at the archaeological excavations carried out ahead of construction works. The *LISEA Express* newsletter, circulated to 150,000 households, reviews overall progress; local residents can also track progress on the worksites in their municipalities at www.lgv-sea-tours-bordeaux.fr.

Conserving ecosystems along the route is one of the main goals of the consultations. LISEA and COSEA began working very early on with the local biodiversity community to avoid sensitive zones and reduce impact to a minimum; this was followed by the definition of offsetting measures to be implemented on more than 2,800 hectares for the 200 protected species identified. LISEA, for example, will manage 700 hectares set aside (through land purchase or habitat protection contracts with farmers) for lowlands birds, especially the little bustard, a migratory species protected under European legislation.

The LISEA Biodiversity Foundation, now being set up, will support projects designed to conserve or restore natural areas in the three French regions and six French departments along the HSL route. It will fund non-profit operational projects selected by a committee of experts according to their ability to leverage optimum biodiversity.



1

1
Each Sogea-Satom worksite offers an opportunity to reach out to the local community and enable local people to benefit from the project.

2
The 170 km water supply system built in the Gitega region will supply five towns and rural areas that are home to 3 million people.

3-4
Local recruitment goes hand in hand with a large-scale training system focused on equipment and installation works and maintenance.

5
AIDS prevention education was provided that, in 2011, raised awareness among 1,000 project workers.



2



09

5



3



4



Striving for shared development...

...by involving the local population in building a water supply network in Burundi.

Three million people now have access to safe drinking water thanks to a project carried out by Sogea-Satom (VINCI Construction) between 2009 and 2011 in the Gitega region under two contracts covering several urban and rural areas. A 170 km system with equipment – pumping stations, storage tanks, power lines, etc. – brings water to homes and communal tapstands. People no longer have to take water from rivers or insanitary wells.

Five hundred people were recruited in the worksite area. In addition to technical training for the worksite teams and the future operators of the pumping stations, weekly safety training courses were provided. A major AIDS prevention system was also set up, involving a four-day training course for foremen, who then raised awareness among labourers. Booklets and condoms were handed out, and agreements made with local associations and dispensaries.

The local population is closely involved in using and maintaining the equipment. Sogea-Satom trained local leaders to encourage the local population to take good care of the installations. Maintenance manuals translated into Kirundi with the help of the Alliance Française were drawn up for communal tapstand managers, and maintenance technicians were trained under a twinning operation with the Mont Saint Michel water authority in France.



***Our goal is to build strong partnerships
with customers and stakeholders
to ensure the success of every project.***

Profile

VINCI is the world leader in construction and concessions, employing more than 183,000 people in some 100 countries. We design, build, finance and manage facilities that improve everyday life: the systems that transport us, the public and private buildings in which we live and work, the urban developments that create and improve our communities, and the water, energy and communication networks vital to human existence.

11

As a private-sector company contributing to the development of society, VINCI's integrated concession-construction business model successfully blends a focus on today's priorities with the long-term sustainability of its accomplishments.

Milestones

1891

Creation of Grands Travaux de Marseille (GTM).

1899

Creation of Girolou (power plants and grids, concessions).

1908

Creation, as part of Girolou, of Société Générale d'Entreprises (SGE).

1946

SGE, heavily involved in the electricity sector until its nationalisation, moves into building and civil engineering.

1966

Compagnie Générale d'Électricité acquires control of SGE.

1970

SGE participates in the creation of Cofiroute, which financed, built and currently operates the A10 (Paris–Poitiers) and A11 (Paris–Le Mans) motorways.

1984

Compagnie de Saint-Gobain becomes SGE's majority shareholder.

1988

Saint-Gobain sells its interest in SGE to Compagnie Générale des Eaux.

1990s

Several acquisitions give SGE a European dimension.

1996

SGE reorganises into four core businesses: concessions, energy, roads and construction.

2000

Vivendi (formerly Compagnie Générale des Eaux) completes its withdrawal from SGE's share capital. Friendly takeover bid for Groupe GTM: merger of SGE-Groupe GTM to create VINCI, the world's leading group in concessions, construction and related services.

2002

VINCI enters the CAC 40.

2006

VINCI acquires ASF, the biggest French motorway concession operator.

2010

VINCI acquires Cegelec and Faceo.

2011

VINCI's revenue grows by 10.7% relative to 2010. A series of unprecedented business wins includes the concession for the South Europe Atlantic high-speed rail line between Tours and Bordeaux.



“Solid” and “vigorous” once again best sum up the state of VINCI, at the close of 2011. In an uncertain economic climate, and coming after the high basis of comparison set in 2010, VINCI’s revenue grew by 10.7%, largely thanks to organic growth. Revenue in Concessions rose 3.9% even though growth in motorway traffic was soft. Contracting grew by 11.9%, with all business lines performing well in both their home markets in France and abroad.

The sturdiness of our model is clearly visible in several ways: our business lines’ operating margins held up well in the face of economic strains in the second half of the year; net income, which has continuously risen since 1995, grew by 7.2%; and our debt management, as debt was cut by €470 million in the last year.

This model gained in resilience in 2011, supported by a broad array of business activities and markets. We continued to expand internationally, especially in motorway concessions, major building projects, and in energy services thanks to the successful combination of Cegelec with VINCI Energies. The model was further confirmed in two key areas of diversification. First, in rail infrastructure, 2011 saw the start-up of the concession contract for the Tours-Bordeaux high-speed line, the largest public-private partnership of its kind in Europe. Second, in airport infrastructure, the launch of the Grand-Ouest airport project (near Nantes) along with the takeover of operations at the existing Nantes-Atlantique airport have given VINCI a visible presence in this market. Meanwhile, we also deepened our model by intensifying the synergies among our business lines,

not only in major concession and construction projects, but also in a growing number of projects and contracts built around the strong fit between our networks of expertise and local activities.

Accompanying the growth in our business activities has been a rise in new orders. After rebounding in 2010, our order book rose by 18% over the year to a record €30.6 billion at the end of 2011. The visibility this affords us, plus our model, allow us to view 2012 with confidence. We have the room we need to make timely adjustments in those countries and businesses worst hit by current economic conditions, so they can be poised to bounce back all the more vigorously once growth returns.

Looking beyond the immediate economic uncertainties, we remain fully confident in the long-term growth potential of our businesses. They are so central to the challenges of urban development, mobility, energy and communications that their future is indeed more exciting today than ever. The world is an inexhaustible source of projects waiting to be developed, and VINCI stands ready to grasp these opportunities from a position of strength. With a clear strategy and solid fundamentals, a fluid organisation and an energetic market presence, VINCI is forging ahead in a changing world, fully prepared for tomorrow’s challenges.

“After rebounding in 2010, our order book rose by 18% over the year to a record €30.6 billion at the end of 2011. The visibility this affords us, plus our model, allow us to view 2012 with confidence.”

Board of Directors

Xavier Huillard

Chairman and Chief Executive Officer, VINCI

Yves-Thibault de Silguy

Vice-Chairman and Senior Director of the Board, VINCI

Dominique Bazy⁽¹⁾

Managing Partner, Barber Hauler Capital Advisers

Élisabeth Boyer

Operations control centre supervisor, Cofiroute; Chairman of the Supervisory Board of the Castor corporate mutual funds

Robert Castaigne

Former Chief Financial Officer and former member of the Executive Committee, Total

François David

Chairman, Coface SA

Patrick Faure

Chairman, Patrick Faure et Associés

Dominique Ferrero

Adviser to the Chairman of Natixis

Jean-Pierre Lamoure⁽²⁾

Chairman of the Board of Directors, Soletanche Freyssinet

Jean-Bernard Lévy

Chairman of the Management Board, Vivendi

Michael Pragnell

Chairman of the Council of Trustees, Cancer Research UK

Henri Saint Olive

Chairman of the Board, Banque Saint Olive

Pascale Sourisse

Senior Vice President, Defence and Security C4I systems, Member of the Executive Committee, Thales

Qatari Diar Real Estate Investment Company

Company registered under Qatari law, represented by Yousuf Ahmad Al Hammadi

Audit Committee

This committee helps the Board monitor the accuracy and fair presentation of VINCI's consolidated and parent company financial statements, as well as the quality of financial information.

Composition:

Henri Saint Olive (Chairman)
Robert Castaigne
Michael Pragnell
Pascale Sourisse

Appointments and Corporate Governance Committee

This committee examines all candidacies for appointments to the Board, prepares recommendations on the appointment of executive company officers and succession planning, and ensures the rules of corporate governance are applied.

Composition:

Yves-Thibault de Silguy (Chairman)
Patrick Faure
Dominique Ferrero

Strategy and Investments Committee

This committee helps the Board develop the Group's strategy. It examines proposed investments and divestments that could have a material impact on the Group's consolidation scope, business activity, results or stock market performance.

Composition⁽³⁾:

Yves-Thibault de Silguy (Chairman)
Elisabeth Boyer
Jean-Pierre Lamoure
The permanent representative of Qatari Diar Real Estate Investment Company

Remuneration Committee

This committee proposes the terms and conditions of remuneration of company officers to the Board.

Composition:

Jean-Bernard Lévy (Chairman)
Dominique Bazy
François David

⁽¹⁾ Mr Bazy has indicated that he will not seek the renewal of his appointment as Director, which expires at the close of the Shareholders' General Meeting to be held on 12 April 2012.

⁽²⁾ Renewal of appointment for a period of four years proposed to the Shareholders' General Meeting of 12 April 2012.

⁽³⁾ Permanent members. The Strategy and Investments Committee is open to any member of the Board who wishes to participate.

2012 Executive Committee

The Executive Committee is responsible for managing VINCI. It met 20 times in 2011.

- 1
Xavier Huillard
Chairman and Chief Executive Officer, VINCI
- 2
Christian Labeyrie
Executive Vice-President and Chief Financial Officer, VINCI
- 3
Richard Francioli
Executive Vice-President, Contracting, VINCI
- 4
Jean-Yves Le Brouster
Chairman, VINCI Energies
- 5
Jean Rossi
Chairman, VINCI Construction

- 6
Jacques Tavernier
Chairman and Chief Executive Officer, Eurovia
- 7
Louis-Roch Burgard
Chief Executive Officer, VINCI Concessions
- 8
Pierre Coppey
Chairman, VINCI Autoroutes
- 9
Bruno Dupety
Chief Operating Officer, VINCI Construction
- 10
Yves Meignié
Chief Operating Officer, VINCI Energies

- 11
Jean-Luc Pommier
Vice-President, Business Development, VINCI
- 12
Franck Mougin
Vice-President, Human Resources and Corporate Social Responsibility, VINCI
- 13
Pierre Duprat
Director of Corporate Communications, VINCI
- 14
Patrick Richard
General Counsel, VINCI
Secretary to the Board of Directors

2012 Management and Coordination Committee

The Management and Coordination Committee brings together the members of the Executive Committee and senior VINCI executives. Its remit is to ensure broad discussion of VINCI's strategy and development. It met four times in 2011.

- Hervé Adam**
Chief Executive Officer, VINCI Energies France
- Pierre Anjoulras**
Chief Operating Officer, Eurovia
- Alain Bellanger**
Chief Executive Officer, VINCI Facilities
- Renaud Bentegeat**
Managing Director, CFE
- Gérard Bienfait**
Chairman, VINCI Construction France
- Alain Bonnot**
Chairman, VINCI Construction Grands Projets
- Dominique Bouvier**
Chairman and Chief Executive Officer, Entrepouse Contracting
- Michel Cantet**
Chairman, VINCI Energies France

- Philippe Chavent**
Chairman and Chief Executive Officer, Sogea-Satom
- José-Michaël Chenu**
Chief Operating Officer, VINCI Construction France
- Serge Clément**
Chief Executive Officer, VINCI Park
- Dominique Collomp**
Deputy Managing Director, Eurovia
- Philippe-Emmanuel Daussey**
Chairman and Chief Executive Officer, Escota
- Sébastien Fraisse**
Deputy Managing Director, Operations, ASF
- Arnaud Grison**
Chief Executive Officer, Cofiroute
- Jean-Pierre Lamoure**
Chairman of the Board of Directors, Soletanche Freyssinet

- Olivier de la Roussière**
Chairman, VINCI Immobilier
- Patrick Lebrun**
Deputy Managing Director, VINCI Energies
- Christophe Pelissié du Rausas**
Director of Client-side Project Management, VINCI Concessions
- Fadi Selwan**
Director of Business Development, VINCI Concessions
- John Stanion**
Chairman and Chief Executive, VINCI plc
- Jérôme Stubler**
Chief Executive Officer, Freyssinet, Terre Armée and Nuvia
- Guy Vacher**
Chief Operating Officer, Eurovia



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11



12



13



14

Strategy and outlook

16

A model “for all seasons”

VINCI's continuously improving performance over the past 10 years or so reflects the coherence and robustness of its three-point business model. This is based on a good strategic fit between its Concessions business and the Contracting business lines (Energy, Roads and Construction), which have:

- complementary operating cycles: long in Concessions, and short to medium term in Contracting;
- complementary financial considerations: Concessions are capital intensive and generate recurring revenues, whereas Contracting requires relatively little capital but is structurally cash positive;
- complementary expertise: programme organisation and financing, and project management during construction and operation in Concessions; and the capacity to design, build and maintain complex structures in Contracting.

As well as underpinning the company's expansion in times of economic growth, this model provides resilience in a cyclical downturn. Its deployment over many different businesses, markets and geographies adds to its intrinsic strength. Moreover, the order book affords medium-term visibility, allowing changing business conditions to be adjusted to in a timely fashion. VINCI companies are highly responsive, further enabling the Group to anticipate market developments.

Balanced growth across VINCI's two main businesses

VINCI's strategy is to continue building on this model and achieve balanced growth in its two main business areas, expanding in international markets and intensifying the synergies between its different business lines.

In the Contracting business lines, this strategy entails building up dense local networks and developing high technical-content specialities with global applications, such as ground technologies, engineering, and oil and gas infrastructure. At the same time VINCI is working to bolster its large project management resources and capabilities. Another pillar of the Group's strategy is to strengthen the “long-term” dimension of its Contracting business, with the development of service activities such as facilities management, comprehensive road network maintenance and energy services, mainly.

In the Concessions business, VINCI's growth strategy is focused on diversifying its areas of activity (e.g. road, rail and airport infrastructure, car parks, and large public

amenities such as stadiums), on winning greenfield (new) concessions as well as acquiring brownfield (existing) concessions, and on developing new services to boost the efficient operation of existing infrastructure.

Combining our expertise and stakeholders' capabilities for more effective project management

In most of VINCI's markets, demand is increasingly moving in the direction of ever larger, complex turnkey projects. VINCI's capacity to harness and coordinate the full range of know-how and resources required for this kind of project gives it a critical competitive edge. Supporting this process, VINCI is energetically pursuing technical and managerial synergies between its business lines in order to raise its profile as an integrator of expertise. This approach will apply in the first place to large-scale projects mobilising the entire range of VINCI's know-how in the areas of project finance, design, construction, and operation and maintenance. Examples include projects either won or launched in 2011, such as, in France, the Tours-Bordeaux South Europe Atlantic high-speed rail line (SEA HSL), the Aéroport du Grand Ouest airport project near Nantes, and stadiums for Nice and Bordeaux; and the A9 motorway in Germany. The approach will also apply to the many Contracting projects where the clients' demands for integrated solutions require a capacity to design joint bids and form networks of expertise and contractors.

VINCI is also working to consolidate its position as an integrator of expertise by listening to and engaging in dialogue with all stakeholders affected by its operations. Securing the backing of public opinion and the wider community is crucial to the success of infrastructure and public amenity projects. VINCI's skills in organising the collective governance of its projects, by involving all of the actors concerned (including elected representatives, public services, non-governmental groups, local residents, the business community, etc.), is a vital factor setting it apart from the competition.

Faster international growth

International growth and intensifying synergies are the twin pillars of a single strategy aimed at expanding VINCI's market coverage by taking advantage of the strategic fit between its networks of local firms, its internationally active specialities, and



1

its divisions dedicated to large projects. The arrival within the Group of Soletanche Bachy, Entrepouse Contracting and Cegelec, and their attendant networks, is facilitating the pursuit of this strategy in fast-growing regions outside Europe, including Africa, the Middle East, Asia, the Pacific region, and Latin America. Recent developments by VINCI in Qatar, Indonesia, Turkey and India are showing the way. Winning new concessions in international markets will further expand the geographical reach of VINCI's businesses.

Meanwhile, VINCI is working to consolidate its positions in those European countries where it is already present, building on its deep local roots in these markets and leveraging its internal synergies, as is currently the case in France, the Benelux, the United Kingdom, Germany and Central Europe.

Presence in markets with long-term growth potential

VINCI's business mix and model are fully aligned with deep-lying trends in its markets. Looking further ahead, urban development, the increasing importance of mobility, expanding energy infrastructure needs, and ever-tougher energy efficiency requirements will entail huge investment programmes for new-build and renovation programmes in emerging and mature economies alike. This applies equally to infrastructure and buildings. At a time of falling public spending, the growing recourse to public-private partnerships (PPPs) is another factor favouring VINCI's integrated model.



3

2



1
Expanding service activities will bolster the “long-term” component of the Contracting business.

2
VINCI’s capacity to leverage the expertise of its different business lines, and to knit their know-how into networks, answers clients’ needs when executing complex projects such as the three LNG storage tanks at the Gate terminal in Rotterdam (Netherlands).

3
Expanding into international markets is a key pillar of VINCI’s strategy, especially in high-growth countries such as India, where it recently acquired NAPC, a local contractor.

Sustainable development

Creating value through all-round performance

18

VINCI's sustainable development approach is part of the Group's general policy aimed at boosting all-round performance. Above and beyond the technical and economic quality of our projects, our goal is to enhance their social and environmental added value by providing solutions that simultaneously meet the short-term needs of clients and users and address the long-term issues facing society as a whole.

The approach is overseen by the Group's Executive Committee and coordinated by the Delegation for Sustainable Development, a streamlined structure that works in close cooperation with all functional and operational departments. It is implemented under the supervision of an international committee made up of some 30 members, who define the objectives and draw up the major action programmes. Permanent clubs and ad hoc working groups round out the system. In 2011 the focus was on biodiversity conservation, sustainable purchasing and the establishment of a global diversity network.

Self-diagnosis by operating entities

For a sustainable development policy to be effective, every Group entity must take it on board within the context of its own business activity. In this spirit, VINCI finalised its sustainable development self-diagnosis questionnaire in 2011, after an experimental phase. The questionnaire enables each of its companies to assess its own performance in 15 categories relating to the workforce, the environment and social responsibility. Taking inspiration from the ISO 26000 standard, the questionnaire is both an approach and a tool designed to help operational managers and their respective Management Committees work together to address practical issues arising in each category, measure their progress and rank their priorities in line with the issues and challenges specific to their business activity. An online platform is provided to track actions undertaken over time.

Non-financial indices and relations with socially responsible investors

VINCI regularly responds to questionnaires from non-financial rating agencies, notably those of Vigeo for the ASPI Eurozone® index and SAM for the DJSI. VINCI's overall DJSI rating increased from 69 to 70/100 in 2011; the Group has set itself the objective of achieving a social rating of 75/100 within three years. VINCI also has direct contacts with socially responsible investors (SRIs), who are thus able to corroborate their evaluations through direct, in-depth and fully transparent discussions.

Lastly, VINCI's membership since 2003 of the United Nations' Global Compact and support for its 10 principles underpin the implementation of programmes in a neutral and internationally recognised framework.



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2

1
VINCI supports research and education in eco-design and the sustainable city.

2
The Group, which employs 183,320 people, gives preference to permanent jobs.

Workforce-related performance

Ensuring health, safety and quality of life in the workplace

VINCI's corporate social responsibility policy, which applies to all Group employees, partners, subcontractors, temporary workers and customers, gives priority to health and safety. Our goal is zero accidents on our worksites and within the infrastructure we manage and operate. We regularly come together to review our action plans and the results achieved, notably as part of the "Safe Together" initiative, which aims to improve discussion and dissemination of best practice. All levels of management are heavily involved in the coordination, implementation and monitoring of our health and safety policies. H&S results are included in managers' performance evaluation criteria.

In the five-year period between 2006 and 2011, our lost-time accident frequency rate was brought down from 14.65 to 10.30 worldwide and from 15.90 to 13.32 in France. Between 2010 and 2011, the number of training hours given over to health and safety rose 10%. Companies recording zero lost-time workplace accidents increased from 48% to 60%. In France, H&S action plans carried out for temporary workers reduced their lost-time accident frequency rate by 4% between 2010 and 2011.

Creating permanent jobs and fostering career development

VINCI takes a long-term approach to employee relations and gives preference to creating permanent jobs. In line with our decentralised management model, employment policy is the responsibility of the individual companies and their operational managers. On 31 December 2011, there were 183,320 Group employees, of whom 160,696 had permanent jobs. VINCI hired 21,128 people worldwide in the course of the year, including 9,479 in France, in permanent jobs.

Because VINCI's companies are engaged in highly labour and management intensive business activities, they strive to develop the skills of all employees in order to improve productivity and keep pace with the increasing technical complexity of projects. The Group's policy is to offer every employee a career plan that includes training and job and geographical mobility, and integrated training centres have been set up to implement this policy. The centres now provide nearly 26% of the training hours made available to employees. In 2011, in a move to foster exchanges, the Group initiated the VINCI Exchange programme. It enables employees from different countries and companies to get better acquainted, share their experience and identify synergies to be developed.

Upstream of hiring campaigns, VINCI companies work with schools and employment organisations to make their businesses more attractive, establish appropriate courses, encourage professional integration and contribute to developing employment, especially for young people without qualifications and people who have been alienated from the workforce. In 2011, VINCI and its subsidiaries attended some 40 job fairs and forums. Nearly 8,300 students (a 60% increase in five years) were given internships in Group companies. VINCI also proactively promotes the expanded use of work-study programmes, with the goal of raising the percentage of its workforce under apprenticeship or contracts to formalise internal training qualifications to 4% in France.

Promoting diversity and equality

VINCI's corporate culture focuses on bringing together people from a wide variety of backgrounds with a broad range of experience. Our companies strive to ensure that their workforce reflects the diversity of the host societies in all the countries in which they operate. We also pursue a proactive equality policy rooted in our principles of combating all types of discrimination in hiring and labour relations – particularly discrimination against women, disabled people, older people and people of immigrant background – and fostering a work environment in which all employees, in all their diversity, have an opportunity to make the most of their abilities and help the company achieve its goals. Managers implement this policy and disseminate these principles throughout the organisational structure. To support them in this endeavour, we introduced a Diversity and Social Innovation Department, a network of diversity managers and management training in equality in 2011.

VINCI companies also have their practices audited. An ambitious diversity audit programme, carried out with the independent Vigeo organisation, has been under way since 2007; over the past five years, it has been implemented in 120 VINCI companies with a total of 1,260 employees interviewed. Extending the initial audits, follow-up audits measure change and identify avenues for improvement. A meeting to publicly report on the results of this programme was held in February 2012.

At the end of 2011, VINCI had 24,301 women employees (an increase of 29% over the past five years), who accounted for 19% of new hires; we have set ourselves the goal of 20% women managers by 2015. People above the age of 50 made up 8% of new hires in 2011 (as they did in 2010). Disabled employees numbered 3,690,



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1
The health and safety of its employees, partners and subcontractors remain the priority for VINCI.

2
The Group attended many different job fairs and student forums and its companies welcomed 8,300 interns in 2011.

an increase of 8.9% compared to 2010; business awarded to companies employing a majority of disabled people increased 44% between 2010 and 2011 and represented revenue of over €6.1 million.

In France, VINCI won renewal of the Diversity label awarded by Afnor Certification.

Sharing the benefits of growth

VINCI encourages profit-sharing so employees can share in their company's performance through systems adapted to the context and legislation in force in each country. In France, the policy is implemented through the development of incentive and profit-sharing plans – to which was added, in 2011, a gross bonus of €350 per employee under a new profit-sharing bonus plan introduced by the French government.

The benefits of growth are also shared through employee shareholding. Since its inception, VINCI has been committed to making it easier for employees to participate in the company's capital through a share-based employee savings plan and an attractive employer contribution policy that favours the

smallest savers. In 2011, we paid employer contributions totalling €93.8 million.

At the end of 2011, 105,000 employees, i.e. over 55% of the workforce, were VINCI shareholders. An international employee savings plan tailored to the regulatory environment of each individual country is currently being introduced. It will be offered to 45,000 employees in 14 new countries to start with.

Developing dialogue between management and labour

High-quality labour relations are a key factor in performance. VINCI fosters active dialogue with employee representative bodies in accordance with the principle of trade union independence and plurality. Since the Group's activities are primarily centred in Europe, the European Works Council is the main guarantor of employees' trade union freedom and freedom of association. In all countries, including those where the International Labour Organisation (ILO) conventions have not been ratified, VINCI companies are encouraged to develop consultation through systems enabling employees to voice their views.

A new Group-wide agreement on management-labour dialogue was signed in January 2012; aside the workforce-related aspects, it emphasises VINCI's social and environmental responsibility. In 2011, 7,779 employees held office as elected employee representatives and 1,079 agreements were signed by Group companies.

Dialogue.



The European Works Council, which will celebrate its tenth anniversary in 2012, makes an active contribution to dialogue between VINCI's management and labour. It is made up of representatives from 17 European countries elected in 2010 as part of an agreement signed unanimously with the trade union organisations. The discussions within this body illustrate the Group's determination to promote collective consultations at Group

level and provide all employees, in full transparency and through their representatives, with information about VINCI's strategy and the changes taking place within the Group. Works Council members have access to a broad range of economic and social information and are supported by experts from external firms of their choice. Frequent and open discussions with top Group managers contribute to this high-quality dialogue.



1
The Employee Shareholders' Circle offers its members an opportunity to explore VINCI's projects in major urban centres in France.

Making environmental protection an integral part of value creation

Green growth issues are central to the VINCI Group's business activities and the environment is an integral part of our economic strategy. Our companies are addressing these issues by investing in eco-design technologies to develop solutions that improve the energy and climate performance of buildings and infrastructure.

VINCI has introduced an environmental reporting system covering almost all its activity, for which the Statutory Auditors issued a report expressing moderate assurance. In 2011, for the fifth year running, we participated in the annual Carbon Disclosure Project (CDP) enquiry, maintaining our position as a leader in our sector with a rating of 75B/100.

Reducing the environmental impact of our business activities

In all areas of business, VINCI companies strive to meet the highest environmental standards. In both works and operating activities, they set up action plans designed to limit the consumption of natural resources and to recover and recycle waste wherever possible. The sustainable development self-diagnosis questionnaire offers guidance for operating entities in assessing the environmental impact of their business activities and identifying scope for improvement.

Certified environmental management systems (mainly in accordance with the ISO 14001 standard) cover 46% of VINCI's revenue. In 2011, more than 46,000 hours of environmental training were given.

Strengthening the energy and climate strategy

VINCI has made the climate issue a major focus of its environmental policy. The Group has been measuring its global greenhouse gas emissions since 2007 using the ISO 14064 standard. In 2011, these emissions amounted to a total of 2.3 million tonnes of CO₂ on a Scope 1 and 2 basis. Over a two-year period VINCI reduced its CO₂ emissions by 12.5% (measured in tonnes of CO₂ equivalent per million euros revenue). We aim for a 30% reduction by 2020. In addition to our efforts to reduce emissions resulting directly from our business activities, we encourage our partners, suppliers (inputs) and customers to do likewise.

For several years now VINCI has been developing eco-design tools incorporating life cycle analysis (LCA) of the structures and infrastructure we build. One example is the integrated CO₂NCERNED system. Designed for large complex projects, in particular transport infrastructure, it is used to assess the carbon

footprint of each part of a project and its alternative solutions and thus provide guidance in working with the contracting authority to make design choices. The tool is being rolled out on the major projects being developed by the Group. VINCI Construction France has introduced a new eco-offer, Oxygen, which covers all stages of a building project (design, construction and use) and includes energy and environmental performance commitments. It was applied on a number of projects in 2011, notably a 5,000 sq. metre office building under construction in Paris suburb Montrouge for Société de la Tour Eiffel. With the same goal of combining environmental and overall performance, we are actively participating in the work and proposals of the Syndicat des Entreprises Générales Françaises (EGF-BTP, the French contracting industry's trade association) with a view to cutting the cost of housing construction by 20% with no reduction in quality. In another development, VINCI is expanding its renewable energy expertise and services, focusing mainly on solar power plants and offshore wind farms, to help achieve Europe's target of meeting 20% of its gross final energy consumption from renewable energy sources by 2020.

Conserving biodiversity

Biodiversity conservation is a major focus of VINCI's environmental policy, especially in our transport infrastructure concession-construction activities. One example is the construction of systems to maintain the connectivity of natural spaces on either side of the motorway as part of the green motorway package implemented by VINCI Autoroutes since 2010. We work with environmental groups to develop and implement biodiversity protection measures during the design and works phases of most of our major projects and during quarry rehabilitation and earthworks. In 2011, VINCI and several of its entities joined the new phase of the Stratégie Nationale pour la Biodiversité (SNB, national biodiversity strategy) set up by the French government as an extension of the Grenelle Environment Forum. The Group also hosted a seminar on the theme of infrastructure and biodiversity for the French companies participating in the United Nations Global Compact.

↔ Plantations.



VINCI is a partner in the Pur Projet non-profit organisation, which works with small local farmers to reforest agricultural land. In 2011, to celebrate its 10th anniversary, the Group funded 180,000 trees (one for each employee), which were planted in Peru, Indonesia,

Thailand and Morocco. Pur Projet works with agroforestry producers to implement programmes that help restore the fertility of their land by re-introducing lost biodiversity and improve their living conditions by boosting crop quality and yields.

Building long-term customer relations

VINCI's customers are public authorities, private-sector companies, and individuals who use the infrastructure built and/or managed by the Group. The consideration of its usefulness to society is an integral part of every project from the tendering phase onwards. Our goal is to achieve overall performance and long-term efficiency and effectiveness. Long-term contracts such as public-private partnerships (PPPs) foster this approach.

We urge all our companies to introduce quality management systems complying with the ISO 9001 or other standards (depending on the country and the activity). These systems, which cover 72% of our revenue, drive improvement and encourage companies to forge lasting relations with their customers.

Integrating social factors in the value chain

Purchasing accounts for nearly 60% of our revenue. Our policy is to develop balanced relations with our suppliers in line with our overall performance objectives. For example, framework contracts established with temporary

employment agencies include five human resource and social evaluation criteria (health and safety, equality, training, prevention of social and commercial fraud).

Ensuring compliance with ethical standards

Our Code of Ethics and Conduct sets out the full range of rules of conduct that all VINCI employees are required to comply with. Since its publication in 2010, the Code has been circulated to nearly 6,500 managers. An ethics correspondent has been appointed to support its implementation. One important purpose of the system is to prevent conflicts of interest and anti-competitive behaviour.

The Code of Ethics and Conduct also summarises the beliefs and commitments that form the cultural foundation of our Group.

Contributing to regional and local social and economic development

As a result of their business activities, locations and culture, VINCI companies have strong roots in the regions where they operate. Working as partners in local development, they contribute to the creation of wealth and employment, both

directly and indirectly through joint contracting and subcontracting. They also help contribute to regional economic and social solidarity, especially at times of slower growth, notably by helping to integrate people alienated from the labour market by employing them on Group worksites (*see box below*).

Fostering and supporting civic engagement

In line with our humanist beliefs and solidarity values, we encourage our companies and employees to support public interest causes related to their activities. Such civic engagement is primarily focused on projects supported by the Fondation VINCI pour la Cité that help the unemployed find work and create social bonds. Since its inception in 2002, the Foundation has provided 978 outreach projects with funding and skills support through the sponsorship of Group employees. In 2011, €1.96 million in Foundation grants was awarded to a total of 118 outreach projects supported by 147 sponsorships.

Over the past several years structures similar to the Fondation VINCI have been set up outside France. Nadace VINCI in the Czech Republic and the VINCI Foundation for Social Responsibility in Germany backed 17 projects in 2011 with nearly €200,000 in funding. A further foundation was set up in Greece at the end of the year.

In Africa, the Issa (Sogea-Satom Initiatives for Africa) programme supports outreach projects initiated and managed by the Sogea-Satom agencies and worksite teams. In addition to health and education projects (construction of schools and healthcare buildings), Issa supports the creation of microenterprises that drive economic development and generate employment for local communities. In 2011 Issa supported 12 projects, including the creation of a crafts workshop in the Fulani village of Tiesse-rola, Mali.

Ensuring respect for human rights

The sustainable development self-diagnosis questionnaire encourages VINCI companies to examine their risk profile, with special attention to three goals: prohibiting the use of child labour and forced labour; guaranteeing the fundamental rights of migrant workers on worksites; and ensuring that the human rights of populations affected by projects are not violated.

Integration.



ViE supports VINCI companies in their social integration efforts, with special attention to the application of the social clauses in public procurement contracts that provide for integration in the worksite teams of people in difficulty. ViE was set up in 2011 to provide an interface between the social economy structures that recruit and provide initial training for people benefiting from social integration programmes and the VINCI companies that welcome them on

their worksites and continue their training and induction. ViE's expertise and dedicated tools help operating entities to develop solutions that combine economic and social performance. The purpose of ViE, a "hybrid business", dovetails with that of the Fondation VINCI pour la Cité, which frames the Group's civic engagement programme by supporting integration projects on a voluntary basis and without compensation.

Striving for technological excellence

With an annual budget upwards of €47 million (up 45% in three years) and 240 full-time equivalent researchers on its staff, VINCI ranks among the research and development leaders in its sector. In 2011, 44 new inventions were patented, bringing the Group's global portfolio of active patents to 1,547. Most of our 48 research programmes currently under way focus on sustainable construction and mobility.

The R&D policy is led by a specialised committee that reports to the Executive Committee and brings together the chief scientific and technology officers of the business lines, covering the entire range of the Group's business activities and geographical areas. The committee's task is to encourage the exchange of information about common in-house research programmes and to support collaborative work, such as that done by the VINCI Construction/VINCI Energies research and innovation group for an efficient service sector (Grite). It also organises the participation by Group companies in European and international research programmes.

Developing research in eco-design and the sustainable city

Attuned to the major challenges facing its markets, VINCI encourages research and education in eco-design and the sustainable city through several bodies.

■ **The Chair in the eco-design of building complexes and infrastructure** was created in 2008 by VINCI and three ParisTech engineering schools (Mines, Ecole des Ponts and Agro) in a move designed to promote the inclusion of eco-design concepts in the training of future generations of engineers and to develop decision-making tools for urban planners and developers. The work carried out in 2011 included dynamic life cycle analysis of buildings and infrastructure, reliability of environmental databases and conservation of urban biodiversity. The Chair also initiated research work on the design and rehabilitation of eco-neighbourhoods as part of the European Athens programme.

In addition, VINCI is a partner in the chair in public-private partnerships set up by the Institut d'Administration des Entreprises at the University of Paris 1 Sorbonne.

■ **The Regional Development Club** brings together VINCI researchers and operational managers to address regional issues, using case studies to seek appropriate solutions. In 2011, the work focused more especially on the role of the carbon-free vehicle in the city of tomorrow. The Club initiated a partnership with Iddri, the

Sciences Po Paris sustainable development and international relations institute.

■ **The City Factory**, set up at VINCI's initiative in 2008, is a forward-looking think tank promoting discussions among public and private sector players from all backgrounds who are involved at the topmost level in urban development and mobility issues. Debates and seminars were organised in 2011 to address the issues of green urban growth financing (in partnership with the OECD), the role of public spaces in the city of the future, and new technologies serving mobility. Proceedings are available on the City Factory website: www.lafabriquedelacite.com.

Increasing participative innovation

In line with our decentralised management model, we develop our potential for innovation by encouraging concrete initiatives by our companies and teams in the field. A highlight of this participatory momentum is the VINCI

VINCI 2011 Innovation Awards: final prize winners

Grand Prize

Polymer muds as drilling fluids: a way to replace bentonite muds.

Dissemination Prize

- Worksite pickets and organic barrier tape: a kit for marking out worksites that combines safety and sustainable development.
- Soft mini-perm: long-term financing for infrastructure projects.

Safety Prize

- Safety hoops for mechanical shovels: preventing access to the danger zone around machinery.
- Panel Clip: a solution to reduce road operatives' exposure to risk when marking out works.

Sustainable Development Prize

- Solidarity thrives on the motorway: social integration and organic market gardening come together at a motorway service area.
- Notil: trawling for marine pollution – the emergency tool.

Breakthrough Innovation Prize

- 3D: another dimension for building worksites – first applications of the industrial model in the building industry.
- Light rail track system: the first integrated technical solution.

Materials, Processes and Techniques Prize

Automated exterior cable-tray installer: less pain, more gain.

Marketing and Services Prize

Paying for on-street parking by mobile phone: a pioneering service from VINCI Park.

Equipment and Tools Prize

Trench shoring with slides: high-performance protection at utility line crossings.

Management Prize

Women's network – towards greater equality: making the company more attractive to women.

Special Working Conditions Prize

Hunting down vibrations: calculating real exposure values to control risks.

Special Equipment Prize

The new Sahel head and neck scarf: new-design headgear compatible with the use of a hard hat.

Special Emotion Prize

The Next Few Days and *My Workplace Accident* films. Improving safety.

Special Perseverance Prize

Cable installer's guide tube: making connections easier and safer during work on telecommunications lines.

Innovation Awards Competition, held every two years and open to all employees. The 2011 competition drew a large number of participants, with 133 teams representing a total of 5,100 employees submitting 1,717 entries. The quality of the projects that won the regional and then the final competition prizes (*see above*) is proof positive of our innovation capabilities. An "innovation application" club was set up at the end of the year to accelerate the dissemination of these innovations throughout the Group.

Our commitments

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	Achieved in 2011	Objectives
Workforce-related performance		
Ensure health, safety and quality of life in the workplace	- VINCI lost-time workplace accident frequency rate: 10.30 - VINCI severity rate: 0.67 - Accident frequency rate for temporary workers: 28.42 (France) - 60% of VINCI companies with zero lost-time accidents	- Build a dashboard of proactive safety measures - Reinforce managerial practices and individual conduct to aim for the zero accident objective - Continue psychosocial risk prevention work - Disseminate throughout the Group the 610 Safety innovation entries in the VINCI 2011 Innovation Awards Competition
Create permanent jobs and foster career development	- 183,320 VINCI employees worldwide - 21,128 hired on a permanent basis worldwide, of which 9,479 in France - 88% of employees with permanent jobs (stable for five years) - 2.8 million hours of training - Nearly 8,300 interns - 3% of the workforce in work-study programmes in France	- Develop international profiles in hiring - Encourage geographical and professional job mobility - Step up the use of work-study programmes to cover 4% of the workforce in France - Encourage the employability of all employees - Disseminate throughout the Group the VINCI 2011 Innovation Awards Management innovations
Promote diversity and equality	- Worldwide diversity network (65 correspondents) set up - Finalisation of 120 diversity audits and public reporting - Nearly 10,500 hours of diversity training - 5,010 women managers - 3,690 disabled workers - €6.1 million in revenue awarded to companies employing disabled workers - 23% of employees over the age of 50 - 8% of new hires over the age of 50	- Extend the diversity network to ultimately cover 100% of the Group's scope of consolidation - Continue to roll out diversity training to all operatives - Increase the number of women, particularly in management, and aim for 20% women managers by 2015 - Open more supervisory jobs to people of immigrant background - Widen the scope of intervention and participate in public debates
Share the benefits of growth	- Over 55% of employees worldwide are shareholders - 9.8% of the capital is owned by employees - 13% of employees have joined the Perco Group retirement savings plan - 10,500 members of the new Employee Shareholders' Circle	- Continue to develop employee shareholding outside France - Set up tools to analyse social protection systems in all countries where the Group operates - Leverage the overall remuneration policy to attract new talent
Develop dialogue between management and labour	- 7,779 employee representatives worldwide - 1,079 collective agreements signed	- Involve employee representatives in workforce social and environmental issues (training in the sustainable development self-diagnosis questionnaire) - Continue the work of the European Works Council on safety - Encourage systems enabling employees to voice their views everywhere in the world
Environmental performance		
Make environmental protection an integral part of value creation	- Anticipation of the Grenelle 2 Law implementing decrees - Environmental reporting coverage rate: 94% of revenue - Report expressing moderate assurance issued by the Statutory Auditors - Participation in the Carbon Disclosure Project (CDP) for the fifth time running; rating obtained: 75B/100. Sector leader for the past four years	- Build instruments to measure the environmental benefits of tenders - Make the most of the 412 environmental innovations entered in the VINCI 2011 Innovation Awards Competition - Continue the effort to identify new markets and build innovative products and services to meet urban, energy and climate challenges - Test the applicability of the CDP Water questionnaire (impact of VINCI's activities on water) - Generalise dashboards and regular environmental reviews - Step up contributions to public debates
Reduce the environmental impact of our business activities	- Continued investments in the green motorway package - 46,133 hours of environmental training - 46% of revenue ISO 14001 certified - 100% of new VINCI Immobilier (residential and office space) projects are low-energy buildings (50 kWh/m²/year) - 7.7 million tonnes of products recycled	- Complete the investments in the green motorway package - Encourage companies to engage in the environmental certification of their activities - Measure the profitability of "clean worksites"
Strengthen the energy and climate strategy	- Fifth VINCI CO₂ report: 2.3 million tonnes of CO₂ (scopes 1 and 2) - 12.5% reduction in emissions (CO₂ eq./€million revenue) in two years - Rollout of CO₂NCERNED, a comprehensive eco-comparison tool for complex projects - Support for the EGF-BTP trade association initiative to "produce housing units at 20% reduced cost"	- Develop rail modules for CO₂NCERNED and low-carbon solutions - Continue quantification of greenhouse gas emissions in scopes 3 and 3+ (end-customer emissions) - Measure the performance of energy and climate solutions - Continue development of carbon-free mobility solutions (electric vehicles, etc.)

Achieved in 2011		Objectives
Conserve biodiversity	- Continued work on the green motorway package - Joined the national biodiversity strategy (SNB, France) - Hosted the Global Compact France technical meeting on infrastructure and biodiversity - Biodiversity impact study to a 2020 timeframe with special attention to offsetting - Carried out the "A tree for every employee" programme: 180,000 trees planted in forests in Peru, Indonesia, Thailand and Morocco	- Systematic quest on all projects for solutions to limit and reduce impacts - Continue work on domestic offsetting - Build neutral and binding scientific partnerships and support research - Continue tree planting and encourage employees and companies to "plant a tree"
Social performance		
Build long-term customer relations	- 72% of revenue ISO 9001 certified - Creation of the VINCI Autoroutes Foundation for Responsible Driving	- Build long-term relations, providing specific products and services by customer type - Measure the performance of differentiated products and services - Generalise quality management systems
Build long-term subcontractor and supplier relations	- Finalised implementation of the temporary employment agency framework agreement - Launch of the purchasing and sustainable development committee in France	- Continue to raise the workforce social and environmental standards of partners and subcontractors - Develop the purchasing and sustainable development committee outside France
Ensure compliance with ethical standards	- Rollout of the Code of Ethics and Conduct, broad dissemination of the name of the ethics correspondent and first interventions - Answers to selected non-financial rating agency questionnaires - Meetings with socially responsible investors (SRIs)	- Continue worldwide rollout of the Code of Ethics and Conduct - Reaffirm the Group's beliefs and commitments internationally - Step up relations with socially responsible investors
Contribute to regional and local social and economic development	- Continued geolocation of Group company activities and jobs: 100% coverage rate - Launch of the regional workforce planning system in population centres - Launch of the ViE initiative, a comprehensive social integration solution, in the Greater Paris area, Nord-Pas de Calais and Picardy regions: 875,000 hours awarded since May 2011 and 240 people in integration programmes	- Roll out the ViE social integration solution in three additional regions - Extend the comprehensive offering to disabled workers - Work in partnership with integration structures to identify new areas of activity
Foster and support civic engagement	- 137 projects supported by four VINCI Foundations in seven countries - 166 sponsorships on the basis of volunteering skills - 12 projects supported in Africa via the Issa programme - Implementation and follow-up of three Cité Solidaire projects - Amount contributed under sponsorship programmes: more than €7 million	- Continue to roll out civic engagement system (network of foundations) internationally - Strengthen civic engagement of employees - Focus the Issa programme in Africa on economic initiative projects
Ensure respect for human rights	- Identify human rights risks relating to our activities - Human rights review by company management committees through the sustainable development self-diagnosis questionnaire	- Organise human rights practices reporting - Develop the human rights review based on the sustainable development self-diagnosis questionnaire
R&D, innovation		
Strive for technological excellence	- 48 research programmes under way - Budget of more than €47 million - 240 researchers (FTEs) - 1,547 active patents - Involved in 12 competitiveness clusters	- Step up cross-divisional research programmes on tomorrow's efficient buildings and infrastructure - Strengthen research on behaviour of customers and structure users
Develop research in eco-design and the sustainable city	- 13 research programmes under way within the ParisTech eco-design Chair - Over 15 publications by the Chair - Attended the European Athens week devoted to eco-design	- Develop complementarity between the work of the eco-design Chair, the City Factory and the Regional Development Club - Build and implement in-house and external training modules on urban eco-design issues
Increase participative innovation	- 1,717 innovations entered by more than 5,100 employees in the VINCI 2011 Innovation Awards Competition - 116 projects won prizes in the 2011 Awards - 60 Awards innovations currently being disseminated and implemented	- Launch the "innovation application" club to strengthen dissemination of prize-winning innovations throughout the Group - Prepare the 10th VINCI Innovation Awards Competition (2013)

Stock market and shareholder base

26

A performance in line with that of the CAC 40 in 2011

Our share closed 2011 at €33.76, down 17.0% over a year, in line with the CAC 40, which posted a similar decrease. The Euro Stoxx Construction & Materials sector index, meanwhile, declined 20.3% over the year.

We ranked 17th in the CAC 40 for our performance in 2011, and 16th in terms of market capitalisation, which stood at €19.1 billion at 31 December.

An 86% increase since VINCI was first included in the index

Between 3 April 2002, when we were first included in the CAC 40, and 31 December 2011, our share price increased 86% while the CAC 40 declined 32%. During that same period, our market capitalisation grew more than threefold.

Dividend: €1.77 per share

In 2006, the year VINCI acquired ASF, we introduced a dividend policy consisting of distributing 50% of consolidated net income. In application of that policy, the Board of Directors at their meeting on 7 February 2012 decided to propose to the Shareholders' General Meeting a dividend of €1.77 per share. This is a 6.0% increase over the previous year and it represents a return of 5.2% on the share price at 31 December 2011. After deducting the interim dividend of €0.55 paid on 15 December 2011, the final dividend to be paid on 24 May 2012 would be €1.22 per share.

A stable and diversified shareholder base

At 31 December 2011, 68.2% of our share capital was held by more than 500 investment funds, located mainly in France, the rest of Europe and North America. In addition, Qatari Diar Real Estate Investment Company, which became a VINCI shareholder in 2010, held a 5.6% interest at the end of 2011. Employee savings funds, which group together some 105,000 employees, owned 9.8% of our share capital, making the funds the Group's biggest shareholder block. Lastly, 287,000 individual shareholders accounted for 12.0% of our share capital at 31 December 2011.

Individual shareholders

Individual Shareholders' Award for VINCI

On 23 June 2011, Boursorama, the leader in France for on-line financial information, and its partner OpinionWay distributed their BoursoScan awards. These recognise companies listed on the CAC 40 and SBF 120 (another French stock market index) that have a proactive individual shareholder communication policy. On that occasion, we received the Individual Shareholders' Award.

Regular discussions at the highest level

Xavier Huillard, chairman and chief executive officer, Yves-Thibault de Silguy, vice-chairman and senior director, and Christian Labeyrie, executive vice-president and chief financial officer, continued their efforts to keep shareholders informed. In 2011, they visited nine cities to present the Group: Aix en Provence, Biarritz, Brussels, Lille, Lyon, Metz, Rennes, Toulouse and Tours. Xavier Huillard also attended the Actionaria investment fair, which was held in Paris on 18 and 19 November 2011. While there, he participated in the Agora des Présidents (a series of interviews with individual senior company officers) to present VINCI, its strategy and objectives, and answer shareholders' questions.

A new visit concept

Our Shareholders' Club had 19,510 members registered at 31 December 2011, a 7% increase on the previous year.

In 2011, our Shareholders' Club launched a new visit concept named "Rediscover your city", which emphasises the role played by Group companies in the development of major urban areas. Eight cruises were organised during the year in Paris, Bordeaux and Lyon, attended by almost 1,300 shareholders.

In addition to the Shareholders' General Meeting and Actionaria investment fair, a total of 21 events were proposed to Group shareholders in 2011 and, more particularly, to individual shareholders. As a result, contact was established with almost 3,500 private investors.

Institutional investors and financial analysts

In 2011, our senior management met about 1,000 financial analysts and institutional investors, representing almost 400 financial institutions. We organised road shows totalling about 30 days in Europe and North America, and we participated in 16 conferences organised by major financial institutions, mainly in Paris and London. In addition, conference calls and one-on-one meetings took place throughout the year.

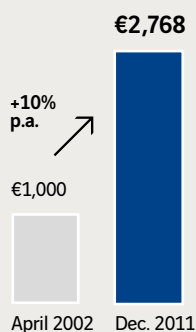
These initiatives enable our management to maintain total transparency and communicate regularly with the financial community about the Group's news, its performance, growth strategy, corporate governance and business model.

In October, VINCI organised a sector-specific presentation on VINCI Energies for institutional investors and sell-side financial analysts covering our share. The event took place at the business line's head office so that participants could have direct discussions with managers and gain a better understanding of their issues, challenges and outlook.

VINCI received *IR Magazine's* "best investor relations" award for Europe's construction and materials sector at a ceremony held in London on 30 June 2011.

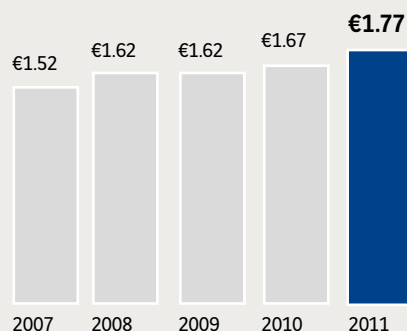
Return on investment in VINCI shares since the Group's inclusion in the CAC 40

A VINCI shareholder who invested €1,000 on 3 April 2002 (date of the Group's inclusion in the CAC 40) and reinvested all the dividends received would have an investment of €2,768 on 31 December 2011. This represents an annual return of almost 10%.



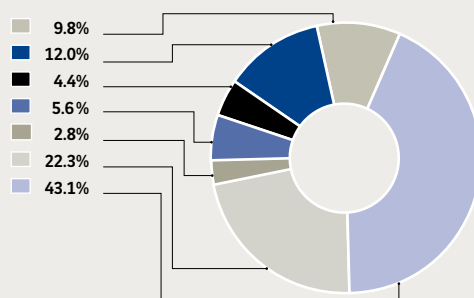
A growing dividend

The dividend proposed to the Shareholders' General Meeting of 12 April 2012 in respect of 2011 is €1.77 per share, representing 6.0% growth against 2010 and 16.4% growth over the dividend in respect of 2007.



Shareholder base^(*)

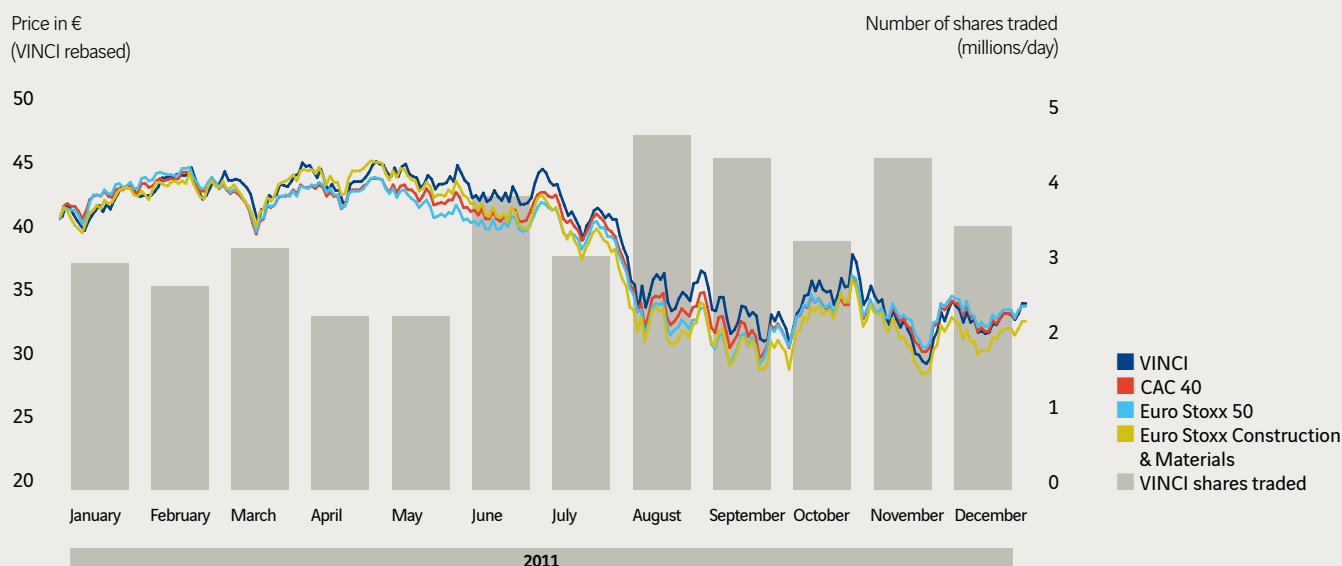
Employees (savings plans)
Individual shareholders
Treasury shares
Qatari Diar Real Estate Investment Company
Financière Pinault
Institutional investors (France)
Institutional investors (other)



(*) Estimate based on a schedule of identifiable bearer shares at the end of 2011 and a shareholder survey.

Share performance and average daily trading volume

Market capitalisation at 31 December 2011: €19.1 billion based on a price of €33.76 per share, ranking VINCI 16th in the CAC 40 by capitalisation and 13th by index weight. Between 31 December 2010 and 31 December 2011, the VINCI share declined 17.0% while the CAC 40, Euro Stoxx 50 and Euro Stoxx Construction & Materials indices declined 17.0%, 17.1% and 20.3% respectively. In 2011, a daily average of 3.4 million shares was traded on the market (Euronext + MTFs).



VINCI website and shareholder publications

Our website features special pages for individual and institutional investors under the "Shareholders" and "Finance" tabs.

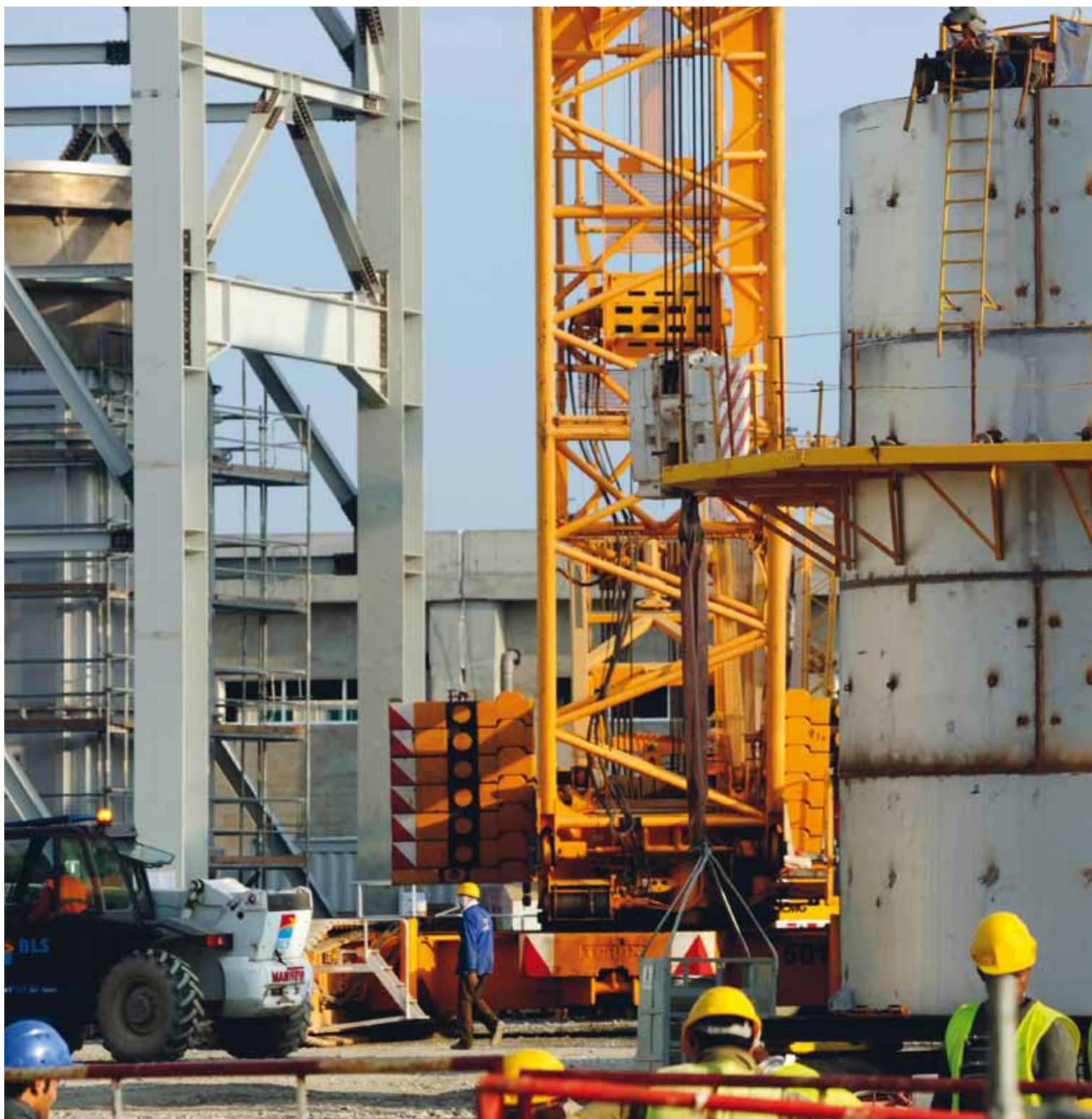
Shareholders have access to a suite of publications (in French only) in either printed or electronic form under the "Shareholders" tab.
(www.vinci.com)

VINCI Shareholder Relations Department

1 cours Ferdinand de Lesseps
92581 Rueil Malmaison Cedex, France

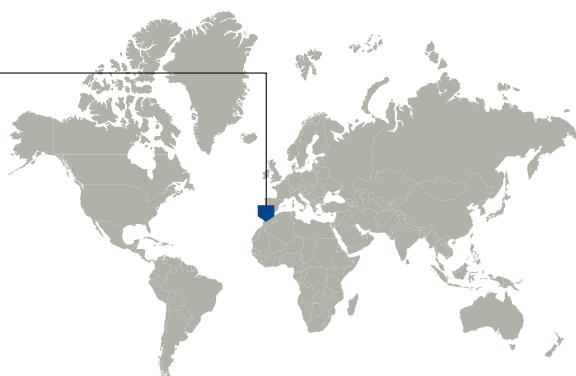
Individual shareholders in France
Tel: 0 800 015 025
(free-phone from a fixed line)

Institutional shareholders outside France
Tel: +33 1 47 16 45 07 / 33 46



Kenitra/Morocco

Heavy fuel oil-fired
power plant





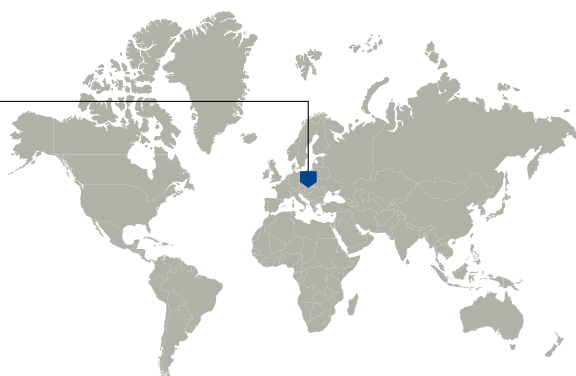
■ A consortium comprising GE Energy, which is supplying the turbines, and Cegelec GSS (VINCI Energies), which is providing the auxiliary electrical and mechanical equipment and overall project coordination, is building the new 315 MW Kenitra power plant in Morocco with the help of other Group entities (Solsif Maroc, Protec-Feu and Autochim). The project will take 25 months to complete, with up to 1,200 people

working on it at the same time. The facility is expected to be handed over on schedule in July 2012. It constitutes a further demonstration of the Group's ability to build comprehensive power generation facilities on a turnkey basis.



Nitra–Tekovské Nemce/
Slovakia

R1 expressway



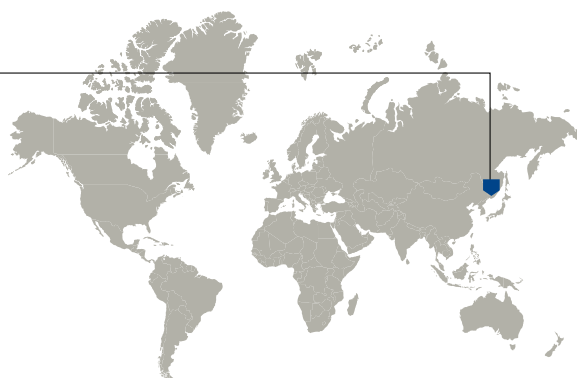


► Slovakia's first motorway infrastructure built under a public-private partnership, the R1 (now re-named PR1BINA) expressway was opened to traffic over most of its length, i.e. three out of four sections (46 km of the total 52 km), in October 2011. The nearly €900 million project is a good illustration of VINCI Concessions' and Eurovia's complementary motorway programme management

and construction capabilities. The project employed 2,500 people for a period of 25 months. Granvia Operation, a subsidiary of VINCI Concessions, is operating and maintaining the expressway.



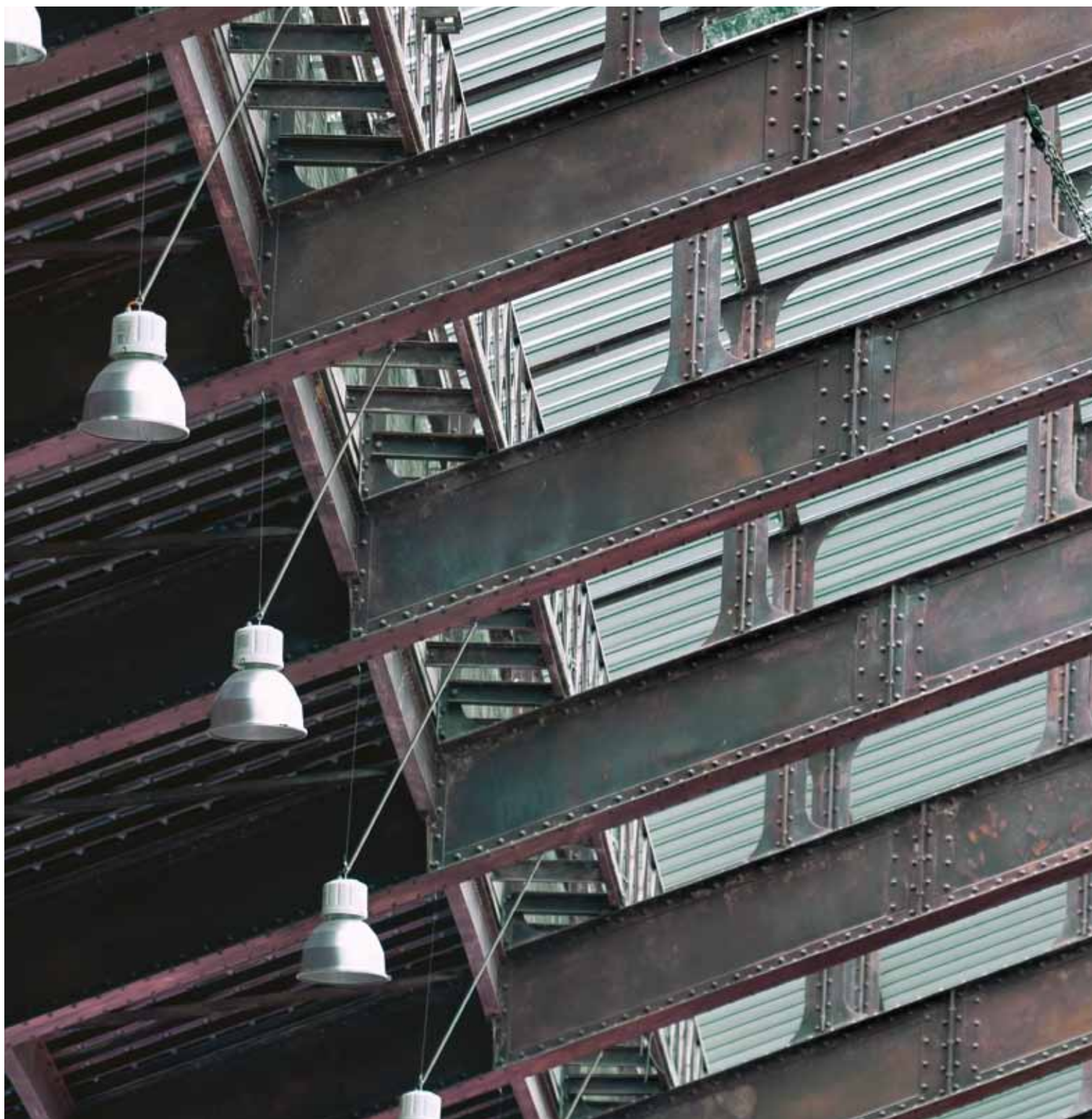
Vladivostok/Russia
Russky Island Bridge





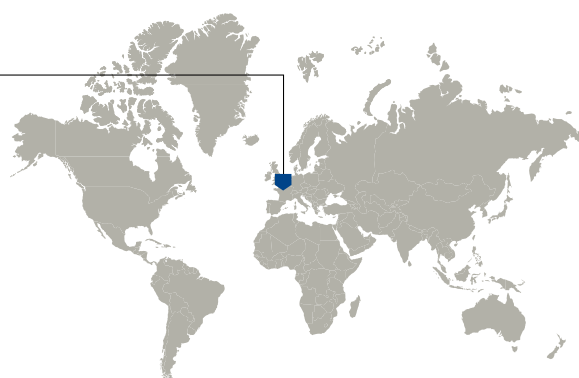
◆ Freyssinet (VINCI Construction) is headed for a further record with the Russky Island Bridge, which will boast the world's longest cable-stayed span – 1,104 metres. The structure requires 168 stay cables in lengths ranging from 135 metres to 582 metres. Within the port of Vladivostok, Freyssinet is building a second crossing, the Golden Horn Bridge, with a 737 metre span using 192 stay cables measuring 97 metres to 390 metres. The two bridges are being built in the run-up to

the annual APEC (Asia Pacific Economic Cooperation) forum to be held in the Russian east coast city in 2012.



Saint Denis/France

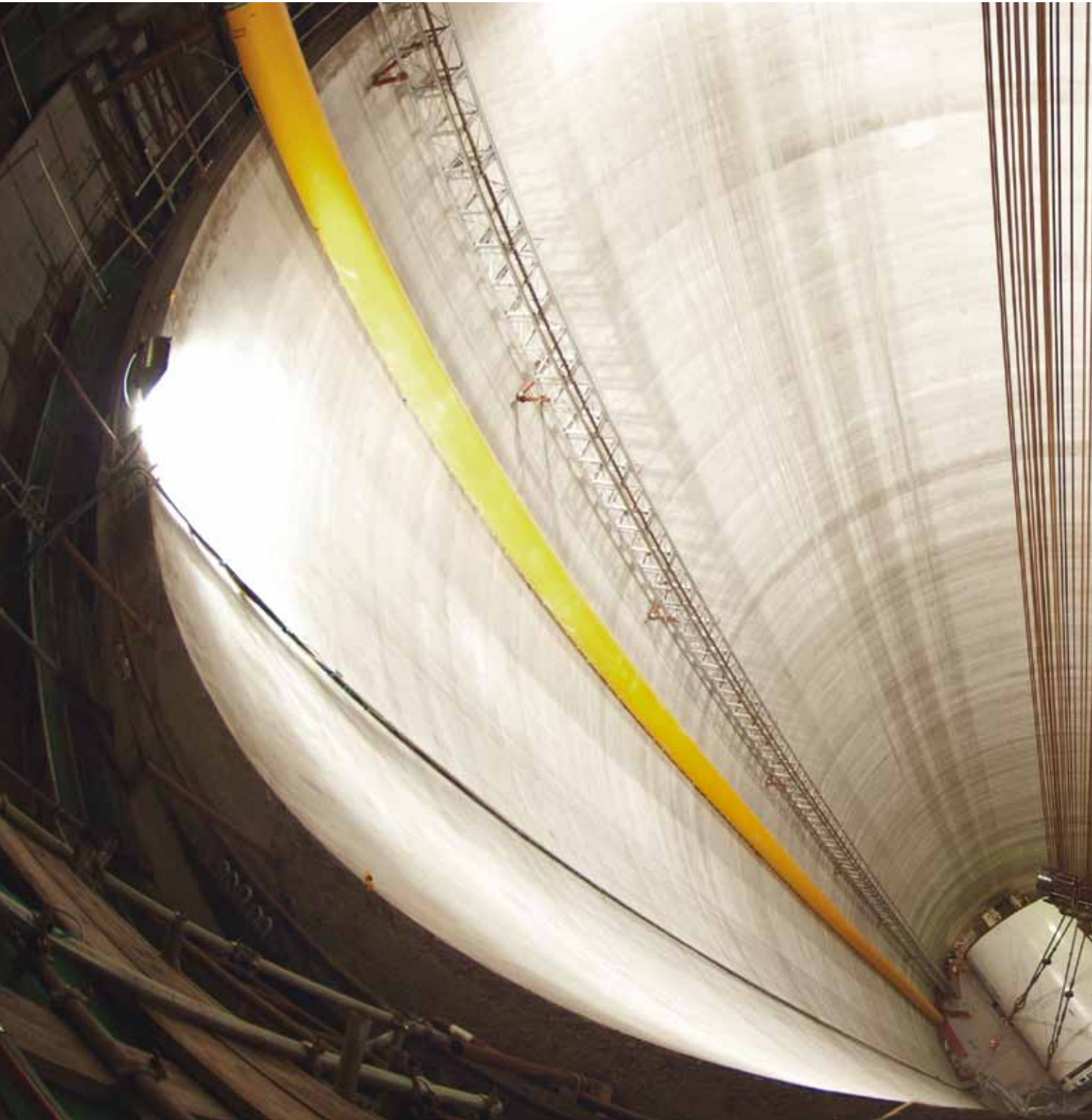
Cité du Cinéma





◆ VINCI worked side by side with film producer and director Luc Besson throughout the Cité du Cinéma project, near Paris. Serving as project developer and investor via VINCI Immobilier, the Group is also building the film studio complex, where it will be possible to produce films from start to finish. It will have nine sound stages, a 500-seat screening room and full post-production facilities. The Cité du Cinéma, which is

being built on the site of a former power plant, retains the monumental hall – comprehensively rehabilitated – and the hexagonal clock that the shift workers watched closely.



London/UK

Lee Tunnel





■ A consortium comprising VINCI Construction Grands Projets and Bachy Soletanche Ltd (VINCI Construction) is building a 7 km tunnel at a depth of 55 metres to 75 metres to collect stormwater and wastewater in the eastern part of Greater London. The Busy Lizzie tunnel boring machine began work from the launch shaft in February 2012. The project includes the construction of

four exceptionally large shafts and the supply and installation of the control systems needed to manage the effluent and lift it more than 80 metres.



Paris/France

Focus on innovation





Every two years since 2001, VINCI has organised an in-house competition to recognise the innovations developed by its employees. The 17 winning entries in the VINCI 2011 Innovation Awards Competition are emblematic of the initiative demonstrated by the Group's teams. These grass-roots innovations truly come into their own when the same participatory approach that gave rise to them is used to disseminate them throughout the Group's companies.

In 2011, 1,717 projects were entered by 5,100 employees. The Grand Prize went to a process developed by Soletanche Bachy (VINCI Construction) in which bentonite mud is replaced with polymer mud for use as a drilling fluid – a technological breakthrough and a major economic and environmental improvement.

With its 4,385 km network, VINCI Autoroutes operates half of France's motorways under concession.

VINCI Concessions develops and operates a unique portfolio of transport infrastructure and public facility concessions in about 20 countries.

Concessions

44 VINCI Autoroutes

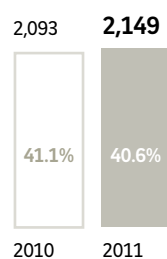
54 VINCI Concessions

41

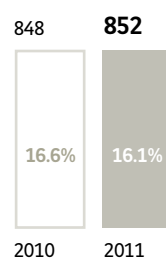
Revenue ⁽¹⁾ (in €m)



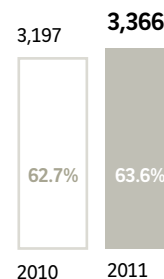
Operating income from ordinary activities ⁽²⁾ (in €m and as a % of revenue ⁽¹⁾)



Net income attributable to owners of the parent ⁽²⁾ (in €m and as a % of revenue ⁽¹⁾)



Cash flow from operations ⁽³⁾ (in €m and as a % of revenue ⁽¹⁾)



Net financial debt ^{(2) (4)} (in €m)



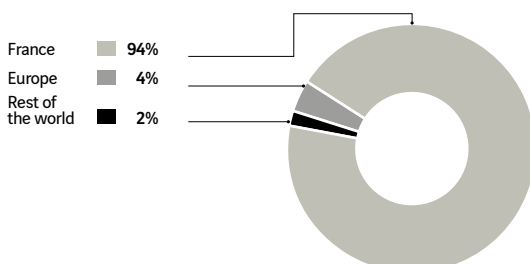
(1) Excluding concession subsidiaries' works revenue.

(2) Including ASF Holding and Cofiroute Holding.

(3) Before tax and financing costs.

(4) At 31 December.

Revenue by geographical area ⁽¹⁾ (as a percentage)



VINCI's concessions worldwide

42

Infrastructure	Description	Country	Share capital held	End of contract
Motorway and road infrastructure		Network under concession		
ASF network	2,714 km	France	100%	2033
Cofiroute network	1,100 km	France	83%	2031
Escota network	459 km	France	99%	2027
Arcour (A19)	101 km	France	100%	2070
Openly, Lyon	10 km	France	100%	2013 ⁽¹⁾
R1 (PR1BINA) expressway ⁽²⁾	52 km	Slovakia	50%	2041
A-Modell A4 motorway	45 km	Germany	50%	2037
A-Modell A5 motorway ⁽²⁾	60 km	Germany	50%	2039
A-Modell A9 motorway ⁽²⁾	46.5 km	Germany	50%	2031
Newport Southern Distributor Road	10 km	United Kingdom	50%	2042
Moscow–St Petersburg motorway ⁽²⁾	43 km	Russia	39%	2040
Athens–Tsakona motorway ⁽²⁾	365 km	Greece	30%	2038
Maliakos–Kleidi motorway ⁽²⁾	240 km	Greece	14%	2038
Fredericton–Moncton expressway	200 km	Canada	25%	2028
Trans Jamaican Highway	34 km	Jamaica	13%	2030
Road bridges and tunnels				
A86 Duplex tunnel	Rueil Malmaison–Jouy en Josas/Versailles	France	83%	2086
Prado Carénage tunnel	Tunnel in Marseille	France	33%	2025
Prado Sud tunnel ⁽²⁾	Tunnel in Marseille	France	59%	2054
Charilaos Trikoupis Bridge	Peloponnese–mainland	Greece	57%	2039
Tagus bridges	Two bridges in Lisbon	Portugal	37%	2030
Severn Crossings	Two bridges over the Severn	United Kingdom	35%	2016 ⁽³⁾
Coentunnel ⁽²⁾	Tunnel in Amsterdam	Netherlands	28%	2037
Confederation Bridge	Prince Edward Island–mainland	Canada	19%	2032
Rail infrastructure				
Liefkenshoek ⁽²⁾	Underground rail link (16 km) in Antwerp	Belgium	37%	2050
Rhôneexpress	Light rail system (23 km) in Lyon	France	35%	2038
GSM–Rail ⁽²⁾	Wireless communication system over 14,000 km of rail lines	France	30%	2025
SEA HSL ⁽²⁾	High-speed rail line (302 km) between Tours and Bordeaux	France	33%	2061
Parking facilities				
VINCI Park	1.4 million spaces, of which 0.4 million under concession or freehold	World	100%	⁽⁴⁾
Car Rental Center, Nice–Côte d'Azur Airport	60,000 sq. metre building	France	100%	2040
Truck Étape	Two secure parking facilities for heavy goods vehicles	France	100%	
Airports				
France	Rennes, Dinard	France	49%	2025 ⁽¹⁾
France	Chambéry, Clermont Ferrand, Grenoble, Quimper	France	99%	from 2011 to 2023 ⁽¹⁾
France	Nantes Atlantique, Saint Nazaire–Montoir	France	85%	2066
France	Ancenis	France	100%	2018 ⁽¹⁾
Cambodia	Phnom Penh, Siem Reap, Sihanoukville	Cambodia	70%	2040 ⁽³⁾
Stadiums and public facilities				
Stade de France	80,000 seats	France	67%	2025 ⁽⁵⁾
Le Mans stadium	25,000 seats	France	100%	2043
Nice stadium ⁽²⁾	35,000 seats	France	50%	2040
Bordeaux stadium ⁽²⁾	40,000 seats	France	50%	2045
Public lighting in Rouen (Lucitea)		France	100%	2027
Public lighting in Goussainville		France	100%	2027

(1) Service, management or public service contracts.

(2) Under construction or to be built.

(3) Estimated date of end of contract.

(4) 26 years: average residual term for the 365,235 spaces under concession.

(5) See Note H to the consolidated financial statements.

Europe

Russia

900 parking spaces
Moscow–St Petersburg motorway

Netherlands

Coentunnel

United Kingdom

Newport Southern Distributor Road
Severn Crossings
129,000 parking spaces

Belgium

Liefkenhoek rail link, Antwerp
51,000 parking spaces

Luxembourg

50,000 parking spaces

Switzerland

6,000 parking spaces

France

ASF network
Cofiroute network
Escota network
A86 Duplex tunnel
Arcour (A19)
Openly, Lyon
Prado Carénage tunnel
Prado Sud tunnel
Truck Étape
Rhônexpress
461,000 parking spaces
Stade de France
Le Mans stadium
Nice stadium
Bordeaux stadium
9 airports: Chambéry, Clermont Ferrand, Dinard, Grenoble, Nantes (3), Quimper, Rennes,
Car Rental Center Nice-Côte d'Azur Airport
Lucitea, Rouen
GSM-Rail
SEA HSL
Public lighting, Goussainville

Portugal

Two bridges over the Tagus

Spain

68,000 parking spaces

Czech Republic

40,000 parking spaces

Slovakia

3,000 parking spaces
R1 (PR1BINA) expressway

Greece

Charilaos Trikoupis Bridge
Athens–Tsakona motorway
Maliakos–Kleidi motorway

Turkey

Germany

Toll Collect (motorway toll system)
15,000 parking spaces
A-Modell A4 motorway
A-Modell A5 motorway
A-Modell A9 motorway

- ★ Rail, road and motorway infrastructure
- * Parking
- ◆ Airports
- ◆ Infrastructure projects under study

Rest of the world

Canada

Fredericton–Moncton motorway
Confederation Bridge
140,000 parking spaces

United States

498,000 parking spaces

Jamaica

Trans Jamaican Highway

India

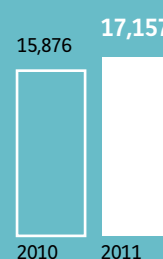
Cambodia

3 airports

VINCI Autoroutes' motorways carry 2.2 million customers a day, with 1.5 million electronic toll subscribers. Drivers cover 46.8 billion km annually on VINCI Autoroutes motorways, representing more than 800 million toll transactions.

Bringing private-sector performance to the service of the public, VINCI Autoroutes is working to make motorways an integral part of sustainable mobility. Through its massive investment in infrastructure and development of services, it is improving safety and environmental performance all through its network, and enhancing the motorway user's experience.

Net financial debt ^{(2) (4)}
(in €m)



(1) Excluding concession subsidiaries' works revenue.
(2) Including ASF Holding and Cofiroute Holding.
(3) Before tax and financing costs.
(4) At 31 December.

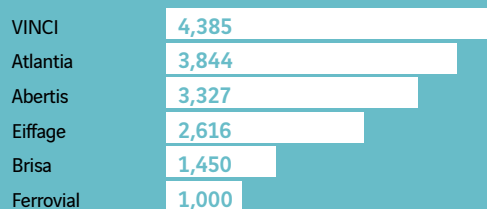
The VINCI Autoroutes network



Traffic by network

	In millions of kilometres travelled	% growth on a stable network
ASF	28,733	+0.4%
Escota	6,719	+0.6%
Cofiroute	11,069	+0.8%
Arcour	265	+4.2%
Total	46,786	+0.6%

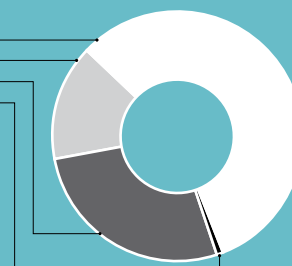
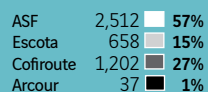
Motorway networks under concession in Europe

(in km)^(*)

(*) Source: internal studies and company literature.

Revenue by network ⁽¹⁾

(in €m and as a %)





Resilient performance and investment for the long term

46

■ VINCI Autoroutes' performance in 2011 once again confirmed the robustness of its business model in a volatile economic environment. A good operating performance and the resulting visibility made it possible to step up investment in network construction, modernisation and environmental renovation programmes as well as in customer service policy.

Economic performance

■ VINCI Autoroutes' revenue increased 3.5% to €4.4 billion. This increase breaks down into 0.6% for traffic growth, 0.5% for the impact of complete opening to service of the A86 Duplex in the Paris region, and the remainder for the increase linked to France's infrastructure tax (*taxe d'aménagement du territoire*) and contractual price rises. These increases compensate for the high level of investment required in motorway operators' master plans for motorway extension and modernisation, added to the initial construction investment.

Trends in traffic were mixed during the year. Light-vehicle traffic – which accounts for more than two-thirds of toll revenues – rose in the first quarter, continuing the trend observed in 2010; it contracted during the summer due to poor weather conditions before recovering slightly in the last quarter, due in particular to high levels of weekend traffic and mild weather. On a comparable network basis, traffic rose 0.6% over the year. Heavy-vehicle traffic also rose in the first half before marking time then falling in the last quarter against a backdrop of economic slowdown. Overall growth came out at 0.1% over 12 months. Across all types of vehicle, traffic rose by 0.6%. While these figures reflect a correlation between traffic and economic trends, particularly for work-related traffic, they also demonstrate the resilience of the VINCI Autoroutes model.

Maintaining a high operating margin is a key component of this model and crucial for concession companies, given their high level of debt. The productivity gains generated by automation of toll collection and development of collaboration between VINCI Autoroutes' various companies – particularly in management of remote toll collection, as well as purchasing and information systems – resulted in an Ebitda margin of 69.4%, versus 68.8% in 2010.

- 1 The 2011 *Etapas estivales* summer events mobilised several hundred employees, who organised 1,600 days of activities on 66 rest and service areas.
- 2 The installation of noise barriers – here on the A54 – is one component of the green motorway package.
- 3 During the winter period, VINCI Autoroutes' operations centres focus on winter maintenance and advising motorway users about driving conditions.



Investment and debt

■ Investment made during the year rose 34% over the previous year to €1 billion. The spending was used for network extension and modernisation stipulated in contracts and in relation to the green motorway package initiated in 2010 (see p. 52). As part of this programme, VINCI Autoroutes' companies finance all the works in return for a one-year extension of their concession contracts. Taken together, these investments make VINCI Autoroutes one of the main contracting authorities in France at the present time. The green motorway package alone will directly generate 6,000 jobs during the three years required to complete the works.

A good economic performance and the resilience of the model contributed to prudent debt management, in line with Group policy. ASF, which carries the bulk of VINCI Autoroutes' investment and debt, successfully negotiated a seven-year bank loan of €100 million in July 2011, followed in September by a seven-year bond issue of €500 million and in October, a private placement of ¥15 billion (around €144 million) for a 21-year term. These transactions allowed ASF to cover all significant payment dates until the fourth quarter of 2012. At 31 December 2011, the net financial debt of the four motorway companies, including holding companies, came to €17.2 billion, compared with €15.9 billion at 31 December 2010.

Infrastructure

ASF

■ In 2011, ASF continued work on the 53 km Balbigny-La Tour de Salvagny section extending the A89 motorway towards Lyon. In full construction phase, the worksite employed up to 2,300 people, including 200 jobs created locally and under social-integration programmes. The works, which include construction of eight viaducts with a total length of 2,150 meters and three twin-bore tunnels (two by 5,700 metres), continued in accordance with the contract schedule, with the aim of opening the section to traffic at the end of 2012. The project includes a very ambitious environmental programme, developed and jointly managed from the design phase with nature conservation organisations (see p. 03). It has been remarkable for an exemplary process of consultation and collaboration with stakeholders on every front – employment and the environment, but also development of farmland and economic and tourist development.

In Aquitaine, ASF continued with major upgrading work on the Basque Coast motorway (A63), representing a total investment of €700 million over nine years. Widening works on a first 18 km section between Biarritz and Ondres, including construction of a 470 metre viaduct alongside an existing viaduct, had



2



3

progressed well by the end of 2011 and is expected to be completed mid-2012. Work on a second 22 km section between Biarritz and the Spanish border is delayed until finalisation of land release procedures.

Two other widening projects were carried out during the year: the 15 km eastern bypass of Angers on the A87, where a new viaduct across the Loire river opened to traffic during the summer, and a second project on the A9, between Perpignan North and Perpignan South, where works will be completed in mid-2013 (preliminary procedures have started for the Perpignan South-Le Boulou section).

ASF also completed construction of the new Montgiscard interchange brought into service on the A61, and upgrading of the Montauban bypass to motorway standards: four interchanges were reconfigured to improve traffic flows.

Lastly, the A9 development project in Montpellier, the subject of a public interest decision in 2007, was confirmed by ministerial decision following a public consultation procedure. It entails building 23 km of three-lane dual carriageway, the portion of the existing motorway running through the city will later be converted into an urban boulevard.

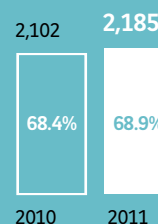
ASF Group (ASF and Escota) (in €m and as a % of revenue^(*))

Revenue^(*)



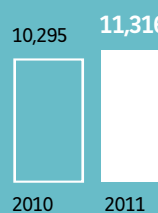
2010 2011

Cash flow from operations^(**)



2010 2011

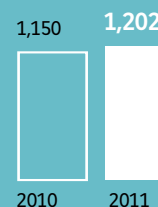
Net financial debt^(***)



2010 2011

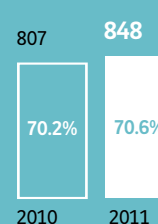
Cofiroute (in €m and as a % of revenue^(*))

Revenue^(*)



2010 2011

Cash flow from operations^(**)



2010 2011

Net financial debt^(***)



2010 2011

(*) Excluding concession subsidiaries' works revenue.

(**) Before tax and financing costs.

(***) At 31 December.

At the end of 2011, ASF was on track to finalise the terms of the 2012–2016 master plan, with a reduced investment programme consistent with the French state's goal to moderate price increases.

Cofiroute

■ The A86 Duplex was fully opened to traffic at the beginning of 2011, marking the end of one of the largest road tunnel projects in recent times; Cofiroute's investment amounted to €2.2 billion. The first year of operation confirmed both the utility and safety of the 11 km tunnel. Used by 20,000 motorists every day (average traffic during weekdays), it completes the second bypass around the French capital and enables drivers to go from Rueil Malmaison (west of Paris) to Vélizy (south-west of Paris) in under 10 minutes rather than the 45 minutes it takes on surface roads. The single-bore tunnel with two superimposed one-way decks carrying light vehicle traffic only was ranked as the safest tunnel in Europe by the EuroTAP survey of 26 road tunnels in 13 countries. The few minor incidents that occurred during the year confirmed the merits of the tunnel's safety systems and equipment. One such incident was a vehicle fire dealt with in less than 15 minutes thanks to a very effective sprinkler system and well-trained emergency response teams.

On the intercity network, Cofiroute's third master plan was published in the *Journal Officiel* on 27 December 2011. It calls for an investment programme of €213 million. With construction of the Cofiroute network now complete, this investment is devoted to upgrading existing infrastructure, in particular widening sections carrying heavy traffic on the A71 and A10, as well as works and equipment designed to enhance safety (primarily variable message signs, emergency refuge areas and heavy-vehicle parking areas for crisis situations). More than 500 local projects are scheduled as part of this master plan, on top of the 450 projects related to the green motorway package.

In addition, as part of the Tours-Bordeaux SEA high-speed line project (see p. 58), which involves 18 points of contact with the A10 and A85 motorways, Cofiroute has initiated preliminary studies with COSEA, the construction joint venture, concerning the motorway restoration works to be carried out.

Escota

■ Road-widening works on the A8 over 27 km between Châteauneuf le Rouge and Saint Maximin were completed before the 2011 summer holidays. Similar works started on a 23 km section of the A50 between La Ciotat and Bandol; they represent an investment of €91 million, with €36 million spent in 2011.

Escota continued to upgrade all the tunnels on its network. The programme, which represents a total investment of almost €400 million, of which €41 million in 2011, went ahead at a brisk pace: completion of renovation work on the Nice bypass tunnels on the A8, and continuation of engineering and equipment work on eight tunnels to the east of Nice between La Turbie and Roquebrune Cap Martin. Several engineering structure reinforcement projects were also completed on the A8.

In 2011, Escota celebrated the 50th anniversary of the first concession motorway section in France, which crossed the Estérel mountains between Puget sur Argens and Mandelieu in the south-east of the country.

At end-2011, Escota was close to finalising the terms of its 2012–2016 master plan, with a reduced investment programme consistent with the French state's goal to moderate price increases.

In parallel, talks were initiated on extending the Escota concession to the Toulon tunnel and two adjacent motorway sections to be widened (two by three lanes) with the aim of estimating the cost of the works in return for an extension of the term of the concession.

Services

2011 saw a sharp acceleration in rollout of customer services, with concrete improvements in traffic conditions and driver comfort on the VINCI Autoroutes network.

Toll system

■ Since 2010, VINCI Autoroutes has been actively implementing a policy to expand electronic toll collection (ETC), which simplifies journey management and offers time savings for motorists. 2011 saw a sharp increase in ETC, which is managed by a single company and includes a unified after-sales service over the entire VINCI Autoroutes network. Some 240,000 new transponders (tags) were issued in 2011, more than half of them through VINCI Autoroutes' new website and call centres. At the end of the year, the total number of tags in service for light vehicles came to 1.5 million units, an increase of 16%.

For business users, VINCI Autoroutes launched a new "major accounts" system, offering companies the possibility of grouping together their subscriptions for easier management. It also signed several partnerships

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Free-flow system for electronic toll collection
Electronic toll collection at 30 km/h, rolled out as part of the green motorway package on the VINCI Autoroutes' network, combines the environmental benefits of lower fuel consumption and greenhouse gas emissions with improved traffic flows at toll stations. At end-2011, 70 dedicated lanes were in service.

The first surveys carried out with users revealed a satisfaction rate of 94% for light vehicle drivers and 96% for heavy vehicle drivers – who save around 0.3 litres of fuel at each toll station. The goal, in the longer term, is to install this equipment on all main carriage-way toll plazas on the network, with rollout under master plan stipulations supplementing the green motorway package.

with oil companies aimed at integrating ETC in the services offered with fuel-purchasing cards. VINCI Autoroutes' ETC tag can now be used in the first French airport car parks, for example in Lyon-Saint Exupéry. The tag is already accepted for paying for parking in 240 VINCI Park facilities.

The development of ETC for subscribers goes hand in hand with modernisation of toll stations and installation of automated lanes equipped with all-payment terminals linked to VINCI Autoroutes' remote assistance services. Customers can at any moment contact specially trained operators offering a response and assistance to drivers on the motorway. Fifteen remote-operation centres employing almost 200 specialised operators, totally integrated within the operations organisation, cover all VINCI Autoroutes' motorways.

Across all types of vehicle on the VINCI Autoroutes network, 41% of transactions in 2011 were paid by ETC tag and 52% in other automated lanes.

Rest and service areas

■ In parallel with the eco-refurbishment programme launched as part of the green motorway package, VINCI Autoroutes is broadening the range of services available in service areas. As the operating contracts for commercial facilities reach their term, new well-known brands are appearing on the networks, enabling users to find on the motorway the high-street brands with which they are familiar.

VINCI Autoroutes teams are in direct contact with motorway users in rest and service areas. In 2011, the *Etapas estivales* (summer events) mobilised several hundreds of employees in organising 1,600 days of special events on 66 rest and service areas. Apart from the many theme-based events (safety, sport, culture, biodiversity, etc.) and picnic spaces inviting users to enjoy a pleasant and relaxing break, temporary stalls were organised for the first time, in partnership with major brands. The VINCI Autoroutes Foundation for Responsible Driving (see p. 51) worked to raise drivers' awareness of the dangers of falling asleep at the wheel.

On the same principle as the *Etapas estivales*, for the first time, events were organised at rest and service areas throughout the year, during the spring and autumn holidays and high-traffic weekends. Direct exchanges between VINCI Autoroutes teams and motorway users contributed to better understanding of the job done by motorway operatives.

1 Safety drills are regularly organised for A86 Duplex emergency response teams in the Greater Paris region to ensure top-level operating performance at all times.

2 Construction of the Balbigny-La Tour de Salvagny section of the A89 (here, the entrance to the Violy tunnel) will open up the western bank of the Rhône and stimulate the local economy.

Information and new media

■ Radio VINCI Autoroutes was formed in 2011 from the combination of the Cofiroute and ASF-Escota motorway radio stations. Over the 4,310 km of network in service, Radio VINCI Autoroutes Ouest et Sud now broadcasts to all listeners using a harmonised editorial line and sound signature and offering a broader array of programmes. The introduction of unified technical infrastructure and local coverage for traffic information have improved the accuracy of local broadcasts and continuity in assisting drivers throughout their journey. This specific know-how has also been made available to other networks: Radio VINCI Autoroutes Sud covers the new A65 Pau-Langon motorway opened to traffic at the end of 2010 and, at the request of the Centre-East interdepartmental roads directorate, is also available to drivers travelling off the ASF network between the A72 and the A7.

Another major initiative was the launch of the VINCI Autoroutes application, an innovative tool for assisting mobility. The app, which has covered the entire VINCI Autoroutes network since June 2011, can be downloaded free on App Store and Android Market and has proved popular with smartphone users. With 230,000 downloads in three months, it was App Store's most-downloaded free navigational aid during the summer holiday period. Using data sourced from VINCI Autoroutes and therefore offering a level of accuracy unmatched in the market, the VINCI Autoroutes app provides users with real-time information on traffic conditions (traffic on the route chosen, tailbacks, motorway works, etc.) and the services available on upcoming rest and service areas. The app also improves safety on the network by allowing users to request breakdown assistance or notify an incident (*see below*).

Exchanges with the community of users via this application continue on social networks (Facebook, Twitter, Web 2.0 forums). Actively present on these new media with an integrated team of community managers, VINCI Autoroutes sees them as an opportunity to develop a new form of dialogue with its customers that enriches the customer relationship and is an integral part of the company's service policy.

Interaction.



With the VINCI Autoroutes application, the passenger becomes the driver's co-pilot, locating information on all the services available in upcoming rest and service areas. The passenger can evaluate the services on offer and check out the opinion of other users. In the event of a breakdown, the GPS function allows the emergency services to locate the vehicle, provid-

ing the same service as a call from one of the orange emergency phones. The notification of incidents function (accident, stopped vehicle, tailback, obstacle, etc.) allows users to play a safety role – they can also comment on any erroneous indications given by other users. After verification, the information is broadcast on other motorway media.



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Heavy goods vehicles

■ VINCI Autoroutes' companies are increasing their capacity to accommodate heavy goods vehicles at their rest and service areas. In accordance with its master plan, ASF will create more than 1,700 additional parking spaces between 2007 and 2012, including over 300 in secure new truck parks (Montélimar, Lunel and Labenne). As part of an extension programme for heavy goods vehicles on the A8, Escota brought 95 new parking spaces into service on the Arc service area, to the east of Aix en Provence. VINCI Autoroutes is also developing a new service informing drivers about the availability of heavy goods vehicle parking spaces in rest and service areas, using panels installed on the network upstream of the area. Trialled in 2011 on the A9 and the A10, this service – which will be popular with transport professionals since it enables better organisation of working and resting time – will be rolled out in 2012 and 2013 upstream of some 60 service areas on motorway sections with particularly heavy traffic.

In response to another expectation on the part of professionals, VINCI Autoroutes initiated an overhaul of all authorisations delivered to breakdown companies working on its network. Increased competition between service providers and strengthened contractual clauses are helping improve both the effectiveness and monitoring of emergency interventions, notably via geolocation of breakdown vehicles, as well as more transparent invoicing procedures.

More generally, regular discussions with professional bodies aim to develop new services to assist companies' efforts to optimise management of their fleets, in particular by increasing the range of information made available. The creation of a dedicated space on www.vinci-autoroutes.com is a step forward in this direction.

Safety

■ The key priority of VINCI Autoroutes, and one that governs all its operating activity, is to guarantee the safety of its customers on motorways, 24 hours a day and 365 days a year. Over and above the daily efforts made by its teams on the network, VINCI Autoroutes also works to raise awareness of road safety among customers and the general public. To unify and give a new dimension to its companies' initiatives in this area, VINCI Autoroutes created the VINCI Foundation for Responsible Driving in February 2011, and earmarked a budget of €2 million for its first year of operation.

Combining immediate action with a longer-term perspective, the Foundation has set itself two goals: to enhance knowledge and improve behaviour with respect



2

to road risk. Its first actions concerned the risk of inattentiveness, which is responsible for one out of three fatal accidents on the motorway – and also for the too high number of accidents involving motorway employees. After launching a first national survey on this subject, which underlined the fact that drivers tend to underestimate the risks linked to inattentiveness and fatigue, the Foundation conducted a substantial awareness-raising campaign (*see opposite*). Simultaneously, a scientific study was launched in partnership with the Raymond Poincaré hospital in Garches, near Paris, and the medical faculty of Versailles–Saint Quentin en Yvelines university to study the link between momentary fatigue and sleep deficit, under real conditions: 3,600 people were interviewed for the survey on VINCI Autoroutes rest and service areas.

VINCI Autoroutes also acts to ensure workplace safety for its employees. The prevention plan, the goal of which is “zero accidents”, is strongly supported by management and rolled out with all front-line employees, in particular through regular 15-minute safety sessions. The “zero accident project management” initiative currently being deployed aims for the same goal in infrastructure activity: strengthening contractual requirements and using new safety management methods and checks to encourage responsible attitudes in partner companies and help improve safety on worksites. It takes inspiration from best practice in industrial sectors confronted with high levels of risk.

1

Since April 2011, Radio VINCI Autoroutes Ouest and Sud have been offering all drivers on the network a single programme dedicated to their safety and comfort.

2

To encourage carpooling, VINCI Autoroutes is providing secure parking facilities reserved exclusively for this purpose in the vicinity of its network.

Responsibility.



Faites le plein de vigilance – literally meaning “Fill up on vigilance”: this message from the VINCI Autoroutes Foundation for Responsible Driving was widely broadcast in France during the spring, summer and autumn holidays on the major national radio stations and Radio VINCI Autoroutes Ouest and Sud, and repeated on variable message signs and in rest and service areas.

To stress the importance of a break every two hours, the VINCI Autoroutes Foundation and the oil companies handed out tens of thousands of free cups of coffee on rest and service areas at night-time during certain particularly busy weekends. This initiative helped change attitudes and behaviour concerning the – often underestimated – risk of inattentiveness on the motorway.

Environment

Green motorway package

■ 2011 was a year of intense activity on the environmental front with the increasing momentum of the green motorway package bringing French motorways into line with France's Grenelle Environment legislation. The package is innovative in terms of its contractual framework – this is the first time in France that the concessions model has been used explicitly to finance environmental investments – and also in terms of its goal: to complete the environmental regrading of all VINCI Autoroutes networks in just three years by upgrading older sections to the environmental standards applied to the most recent sections. Altogether, the green motorway package comprises around 1,300 projects and has five component parts:

- protecting water resources: development or redevelopment of hydraulic infrastructure and systems for treating stormwater discharges at over 300 sites;

- protecting nearby residents from noise: insulation of housing, installation of noise barriers and embankments, special surfacing to reduce traffic noise in urban areas;
- protecting biodiversity: crossings and other facilities for animals, management of sites of special ecological interest;
- eco-refurbishment of almost 400 rest and service areas: redevelopment of buildings and green spaces, installation of reed-filter wastewater treatment units, more wide-spread use of source-separated waste collection;
- reducing fuel consumption and CO₂ emissions: creation of free-flow toll lanes and parking facilities specifically for people wanting to carpool, and deployment of new equipment to improve traffic flows, in particular variable message signs showing journey times.

After the design study phase in 2010, the great majority of these projects were launched in 2011, with some completed during the year. Taking all networks together, the green motorway package was 50% completed at the end of 2011.

In connection with the 2011-2022 national biodiversity strategy, VINCI Autoroutes has suggested that the government launch a "biodiversity package" on the same contractual model as the green motorway package. A programme of this nature would make a major contribution to enhancing "green and blue corridors", with the aim of conserving or recreating ecological continuity between wide-open natural spaces and aquatic environments.

VINCI Autoroutes' environmental commitment applies not only to infrastructure but also to operation. At the end of 2011, all the concession companies' regional offices had obtained ISO 14001 certification or were carrying out audits to obtain certification in 2012. Aside efforts to reduce the environmental impact of their activities, VINCI Autoroutes' companies devote substantial resources to the upkeep of the natural environment in the 20,000 hectares of land surrounding their motorway networks.

International

Germany

■ Toll Collect, in which Cofiroute has an interest, deploys and operates the toll system for heavy vehicles covering the entire German motorway network (12,800 km). The system uses satellite technology coupled with GSM links via on-board terminals. In 2011, the tolls collected on behalf of the German government amounted to €4.5 billion. Toll Collect and the Austrian motorway operator Asfinag also launched an international extension of the service, enabling heavy vehicles to use a single on-board terminal – the Toll Collect terminal – to pay tolls in both Germany and Austria.

United States

■ Cofiroute USA operates the 35 km 91 Express Lanes urban toll motorway system in California. A new customer-management system was deployed in return for extension of the operating contract until 2021. In Minnesota, Cofiroute USA operates an innovative toll system on HOT (high occupancy and toll) lanes on the I-394 and I-35W motorways in the Minneapolis urban area: solo drivers pay a toll, but the lanes are free for vehicles carrying two or more people. The company also won two calls for tender in North Carolina to develop and implement the national toll interoperability programme and provide technical assistance for operation to the Department of Transportation.

VINCI Autoroutes is contributing its expertise to motorway projects being developed by VINCI Concessions in Russia and several other countries where calls for tender are under way. ■

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One commitment of the green motorway package is more widespread use of source-separated waste collection at the 450 rest and service areas on the VINCI Autoroutes network.

2

In the United States, on a highway managed by Cofiroute USA in the Minneapolis urban area, vehicles carrying one or more passengers can travel for free on the toll express (HOT) lanes.

2



Outlook

Uncertainty clouding the economic situation and persistently high oil prices underscored the need for caution at the end of 2011 in forecasting traffic volumes. These may stabilise in 2012, in line with the expected trends for GDP. Contractual toll increases – agreed in exchange for investment commitments – should push up toll revenue slightly.

Ebitda margins is expected to remain consistent with that of 2011. The capital expenditure programme will continue in 2012,

with VINCI Autoroutes spending around €1.2 billion on improving its infrastructure. In addition to extending and widening its networks, as provided in its master plan, work will continue on the green motorway package, now entering its third and final year of implementation. These investment programmes are creating long-term value by improving the network's safety, traffic flow and environmental footprint, helping to make sustainable mobility a reality for motorways. At the same time VINCI Autoroutes will step up existing efforts to expand electronic toll collection, develop traffic information systems and other aids to mobility, and to improve rest area amenities. By enhancing the appeal of its motorways, these programmes will further consolidate VINCI Autoroutes' legitimacy as a provider of public services.



Profile

As both a developer of new concessions and operator of a unique portfolio of existing concessions, VINCI Concessions plays a pivotal role in implementing VINCI's integrated model. VINCI Concessions' expertise in design, financing, construction, operation and maintenance makes it a leading partner of public authorities in France and other countries for the development and operation of major, complex transport infrastructure and public amenities.

► **Motorway and road infrastructure.** VINCI Concessions' projects include building, operating and maintaining over 1,000 km of motorway concessions, including the first section of the Moscow–St Petersburg motorway in Russia (43 km), 52 km in Slovakia, 152 km in Germany and 605 km in Greece. Through public-private partnerships (PPPs), VINCI Concessions also operates 10 or so road bridges and tunnels in France, the United Kingdom, Portugal, Greece and Canada, and is building the new Coentunnel in Amsterdam, the Netherlands.

► **Rail infrastructure.** VINCI Concessions has a sizeable portfolio of rail concessions, including the 302 km SEA Tours-Bordeaux high-speed rail line, currently the largest infrastructure concession project in Europe, and the GSM-Rail digital communication network in France; it also holds the concession for the Rhônexpress link between the centre of Lyon and the city's airport. In Belgium, VINCI Concessions is in charge of the Liefkenshoek rail tunnel project in the Port of Antwerp.

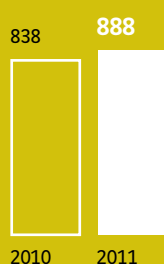
► **Airports.** VINCI Airports is a significant airport operator, with 12 airports, nine of them in France, mainly under public service outsourcing contracts. These are Nantes-Atlantique, Rennes-Bretagne, Clermont Ferrand-Auvergne, Grenoble-Isère, Chambéry-Savoie, Dinard-Bretagne, Quimper-Cornouaille, Saint Nazaire-Montoir, Ancenis, and the future Grand Ouest airport. VINCI Airports also holds the concession for Cambodia's three international airports, Phnom Penh, Siem Reap and Sihanoukville. Altogether, these airports handled more than 8.5 million passengers in 2011 and generated combined revenue of €150 million.

► **Stadiums.** In France, VINCI Concessions is both the concession company for and the operator of the new stadiums in Nice and Bordeaux. It has also held the concession and operation contracts for the Stade de France outside Paris since 1998, and for the MMArena in Le Mans since 2008.

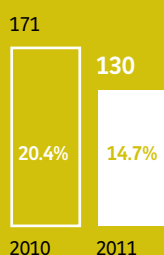
► **Parking.** VINCI Park is the world's leading operator of car park concessions, managing 1,461,000 on-road and off-road parking spaces (2,600 car parks) in 12 countries in Europe and North America, under nearly 2,500 concession or service contracts.

Taking a long-term view, VINCI Concessions seeks to anticipate users' needs and continuously innovates to offer them ever-higher standards of quality and service. VINCI Concessions strives to fulfil the Group's social and environmental responsibilities towards all of its stakeholders, making a positive contribution in all its activities.

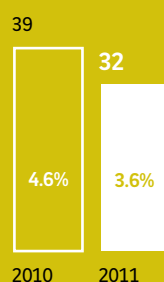
Revenue ^(*)
(in €m)



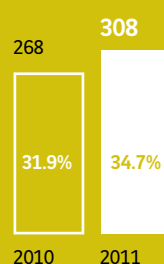
Operating income from ordinary activities
(in €m and as a % of revenue ^(*))



Net income attributable to owners of the parent
(in €m and as a % of revenue ^(*))



Cash flow from operations ^()**
(in €m and as a % of revenue ^(*))

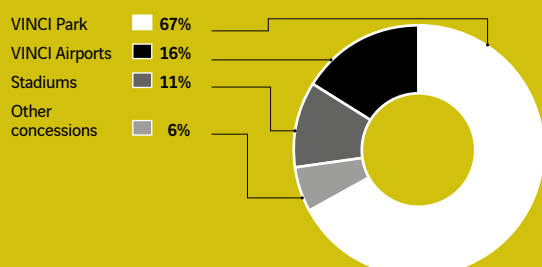


Net financial debt ^(*)**
(in €m)

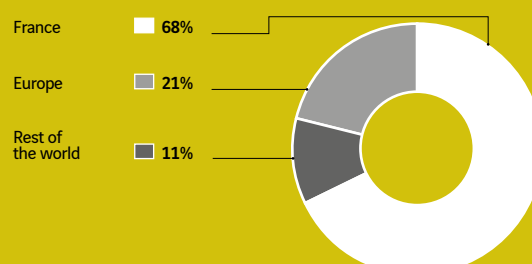


(*) Excluding concession subsidiaries' works revenue.
(**) Before tax and financing costs.
(***) At 31 December.

Revenue by business activity ^(*)
(as a percentage)



Revenue by geographical area ^(*)
(as a percentage)





Continuing to strengthen an effective business model

56

► Projects now under way and those won or launched in 2011 confirmed VINCI Concessions' pivotal role in implementing VINCI's integrated model. This is particularly evident in the high-potential rail and airport infrastructure markets and in the field of stadiums. VINCI's capacity to close financing for major projects in the difficult economic conditions existing in 2011 provided further confirmation of its financing expertise and credibility and its role as partner to public authorities for infrastructure development.

Motorways

Germany

► **A9.** VINCI Concessions was awarded its third public-private partnership (PPP) under the A-Modell programme launched some years ago to finance renovation of the German motorway network. This new contract covers a 46.5 km section of the A9 Berlin–Munich motorway between the Lederhose interchange in Thuringia and the border with Bavaria. Via Gateway Thüringen, a company held jointly by VINCI Concessions (lead company) and BAM PPP, will finance and renovate the entire section, which includes widening 19 km, and will then operate it throughout the duration of the concession. The contract was awarded to VINCI Concessions in August 2011 and financing was closed in less than six weeks. It came into force on 1 October 2011.

The project represents a total investment of approximately €220 million. The works will be carried out by a consortium led by Eurovia with Wayss & Freytag, a Royal BAM subsidiary. This is the first A-Modell contract with no traffic risk. The concession company's remuneration is based on a fee including a variable component calculated as a function of the section's availability to traffic. VINCI Concessions' capacity to optimise organisation – and hence the cost – of maintenance operations over the term of the contract, capitalising on its experience on the A4 and the A5, was a crucial factor in the concession grantor's decision to award the contract.

► **A5** (60 km section between Offenburg and Karlsruhe in Baden-Württemberg). VINCI Concessions continued works to widen a 41.5 km section. At year-end, more than 50% of the works had been completed, with no interruption to traffic.

► **A4** (45 km section between Gotha and Eisenach, in Thuringia). After the fully widened section was brought into service in 2010, a year ahead of schedule, an appreciable increase in traffic was observed in 2011, reflecting positive trends in the German economy.

Between 2007 and 2011, three of the six PPPs launched in Germany as part of the A-Modell programme were won by VINCI Concessions, making it the leading motorway concessions operator in the country.

Slovakia

► **R1 expressway.** Virtually the whole of the R1 expressway in Slovakia, known as the PR1BINA, was opened to traffic in October 2011. This is the first motorway PPP in Slovakia. The first three sections totalling 46 km between the towns of Nitra and Tekovské Nemce were opened to traffic, marking the completion of the largest public works project in Slovakia's recent history. Illustrating the complementary expertise of VINCI Concessions and Eurovia in the management and construction of major motorway projects, the work involved more than 2,500 people over a period of 25 months on a project with a total value approaching €900 million. A final 6 km section to bypass the town of Banská Bystrica will open to traffic in the summer of 2012.

The operation and maintenance of the new infrastructure until expiry of the contract in 2041 will be handled by Granvia Operation, a fully owned subsidiary of VINCI Concessions.

Russia

► **Moscow–St Petersburg motorway.** Construction work started on the first 43 km section of the Moscow–St Petersburg toll motorway. The concession company is NWCC, in which VINCI Concessions has a 38.75% interest. Once the suspension order on preliminary work had been lifted and the route confirmed by the Russian authorities, the final details of the contract were agreed, the building permit issued and work itself was able to start on 1 September 2011. During this period, NWCC launched a broad process of consultation with all stakeholders, aimed at formulating a programme for the conservation of Khimki Forest (see p. 57).

In Greece, where VINCI Concessions has interests in the Athens–Tsakona and Maliakos–Kleidi motorway concession companies, work on these two infrastructure projects had to be suspended. Against the background of considerable delays in land release and the severe financial crisis, negotiations are under way with the government to take account of this new environment and re-launch these projects on a viable long-term basis.

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Work is continuing on the Prado Sud Tunnel in Marseille. It is expected to open to traffic in 2014.

2

A 46.5 km section of the A9 motorway in Germany will be the third motorway renovated by VINCI as part of the A-Modell programme.

3

VINCI Concessions is a member of the concession consortium for the new Coentunnel in Amsterdam, the Netherlands, a 750 metre five-lane immersed tunnel currently under construction.

↔ Conservation.



The future Moscow–St Petersburg motorway will run through Khimki Forest in the inner north-west suburbs of Moscow. As well as optimising the project from a technical point of view, which has enabled tree-clearing to be brought down from 144 hectares to below 100 hectares, VINCI Concessions has asked Pur Projet, a non-profit organisation specialising in community reforestation projects, to put together a programme to conserve the forest's ecosystem. A process

of continuous dialogue with all stakeholders (local residents, municipalities, environmental organisations, etc.) was initiated to involve them in setting up the programme, the first measures of which should be implemented in the spring of 2012. Ecosystem impact studies have also been carried out by Russian and international experts over the whole of this first section of the motorway, leading to proposals for protecting the environment in both construction and operation phase.

Rail infrastructure

France

■ **South Europe Atlantic high-speed line.** On 16 June 2011, VINCI signed the concession contract with Réseau Ferré de France (RFF) for the future South Europe Atlantic high-speed line (LGV SEA) between Tours and Bordeaux. It was a major highlight of the year for the entire VINCI Group, since all of its business lines are involved in the project. The contract covers 302 km of high-speed line and the construction of 38 km of connections with existing lines. The total value of the project is estimated at €7.8 billion, making it the largest infrastructure concession project currently under way in Europe. VINCI's success in closing financing in the difficult economic conditions of 2011 confirmed its expertise and credibility in this field. The 50-year contract covers financing, design, construction, operation, maintenance and future renovation of the line, which will reduce travel time between Bordeaux and Paris to two hours five minutes instead of three hours today.

The shareholders in the concession company LISEA are VINCI Concessions and VINCI SA (33.4%), CDC Infrastructure (Caisse des Dépôts Group, 25.4%), the infrastructure fund Meridiam (22.0%) and investment funds managed and advised by AXA Private Equity (19.2%). The concession company's remuneration will be in the form of fees paid by rail operators for using the infrastructure.

The works, to be completed within 73 months of the contract coming into force, have been entrusted to the COSEA consortium, led by VINCI Construction and including Eurovia and VINCI Energies, together with Arcadis, BEC, Egis Rail, Ineo, Inexia, NGE and TSO. The line will be operated and maintained by MESEA, a company of which VINCI Concessions will own 70% and Inexia 30%.

At the end of 2011, over a thousand employees of VINCI and its partners were already working on the project, more than half of them at its head office in Poitiers. The consultation process launched with the 122 communities crossed by the line with a view to finding the best solution for utilities relocation and restoring the road network was 90% complete. Over 40% of land transactions (13,000 land parcels) have been finalised, together with the greater part of the archaeological diagnostics: 24 in-depth digs were under way or already completed. Procedures relating to protection of biodiversity and environmental offset measures are being tackled through dialogue initiated as far upstream as possible with all stakeholders (*see p. 07*).

The construction phase of the works, which will start in 2012 on completion of the designs, will employ more than 4,500 people at peak period on earthworks and civil engineering and 2,000 on rail infrastructure. The project will create 1,300 local jobs, including 400 people on social integration contracts.

■ **GSM-Rail.** VINCI Concessions is also responsible for deploying the new GSM-Rail digital communication system along the French rail network under a partnership contract signed with rail infrastructure manager RFF in 2010. The new system, which will provide communication capability between train drivers and control centres, will gradually replace the existing analogue technology. It will equip 14,000 km of track and give RFF the voice and data services it needs to optimise railway operation in France. It will also facilitate circulation of trains across the European Union, since it is interoperable with similar systems in other European rail networks. The concession company Synerail, in which VINCI has a 30% interest, will roll out and operate the system until 2025. The works, carried out by a consortium led by VINCI Energies (*see pp. 72 and 74*), represent a total investment of about €520 million. Design studies were completed in 2011 and installation of the first radio transmitters started during the summer. Synerail also took over network operation of over 3,000 km of track in eastern France that had already been equipped with the new system before the contract was signed. It was previously operated by SNCF (French national railways).

■ **Rhôneexpress.** 2011 was the first full year of operation for Rhôneexpress, the first direct city-to-airport light rail link in France. Built and managed by a consortium led by VINCI Concessions under a 30-year contract, the 23 km line runs between Lyon's Part Dieu rail station and the city's Saint Exupéry airport in under 30 minutes. Rhôneexpress welcomed its millionth passenger in July, less than a year after entering commercial service. Surveys conducted in 2011 revealed very high customer satisfaction with the line, which combines speed, regularity and a high level of service, including spacious, air-conditioned carriages, the presence of an on-board customer care agent, and information screens displaying flight schedules. The airport terminus station, designed by architect Santiago Calatrava, was brought into service during the year.

Belgium

■ **Liefkenshoek rail tunnel.** VINCI Concessions, in a consortium with CFE (a VINCI Construction subsidiary) and the Dutch group BAM, is the concession company for the 16 km semi-immersed Liefkenshoek rail tunnel in the Port of Antwerp, now being built by VINCI companies (*see pp. 88 and 92*).

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As part of Synerail, VINCI Concessions is involved in deploying the GSM-Rail system along 14,000 km of rail track in France and will operate the system for 25 years.

2

Boring of the second 6 km tunnel of the future Liefkenshoek rail tunnel in the Port of Antwerp in Belgium was completed in July 2011.

3

Rhôneexpress runs between Lyon city centre and Saint Exupéry airport. Surveys show a user satisfaction rate of 94%.

VINCI Airports

France

Since 1 January 2011, Aéroports du Grand Ouest, a company owned 85% by VINCI Airports, has been given the responsibility by the French state, with the support of local government authorities, for the financing, design, construction, operation and maintenance of the new airport to serve the Nantes region of western France, under a 55-year concession. This first turnkey airport to be delivered by VINCI under a greenfield concession contract represents works amounting to a total of €450 million. Construction will be handled primarily by VINCI Construction and Eurovia.

The airport is scheduled to come into service at the end of 2017 and will then be operated by VINCI Airports for the term of the concession.

The new infrastructure will support the economic development of this area of France as part of a sustainable regional development plan. As the new airport will be built just 17 km north of Nantes, it will be able to handle all the commercial aviation activity of the current Nantes-Atlantique Airport and, by reducing overfly of the Nantes urban area, will reduce the number of people affected by aircraft noise from 42,000 to just 900. Urban sprawl will be limited by the establishment of a green belt between the airport and urban areas. The design of the runways, which optimises flight approach and taxiing time, and of the terminal (built to be energy positive) will meet new environmental standards and reduce electricity consumption per passenger by a factor of three compared to an old-generation airport. Works will start in 2014 after the design studies and land release phase launched in 2011.

On 1 January 2011, VINCI Airports also took over operation of the Nantes-Atlantique and Saint Nazaire-Montoir airports, which hosts aviation industry activities primarily serving the local Airbus plant. In 2011, Nantes-Atlantique handled over 3.2 million passengers, a 7% increase in numbers over the previous year. The airport serves some 100 destinations and has strengthened its European dimension by opening new lines to Central Europe, Germany and Belgium. VINCI Airports' hard work to optimise the service was rewarded in September 2011 by the Best European Airport Prize from the European Regions Airline association (ERA).

VINCI Airports managed seven other regional airports in France in 2011 under public service outsourcing contracts: Rennes-Bretagne, Clermont Ferrand-Auvergne, Grenoble-Isère, Chambéry-Savoie, Dinard-Bretagne, Quimper-Cornouaille and Ancenis. In total, they generated traffic of 1.6 million passengers (up 2.8% over the year).

Another highlight of 2011 was the commissioning of the Car Rental Center at Nice-Côte d'Azur Airport, which boasts car rental volumes on a par with Roissy-CDG. The first platform of its type in France, the Car Rental Center was built by VINCI companies under the terms of a PPP contract and will be operated by VINCI Airports until 2040. This unique facility enables the car rental companies to optimise the parking of 2,500 vehicles in a total space of 60,000 sq. metres and offer a full range of services to their customers. The building has a 10,000 sq. metre photovoltaic roof array, built in collaboration with VINCI Energies.

Cambodia

Cambodia Airports, a 70%-owned subsidiary of VINCI Airports, is concession operator for Cambodia's three international airports, serving the capital Phnom Penh; Siem Reap, near the Angkor temples, a Unesco World Heritage site; and Sihanoukville, a seaside resort and deepwater port in the south of Cambodia. Since the start of the concession, in 1995, Cambodia Airports has made substantial investments to modernise and expand these facilities, which play a pivotal role in the country's economic development and particularly in developing its tourist industry. In 2011, the three airports handled flights to 26 destinations, including the main Asian cities, and business trends continued to be brisk, with traffic totalling 3.6 million passengers, up 12.6% over the year. In an illustration of Cambodia's new-found international appeal, Air France opened a regular direct service between Roissy-CDG and Phnom Penh at the beginning of 2011 – Cambodia's first direct link with France and Europe since 1974. In December 2011, Cambodia's national carrier, Cambodia Angkor Air, started the first scheduled service between Sihanoukville and Siem Reap.

Support.



In 2011, as part of a five-year agreement, Cambodia Airports (VINCI Airports) began supporting a substantial programme of archaeological excavations conducted by Inrap, the Cambodian institute of preventive archaeology, on the land of Siem Reap airport, located very close to the Angkor temples. While Angkor-based archaeology has primarily focused until now

on the main sanctuaries, the team of archaeologists led by Inrap is studying some 10 sites according to a comprehensive approach that includes temples, houses and land over an area of 10 square kilometres. The vestiges uncovered are providing information about the daily life of the people who lived and prayed in this area between the 10th and 12th centuries.



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Capitalising on the experience acquired in Cambodia, VINCI Airports took positions in the French market in 2004. In 2011, it managed nine regional airports.

2
The Car Rental Center at Nice-Côte d'Azur Airport, opened in 2011, will be operated by VINCI Airports until 2040.

Stadiums

In the run-up to the Uefa Euro 2016 football championship to be played in France, VINCI Concessions, working with the Group's Contracting business, had a year of intense activity in stadiums, with a number of contracts won in 2011.

► **Nice.** The contract between the City of Nice and Nice Eco Stadium (a consortium led by VINCI Concessions in association with the Caisse des Dépôts and SEIEF) came into force on 10 February 2011. This 30-year PPP

contract covers design, financing, construction, operation and maintenance of a 35,000-seat multi-sports and events facility, one of the first arenas to be completed for the Euro 2016 championship. The arena will be designed and built by a consortium comprising VINCI and local companies, supported by architects Wilmotte et Associés. Work started during the summer of 2011 and the arena should be delivered in 2013. In operation phase, Nice Eco Stadium will rely on the multi-technical maintenance and multi-service expertise of VINCI Facilities. The contract also calls for developing and marketing an adjacent 30,000 sq. metre retail programme, which has been assigned to a property development company comprising VINCI Immobilier and VINCI Construction France.

The Nice Stadium (*see opposite*) is a model of eco-design and eco-construction and will be the first landmark structure of Var Eco Valley, a huge urban and regional development programme declared a project of national interest.

► **Bordeaux.** On 28 October 2011, the Stade Bordeaux Atlantique consortium, jointly owned by VINCI Concessions and the Fayat Group, signed a partnership contract spanning 30 years from the date of commissioning of the facility for the financing, construction and operation of the future multi-purpose Bordeaux stadium. The facility has a capacity of 40,000 seats and meets the criteria for hosting Uefa Euro 2016 championship. The consortium, named preferred bidder in July 2011, closed financing – which represents a total investment of €219 million for the project – in under four months and the contract was signed in autumn. FC Girondins de Bordeaux, the host club, will contribute to financing the infrastructure through an initial injection and an annual rental, and will participate in operation of the stadium in partnership with Stade Bordeaux Atlantique.

The project, which combines sober classicism, transparency and functionality, was designed by international architects Herzog & de Meuron, which also designed the Munich Allianz Arena and the Beijing Olympic Stadium. The works, worth a total of €166 million, will be carried out by the consortium comprising VINCI Construction France (lead company) and Fayat. They will start at the end of 2012, on completion of the design phase, for delivery scheduled in 2015.

Stadiums in operation

► **MMArena, Le Mans.** MMArena is the first stadium in France to be given the name of a company under a naming rights agreement. Opened on 29 January 2011, the 25,000-seat facility was built in less than three years by VINCI companies and is operated by Le Mans Stadium, a VINCI Concessions subsidiary, under a 35-year concession contract. Designed as a multi-purpose arena, it has all the equipment needed to host sports and cultural events, as well as corporate conventions and meetings – almost 70 were organised in 2011.

► **Stade de France.** This facility was jointly built by VINCI and is operated by a consortium in which VINCI Concessions has a 67% interest. It generated revenue of €88 million in 2011. A total of 1.5 million spectators attended 18 sporting events and six concerts or shows (including three Black Eyed Peas concerts in June that attracted over 220,000 spectators). The Stade de France also hosted more than 150 corporate events and welcomed over 100,000 visitors outside the events organised.

VINCI is studying a number of other projects, notably the future Lyon Stade des Lumières, on the basis of a "private-private partnership" with OL Groupe (the Olympique Lyonnais football club), and the Parc des Princes renovation project, in partnership with the PSG football club and Colony Capital.

Eco-design.



The future Nice Stadium, commissioned by the City of Nice, was devised by the design-build consortium as an "eco-stadium". The wooden lattice structure built by a specialised VINCI Construction France subsidiary will avoid emission of 3,000 tonnes of CO₂ compared to a conventional structure. The stadium will have a unique natural air-conditioning system with ventilator ducts harnessing the dominant winds of the Plaine du Var region and a

photovoltaic roof array. Harvested rainwater will be used to water the pitch and all green spaces. This environment-friendly approach and the excellent fit between the architecture and the surrounding area were the main factors governing the municipality's choice of bidder. Numerous sustainable development commitments have also been made for the construction phase, including the creation of 50 jobs under social integration contracts.



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VINCI Park

VINCI Park's revenue remained stable at around €600 million in 2011. The number of spaces managed, up 5% over the year, totalled 1,461,000 at year-end. The renewal rate of existing contracts, calculated in number of spaces managed, came to 63%.

France

■ VINCI Park's revenue in its main market held up well. Revenue increased 1.6% on a comparable basis, with the increase in prices and season ticket sales offsetting the fall in hourly occupancy.

VINCI Park launched its new national remote service centre in 2011, a major step forward in optimising operating performance and costs. The new system uses advanced image and data transmission technologies and will, in the longer term, enable remote management of all car park operations in France, freeing up operatives from

surveillance tasks to focus on customer service and sales development. The centre's predictive management functions will also make it possible to optimise equipment maintenance and replacement investments. At the end of 2011, over 90 car parks were connected to the system, which will cover the entire French network in 2013.

VINCI Park developed facilities in three new towns (Valenciennes, Morlaix and Biot) while also renewing a number of contracts: in the Greater Paris region, the Château car park in Saint Germain en Laye (1,200 spaces for cars, 200 spaces for two-wheelers), and the Madeleine (1,040 spaces) and Lobau-Rivoli (870 spaces) car parks in Paris; and the Tourcoing (1,470 spaces) and Cagnes sur Mer (400 spaces) car parks in the French provinces.

International

Outside France, excluding Germany, VINCI Park's revenue increased 15.3% to €167 million, reflecting satisfactory trends in operating activity, successful conclusion of new contracts and external growth momentum.

1

The MMArena in Le Mans, built in a little over 30 months and opened in January 2011, will be operated by VINCI Concessions until 2043.

2

Designed to Uefa 2016 standards (40,000 seats), the Bordeaux stadium will be built under a 30-year partnership contract.

3

VINCI Park manages 1.4 million parking spaces in 12 countries.

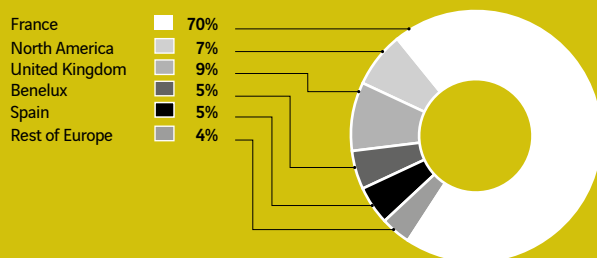
■ **In Europe**, business grew in VINCI Park's main markets: in the United Kingdom (up 40%) thanks to the full-year impact of an acquisition made in 2010 and steady trends in hospital car park occupancy; in Belgium (up 12%) and Luxembourg (up 13%); in the Czech Republic (up 9%), where VINCI Park won a management contract for a new 1,300-space car park in Prague; in Switzerland (up 27%), due to an acquisition in Lausanne; in Spain (up 9%) due to substantial contracts won in Bilbao (500 spaces), Alicante (airport car park, 5,700 spaces) and Toledo (430 spaces). In Germany, termination of a contract with the department store chain Karstadt led to a sharp contraction in business volumes but eliminated a loss centre.

■ **In North America**, where VINCI Park operates primarily under management contracts, revenue increased mainly as a result of organic growth after a period of major acquisitions in previous years. In Canada, VINCI Park bolstered its number two position in the market by winning two new contracts in Quebec (1,240 spaces) and Toronto (2,300 spaces) and by

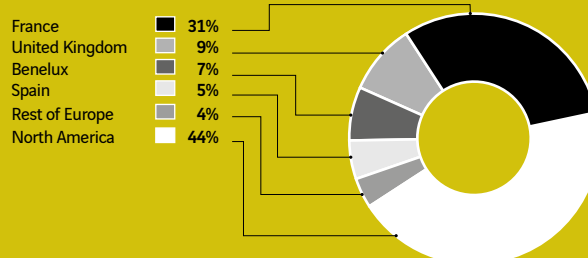
acquiring Canpark (24 contracts, 5,650 spaces). In the United States, LAZ Parking (revenue not consolidated by VINCI Park) is the market's fourth-ranking player and continued to extend its geographical footprint with the signing of a first contract in Colorado (Denver, 3,150 spaces). It also consolidated positions recently acquired in the eastern United States by winning a number of new contracts, particularly that of the Philips Arena in Atlanta, Georgia, one of the most prestigious entertainment venues in the United States. ■

VINCI Park

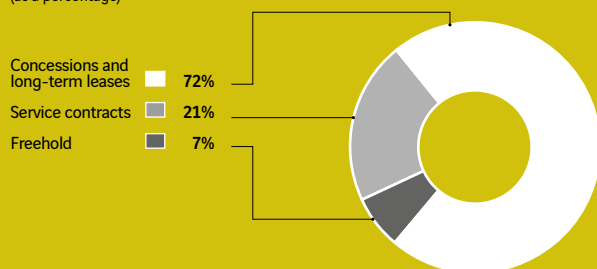
Revenue by geographical area ^(*)
 (as a percentage)



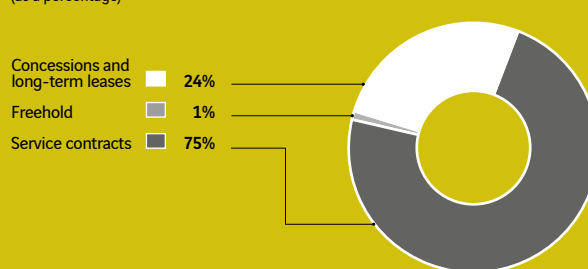
Spaces by geographical area ^()**
 (as a percentage)



Revenue by type of contract ^(*)
 (as a percentage)



Spaces by type of contract ^()**
 (as a percentage)



VINCI Park's competitive position ^(*)**
 (number of spaces operated)



(*) Excluding concession subsidiaries' works revenue.

(**) Including LAZ Parking (USA), consolidated under the equity method.

(***) Sources: in-house study, IBIS World study and company literature.

Outlook

VINCI Concessions expects another year of intense activity in 2012, as major projects launched in 2011 gain momentum or enter their operational phase, and as it proactively pursues its growth plans. VINCI Concessions will strive to consolidate its positions in its long-standing activities, road infrastructure and car parks, while deploying its strategy of diversification, in which airports are a priority. Backed by a series of substantial references in France – where it is now the number one private operator of regional airports – and in Cambodia, VINCI Concessions will be considering projects in Europe and elsewhere in the world capable of accelerating its development in this market. After rail infrastructure and stadiums, VINCI Concessions is now poised to consider other types of public infrastructure and facilities, provided the scale and technical demands of these projects fully leverage the Group's integrated concession-construction business model. In geographical terms, VINCI Concessions plans to follow a pragmatic, measured approach in expanding its international

business, especially in fast-growing regions such as Asia and North America. The increasing diversity of VINCI Concessions' operational formats could open the door to new markets. Examples include the Moscow–St Petersburg motorway, which is the first greenfield concession project where the Group is focusing on overall management of the project without directly executing the construction work. Similarly, VINCI Concessions will consider selected brownfield projects outside France with a view to speeding its expansion into new markets.

An additional goal is to create value by boosting the efficiency of the infrastructure facilities it operates. A key to this approach lies in extending and improving VINCI Concessions' array of services, particularly in the airport, car park and stadium sectors.

Looking at the long term, VINCI Concessions is fully aligned with the powerful trends at work in its markets. The growing importance of mobility issues and urban development will create considerable demand for new and upgraded infrastructure, leading to increasingly large and complex projects. The capacity to deploy a full range of skills as a concession company, investor, builder, operator and service provider, combined with the VINCI Group's size and financial strength, will give VINCI Concessions a critical competitive advantage.



At the heart of the Group's integrated model, VINCI Energies, Eurovia and VINCI Construction form an unrivalled network of expertise and companies. In 2011, their 167,000 employees worked on 264,000 projects in some 100 countries.

Contracting

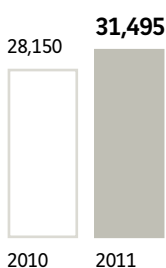
68 **VINCI Energies**

76 **Eurovia**

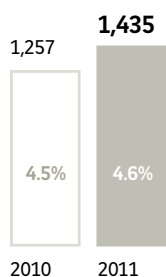
84 **VINCI Construction**

67

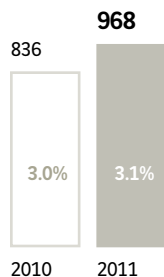
Revenue (in €m)



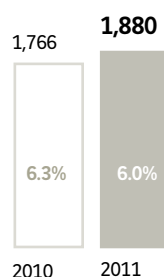
Operating income from ordinary activities (in €m and as a % of revenue)



Net income attributable to owners of the parent (in €m and as a % of revenue)



Cash flow from operations^(*) (in €m and as a % of revenue)



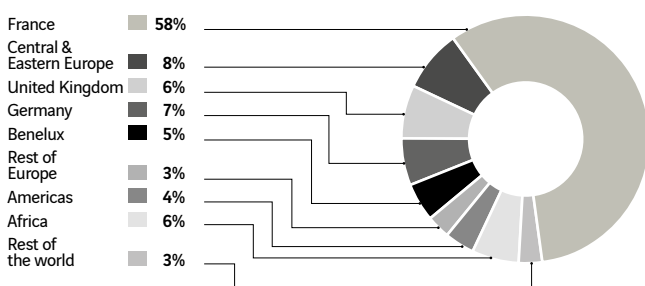
Net financial surplus^(**) (in €m)



(*) Before tax and financing costs.

(**) At 31 December.

Revenue by geographical area (as a percentage)



Profile

VINCI's Energy business line grew out of the combination of VINCI Energies and Cegelec in 2010, and was broadened by the creation of VINCI Facilities. At the beginning of 2012 it took the name of VINCI Energies. Businesses and public authorities draw on the extensive know-how of its 60,000 employees to deploy, equip, operate and optimise their energy, transport and communications infrastructure, industrial facilities and buildings.

VINCI Energies combines expertise in its own technology areas – electrical power, heating, ventilation and air conditioning (HVAC), mechanical engineering, and information and communication technologies – with expert knowledge of its customers' businesses. It leverages these capabilities to develop high value added solutions to address customers' demands for efficiency, reliability and safety.

These solutions support customers throughout their projects' lifecycle, from project engineering and execution to maintenance, operation and facilities management. Thanks to an exceptionally dense network of 1,500 business units in 40 countries (20 in Europe), VINCI Energies combines global reach with local service.

As a key player in energy efficiency and renewable energy, VINCI Energies' capacity to integrate complex systems is a key component of VINCI's overall offer.

Competitive position of VINCI Energies in its main markets

France.

VINCI Energies is market leader, notably due to the acquisition of Cegelec and Faceo in 2010, which enabled it to significantly broaden its geographical coverage and areas of expertise in a fragmented market in which the top six players account for only 45% of the total. The business line's main

competitors are Suez Energies Services (Ineo, Cofely, Axima, etc.), Spie, Eiffage Energie, ETDE (Bouygues group) and SNEF.

Rest of Europe.

VINCI Energies is one of the leading companies in five countries: Germany, Switzerland, Belgium, Portugal and Romania.

Its main competitors are:

- In Germany: Bilfinger Berger Power Services and Thyssen Krupp Industrial Services in insulation, Minimax in fire protection, Imtech and Siemens in electrical installations;
- In Switzerland: Burkharter and Alpiq in electrical installations and telecommunications;
- In the Benelux countries:

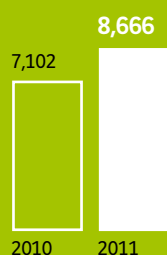
Suez Energie Services (Tractebel) and Imtech.

Outside Europe.

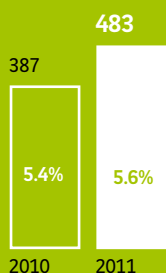
VINCI Energies, which operates in Africa and the Middle East and in Asia and the Americas, is the leading player in the Moroccan market.

Sources: in-house studies and company literature.

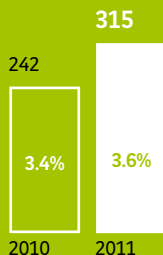
Revenue (in €m)



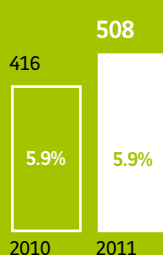
Operating income from ordinary activities (in €m and as a % of revenue)



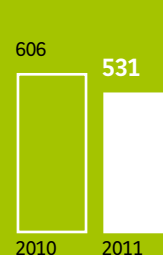
Net income attributable to owners of the parent (in €m and as a % of revenue)



Cash flow from operations (*) (in €m and as a % of revenue)

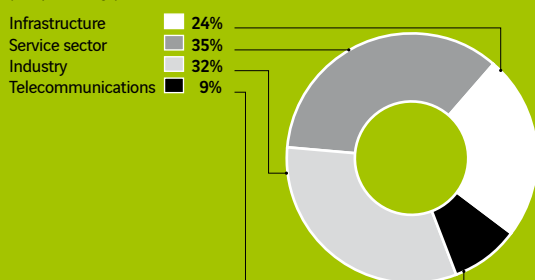


Net financial surplus (**) (in €m)

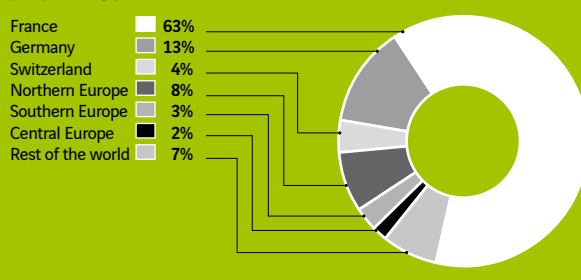


(*) Before tax and financing costs.
(**) At 31 December.

Revenue by business sector (as a percentage)



Revenue by geographical area (as a percentage)





New configuration brings improved performance

70

■ With the first full year in its new configuration completed, 2011 substantiated the strategic rationale for the VINCI Energies-Cegelec combination. The move broadened the business line's range of expertise and geographical coverage and boosted its resilience and economic performance in generally buoyant markets.

■ The VINCI Energies-Cegelec combination, initiated in 2010 to capitalise on the excellent fit of the two entities' capabilities, made substantial headway in 2011. Unified management units were set up to consolidate the two entities' offers, expertise and personnel, with the ultimate objective of optimising the service provided to customers. A major milestone was achieved with the creation of VINCI Facilities, which began in 2011 to provide a comprehensive service comprising building maintenance, occupant services and facilities management. This value-added offer attracted significant business in the course of the year. In the same vein, the process of combining the VINCI Energies and Cegelec networks, begun in 2011, will ultimately result in the creation of a unified network in 2012.

At the beginning of 2012, the Energy business line took the name VINCI Energies, which now brings together 1,500 business units and 60,000 employees in France and other countries.

The new business line's 2011 economic performance bore out its strength. On a comparable basis, revenue increased 5.5%, marking a return to organic growth. The increase in France across all networks was 8.1%, primarily as a result of strong volume in power and information technologies. International business was up slightly (1.1%) overall, with differences from one country and one market to another. For example, strong growth was recorded in Central Europe (up 8%), Scandinavia (up 10%), Morocco (up 10%) and to a lesser degree Germany (up 2%), while revenue declined in Switzerland (down 1% on a comparable basis), Belgium (down 4%) and Spain (down 25% due to deliberate cuts in business activity).

Meanwhile, the ongoing policy of selective order-taking, combined with efforts to control overheads, increased the operating margin to an excellent 5.6% of revenue.

Infrastructure

Energy

■ Energy infrastructure markets generated revenue of nearly €1.9 billion for VINCI Energies, accounting for 21% of the business line's overall volume. In the power transmission activity, revenue increased substantially in 2011. In France, the market was bolstered by major investments by RTE, the French power transmission system operator; the VINCI Energies business units are taking part in capacity reinforcement and reliability upgrade works being carried out on the national grid. In addition, interconnections with the grids of neighbouring European countries will generate an increasing volume of activity based on several operations that were on the drawing board in 2011. In Spain, the business line won renewal of its entire range of framework agreements with operator Endesa (notably covering maintenance of the Catalonia, Minorca and Ibiza grids and transformer and supervision facilities throughout the country), accounting for a works volume of €20 million per year for periods of three or six years. In the Middle East, Cegelec won the contract to deliver all the security infrastructure of eight electrical grid dispatching stations across five Gulf countries.

Volume also increased in the renewable energy market, which generated more than €0.2 billion in revenue. During the year, several large-capacity solar power plants were handed over in mainland France – Miradoux, Montéleger and Les Mées (the largest such solar farm in France, with 110,000 panels and installed capacity of 31 MWp), all in the southern part of the country – and in Guadeloupe, where VINCI Energies built the Petit Canal power plant on a turnkey basis and will now be operating it. Several wind power contracts were also signed during the year. These included Turkey's largest wind farm in Balıkesir, with 52 turbines of 2.75 MW capacity, to be built by Cegelec in its entirety (with the exception of turbine supply), generating €36 million in revenue for the business line.

Cegelec develops similar integrated products and services for conventional thermal power plants. The company continued to work in a consortium with GE Energy to build a 315 MW oil-fired power plant in Kenitra, Morocco, where it is providing the full range of auxiliary electrical and mechanical equipment and overall worksite coordination.

In the nuclear industry, VINCI Energies supports operators' projects to optimise power plants and equipment in service and improve their safety and security. Business in the nuclear sector is spread over a large number of sites and is diversified in terms of expertise (power supply, ventilation, mechanical maintenance, fire protection, etc.); it generated revenue of about €300 million in 2011, of which three-quarters came from France. Among other activities, the business line is in charge of three multi-year contracts for EDF involving maintenance operations (security equipment, reactor vessel opening and closing) and electrical renovation. These contracts,

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1
The 8.2 MWp Montéleger solar farm implemented by Omexom in south-eastern France covers an area of 17 hectares.

2
Very high voltage cables were installed between the Tamareau and Tavel transformer stations in southern France.

3
VINCI Facilities provides multi-technical maintenance services for a large number of industrial customers in France (pictured here: in the eastern city of Aix les Bains) and other European countries.

4
In Rabat, Morocco, the Cegelec teams installed the 20 km overhead power line and implemented the 17 substations for the city's first tramway system.

4



which have a total value of €150 million over a period of seven years, cover maintenance services at France's 58 nuclear plants.

As a result of VINCI Energies' longstanding roots in its local markets, the rural electrification activity held up quite well. The urban lighting activity made strong gains in markets where the business units are making the most of their ability to roll out comprehensive solutions that include a commitment to specifically defined energy savings. Contracts signed during the year included a major one with the City of Paris (*see below*) and public-private partnerships with three cities.

The Point à Pitre contract in Guadeloupe, with a value of €36 million over 15 years, covers urban lighting, traffic lights, public CCTV equipment and five roof-mounted solar power plants. At the end of the year, VINCI Energies had a total of 1,300,000 lighting points under management, including nearly 500,000 under more than 100 operating contracts.

Transport

■ The transport infrastructure segment accounted for 3% of the business line's revenue at more than €0.2 billion. Tunnel compliance upgrades were a major focus of activity in France against a backdrop of tightened regulatory requirements. VINCI Energies offers comprehensive expertise in operating and safety equipment and systems (high and low current, ventilation, fire protection, incident detection, operating support systems, etc.), complementing that of the other Group Contracting business lines. During the year, VINCI Energies worked on some 100 underground structure renovations in the Greater Paris area. In collaboration with other VINCI business lines, it won the compliance upgrade contracts for the A13 tunnels in Boulogne and Saint Cloud and the Les Halles tunnel in Paris. Similar synergies were called into play in the rehabilitation and capacity upgrade of the Croix Rousse tunnel in Lyon and in the construction of the A89 motorway tunnels (Violay, La Bussière and Chalosse) for ASF (VINCI Autoroutes).

In the urban public transport infrastructure market, VINCI Energies took part in a large number of tramway projects, including those in Brest, Tours, Montpellier, Metz and Le Havre in France and in Prague, Bucharest and Rabat outside France. In the rail sector, above and beyond the GSM-Rail project (*see pp. 58 and 74*), business activity will be brisk over coming years due to the SEA Tours-Bordeaux high-speed rail line project, on which VINCI Energies is lead company of the sub-consortium responsible for energy equipment.

Lighting the City of Light.



Under a major contract signed in 2011, the operation and maintenance of public lighting and traffic lights in Paris was awarded to a consortium that includes VINCI Energies. The 10-year contract is particularly large, with 5,300 streets and 300 monuments to be lit by 180,000 lighting points, as well as 1,800 traffic light intersections to be managed.

Moreover, it provides for a 30% reduction in energy consumption by 2020 in accordance with the Paris Climate Plan. The consortium will act as programme manager and implement all upgrades to achieve this target. It will also be using new tools – including a 100% digital map base – to boost responsiveness and traceability of maintenance operations.

Industry

■ In this market, VINCI Energies' business units owe their resilience to several factors: their broad international coverage (50% of revenue is generated outside France); their presence in many local industrial areas, which generate a large number of works, maintenance and service contracts and where they have many regular customers; and their ability to design solutions tailored to the specific features of each sector and the industrial process of each customer. Building on these strengths, VINCI Energies was able to make the most of the recovery in investment and operating expenditure by its industrial customers. In 2011, revenue in these markets amounted to almost €2.8 billion, coming in at 32% of the business line's total activity.

Demand was particularly buoyant in the fine chemicals, food processing, mining, environment, and oil and gas sectors. The Total group placed several new orders with VINCI Energies for projects in the United Kingdom (Sullom Voe gas terminal in the Shetland Islands), Republic of Congo (Sendji and Yanga offshore fields) and Indonesia (Mahakam offshore field), and the comprehensive maintenance contract covering the Girassol offshore platform in Angola was renewed. Natural gas storage is another buoyant sector. Examples include the framework contract in France with GDF-Suez covering, among other things, equipment renovation at the Beynes underground storage site in the Greater Paris area with a capacity of 1.2 billion cu. metres.

In the other industrial sectors, the year's main new contracts included the new Renault plant in Tangier, Morocco; the waste-to-energy plant in Bollnäs, Sweden; the electromechanical maintenance contract at the Vallourec plant in Jaceaba, Brazil; extension of the coal terminal in the port of Kelanis, Borneo, Indonesia; the new wheat gluten production line for Tereos in Lillebonne in northern France; and the Model T9 assembly line at the Peugeot plant in Sochaux, eastern France. In addition, VINCI Energies opened a third location in China to support the business line's longstanding customer Michelin, which is creating a new production site in Shenyang.



1



2

73

Service sector

► The diversity of the VINCI Energies business units' activities and expertise enabled them to weather the tough economic environment. Overall, the service sector markets accounted for revenue of almost €3 billion in 2011, representing nearly 35% of the business line's total volume of business.

In France, projects carried out in synergy with VINCI Construction helped bolster business activity, especially in the Greater Paris area. Major contracts under way and won during the year included those for the Eqho (formerly Descartes) and D2 towers in Paris La Défense, the Louis Vuitton Foundation for Creation in Paris, and the Cité du Cinéma and the future SFR headquarters in Saint Denis. In addition, two major projects were initiated in Brussels: the new Nato headquarters and the new European Union Council headquarters, for which Cegelec Belgium is implementing all electrical and climate control infrastructure under a contract with a total value of €90 million.

Business also held up well in the hospital sector. Projects were handed over in the course of the year in France (Creil, Lagny-Marne la Vallée, Rangueil in Toulouse and Vinatier in Lyon); Belgium (Charleroi and Ghent); Sweden (Gothenburg); and Portugal (Loures). New contracts were signed in a consortium with VINCI Construction for hospitals in Chambéry in mainland France, Fort de France in Martinique, and Koutio, near Nouméa, New Caledonia.

VINCI Energies' business units also made use of their wide-ranging expertise and ability to network in the market for large retail buildings, logistics sites and data centres. Examples include new contracts in France for

Carrefour (electrical equipment in 150 Carrefour Planet stores) and for Agirc-Arrco (design and implementation contract for the new IT centre in Gradignan near Bordeaux).

In all service sector building markets, tighter energy performance standards –especially in France, where the new thermal regulations entered into force in 2011 – constitute a major growth driver for new buildings in the short term and for existing buildings in the medium term, as major energy renovation programmes will be required.

Maintenance and facilities management

► VINCI Facilities, with a network of 8,000 employees in some 20 countries, generated revenue of €1.1 billion. The multi-technical building maintenance, occupant services and comprehensive facilities management activities were taken to a new level and given new impetus by being brought together in a single division, in a move that generated strong growth in 2011. VINCI Facilities signed a framework agreement with Société Générale to take on responsibility for managing the banking group's sites in several countries. A first €100 million contract covering the bank's Paris-area properties was signed for a period of five years. VINCI Facilities also won the technical equipment maintenance contract for the Maine-Montparnasse tower complex in Paris and the 72,000 sq. metre site of the Direction Générale de l'Armement (the French government's arms procurement agency) in Arcueil, near Paris, which comprises 63 buildings.

1
Work on renovating and upgrading the safety of the La Défense tunnels in the Greater Paris area, one of many such projects carried out by VINCI Energies.

2
Management systems for the storage and handling of liquids were developed by Actemium for ITC Rubis Terminal Antwerpen and handed over on a turnkey basis at the Antwerp, Belgium site.

VINCI Facilities will also be providing maintenance for the future Nice and Bordeaux stadiums under the partnership contracts won by the Group. In Germany, a PPP was signed with the City of Brandenburg an der Havel to renovate and expand four schools and a gymnasium and maintain them for a period of 20 years. In France and the rest of Europe, VINCI Facilities works with a large number of industrial customers, including Electrolux, General Electric and AB InBev.

Communication.



Communication is the main focus of the GSM-Rail project. The goal is to set up a system to optimise train-to-ground communications links on the rail system by upgrading to digital. The system will facilitate train traffic across all European Union countries thanks to the adoption of a common standard. Synerail Construction, a subsidiary of VINCI Energies, will be rolling out nearly 2,000 radio sites along 11,500 km of rail tracks for Réseau

Ferré de France (RFF, the French rail infrastructure manager) between now and 2015. RFF and Synerail Construction decided to reach out to local stakeholders very early on. They set up a system for keeping local elected officials abreast of the project and made a commitment to answer all questions about GSM-Rail put by these officials and their constituents. The dialogue notably takes place on the www.synerail.com website.

Telecommunications

The volume of business activity in communication networks and systems amounted to €0.8 billion in 2011, representing more than 9% of the business line's overall revenue.

Infrastructure

■ VINCI Energies increased its revenue substantially in 2011 as operators stepped up their network investments to increase capacity and keep pace with technological change. The trend was particularly marked in radio infrastructure, where the widespread dissemination of smartphones and multimedia use caused a sharp increase in bandwidth requirements. Business was especially brisk in France, where VINCI Energies continued to work with the three long-standing mobile telephone operators (Orange, SFR and Bouygues Telecom) while supporting new entrant Free Mobile, rolling out 20% of the sites for its 3G network. Business also increased outside France (mainly in Sweden, Denmark, Poland and Switzerland) as contracts for the rollout of the first 4G networks were won.

In 2011, the rollout of the new GSM-Rail communications network got under way under a partnership agreement won by VINCI in 2010 (see p. 58 and opposite).

Business communications

■ Rollout and maintenance of multimedia communication networks and systems continued to expand as companies increased their investments. In all their European markets (France, Germany, Netherlands, Belgium, UK and Switzerland), the VINCI Energies business units benefited from the widespread introduction of IP (Internet Protocol) technologies, which prompted network upgrades and the development of new applications by companies, public authorities and operators of such infrastructure as motorways, airports and stadiums. Designed to meet the needs of each specific sector, VINCI Energies' products and services found many applications in the hospital sector, where the technologies were implemented to adapt to changing working methods and give medical teams mobile access to patient medical records. VINCI Energies' positioning in high-growth segments such as network security, collaborative IT and cloud computing further strengthens its growth potential.

Lastly, VINCI Energies continued to expand in the buoyant public CCTV surveillance market; it equipped the French cities of Toulon and Marseille (rollout of 220 cameras and a monitoring centre), several Belgian municipalities in the Brussels region (127 cameras), and the island of Saint Martin in the French West Indies. ■

Outlook

VINCI Energies' order book totalled €6.4 billion at the end of 2011, a 2% increase over 12 months, allowing it to view 2012 with confidence. Leaving aside the state of the economy, demand for the business activities of VINCI Energies – electric power generation, thermal energy and information technologies – should remain strong in the medium and long term in all Group markets.

► **Infrastructure.** VINCI Energies is an active player in all major electricity industry sectors – nuclear, thermal, photovoltaic and wind power – as well as in oil and gas. It should therefore benefit from the wave of major construction and renovation programmes to boost capacity and upgrade networks at a time of fast-growing demand for energy, tougher safety standards and increasing deployment of renewable energies. Transport infrastructure programmes, meanwhile, should showcase VINCI Energies' broad array of expertise, especially through integrated projects involving the VINCI Group as a whole.

► **Industry.** Investment in new manufacturing plant in the emerging economies, together with programmes to upgrade existing facilities in the mature economies aimed at boosting productivity, safety and traceability while reducing environmental impacts,

should stimulate business activity. VINCI Energies should leverage its knowledge of industrial processes in the most resilient and fastest-growing sectors such as the food and beverage industry, as well as in chemicals and pharmaceuticals, aerospace, oil and gas, and environmental services.

► **Service sector.** The search for energy efficiency, often in response to new regulations, should give a powerful boost to investment in new low-energy buildings, and in renovating and improving the insulation of existing buildings. Energy efficiency challenges, and those connected with buildings' various functions, should act as a powerful spur to construction and modernisation programmes for public amenities such as hospitals, schools, and entertainment and cultural facilities. In the private sector, investment should also focus on technically advanced structures such as logistics bases and IT facilities, and on new generation green office buildings. Increasing demand for integrated facilities management solutions, additional to construction and renovation activities, should allow VINCI Energies to take full advantage of its market coverage.

► **Telecommunications.** The trend to ever faster broadband services means operators need to invest continuously in expanding and upgrading their infrastructure. This should apply to businesses as well, where performance and competitiveness depend increasingly on the quality of information systems and communication networks. Synergies with the other VINCI business lines should be a crucial growth driver in most of these markets.



Profile

Eurovia is a world leader in transport and urban development infrastructure. While continuing to nurture its strong roots in France, international operations now account for nearly 42% of its revenue, primarily in Western and Central Europe, North America and Chile. Eurovia is a multimodal construction firm that has built its leadership on integrated contracting and materials production and a broad diversity of expertise, spanning:

- **Transport and urban development infrastructure.** Eurovia builds and renovates transport infrastructure, including roads and motorways, rail and light rail systems, as well as airports, and industrial and retail complexes. It also possesses know-how in related areas, including demolition and deconstruction, drainage, earthworks, roads and utility networks, urban development, civil engineering structures and noise barriers;
- **Quarries.** Eurovia is a European market leader in aggregates, extracting, processing and marketing both natural and recycled aggregate. It operates a network of more than 400 quarries producing an annual 100 million tonnes of aggregate (Eurovia's share is 80 million tonnes), and 150 materials recovery and recycling facilities for concrete, reclaimed asphalt pavement, bottom ash from household waste incinerators, and so on. Eurovia's reserves represent more than 35 years of output (it controls^(*) more than 3 billion tonnes of reserves of aggregates) and are contributing to both revenue and income growth while ensuring reliable supplies of materials for its projects;
- **Industrial production.** Eurovia operates a network of 50 binder plants and 405 hot mix plants supplying 25 million tonnes of asphalt annually. A further 10 factories produce road equipment, including signage (panels, overhead sign gantries, paint), industrial and retail floorings (resins), and pre-fabricated products such as noise barriers, etc.;
- **Services.** Eurovia provides comprehensive maintenance and servicing of roads, motorways, rail networks and urban transport infrastructure, as well as upstream design and coordination, consulting and technical support services. In addition it provides maintenance under long-term contracts, ancillary equipment such as vertical and horizontal signage and safety equipment, and maintenance of all connected structures (public lighting, traffic signals, amenities, green spaces and vegetation).

Eurovia invests heavily in research and development of products and processes to enhance road safety and protect the environment, with particular emphasis on materials recycling and cutting CO₂ emissions.

(*) Reserves controlled through ownership or royalty agreement.

Eurovia's competitive position in its main markets

Sources: in-house studies, Fédération Nationale des Travaux Publics, Union Nationale des Producteurs de Granulats, company literature.

France. In the road and rail works market, Eurovia holds second place behind Colas and ahead of Eiffage Travaux Publics. The fragmented market is otherwise shared by about 1,500 local and regional contractors. The acquisition of the Tarmac quarries in 2010 reinforced Eurovia's

leadership in the aggregates market, in which Colas and cement groups such as Lafarge, Ciments Français, Cemex and Holcim operate alongside some 1,500 other local producers.

Germany. Eurovia GmbH is number two behind Strabag. The other players are regional in scope.

Czech Republic.

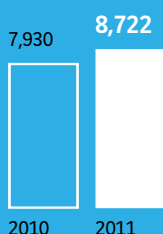
Eurovia CS is among the leaders in road and rail works. Its main competitors are Skanska, Metrostav and Strabag.

United Kingdom. Eurovia subsidiary Ringway is a major player in long-term maintenance contracts. Its main competitors are Carillion, Amey and Jarvis.

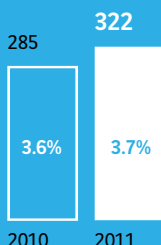
North America.

The Hubbard Group, a subsidiary of Eurovia, ranks number two in the south-eastern United States behind Archer Western Contractors. In Quebec, Eurovia subsidiary DJL is in second place after Sintra, a subsidiary of Colas.

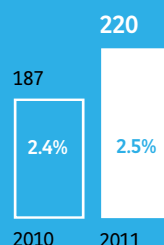
Revenue (in €m)



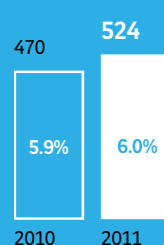
Operating income from ordinary activities (in €m and as a % of revenue)



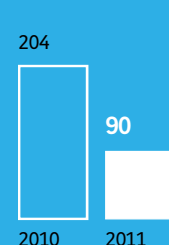
Net income attributable to owners of the parent (in €m and as a % of revenue)



Cash flow from operations^(*) (in €m and as a % of revenue)

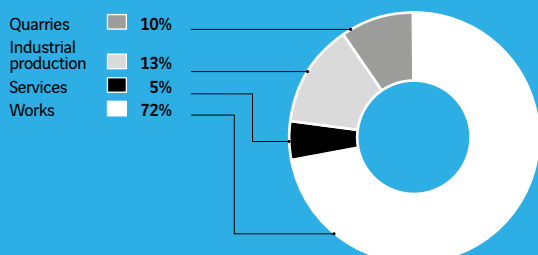


Net financial surplus^(**) (in €m)

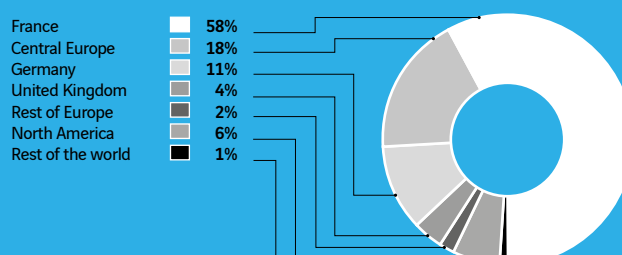


(*) Before tax and financing costs.
(**) At 31 December.

Revenue by business sector (as a percentage)



Revenue by geographical area (as a percentage)





Upturn in business and competitiveness maintained

78

■ In 2011, Eurovia returned to organic growth in most of its markets, turning in good overall performance as a result of very good weather conditions in Europe and other factors. The business line's traditional road maintenance markets proved resilient and business was brisk in rail works and major projects, where Eurovia often worked together with the VINCI Group's Concession business.

■ Revenue rose 10% to €8.7 billion (7.7% on a like-for-like scope and exchange rate basis). In an uncertain economic climate, Eurovia's wide range of markets and business activities helped boost volume. The French, German, Polish, Slovakian and Canadian markets, which account for 75% of the business line's roadworks activity, more than made up for the sluggishness of its other markets. In rail works, Eurovia benefited from strong demand for construction of new lines, renovation of existing lines and construction of urban transport infrastructure.

In materials production, the highlight of the year was the integration into Eurovia's industrial segment of the 88 quarries acquired the previous year from Tarmac. Located primarily in Germany and Central Europe, where they support the expansion of works activities, and in France, where they round out an already dense network, these new quarries raised Eurovia's materials production capacity nearly 40%. In conjunction with the integration of these new quarries in the Eurovia Stone division, materials production was organised as a business in its own right, with the gradual introduction of dedicated management and new tools to coordinate the activity.

This programme is part of Eurovia's broader Performance 2012-2015 improvement plan, embarked on with the goal of enabling every individual entity to boost its operating performance and maintain its competitiveness. This plan, which constitutes the second phase of a strategic business plan begun several years ago, helped improve operating margin in 2011 despite the heightened competition generated by the economic situation.

France

■ Following three years of contraction, Eurovia's revenue rose 11.6% in its traditional market. An improvement in weather conditions following two harsh winters helped boost activity. Business remained brisk in the large metropolitan areas (especially Greater Paris), offsetting the decline recorded in virtually all the rural French departments. However, road maintenance and upgrade requirements generated a stable base of recurring orders in local markets.

In the motorway sector, Eurovia worked on a large number of projects for VINCI Autoroutes. The biggest were the two works packages for the A89 extension towards Lyon (450,000 tonnes of mix to be laid before the end of the 2012 autumn season over a 35 km motorway section); widening projects on the A50 (21 km between La Ciotat and Bandol) and the A63 near the Basque coast (to be completed in 2012); pavement refurbishment for 28 km on the A9 near Perpignan; and tunnel renovation projects on the Escota network. The rollout of the green motorway package (see p. 52) also generated a large number of local projects along the VINCI Autoroutes network, including noise barrier construction, rest area renovation and toll barrier upgrades to install new free-flow ETC lanes.

Road network projects included widening several roads to form two-lane dual carriageways: an 8.5 km section of the RN154 highway in the Eure et Loir region, the RD65 north of Montpellier and the Saint Dizier bypass on the RN4. In addition, work was carried out on construction of the Pusignan bypass east of Lyon.

In urban transport infrastructure, business activity stayed at a high level. In the light rail market, which remained buoyant, new projects were added to existing infrastructure extensions. Eurovia builds on the local roots of its works divisions and the expertise of its rail division to put together integrated offers covering infrastructure works, roadworks, urban development and track construction. Examples include Eurovia's work on light rail projects in the Greater Paris area, Le Havre, Brest, Orleans (see p. 79), Dijon, Montpellier, Angers, Lyon and Tours. During the year, new contracts were booked for light rail works in Besançon, Bordeaux and Toulouse, the Tangentielle Nord tram-train system in the Greater Paris area and a works package on the new bus rapid transit project for Metz.

Eurovia was also involved, most often in collaboration with the Group's other Contracting business lines, in a large number of road tunnel projects (notably the Les Halles tunnel in Paris and the Croix Rousse tunnel in Lyon). This segment is particularly active at the moment due to the need to upgrade safety systems to regulatory requirements.

Eurovia also took part in a large number of urban projects unrelated to transport infrastructure. These included development and renewal projects designed to enhance the quality of urban life, notably





2

1
Asphalt mix production has been completely overhauled at Eurovia, which is gradually acquiring a new generation of plants that are more cost-effective and blend better into their environment. Seen here is the Blainville sur Orne plant in northern France.

2
During the summer of 2011, Eurovia personnel totally refurbished a 14 km section of the RN52 highway in the Meurthe et Moselle region between the Crusnes and Villers la Montagne interchanges.

3
ETF-Eurovia Travaux Ferroviaires offers a range of expertise that positions it in all rail modernisation projects, such as this one in south-western France, and in rail line construction (high-speed rail, light rail, etc.).



3

↔ Dialogue.



Eurovia has been in charge of refurbishing the streets of Orléans' historic city centre since 2002 and is also building the urban area's second light rail line. Eurovia teams build on their local roots and familiarity with the local context to understand the expectations of elected officials and the local community and then implement projects to match. Outreach to

local residents and retailers is an integral part of Eurovia's light rail offer. It involves meetings once a week on the worksite and the assignment of an outreach manager and three mediators to work full time for several months to build dialogue on the ground. For schools, Eurovia also offers worksite visits and discovery internships.

in Saint Omer, Reims, Chalon sur Saône, Nîmes and La Rochelle. Alongside VINCI Construction Terrassement, Eurovia also participated in work to restore the marine environment at the Mont Saint Michel.

Rail activity continued its upwards trend, with ETF-Eurovia Travaux Ferroviaires generating more than €0.3 billion in revenue. Business activity held steady at a good level as Réseau Ferré de France, the French rail infrastructure manager, increased investment in the renovation of existing regional lines. 2011 was also a banner year in new high-speed lines. Following completion of the eastern branch of the Rhine-Rhône line (300 km of track built), a €180 million contract was signed in 2011 to build Phase 2 of the high-speed line in eastern France between Metz and Strasbourg. The work, which includes project management, will take 46 months to complete and require 474 km of rails, 1 million tonnes of ballast and 395,000 sleepers. Business volume in this market segment is poised for strong growth in coming years as construction of the SEA Tours-Bordeaux high-speed line gets under way. Within the COSEA consortium led by VINCI Construction, Eurovia will be carrying out road and utility re-routing works in 2012 and will subsequently build the tracks and catenaries (see p. 58).

Lastly, in speciality business activities, the road sign and roadmarking segment covered by Eurovia subsidiary Signature held up well and the deconstruction segment experienced substantial growth. Eurovia subsidiary Cardem, a French market leader, won the contract to deconstruct 90,000 sq. metres of technical buildings as part of the Balard 2015 project, which will bring together the general staffs and central services of the French Ministry of Defence at a single site in Paris's 15th *arrondissement*.

Western Europe

Germany

■ At Eurovia GmbH, which holds the number two spot in the German roadworks market, revenue grew a substantial 21% to €0.9 billion in a business environment driven by public investments in road infrastructure modernisation. The volume of concession projects awarded to VINCI under the A-Modell programme remained sizeable: following the A4 project, work is currently in full swing on the A5 section between Offenburg and Karlsruhe in Baden-Württemberg; it involves refurbishment of 60 km of motorway, including 41.5 km being widened to a three-lane dual carriageway. As part of the A-Modell programme, the Group won a third PPP in 2011 covering a 46.5 km section of the A9, which links Berlin and Munich. This contract will be generating a significant amount of work over a period of about three years.

In other developments, Eurovia handed over the runways at the new Berlin-Schönefeld international airport and continued the widening project on the A7 motorway between Bockenem and Salzgitter, as well as the refurbishment of the road network in the southern part of Westphalia under a 16-year PPP that entered into force in the last quarter of 2010.

United Kingdom

■ Eurovia Group Ltd generated revenue in excess of €0.3 billion. During the year, five new road infrastructure maintenance contracts with an overall value of €1.7 billion were signed with North Yorkshire, Shropshire, Cheshire West, Chester, Cheshire East and Essex, the last two in a joint venture with American design office Jacobs. These long-term service contracts cover all aspects of traditional road maintenance such as routine maintenance, road network renovation, inspection and renovation of bridges and tunnels, asset management, emergency response, winter maintenance (including snow removal) and public lighting. They also call for the company to provide contracting authorities with consultancy and advice, especially for pavement design and traffic and vehicle fleet management. In Cheshire East and Essex, reflecting the high-quality dialogue and long-term partnership that characterise working relations, they even include management of the road budget. Apart from these multi-year contracts, which continue to make up two-thirds of its revenue, Eurovia Group Ltd also operates under roadworks contracts. This activity held steady at a satisfactory overall level despite budget cuts. In this activity, Eurovia Group Ltd makes the most of its expertise in special road surfacing techniques.

Spain

■ After a sharp contraction in 2010 following divestment of industrial activities, revenue held steady at above €0.1 billion. Against the backdrop of severe recession, activity was bolstered by multi-year motorway and road maintenance contracts and special surfacing techniques, especially for solar farms, which are rapidly expanding in Andalusia.

Central Europe

Czech Republic and Slovakia

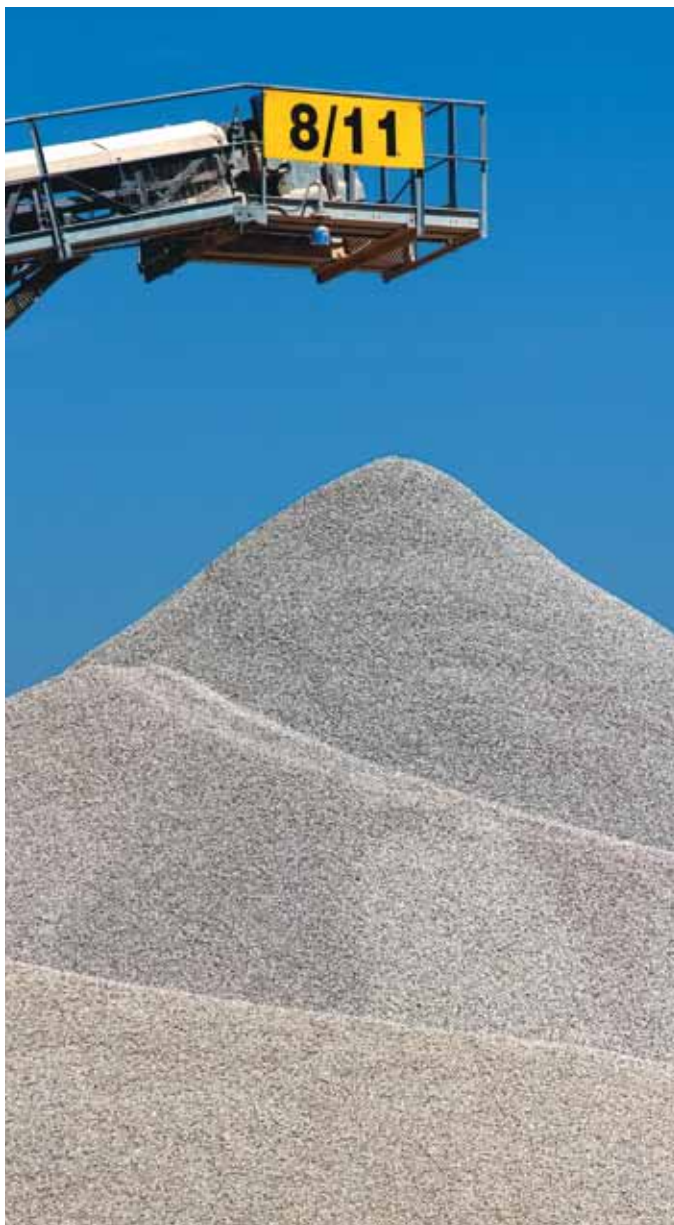
■ Volume remained very high, exceeding €1 billion. Projects included the major R1 expressway, renamed PR1BINA, being built by VINCI Concessions under a public-private partnership in Slovakia. Confirming its expertise in managing major roadworks projects and working in synergy with the VINCI Concessions programme management teams, Eurovia built 46 km of

Delegation.



Initially responsible for standard road maintenance under a service contract awarded by Buckinghamshire, Ringway Jacobs, a subsidiary of Eurovia Group Ltd in the United Kingdom, has expanded its range. In view of its efficiency and the excellent ongoing dialogue established with the contracting

authority, the county delegated management of its entire road network and associated infrastructure to the company. The integrated services contract includes traffic monitoring and maintenance works scheduling as well as budget management in conjunction with the county authorities.



1



2

81

two-lane dual carriageway, comprising three sections connecting the cities of Nitra and Tekovské Nemce, in less than three years. A fourth section bypassing the city of Banská Bystrica will be handed over in 2012. Up to 2,500 people worked on the project, which represents an overall works value of nearly €900 million for Eurovia CS, the local subsidiary.

Eurovia CS also continued to carry out rail modernisation works. In addition to the current 18 km Votice–Benešov u Prahy corridor project, the company won the contract to renovate the line connecting České Budějovice and Nemanice.

Poland

Against a backdrop of ongoing market momentum, Eurovia Polska substantially increased its revenue to more than €0.4 billion. The third-largest roadworks company in Poland, Eurovia Polska has tripled its business volume in three years. Pursuing a strategy that combines local roots and the simultaneous development of major works activities and materials production capabilities, the company operates in both local works and major infrastructure projects, where it joins forces with Warbud

(VINCI Construction) on projects containing a significant civil engineering component. Ongoing and new works in 2011 included the 20 km S5 motorway project between Poznań and Gniezno and the S8 project in Warsaw (the first section of the motorway linking the capital with Cracow). In another development, Eurovia Polska took over the 29 km A2 motorway project, the main section of which is to be opened to traffic in time for the European football championship in June 2012, following cancellation of the contract initially awarded to a Chinese company. The project, carried out in conjunction with Warbud, has a value of more than €200 million and involves exceptional resources, with up to 1 million cu. metres of materials laid in one month.

Lastly, Eurovia Polska has gained a foothold in the high-potential rail infrastructure market, winning contracts to renovate the first two sections of the Cracow Bieżanów–Wieliczka and Dorohusk–Zawadowka–Naftobaza lines.

In its other Central and Eastern European markets (Croatia, Lithuania, Romania), Eurovia generated revenue of more than €60 million. Noteworthy projects during the year include renovation of the parking areas at the

1
The integration of the 88 quarries acquired from Tarmac in 2010 increased Eurovia's materials production capacity by nearly 40%.

2
In Germany, Eurovia GmbH built the taxiways, traffic areas and parking zones as well as the southern runway at Berlin-Schönefeld airport, now re-named Berlin Brandenburg international airport.

international airport in Vilnius, Lithuania, and the earthworks and foundations of a new wind farm near the Black Sea in Romania.

Americas

Canada

■ Eurovia Canada, with longstanding operations in Quebec and more recent activity in the Vancouver area in western Canada, generated revenue of €0.3 billion. This amounted to an increase of 4% from the previous year, despite particularly harsh winter weather, and the company maintained a high level of operating income. In a buoyant business environment, DJL, the Quebec subsidiary, made the most of its comprehensive market coverage to work on projects including the Sherbrooke motorway bypass. In British Columbia, Eurovia Canada's subsidiary BA Blacktop received the Ministry of Transportation's Award of Excellence as Contractor of the Year for its work on the Marine Drive-Lions Gate Transit Priority project, comprising the construction of a five-lane overpass and a bridge approach road.

United States

■ Operating primarily in Florida and North Carolina, Eurovia recorded a 20% decline in revenue to €0.2 billion as markets suffered the effects of sharp cuts in public spending. However, Eurovia made the most of its design and build capabilities. Hubbard continued work on the I-95 interstate highway project in Brevard County, Florida and the US 19 project in Clearwater, in which it is transforming a 4.1 km urban highway section into a three-lane dual carriageway flyover. The company won a new contract covering 21 km of express lanes (toll lanes built in the central reservation of an existing motorway) on I-95 in Miami. In North Carolina, Blythe continued construction work on the Charlotte bypass, a project that comprises an 8 km section of motorway and some 20 engineering structures.

In addition, the Tampa Pavement Constructors and Roadway Management companies, which are leaders in the growing highway maintenance market in the south-eastern United States (providing cold microsurfacing, in-situ pavement refurbishment and surface recycling or treatment) were acquired as part of Eurovia's North America expansion programme aimed at offering comprehensive solutions for major roadworks projects.

Chile

■ Following a transition year in 2010, revenue returned to strong growth, increasing 50% to exceed €0.1 billion. Works subsidiary Bitumix, which has been operating in the central part of the country for nearly 40 years, set up a location in the southern Puerto Montt region and also extended its operations to the rapidly developing northern mining region, where it has two projects: the rehabilitation of a 25 km section of the Pan-American Highway in the Atacama Desert oasis of Quillagua, and construction of 45 km of motorway pavements in the Antofagasta region (220,000 tonnes of asphalt mix placed). Meanwhile, the Probisa subsidiary, which specialises in the production and sale of bituminous coating binders, opened a terminal in the industrial port of Mejillones, north of Antofagasta, which has a storage capacity of 10,000 tonnes. ■

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The third-largest roadworks company in Poland, Eurovia Polska is building, among other projects, a 29.2 km section of the motorway between Lodz and Warsaw.

2

In Chile, where volume has grown sharply, Eurovia subsidiary Bitumix paved 45 km of a motorway in the northern part of the country.

3

Urban development works in the US city of Charlotte, North Carolina.

Outlook

At €5.8 billion, Eurovia's order book at the end of 2011 was up 13% over 12 months, pointing to another buoyant year in 2012, with the business line proving resilient despite the likelihood of tougher economic conditions.

In France, the traditional road maintenance markets may contract slightly; however, the prospect of local elections in 2014 should spur the rapid completion of programmes now under way. Activity should hold up well in urban transport infrastructure, with the construction and extension of light rail lines and the renovation of road tunnels, as well as in the rail sector – a growth market for both the short and medium term thanks to programmes to upgrade existing lines and new high-speed line projects. In the rest of Europe, Eurovia expects to see sustained activity in Germany and Poland, two of its major markets outside France, offsetting flat or declining markets elsewhere, especially in

Slovakia following completion of the R1 Expressway. In the Americas, Eurovia expects to go on growing in Canada and Chile; in the United States, the need to renovate aging transport infrastructure should spark a return to growth in the medium term.

In the longer term, Eurovia will benefit from underlying trends in all these markets driving growth in its businesses. These include the huge demand for new transport infrastructure in emerging economies and the need to upgrade existing infrastructure in mature economies. Spreading urbanisation everywhere, combined with policies to improve mobility, will generate a constant stream of new urban development projects. As public spending comes under greater pressure, recourse to public-private partnerships (PPPs) will help make these projects possible, contributing to Eurovia's growth. Synergies now at work with other VINCI business lines will speed this process.

Lastly, Eurovia has signed agreements to acquire road-building contractors in high-growth markets, especially India and Canada. The first was finalised at the beginning of 2012, and the second is to materialise in the first half of the year.

Profile

VINCI Construction is France's leading construction company and a major global player, with an unrivalled array of capabilities in building, civil engineering, hydraulic engineering and contracting-related specialities. Its three business areas form an excellent strategic fit.

■ A network of local subsidiaries:

- in France, VINCI Construction France stands at the head of a network of 472 profit centres with strong local roots, and around 30 local subsidiaries in France's overseas territories and dependencies;
- outside France, with VINCI Construction UK in the United Kingdom; CFE (46.8%-owned by VINCI), mainly in Benelux; Warbud, Prumstav, SMP, SMS, and APS Alkon in Central Europe; and Sogea-Satom in Africa;

■ **Specialised civil engineering subsidiaries serving global markets:** Soletanche Freyssinet (foundations and ground technologies, structural and civilian nuclear engineering); Entrepouse Contracting (oil and gas infrastructure); DEME, 50%-owned by CFE (dredging, marine engineering, site remediation, offshore activities and wind turbines);

■ **A division dedicated to the management and execution of complex projects,** with VINCI Construction Grands Projets, VINCI Construction Terrassement and Dodin Campenon Bernard, which work on major civil engineering and construction projects in France and all over the world.

VINCI Construction exemplifies the Group's entrepreneurial spirit and management model. Its decentralised structure creates a framework for networking and empowerment of local managers, a focus on people and a responsive organisation. This model has helped to establish new standards of performance, in the economic, financial and social spheres, in environmental and social affairs, as well as in building and public works.

VINCI Construction's competitive position in its main markets

Sources: Euroconstruct, November 2011 (market size); Le Monde magazine; company literature.

France. VINCI Construction is the leader in a French market estimated at nearly €200 billion, ahead of Bouygues Construction, Eiffage Construction, Fayat and Spie Batignolles. The remaining market is divided among medium-sized regional companies and a large number of small contractors.

United Kingdom. VINCI Construction UK is a company of significant size in the United Kingdom,

especially in the infrastructure and facilities management sectors. Its main competitors are the Balfour Beatty, Bam Nuttall, Skanska UK, Carillion and Laing O'Rourke groups. The UK market is estimated at more than €160 billion.

Benelux. CFE is one of the leaders in a Belgian market estimated at over €35 billion. Its main competitors are the Royal BAM, Besix and Eiffage groups.

Central and Eastern Europe. In 2011, VINCI Construction consolidated its operations in the region through its mid-sized local subsidiaries, especially in Poland and the Czech Republic. Its main competitors in this region are Strabag and Skanska, as well as Polimex Mostostal in Poland.

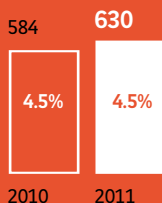
Specialised markets. VINCI Construction subsidiaries Soletanche Freyssinet and DEME

operate in specialised civil engineering markets around the world. Their competitors include such companies as Trevi and Bauer in special foundations, Bouygues subsidiary VSL in prestressing, and Jan de Nul and Van Oord in marine works and dredging. Entrepouse Contracting is also a global operator in the oil and gas sector. Saipem and CB&I count among its main competitors.

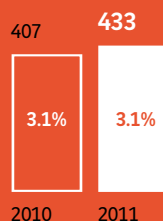
Revenue (in €m)



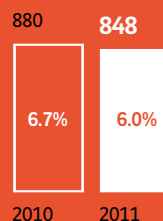
Operating income from ordinary activities (in €m and as a % of revenue)



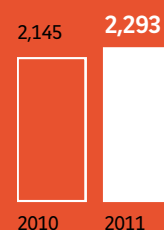
Net income attributable to owners of the parent (in €m and as a % of revenue)



Cash flow from operations^(*) (in €m and as a % of revenue)

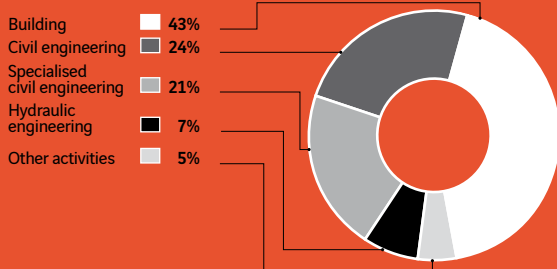


Net financial surplus^(**) (in €m)

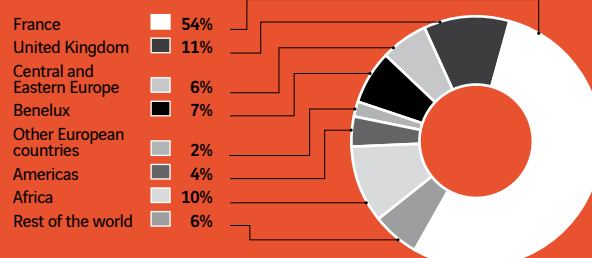


(*) Before tax and financing costs.
(**) At 31 December.

Revenue by business sector (as a percentage)



Revenue by geographical area (as a percentage)





Return to growth confirmed

86

► The return to growth for VINCI Construction that appeared in 2010 was confirmed in 2011. The company further enhanced the resilience of its business model by expanding internationally, notably in growth markets outside Europe, and stepping up synergies among its entities and with the VINCI Group's other business lines.

► The upturn in volume that was clearly in evidence in VINCI Construction's order book at the end of 2010 generated a substantial 7.5% increase in revenue to €14.1 billion in 2011. Operating in some 100 countries, VINCI Construction derives its competitive edge from the excellent fit between its network of local subsidiaries, speciality business activities and major project entities. The business line's broad international coverage enabled it to make the most of buoyant markets, especially in fast-growing emerging economies.

At the same time, unremitting attention to selective order taking, productivity and cost control kept operating margin at 4.5% of revenue.

Network of local subsidiaries

Mainland France

Following a two-year contraction, business activity grew substantially in 2011 at VINCI Construction France. Revenue was up nearly 13% to €6.1 billion.

► **Building.** In this sector, which accounts for 70% of its revenue, VINCI Construction France made the most of its very broad market coverage. The company's residential construction business made substantial gains, mainly in public housing. VINCI Construction France's proactive focus on optimised construction methods and cost control meets the needs of public housing authorities and is winning it a growing number of new housing construction programmes. The private-sector housing activity also grew, albeit to a lesser extent, in a market still recovering from the downturn of the previous period.

In the public building segment (hospitals, educational establishments, and cultural and recreational facilities) overall volume was on track. In these markets, in which the average size of projects is increasing, VINCI Construction France's companies are able to leverage their substantial engineering and production capabilities as well as their ability to manage projects on a general contracting basis, often in synergy with VINCI Energies business units for fitting and finishing. The main projects of 2011 included:

- in the healthcare sector, the Ambroise Paré-Paul Desbief hospital and the new AP-HM facility in Marseille, the University Cancer Clinic in Toulouse, the new hospitals in Chambéry, Nice (Pasteur 2) and Toulon, and the Le Vinatier hospital complex in Bron, near Lyon;
- in the education sector, buildings for the University of Paris-Diderot in the Paris Rive Gauche development zone, the Ensta campus in Palaiseau and the Henri-Becquerel middle school in Sainte Geneviève des Bois – all three under public private partnerships (PPPs);
- in the major administrative building sector, the Hérault departmental archives Pierres Vives building in Montpellier and the administration building of the Midi-Pyrénées region in Toulouse;

- in the cultural building sector, the Confluences Museum in Lyon, the Museum of European and the Mediterranean Civilisations (Mucem) in Marseille and the Jacobins Centre in Le Mans.

Business was very brisk in major sports facilities, with the handover of the MMArena in Le Mans for VINCI Concessions and of the new stadium in Valenciennes, as well as ongoing work on the future stadium in Le Havre and the start of work on Nice Stadium, being built under a partnership contract signed by VINCI Concessions as a venue for the Uefa Euro championship in 2016. Likewise in the run-up to that event, VINCI Construction France will also build the new 42,000-seat stadium in Bordeaux within a similar contractual framework.

In private-sector building, the upturn in the office building market continued apace. Business was driven by both a large number of mid-sized projects throughout the country and major projects, the latter primarily in the Greater Paris area. In Paris-La Défense, VINCI Construction France continued the rehabilitation of the Egho (formerly Descartes) and Europe towers and launched the construction of the 37-storey, 54,000 sq. metre D2 tower. In Saint Denis, it again worked with VINCI Immobilier on a major order: following the Cité du Cinéma, which will be handed over in the spring of 2012, VINCI will be building the new SFR headquarters, a project for which the first phase has a total value of €200 million. VINCI Construction France also continued work on the Odeon tower in Monaco, which will be the principality's tallest structure, the Carré Feydeau project in Nantes and the Quais d'Arcenc project in Marseille, where a further contract was signed to build the 52,000 sq. metre Les Terrasses du Port shopping and leisure centre.

VINCI Construction France's engineering and construction capabilities were also in evidence in three major projects in Paris: the Mandarin Oriental hotel, handed over in 2011; the Peninsula Paris hotel, being built at the former site of the international conference centre in the Avenue Kléber; and the Louis Vuitton Foundation for Creation building, a complex and particularly innovative structure designed by Frank Gehry.

► **Civil engineering.** This activity, accounting for nearly 20% of VINCI Construction France's revenue, held steady. In addition to the many projects carried out by its regional companies and specialised subsidiaries, VINCI Construction France worked on a number of operations in collaboration with VINCI Construction's major projects division. The main projects under way in 2011 included the extension of the Gare de Lyon train station, the extension of Line 12 of the metro and the cover over the A6B motorway, in Paris; the renovation and extension of the Croix Rousse road tunnel and the extension of Line B of the metro in Lyon; engineering structures on the A89 motorway for VINCI Autoroutes in the Rhône-Alpes region; the Bacalan-Bastide lift bridge in Bordeaux; the new Vernéa household waste recovery centre, a contract that includes civil engineering and



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VINCI Construction is building the 52,000 sq. metre Terrasses du Port shopping and leisure centre, which has a 2,800-space car park, along the Euroméditerranée district seafront in Marseille.

2
VINCI Construction France is putting up the seven buildings of the 100,000 sq. metre University Cancer Center, which will accommodate 312 patients and 1,200 healthcare professionals, at the future Canceropôle in Toulouse. It will open in 2013.

2



3



3
After completing cleaning and asbestos removal operations, VINCI Construction France is continuing the structural refurbishment of the Eqho (formerly Descartes) tower in La Défense.

4
In Paris's 1st *arrondissement*, VINCI Construction France structurally refurbished a vintage office building to create the Mandarin Oriental luxury hotel, which opened on 28 June 2011.

4





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VINCI Construction Grands Projets and Nofrayane (VINCI Construction DOM-TOM) built the launch facility for the Russian Soyuz launch vehicle at the Guiana Space Centre (CSG) in Kourou.

2

In London, VINCI Construction UK is in charge of building the roof of the new King's Cross station made up of a network of triangular steel elements.

equipment (biological, thermal and flue gas treatment) in Clermont Ferrand; and the Prado Sud road tunnel in Marseille. VINCI Construction also won the order for the structural works and monumental glass-covered roof of the high-profile Canopée des Halles building in Paris, the emblem of the Paris neighbourhood's urban renewal.

Lastly, there was the SEA Tours-Bordeaux high-speed rail line involving both VINCI Construction France and the major projects division of VINCI Construction, for which preparatory work got under way in 2011. This project will generate an increasing volume of business in coming years.

► **Hydraulic engineering.** Operating in mature markets, VINCI Construction France companies offset the decline in pipeline works by focusing on the market for major water treatment facilities, in which they provide both civil engineering and process solutions. In wastewater treatment, 19 plants were under construction or undergoing renovation at the end of 2011. VINCI Construction France will build, in a consortium, the new pretreatment unit at the Seine Aval plant at Achères, a major order booked in the Greater Paris area during the year (VINCI share: €182 million). A new contract was also signed for a water production plant in Renaison, in the Loire region, together with VINCI Energies, which will supply the monitoring and control equipment.

Overseas France

With revenue up 2.5% to €0.5 billion, business volume held up well in Overseas France, bolstered by public orders in the building (healthcare, education, social housing) and water treatment sectors and by the many local projects that make up the core business of the local subsidiaries. These companies also worked on

major projects, some in collaboration with VINCI Construction France and VINCI Construction Grands Projets. These included the new Soyuz rocket launcher facility in French Guiana, where the first launch took place in October 2011, and ongoing projects such as the Le Port grain terminal, the bridge over the Saint Etienne River and the Sainte Marie wastewater treatment plant on Reunion Island.

Benelux

► **CFE** (excluding its subsidiary DEME, in which CFE owns a 50% interest) is held 46.8% by VINCI Construction. In 2011, CFE generated revenue that was essentially stable (up 1.7% to €0.9 billion). The diversity of CFE's business activities and markets enabled it to weather the overall economic recession relatively unscathed. Business was good in the property development and multi-technical (electricity, climate engineering, maintenance, rail) sectors, offsetting the sluggishness of the building markets. In the building sector, CFE diversified its international business, winning new contracts in Chad with Sogea-Satom and in Nigeria, where the company started construction of a residential high-rise for an oil company. The multi-technical business activity expanded further in Hungary and Turkey.

In civil engineering, two major projects carried out under concessions by VINCI and CFE helped support business volume: construction, together with VINCI Construction Grands Projets, of the new Coentunnel in Amsterdam (a 750 metre, five-lane immersed road tunnel) and the 16 km Liefkenshoek rail link (nearly half of which runs underground) in the Port of Antwerp. Work on this rail link – the largest civil engineering project currently under way in Belgium – continued at a sustained pace in 2011 with the breakthrough of the two 6 km tubes under the Escaut River.

United Kingdom

► **VINCI Construction UK.** Despite the economic crisis, the company increased its revenue 7.2% to nearly €1.3 billion thanks to its positioning in market segments that remained buoyant. In building, the company offset the decline in its long-standing regional markets with strong business activity in the hospital sector, as VINCI Construction UK is one of the companies qualified under the national Procure 21+ programme. Business was also strong in the commercial building sector.

In civil engineering, VINCI Construction UK's strong positions in the urban transport infrastructure and metro station sectors enabled it to take part in the major works programme undertaken by the London authorities. In addition to projects under way at King's Cross, Victoria and Tottenham Court Road stations, VINCI Construction UK won several new contracts during the year, notably for the second phase of the Nottingham Express Transit light rail project (17.5 km of new lines). VINCI Construction Grands Projets and Bachy Soletanche are also involved in the construction of the tunnels at Whitechapel station in London, which they are renovating together with VINCI Construction UK, and at Liverpool Street station.

A large number of projects are in the development stage in the nuclear civil engineering sector, in collaboration with VINCI Construction Grands Projets and Soletanche Freyssinet, and in waste-to-energy facilities. A joint company set up with VINCI Environnement was named preferred bidder for three contracts in the counties of Hertfordshire, Cornwall and Yorkshire with an overall value of nearly £500 million.

Central Europe

On a like-for-like basis, overall business volume contracted 3.6% to €0.5 billion in the Central Europe subsidiaries as markets suffered the effects of the economic crisis and the credit crunch restricted financing for infrastructure projects. The situation differed from one country to another.

► **Poland.** In this market, which was the least hard hit, Warbud was buoyed by the preparations for the 2012 European football championship. The company is working with Eurovia on the major A2 motorway project (see p. 81) and completed the Czajka wastewater treatment plant in Warsaw, the country's largest. In addition, it won the contract to refurbish and expand the Capitol music theatre in Wrocław. CFE Polska handed over the OBI store in Krosno and the Merida logistics centre in Wrocław.

► **Czech Republic.** As a result of the political instability in the country, compounded by the economic downturn, business volume declined substantially.

► **Slovakia.** During the year, the engineering structures were completed along the R1 expressway, re-named PR1BINA and built with Eurovia for VINCI Concessions.

Africa

► **Sogea-Satom** continued to grow in a business environment that remained buoyant. Less affected by the global downturn than those of the other continents, African markets benefited from an increase in private-sector investments that offset the reduction in major international donor financing. Against this backdrop, Sogea-Satom's revenue rose 10% to €0.9 billion. Making the most of its longstanding familiarity with markets and its policy of focusing on long-term investment in quality teams and overall performance (including the environmental and social aspects of projects), the company has held its own and maintained its competitiveness in an increasingly competitive environment.

Business remained brisk in earthworks and road-works, which make up nearly 60% of revenue, with

major construction and rehabilitation works in Chad (110 km Koumra-Sarh highway), the Central African Republic (40 km Fambélé-Bouar highway) and Equatorial Guinea where Sogea-Satom is building the turnkey Bata-Ayak N'Tang motorway in partnership with VINCI Construction Terrassement, among others. In civil engineering, Sogea-Satom continued to work in collaboration with five other VINCI companies on the rehabilitation and extension of the Port of Cotonou in Benin, and the airports in Bamako in Mali and Ewo in Republic of Congo. In hydraulic engineering, the major projects were the water supply system in Libreville, Gabon and the water treatment station in Yaoundé, Cameroon.

In building, Sogea-Satom and CFE International handed over the University of Toukra in N'Djamena, Chad.

Other VINCI Construction divisions work in Africa in the specialised civil engineering, building, oil and gas infrastructure, and major projects sectors. Across all its subsidiaries, VINCI Construction generated revenue of €1.4 billion in Africa.



Mobilisation.



When Renault experienced scheduling difficulties in the construction of its new plant in Morocco, it called on VINCI Construction to re-think project coordination and organisation. By building a close working relationship with the customer and mobilising additional teams and resources provided by Sogea Maroc, VINCI

Construction France was able to make up for the delay and hand over the first phase of the project on time. This enabled production to get under way on schedule in 2012. Based on the trust established with the customer, VINCI Construction is building Phase 2 of the project as general contractor. Cegelec Maroc (VINCI Energies) is also involved in the project.

Specialised civil engineering

Soletanche Freyssinet

Soletanche Freyssinet further accelerated the growth it recorded in 2010. It built on the momentum of its three major business activities – ground technologies, structures, and nuclear engineering – to boost its revenue 11% to more than €2.2 billion in 2011. In each of these activities, the company's specialised expertise makes it an international benchmark and enables it to operate in some 100 countries. Soletanche Freyssinet took advantage of strong market growth in Latin America and Oceania, while maintaining its positions in Europe.

■ Deep foundations and ground technologies

Soletanche Bachy consolidated and accelerated its return to growth. A strong upturn in volume in the United Kingdom, driven by several major contracts signed with other VINCI Construction entities, and steady volume in France, Poland, Latin America and the United States more than offset the decline recorded in the Middle East, Africa and the other European markets. The main projects completed or worked on during the year included the Toulon tunnel in France, the Crossrail, Lee Tunnel and London Gateway Port projects in the United Kingdom, the Port of Cotonou in Benin, the Wolf Creek dam and the World Trade Center Vehicle Security Center in the United States, and the metro systems in Singapore and Hong Kong. Orders booked during the year included the El Teniente mine tunnels in Chile, together with VINCI Construction Grands Projets, the Hong Kong airport, the Bancomer tower in Mexico, the Subansiri dam in India, and port projects in Puerto Brisa, Argentina, Montevideo, Uruguay, and Miami, United States.

Menard (ground improvement) recorded the strongest growth within Soletanche Freyssinet. It was driven by large projects in the Middle East (New Cities project in Kuwait, industrial sites in Yanbu and Ras Az Zawr in Saudi Arabia), Poland (Gdansk ring road), Turkmenistan (Yoloten gas field), Indonesia (Jakarta airport), Australia (Barangaroo seafront in Sydney), and the United States (Reagan National Airport in Washington, DC).

Terre Armée Internationale (retaining structures and precast segment tunnels) achieved organic growth during the year. Strong business in the United States, Canada, Australia and Asia – with the Badarpur project in India and the Double Track project in Malaysia, which has a combined area of 150,000 sq. metres of Reinforced Earth® walls – made up for the more sluggish conditions in a number of other markets, notably Italy and Pakistan. A major contract was signed in South Korea to install TechSpan® arches on a 2.3 km covered motorway.

■ Structures

Freyssinet recorded growth driven by increased business volume in the Asia-Pacific region (primarily Australia), Central Europe (Poland and Russia), France and the United Kingdom. The main projects completed or under way during the year included bridges:

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Russky Island and Golden Horn in Russia, Moulay Hassan in Morocco, Recouvrance in France, Wrocław in Poland, Ho Chi Minh City in Vietnam, Geoga and the second Geo Geum in South Korea; liquefied natural gas (LNG) tanks: Taishan, Dalian, Jiangsu and Zhuhai in China; and cable-stayed roofs for stadiums: BC Place in Vancouver, Canada and Puy du Fou in France. Order intake was up, with noteworthy contracts including the Pannecière dam in France, the Frontera bridge in Mexico and the Kumho-gang and Doon nam bridges in South Korea.

■ Nuclear

Nuvia recorded strong growth driven by brisk activity in its two main markets. In France, the company deployed its specialised expertise in decommissioning, earthquake protection devices, radiation protection, fire protection, operation and maintenance at a large number of EDF, Areva and CEA (French atomic energy commission) sites. In the United Kingdom, Nuvia continued design work for the Silos Direct Encapsulation (SDP) project at the Sellafield site, Britain's main nuclear power complex, and expanded into the military and reactor sectors. Nuvia also initiated first operations in Sweden and India, and signed several contracts with China during the year.

Oil and gas infrastructure

■ **Entrepose Contracting** recorded an 18% decline in revenue to €0.7 billion, against the backdrop of political and economic upheaval that resulted in a total or partial halt to ongoing projects in Tunisia and Libya and the cancellation or postponement of investments by contracting authorities. Entrepose Contracting's wide diversity of expertise and geographical areas of operations helped mitigate the impact of the unstable environment. A case in point is the high-potential pipeline market, where subsidiary Spiecapag is a world benchmark. Spiecapag continued construction of a 700 km pipeline in South Africa to be handed over in early 2012, as well as a series of gas pipeline and ancillary equipment projects in Angola. It also started on-site work on a 450 km pipeline in Papua New Guinea.

Business was very brisk in the activity relating to the start of production at gas and oil fields in Algeria. New contracts were signed with the Skikda site, where Entrepose Contracting has been operating for several years, and the El Merk site, North Africa's largest crude oil processing facility, in the south-eastern part of the country.

Lastly, in cryogenic LNG storage tanks, where Entrepose Contracting's expertise complements that of other VINCI Construction entities, the year saw the completion of the Gate project in Rotterdam in the Netherlands and the GNL2 project in Skikda, Algeria (three storage units as part of a liquefaction facility built in a consortium with VINCI Construction Grands Projets). In addition, work started on a new project comprising three 190,000 cu. metre tanks in Dunkirk, France, as part of a consortium led by Entrepose Contracting.

Dredging

■ **DEME**^(*) maintained a high level of revenue at €1.8 billion and carried out works in some 50 countries around the world, using its fleet of 90 large dredgers and 200 support ships. In port works, the company worked on the ongoing construction of the new London Gateway container port in the United Kingdom, for which it is dredging 29 million cu. metres and deepening the Thames over a distance of 100 km. In addition it won, as part of a consortium, three contracts with a combined value of nearly €700 million

(*) The DEME Group is 50%-owned by CFE, which is 46.8% held by VINCI Construction. DEME is accounted for under the equity method in accordance with the IAS 31 "interests in joint ventures".



▲ A mega project for offshore wind turbines

Offshore wind farms are a major focus of renewable energy development in coming years. DEME specialises in marine works and is taking part, within the C-Power company, in one of the largest such projects – construction in the North Sea some 30 km off the Belgian coast of a 325 MW wind farm, a capacity large enough to supply a population of 600,000 with electricity.

Following rollout of a first series of six turbines, now in operation, the second and third phases of the project, for which about 10 institutions and banks are providing €870 million in financing, were started in 2011. DEME is building jacket foundations for the 48 additional 6.15 MW turbines. These foundations consist of four piles driven into the seabed and a 500 tonne metal structure transported by pontoon from the coast and installed in the sea by crane vessel.

for the extension of the port of Gladstone, Australia. The company was also awarded the contract for dredging and hydraulic engineering works to prepare for the construction of two artificial energy islands off the coast of Abu Dhabi in the United Arab Emirates.

DEME also expanded its operations in the buoyant offshore wind farm (see above) and energy facility market. Examples include, in Russia, the gravel placement for two offshore gas pipelines (Nord Stream) over a distance of 1,200 km in the Baltic Sea and a bed of 100,000 tonnes of aggregate to support a gas platform in the Kara Sea. Lastly, DEME is preparing to expand into offshore mining activities and has set up a joint venture with Dutch company IHC that will enable it to offer a comprehensive solution in this market.

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In Africa, in the continental part of Equatorial Guinea, Sogea-Satom and VINCI Construction Terrassement are taking part in the construction of the motorway that will link the country's two main cities. Among other works they are executing 13 million cu. metres of earthworks.

2

After contributing to the rehabilitation of the World Trade Center site in New York in the aftermath of 11 September 2001, Nicholson, the American subsidiary of Soletanche Bachy, is currently involved in building the Vehicle Security Center.

Complex project management and construction

The companies making up this division offer an excellent fit in expertise in major project design, construction and management. Their combined expertise was much in evidence in the preparations for the SEA Tours-Bordeaux high-speed rail line, for which VINCI Construction is the major player.

► **VINCI Construction Grands Projets** experienced a contraction of its revenue, by nearly 8%, to €0.5 billion. The large amount of work currently in the preliminary and design studies phases generated relatively little revenue but a significant 20% increase in the order book over the year.

In underground works, its leading area of activity, VINCI Construction Grands Projets completed the first phase of the Algiers metro (civil engineering and all equipment in 10 stations over the 9 km line). It also continued work on the metro in Cairo, Egypt; the Hallandsås tunnel in Sweden; the Brightwater tunnel in the United States; and, in collaboration with other VINCI Construction entities, the Liefkenshoek project in Belgium, the Coentunnel in the Netherlands, and the Crossrail and Lee Tunnel projects in the United Kingdom. The Lee Tunnel project covers the construction of a 7 km tunnel and four monumental shafts designed to collect polluted stormwater from the Greater London area and halve the volume of this water discharged into the Thames. During the year, two major contracts were signed, one in Qatar by QDVC^(*) for a new works phase of the Lusail light rail project (€378 million), and the second in Chile, in a consortium with Soletanche Bachy, for the construction of two 9 km tunnels at El Teniente, the world's largest underground copper mine (€278 million).

VINCI Construction Grands Projets also expanded its operations in the water treatment sector, with additional contracts in the Dominican Republic, Djibouti and Jamaica (where the company has operated for the last decade). VINCI Construction Grands Projets also confirmed the upturn in its international building activity with two significant contracts: the government building in Ashgabat, Turkmenistan, and the Berjaya Central Park in Kuala Lumpur, Malaysia, a 185,000 sq. metre complex with a first-phase value of €54 million.

► **VINCI Construction Terrassement** generated revenue of €0.4 billion, up 33%. Regional projects in France accounted for one-third of the company's business. Major projects in France included the large motorway projects for VINCI Autoroutes (extension of the A89 towards Lyon and widening of the A63), the start of earthworks for the second phase of the LGV Est Européen high-speed line (works package 47 Baudrecourt-Vendenheim), and the preparatory phase of the SEA Tours-Bordeaux high-speed line. On the last project, as lead company in the construction joint venture (COSEA), VINCI Construction Terrassement had already assigned 200 employees to the project at the end of the year. Outside France, the company began large-scale earthworks for the Bara-Ayak N'Tang motorway in Equatorial Guinea, which is being built with Sogea-Satom.

► **Dodin Campenon Bernard** increased its revenue more than 15% to €0.2 billion. In collaboration with the other VINCI Construction entities, the company continued work on a variety of underground works projects – metro Line 12 in Paris, the Croix Rousse and Oullins tunnels in Lyon, and the Violay tunnel on the A89 motorway in south-eastern France – and began boring the Saverne tunnel on the LGV Est Européen high-speed rail line. Bridge and viaduct works were also buoyant in France, with the completion of several projects (Térénez bridge, Compiègne viaduct, La Côtère viaduct) and ongoing work on the Bacalan-Bastide lift bridge in Bordeaux, the Verdun sur Garonne suspension bridge and the Saint Etienne River bridge on Reunion Island. Lastly, the company will be working on the Romanche Gavet hydroelectric facility in the Isère region for EDF. ■

^(*) Company accounted for under the equity method.

Training.



QDVC (a Qatari company 49%-owned by VINCI Construction Grands Projets) employs workers of some 20 different nationalities on its worksites in Qatar. To enable them to share a common set of technical skills and safety rules, QDVC set up a worksite school in 2011. Its teaching methods are based on visual and hands-on learning techniques. One example is an exercise in which equipment that has been improperly assembled is shown to the trainees, who are then asked to identify the mistakes made. The

worksite school, the first of its kind in Qatar, trained 350 workers in 2011.

In 2012 the school will offer literacy and basic English classes, as well as worksite organisation and production training for the most highly qualified workers. In 2012, VINCI Construction Grands Projets will begin gradually introducing the programme, called "Skillup", on all its worksites. It provides employees with an opportunity for upward mobility and improves safety, productivity and quality for the company and its clients.

Outlook

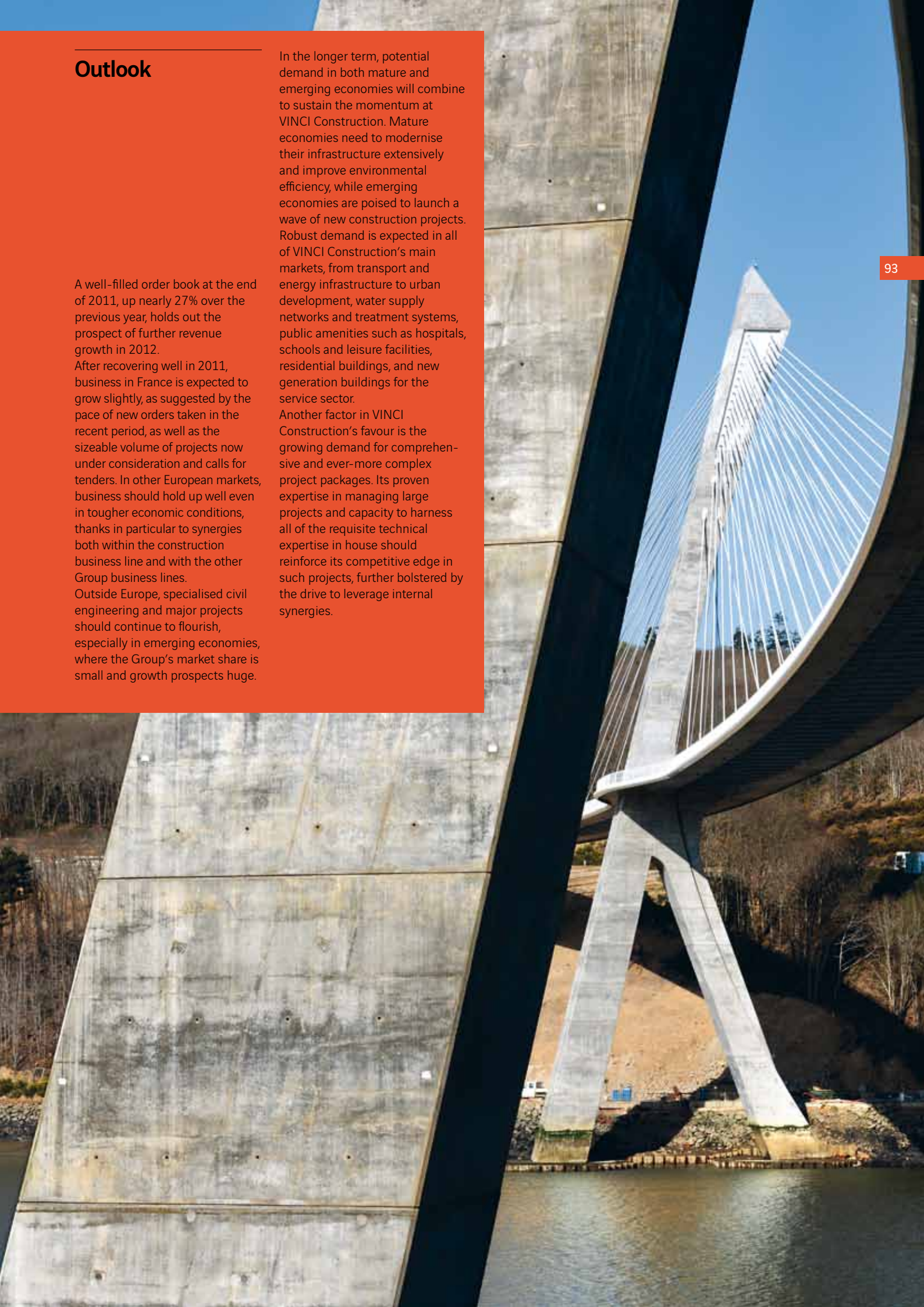
A well-filled order book at the end of 2011, up nearly 27% over the previous year, holds out the prospect of further revenue growth in 2012.

After recovering well in 2011, business in France is expected to grow slightly, as suggested by the pace of new orders taken in the recent period, as well as the sizeable volume of projects now under consideration and calls for tenders. In other European markets, business should hold up well even in tougher economic conditions, thanks in particular to synergies both within the construction business line and with the other Group business lines.

Outside Europe, specialised civil engineering and major projects should continue to flourish, especially in emerging economies, where the Group's market share is small and growth prospects huge.

In the longer term, potential demand in both mature and emerging economies will combine to sustain the momentum at VINCI Construction. Mature economies need to modernise their infrastructure extensively and improve environmental efficiency, while emerging economies are poised to launch a wave of new construction projects. Robust demand is expected in all of VINCI Construction's main markets, from transport and energy infrastructure to urban development, water supply networks and treatment systems, public amenities such as hospitals, schools and leisure facilities, residential buildings, and new generation buildings for the service sector.

Another factor in VINCI Construction's favour is the growing demand for comprehensive and ever-more complex project packages. Its proven expertise in managing large projects and capacity to harness all of the requisite technical expertise in house should reinforce its competitive edge in such projects, further bolstered by the drive to leverage internal synergies.



Resilience in a fluctuating business environment

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► In a changing economic and institutional environment, VINCI Immobilier continued to pursue its selective strategy focused on the most dynamic markets.

SFR headquarters
VINCI Immobilier is to build the new SFR headquarters near the Stade de France in the Paris suburb of Saint Denis. The campus will comprise four buildings with a total area of 133,000 sq. metres, which will accommodate 8,500 workstations. The project includes a large stepped garden, broad terraces to embellish the open-plan office spaces, and many common areas. The buildings will comply with the BBC low-energy consumption label and aim for HQE and BREEAM environmental certification. The first tranche will be handed over at the end of 2013.

► VINCI Immobilier boosted revenue by almost 16% to €698 million while maintaining a satisfactory level of operating income from ordinary activities thanks to high-quality operations and good project renewal.

Residential property

► Despite the unstable tax and regulatory environment, French households continued to view property investments as a safe haven in 2011. Reservations remained at a high level as a result of the low cost of borrowing combined with the pending reduction in tax breaks for rental investments by individuals. In 2011, reservation volume remained stable, at 3,800 units, but value rose 17%. The increase in the unit price of reserved housing is due to the changing profile of customers, with owner-occupiers outnumbering rental property and managed residence investors; the increase in the unit sales price per square metre also contributed to the rise in revenue from reservations. The high level of reservations is also due to VINCI Immobilier's efforts to boost growth and initiate new projects, which replenished the number of properties for sale. The latter numbered 2,896 units at the end of 2011 compared to the previous year's very low level of 1,715. Meanwhile, unit starts held steady at a satisfactory 3,878, close to the 2010 level.

VINCI Immobilier's sustainable development efforts were recognised in the 2011 national EcoQuartier competition organised by the Union Sociale pour l'Habitat and the Ministry of Ecology, Sustainable Development, Transport and Housing. The 17,800 sq. metre Maria urban development zone in Cannes, for which VINCI Immobilier is the land and property developer, won an award under the "from quality project to neighbourhood life" category as an "operation in which special attention was paid, from the design stage onwards, to the patterns of local life".

Business and commercial property

► The new-build property market remained sluggish in 2011. Investors turned away from off-plan sales and focused instead on rental buildings, which offer more reliable cash flow. The tightening credit crunch and the uncertainties generated by the sovereign debt crisis and expected economic stagnation in Europe also adversely affected investment and rental decisions in the business and commercial property market.

Against this backdrop, VINCI Immobilier pressed ahead with its strategy of focusing on services for major users as part of service-sector projects. VINCI Immobilier signed the contract for the first 74,000 sq. metre tranche of the turnkey SFR headquarters in the Paris suburb of Saint Denis (*see opposite*) with a value of €200 million, for which the works will be performed by VINCI Construction France; a second 59,000 sq. metre tranche is covered by a design studies contract to be initiated in 2012. Two additional large-scale service-sector operations that had been on the drawing board for several years failed to materialise when investors decided to suspend their

projects; the upstream design study phases of these operations were, however, finalised smoothly.

VINCI Immobilier completed the off-plan sale to French and international investors of retail space in the 12,250 sq. metre Nantes Neptune project opposite the castle in Nantes, office space in the 16,600 sq. metre Boulogne B4 Kinetik project near Paris, and the 4,390 sq. metre Lyon Quai Perrache project.

VINCI Immobilier also took advantage of several opportunities for development properties in prime locations, mainly in Paris and its immediate suburbs. VINCI Immobilier acquired a large building in Paris's Rue de Rivoli, which will be restructured to create 7,300 sq. metres of retail and office space. In partnership with the Caisse des Dépôts, it acquired a 6 hectare industrial brownfield site in Saint Denis, where the partners plan to develop between 90,000 and 120,000 sq. metres of office and residential space next to the Cité du Cinéma project currently under construction in collaboration with VINCI Construction and VINCI Energies, to be handed over in 2012. Last but not least, it acquired control, in the form of building rights, of a property located in the Paris Rive Gauche urban development zone, where it will build 9,630 sq. metres of office space.

All told, VINCI Immobilier took in orders for business property to a value of €318 million in 2011, in line with its strategy of focusing on large service-sector operations for major accounts and established investors.

Property services

► After completing the reorganisation of its property service activity to focus on two major customer segments – businesses and major accounts, and individuals – in 2010, VINCI Immobilier Services moved to expand outside the Paris area in 2011. It set up an agency in Lyon after winning a call for tenders to manage a portfolio of 1,200 housing units and 73,000 sq. metres of office space for two leading institutional investors. ■

Outlook

Major housing programme starts in large urban areas should help sustain business activity in the residential sector in 2012. Provisional sale agreements signed in 2011 should enable VINCI Immobilier to offer high-quality properties that are well distributed across locations

in the heart of major population centres. This qualitative strategy targeting the most dynamic markets is aimed at consolidating VINCI Immobilier's resilience in a volatile environment. VINCI Immobilier's ability to build complex multi-purpose projects in city centres should also enable it to strengthen its position with local authorities and land developers. In the business and commercial property sector, VINCI Immobilier should continue its strategy of focusing on major accounts while seeking opportunities for new high-quality land acquisitions.



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A. Report on the financial statements for the year

1. Consolidated financial statements

VINCI delivered a robust performance in 2011, with solid growth in revenue and income.

The Group's 2011 consolidated revenue amounted to nearly €37 billion, representing an increase of almost 11%. This performance reflects steady organic growth (+6.4%), particularly in the Contracting business lines, and the full-year impact of acquisitions made in 2010, primarily Cegelec. Concessions revenue rose 3.9% as a result of an upward trend at VINCI Autoroutes – despite flat traffic – and at VINCI Airports, which includes the Grand Ouest airports concession. More than 36% of VINCI's revenue was generated outside France in 2011 (42% in Contracting).

Cash flow from operations before tax and financing costs (Ebitda) rose by 6.2% to almost €5.4 billion, equal to 14.5% of revenue. VINCI Autoroutes' Ebitda margin rose from 68.8% in 2010 to 69.4% in 2011.

Operating income from ordinary activities (Ebit) increased 6.6%, at almost €3.7 billion, and represented 9.9% of revenue, compared with 10.3% in 2010. Contracting's operating margin was 4.6% in 2011 compared with 4.5% in 2010.

Net income attributable to owners of the parent increased 7.2% to €1,904 million, representing 5.2% of revenue.

Net financial debt amounted to €12.6 billion at 31 December 2011, down €470 million over a 12-month period. The growth in operating cash flow (+17%) covered the major investments made by VINCI Autoroutes, dividends paid and share buy-backs over the year.

VINCI also successfully carried out several significant financial transactions:

- completion of new concessions' project financing arrangements amounting to more than €3.9 billion (including €3.1 billion for the South Europe Atlantic high-speed rail line);
- renewal of its corporate medium-term bank credit facilities totalling €4.5 billion;
- bond issues totalling close to €1.7 billion.

These transactions illustrate lenders' confidence in the Group's credit quality. VINCI's investment grade rating was confirmed by S&P (BBB+) and Moody's (Baa1). The Group is thus moving into 2012 with a strengthened financial position and the financial resources it needs to meet its future refinancing and growth requirements.

Lastly, 2011 saw good business momentum. Orders won by Contracting business lines reached record levels both in France, where the contract for the construction of the Tours–Bordeaux high-speed rail line came into effect, and internationally. In Concessions, meanwhile, operations started up under new contracts in the airport and road infrastructure sectors (Nantes–Atlantique airport, second section of the A86 Duplex), and new projects were won, including the A9 motorway in Germany, as well as the Nice and Bordeaux stadiums. These achievements confirm the success of VINCI's integrated concession–construction business model.

At 31 December 2011, the Contracting order book stood at a historic high of €30.6 billion, up 18% over 12 months.

1.1 Highlights of the period

1.1.1 New contracts/main acquisitions

High-speed rail line between Tours and Bordeaux

On 16 June 2011, the concession contract for the new South Europe Atlantic high-speed rail line (LGV SEA) between Tours and Bordeaux was signed between concession company LISEA and French railways infrastructure manager Réseau Ferré de France (RFF). The contract's entry into force was confirmed on 30 June 2011 with the publication of the corresponding decree in the *Journal Officiel*.

The 50-year contract represents a total investment of €7.8 billion. It covers the financing, design, construction, operation and maintenance of the Tours–Bordeaux high-speed line, which stretches across 302 km and includes 38 km of connecting lines.

The shareholders of LISEA, the concession company, are VINCI Concessions and VINCI SA (33.4%); Caisse des Dépôts subsidiary CDC Infrastructure (25.4%); SOJAS (22%), an investment entity owned by Meridiam Infrastructure; and infrastructure investment funds managed and advised by AXA Private Equity (19.2%).

The design and construction, under the supervision of LISEA, will be carried out by the COSEA joint venture, which is led by VINCI Construction and comprises Eurovia and VINCI Energies, associated with BEC, NGE, TSO, Ineo, INEXIA, Arcadis and Egis Rail. Infrastructure construction costs total €6.2 billion, of which €4.2 billion will be executed by VINCI Group companies. The contractual construction period is 73 months. The line's operation and maintenance will be handled by MESEA, a company jointly owned by VINCI Concessions (70%) and INEXIA (30%). LISEA's remuneration will be in the form of traffic-related fees paid by rail companies operating high-speed trains on the new infrastructure.

Acquisitions/disposals

VINCI made no significant acquisitions or disposals in 2011.

Other acquisitions by VINCI SA

Other acquisitions of shareholdings and controlling interests by VINCI SA are described in the "Notes to the financial statements" of the parent company, page 266.

1.1.2 Financing operations**Long-term financing granted for infrastructure projects under concession**

In 2011, VINCI signed financing agreements totalling more than €3.9 billion for long-term projects, of which €3.1 billion in respect of the Tours-Bordeaux high-speed rail line concession contract.

The project financing set in place by LISEA includes €1.7 billion in bank debt, €0.8 billion from the savings funds managed by Caisse des Dépôts and €0.6 billion in European Investment Bank credit. This financing will be partially backed by guarantees from the government and RFF.

Other project financing contracts – without recourse to the shareholders – signed in 2011 include the A-Modell A9 in Germany (€120 million for 19.5 years), the Bordeaux stadium (€114 million for a maximum period of 32 years), the Nice stadium (€113 million for 30 years), and the Nottingham Express Transit project in the United Kingdom (more than £400 million).

Renewal of medium-term credit facilities by VINCI and Cofiroute

In June, VINCI signed a five-year multi-currency credit facility for €4 billion with a syndicate of 23 banks. The purpose of this loan, which features two one-year extension options, is to finance the Group's general requirements. It will replace several existing undrawn credit facilities maturing in 2012 and totalling €3,685 million.

At the end of February, Cofiroute signed a five-year €500 million credit facility with a pool of banks aimed at partially renewing the previous €1 billion credit facility maturing in October 2011.

ASF debt refinancing

ASF (Autoroutes du Sud de la France) carried out several operations in 2011 to refinance existing debt and extend its average maturity:

- in July, ASF obtained a seven-year €100 million bank term loan;
- in September, under its EMTN programme, ASF issued €500 million in seven-year bonds with a 4.0% coupon;
- in October, it signed a 21-year private placement of ¥15 billion (€144 million).

VINCI SA bond issues under an EMTN programme

In June 2011, VINCI SA filed the required framework documentation with the Luxembourg Stock Market to launch an EMTN programme enabling it to issue bonds rapidly as and when market opportunities arise. The €3 billion programme covers the amount of VINCI's potential refinancing over the next two years.

As part of this programme, VINCI SA initiated several transactions in 2011 and at the beginning of 2012 to refinance debt maturing in the fourth quarter of 2012 and in 2013:

- in November, a five-year 200 million Swiss franc bond issue, increased to 300 million Swiss francs in January 2012;
- in December, a €750 million bond issue maturing in February 2017 with a 4.125% coupon; this issue was increased to €1 billion in January 2012.

In addition, two private placements of five years and seven years totalling €175 million were signed in January 2012.

This financing was used for the early partial repayment of €1 billion of the ASF acquisition loan at the end of 2011 (€1,750 million at 31 December 2010), followed by complete repayment at the end of January 2012.

1.2 Revenue

VINCI's 2011 consolidated revenue amounted to nearly €37 billion, up 10.7% compared with 2010. This increase reflects robust organic growth (+6.4%) and the full year impact (+4.4%) of the acquisitions of Cegelec, Faceo and Tarmac.

Concessions revenue rose 3.9% (+4.1% on a comparable structure basis) to €5.3 billion, of which a 3.5% increase in VINCI Autoroutes' revenue.

Revenue generated by the Contracting business lines (VINCI Energies, Eurovia and VINCI Construction) was €31.5 billion, up 11.9% on an actual basis (+6.7% on a comparable structure basis).

In France, revenue totalled €23.6 billion, up 12.6% (+8.7% on a constant structure basis). Concessions revenue increased 4.3%, while that of Contracting increased 15.2%.

Outside France, revenue rose 7.5% to €13.4 billion (+2.7% on a constant structure and exchange rate basis). It now represents 36% of total revenue (42% in Contracting).

CONCESSIONS: €5,297 million (+3.9% actual; +4.1% on a comparable structure basis)

VINCI Autoroutes (ASF, Escota, Cofiroute and Arcour): revenue rose 3.5% to €4,409 million. Toll revenue increased 3.6%, reflecting 0.6% growth in traffic on a stable network (light vehicles: +0.6%; heavy vehicles: +0.1%); the impact of the complete opening of the A86 Duplex (+0.5%); and higher toll prices.

VINCI Concessions generated revenue of €888 million, up 5.9% (+7.3% on a comparable structure basis), attributable to sharp growth at VINCI Airports (+65%: operation of Nantes-Atlantique airport since 1 January 2011; brisk traffic at Cambodian Airports) and to the resilience of VINCI Park, which generated revenue of €599 million (+1.9% on a comparable structure basis, of which 1.5% in France and 3.0% outside France).

CONTRACTING: €31,495 million (+11.9% actual; +6.7% on a comparable structure basis)

VINCI Energies: €8,666 million (+22.0% actual; +5.5% on a comparable structure basis)

In France, 2011 revenue was €5,507 million (+24.1% actual; +8.1% on a constant structure basis). Growth was particularly high in the industrial sector, as well as in infrastructure for power generation and transmission – notably photovoltaic – and telecommunications. VINCI Facilities' revenue increased 5.5%.

Revenue generated outside France amounted to €3,160 million (+18.6% actual; +1.1% on a comparable structure basis). The situation varied geographically: the strong performance of VINCI Energies in Germany, the Benelux and Central Europe and of Cegelec in major projects and Morocco partially offset the decline in business in Spain and the fall associated with a greater focus on project selection and the reorganisation initiated at Cegelec, mainly in Belgium and Germany.

Eurovia: €8,722 million (+10.0% actual; +7.7% on a comparable structure basis)

In France, 2011 revenue was €5,098 million, up 11.6% on an actual basis (+10.4% on a constant structure basis). The business line benefited from mild weather conditions until the end of December and from a favourable base for comparison. Business was generally sluggish in traditional roadworks markets but buoyant in urban transport and rail infrastructure.

Outside France, revenue totalled €3,624 million (+7.8% actual; +4.1% on a comparable structure basis). Performance varied from country to country: strong growth in Poland, Germany, Chile and Slovakia; contraction in the Czech Republic, United States and United Kingdom.

VINCI Construction: €14,107 million (+7.5% actual; +6.9% on a comparable structure basis)

In France, revenue amounted to €7,729 million (+12.0% actual; +11.1% on a constant structure basis). Business was particularly robust in the residential and private non-residential building segments and it improved in civil engineering and earthworks. This change reflects the positive trend observed in the French market since the second half of 2010.

Outside France, revenue was €6,378 million (+2.6% actual, +2.3% on a comparable structure basis). Performance differed among companies. Soletanche Freyssinet, Sogea-Satom and VINCI plc in the United Kingdom posted sound growth. However, after an exceptional year in 2010, Entrepouse Contracting was affected firstly by poor weather conditions in Papua New Guinea, which limited progress on its major pipeline construction project, and secondly by the disruptions caused by events in North Africa. These events, along with the poor economic environment in Greece, explain the slight drop in business for VINCI Construction Grands Projets.

VINCI Immobilier: revenue was up 15.7% at €698 million. Business remained steady in the residential sector (+8.9%), with almost 3,900 units launched in 2011; the office building sector benefited from the return of major programmes in the Paris region.

Revenue by business line

(in € millions)	2011	2010	2011/2010 change	
			Actual	Comparable
Concessions	5,297	5,097	+3.9%	+4.1%
VINCI Autoroutes	4,409	4,259	+3.5%	+3.5%
VINCI Concessions	888	838	+5.9%	+7.3%
Contracting	31,495	28,150	+11.9%	+6.7%
VINCI Energies	8,666	7,102	+22.0%	+5.5%
Eurovia	8,722	7,930	+10.0%	+7.7%
VINCI Construction	14,107	13,118	+7.5%	+6.9%
VINCI Immobilier	698	603	+15.7%	+15.7%
Intra-group eliminations	(534)	(475)		
Revenue^(*)	36,956	33,376	+10.7%	+6.4%
Concession subsidiaries' works revenue	1,081	913	+18.4%	+18.4%
Intra-group eliminations	(390)	(286)		
Concession subsidiaries' revenue derived from works carried out by non-Group companies	690	627	+10.1%	+10.2%
Total consolidated revenue	37,646	34,003	+10.7%	+6.5%

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies (IFRIC 12).

Revenue by geographical area

(in € millions)	2011/2010 change				
	2011	% of total	2010	Actual	At constant exchange rates
France	23,562	63.8%	20,922	+12.6%	+12.6%
Central and Eastern Europe	2,490	6.7%	2,283	+9.0%	+8.9%
United Kingdom	2,071	5.6%	1,864	+11.1%	+12.3%
Germany	2,101	5.7%	1,844	+13.9%	+13.9%
Belgium	1,131	3.1%	1,023	+10.5%	+10.5%
Rest of Europe	1,519	4.1%	1,534	-1.0%	-3.3%
Europe excluding France	9,310	25.2%	8,548	+8.9%	+8.7%
Americas	1,284	3.5%	1,297	-1.0%	+1.4%
Africa	1,710	4.6%	1,698	+0.7%	+1.3%
Middle East and rest of the world	1,090	2.9%	911	+19.7%	+20.6%
International excluding Europe	4,084	11.1%	3,906	+4.6%	+5.8%
Revenue^(*)	36,956	100.0%	33,376	+10.7%	+10.8%

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies (IFRIC 12).

1.3 Operating income from ordinary activities/operating income

Operating income from ordinary activities for 2011 amounted to €3,660 million, up 6.6% compared with that of 2010 (€3,434 million). The operating margin declined from 10.3% in 2010 to 9.9% in 2011, due mainly to a change in the business mix: the Contracting business lines account for a relatively larger proportion of the total than in 2010.

Operating income from ordinary activities/operating income

(in € millions)	2011	% of revenue ⁽¹⁾	2010	% of revenue ⁽¹⁾	2011/2010 change
Concessions	2,149	40.6%	2,093	41.1%	+2.6%
VINCI Autoroutes	2,018	45.8%	1,923	45.1%	+5.0%
VINCI Concessions	130	14.7%	171	20.4%	-23.5%
of which VINCI Park	107	17.9%	111	18.6%	-3.2%
Contracting	1,435	4.6%	1,257	4.5%	+14.2%
VINCI Energies	483	5.6%	387	5.4%	+24.8%
Eurovia	322	3.7%	285	3.6%	+12.9%
VINCI Construction	630	4.5%	584	4.5%	+7.9%
VINCI Immobilier	54	7.8%	76	12.6%	-28.8%
Holding companies	22		8		
Operating income from ordinary activities⁽²⁾	3,660	9.9%	3,434	10.3%	+6.6%
Share-based payments (IFRS 2)	(101)		(71)		
Goodwill impairment expense	(8)		(2)		
Profit/(loss) of companies accounted for under the equity method	50		68		
Operating income	3,601	9.7%	3,429	10.3%	+5.0%

(1) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies (IFRIC 12).

(2) Operating income from ordinary activities is defined as operating income before the effects of share-based payments (IFRS 2), goodwill impairment expense and profit or loss of companies accounted for under the equity method.

In Concessions, operating income from ordinary activities was €2,149 million, representing 40.6% of revenue, compared with €2,093 million in 2010 (41.1% of revenue). This 2.6% improvement stems mainly from the growth in VINCI Autoroutes' operating income, attributable to the increase in toll revenue and sound management of operating expenses.

VINCI Concessions' operating income from ordinary activities totalled €130 million, against €171 million in 2010. An exceptional impairment charge for about €46 million was taken in relation to some assets under concession.

Contracting posted a 14.2% increase in operating income from ordinary activities to €1,435 million (€1,257 million in 2010) and improved its operating margin to 4.6% (4.5% in 2010).

VINCI Energies' operating income from ordinary activities increased 24.8% to €483 million (€387 million in 2010) and includes a strong improvement at Cegelec. The already high operating margin further improved to 5.6% in 2011 (5.4% in 2010).

Eurovia's operating income from ordinary activities amounted to €322 million, up 12.9% compared with 2010 (€285 million). Following a slight decline in 2010, the business line's operating margin improved to 3.7% in 2011 (3.6% in 2010).

VINCI Construction's operating income from ordinary activities was €630 million, up almost 8% compared with 2010 (€584 million). Its operating margin, 4.5% overall in 2011 and 2010, improved or stabilised at high levels across most divisions, both in France and internationally.

VINCI Immobilier's operating income from ordinary activities stood at €54 million (7.8% of revenue).

Finally, the profit-sharing bonus introduced in 2011 resulted in an expense of about €34 million for the Group.

After taking account of share-based payment expense (IFRS 2), goodwill impairment expense and the share of the profit or loss of companies accounted for under the equity method, operating income was €3,601 million or 9.7% of revenue in 2011, representing a 5.0% increase on 2010 (€3,429 million; 10.3% of revenue).

Share-based payment expense, which reflects the benefits granted to employees under performance share, share subscription or purchase options and Group savings schemes, amounted to €101 million (€71 million in 2010).

Goodwill impairment expense amounted to €8 million during the period (€2 million in 2010).

The Group's share in the profit or loss of companies accounted for under the equity method was €50 million (€68 million in 2010).

1.4 Net income

Consolidated net income attributable to owners of the parent amounted to €1,904 million in 2011, up 7.2% compared with 2010 (€1,776 million), and represented 5.2% of revenue.

Diluted earnings per share rose 5.4% to €3.48 (€3.30 per share in 2010).

The changes by business line reflect the trends observed in operating income from ordinary activities (*see above*).

Net income attributable to owners of the parent, by business line

(in € millions)	2011	2010 ^(*)	2011/2010 change
Concessions	852	848	+0.5%
VINCI Autoroutes	820	809	+1.4%
VINCI Concessions	32	39	-17.8%
Contracting	968	836	+15.7%
VINCI Energies	315	242	+29.9%
Eurovia	220	187	+17.5%
VINCI Construction	433	407	+6.5%
VINCI Immobilier	33	48	-31.6%
Holding companies	52	44	
Total	1,904	1,776	+7.2%

(*) The 2010 data is presented in accordance with the new legal organisation of the VINCI Autoroutes business line implemented in 2011.

The cost of net financial debt increased €11 million to €647 million (€636 million in 2010), attributable mainly to a slight rise in interest rates. The average cost of long-term debt at 31 December 2011 remains well managed and was 3.93% (3.71% at 31 December 2010).

Other financial income and expense amounted to net income of €25 million (compared with a net expense of €45 million in 2010, which included a provision for financial risks in respect of investments in Greek motorway concession companies).

For 2011, this item includes capitalised borrowing costs on current investments, mainly at ASF and Escota, in the amount of €61 million (€77 million in 2010) and the negative impact of the cost of discounting retirement benefit obligations and provisions for the obligation to maintain the condition of concession intangible assets in the amount of €47 million (€74 million in 2010). Capital gains on the disposal of shares amounted to €3 million (€6 million in 2010). Lastly, dividends received from unconsolidated entities totalled €16 million in 2011 (€14 million in 2010).

Income tax expense for the year totalled €984 million, up €136 million from the previous year (€847 million). The increase in tax expense and the effective tax rate (33.6% in 2011 compared with 31.6% in 2010) is in part attributable to the impact of the exceptional tax payment of 5% applicable in 2011 and 2012 on the income tax due by French subsidiaries.

Non-controlling interests of €92 million (€125 million in 2010) consists mainly of the share of Cofiroute and CFE income that is not attributable to the owners of the parent.

1.5 Cash flow from operations

Cash flow from operations before tax and financing costs (Ebitda) rose 6.2% in 2011 to €5,366 million from €5,052 million in 2010. It represented 14.5% of revenue for the period.

The Concessions business was the Group's main contributor (63% of total) with Ebitda increasing 5.3% to €3,366 million or 63.6% of revenue (€3,197 million in 2010 and 62.7% of revenue).

VINCI Autoroutes' Ebitda increased 4.4% to €3,058 million (€2,929 million in 2010) and its Ebitda margin improved to 69.4% (68.8% in 2010).

Contracting's Ebitda grew 6.4% to €1,880 million (€1,766 million in 2010). The Ebitda margin for the three business lines was 6.0% (6.3% in 2010).

Cash flow from operations (Ebitda) by business line

(in € millions)	2011	% of revenue ^(*)	2010	% of revenue ^(*)	2011/2010 change
Concessions	3,366	63.6%	3,197	62.7%	+5.3%
VINCI Autoroutes	3,058	69.4%	2,929	68.8%	+4.4%
VINCI Concessions	308	34.7%	268	31.9%	+15.0%
of which VINCI Park	201	33.5%	177	29.8%	+13.2%
Contracting	1,880	6.0%	1,766	6.3%	+6.4%
VINCI Energies	508	5.9%	416	5.9%	+22.2%
Eurovia	524	6.0%	470	5.9%	+11.4%
VINCI Construction	848	6.0%	880	6.7%	-3.7%
VINCI Immobilier	55	7.9%	72	11.9%	-23.4%
Holding companies	65		17		
Total	5,366	14.5%	5,052	15.1%	+6.2%

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies (IFRIC 12).

1.6 Other cash flows

The net change in operating working capital requirement and current provisions improved substantially in the second half of the year, and generated an inflow of €93 million for all of 2011, compared with an outflow of €78 million in 2010. This change is mainly due to the improvement of VINCI Construction's working capital requirement thanks in particular to advances received for the launch of the South Europe Atlantic high-speed rail project.

Financial interest paid decreased €50 million to €643 million in 2011 (€693 million in 2010). Income taxes paid fell €14 million to €936 million (€950 million in 2010).

Cash flow from operating activities^(*) was €3,938 million, up €552 million compared with 2010 (€3,385 million).

After accounting for operating investments net of disposals of €668 million, up 12% on 2010 (€595 million), operating cash flow^(**) was €3,270 million (€2,790 million in 2010).

Growth investments in concessions totalled €1,135 million (€871 million in 2010). They include €1,017 million invested by VINCI Autoroutes in France mainly under the motorway operators' master plans and the green motorway package (compared with €759 million in 2010 net of the A86 Duplex grant). In particular, investments made by the ASF group increased substantially from €655 million in 2010 to €841 million (including €364 million in respect of the construction of the Lyon-Balagny section) in 2011.

Free cash flow before financial investments amounted to €2,134 million (€1,919 million in 2010), including €766 million generated by Concessions and €1,130 million by Contracting (€908 million and €903 million respectively in 2010).

Financial investments net of disposals, including the net debt of acquired companies, represented €172 million (€2.4 billion in 2010, of which €1.6 billion for the acquisition of Cegelec).

Disposals of shares over the period represented a total of €40 million (€30 million in 2010).

Dividends paid in 2011 totalled €1,036 million, of which €947 million distributed by VINCI SA. This sum includes the final dividend in respect of 2010 for €619 million, the interim dividend in respect of 2011 paid in December for €297 million and the coupon on the perpetual subordinated bond issued in 2006 for €31 million. The remainder includes dividends paid to minority shareholders by some subsidiaries, mainly Cofiroute.

To limit the dilutive effect from capital increases reserved for Group employees (Group savings schemes, exercise of options), which amounted to €394 million in 2011, VINCI pursued its share buy-back programme. Over the year, it purchased 15.2 million shares on the market for a total of €628 million.

As a result of these cash flows, there was a €470 million reduction in net financial debt during the year ending 31 December 2011.

(*) Cash flow from operating activities: cash flow from operations adjusted for changes in operating working capital requirement and current provisions, interest paid, income taxes paid and dividends received from companies accounted for under the equity method.

(**) Operating cash flow: cash flow from operating activities adjusted for net investments in operating assets (excluding growth investments in concession fixed assets).

1.7 Balance sheet and net financial debt

Consolidated non-current assets amounted to €34.8 billion at 31 December 2011 (€34.2 billion at 31 December 2010). They consisted for the most part of concession assets (€26.6 billion). After taking account of a working capital surplus (attributable mainly to the Contracting business lines) of €6.8 billion, up €365 million compared with 31 December 2010, consolidated capital employed was €28.0 billion at 31 December 2011, little changed from €27.8 billion at the end of 2010.

The Concessions business represented 90% of total consolidated capital employed.

The Group's equity was up to €13.6 billion at 31 December 2011 (€13.0 billion at 31 December 2010). This figure includes non-controlling interests of €725 million (€721 million in 2010).

The number of shares, excluding treasury shares, was 540,255,171 at 31 December 2011 (541,260,041 at 31 December 2010).

Consolidated net financial debt was €12.6 billion at 31 December 2011. For the Concessions business, including holding companies, net debt stood at €18.9 billion (€17.5 billion at 31 December 2010). The Contracting business posted a net cash surplus, which remained stable over the year at €2.9 billion. The holding companies posted a net financial surplus of €3.4 billion, up €1.9 billion from the 31 December 2010 figure of €1.5 billion.

The ratio of net financial debt to equity fell from 1.0 at the end of 2010 to 0.9 at 31 December 2011. The financial debt-to-Ebitda ratio stood at 2.3 at 31 December 2011, compared with 2.6 at the end of 2010.

The Group's liquidity remained high at €12.8 billion at 31 December 2011, with €6.1 billion in net cash managed and €6.7 billion in unused confirmed credit facilities, including the new credit facilities negotiated by Cofiroute in February and by VINCI in June for a total of €4.5 billion, expiring in 2016 (see 1.1 "Highlights of the period").

Net financial surplus/(debt)

(in € millions)	31/12/2011	Net financial debt/ Ebitda	31/12/2010 ^(*)	Net financial debt/ Ebitda	2011/2010 change
Concessions	(18,895)	x5.6	(17,510)	x5.5	(1,385)
VINCI Autoroutes	(17,157)	x5.6	(15,876)	x5.4	(1,281)
VINCI Concessions	(1,738)	x5.6	(1,634)	x6.1	(105)
Contracting	2,914		2,955		(41)
VINCI Energies	531		606		(76)
Eurovia	90		204		(114)
VINCI Construction	2,293		2,145		149
Holding companies & miscellaneous	3,392		1,495		1,896
Total	(12,590)	x2.3	(13,060)	x2.6	470

(*) The 2010 data is presented in accordance with the new legal organisation of the VINCI Autoroutes business line implemented in 2011.

1.8 Return on capital

Definitions:

- Return on equity (ROE) is net income for the current period attributable to owners of the parent, divided by the equity excluding non-controlling interests at the previous year end;
- Net operating profit after tax (NOPAT) is operating income from ordinary activities, after restating for various items (share in the profit or loss of companies accounted for under the equity method, dividends received), less the theoretical tax expense;
- Return on capital employed (ROCE) is net operating income after tax divided by the average capital employed at the opening and closing balance sheet dates for the financial year in question.

Return on equity (ROE)

The Group's ROE was 15.5% in 2011, down from the previous year (18.1%).

(in € millions)	2011	2010
Equity at previous year end	12,304	9,811
Net income for the year	1,904	1,776
ROE	15.5%	18.1%

Return on capital employed (ROCE)

ROCE was 9.0% in 2011, slightly improved compared to a pro forma^(*) ROCE in 2010 of 8.9%, despite an increase in the effective tax rate.

(in € millions)	2011	2010 PF	2010
Capital employed at previous year end	27,766	27,581	25,005
Capital employed at this year end	27,999	27,766	27,766
Average capital employed	27,883	27,673	26,386
Operating income from ordinary activities	3,660	3,465	3,434
Other items ^(**)	66	83	83
Theoretical tax charge ^(***)	(1,229)	(1,096)	(1,059)
Net operating profit after tax (NOPAT)	2,497	2,452	2,458
ROCE	9.0%	8.9%	9.3%

(*) 2010 PF (pro forma): calculated including the full-year impact of the main 2010 acquisitions (Cegelec, Faceo and Tarmac).

(**) Group share of the profit or loss of companies accounted for under the equity method and dividends received.

(***) Based on the effective rate for the period by business line.

2. Parent company financial statements

VINCI's separate financial statements show revenue of €12.7 million at 31 December 2011, compared with €9.0 million in 2010, consisting mainly of services invoiced by the holding company to subsidiaries.

The parent company's net income was €2,997 million in 2011, compared with €1,849 million in 2010. It includes €3,006 million in dividends received from Group subsidiaries (€1,801 million in 2010). The expenses referred to in Article 39.4 of the French General Tax Code amounted to €64,720 in 2011.

Note C.10 to the parent company financial statements contains the disclosures relating to suppliers' payment terms required by France's LME Act on modernising the country's economy and Article L.441-6-1 of the French Commercial Code.

3. Dividends

The Board of Directors has decided to propose to the next Shareholders' General Meeting that the amount of the dividend for 2011 be set at €1.77 per share, representing an increase of 6.0% compared with 2010 (€1.67 per share).

Since an interim dividend of €0.55 per share was paid in December 2011, the final dividend payment on 24 May 2012 would be €1.22 per share. This dividend would be paid exclusively in cash. The ex-date would be set for 21 May 2012.

Year	2008			2009			2010		
Type	Interim	Final	Total	Interim	Final	Total	Interim	Final	Total
Amount per share	€0.52	€1.10	€1.62	€0.52	€1.10	€1.62	€0.52	€1.15	€1.67
Number of qualifying shares	474,132,982	476,192,586		502,072,342	535,315,906		545,061,260	536,193,431	
Aggregate amount paid (in € millions)	246.55	524.25		261.08	588.85		283.43	616.62	
Tax allowance applicable to individual shareholders	40%	40%		40%	40%		40%	40%	

B. Post balance sheet events, trends and outlook

1. Material post balance sheet events

1.1 VINCI bond issues under its EMTN programme

Following an initial bond issue in December 2011 (see 1.1 "Highlights of the period"), VINCI launched four medium- and long-term financing operations totalling more than €500 million under its EMTN programme. In addition, at the end of January, VINCI repaid the ASF acquisition loan in its entirety (€750 million at 31 December 2011).

1.2 Acquisitions

In January, Eurovia acquired NAPC, a road construction, earthworks and civil engineering company in Chennai, India. NAPC generated revenue of about €100 million in 2011.

Eurovia also signed an agreement to acquire Carmacks, a group of companies based in Alberta, Canada. Carmacks, which builds road infrastructure and carries out maintenance under long-term contracts, generated revenue in the order of C\$200 million in 2011 (about €150 million).

These two acquisitions give Eurovia a foothold in two regions experiencing dynamic economic growth and where transport infrastructure markets offer interesting prospects.

1.3 VINCI preferred bidder for the A355 western Strasbourg bypass concession

On 13 January 2012, VINCI Concessions was named preferred bidder for the concession contract for the A355 western Strasbourg bypass. The 55-year contract covers the design, financing, construction, operation and maintenance of a new 24 km section of toll motorway. Initially a two-lane dual carriageway, the section may be widened to three lanes in each direction without additional land take. It forms the bypass around Strasbourg to the north and west, and links the A4 to the A35/A352 junction. The total investment amounts to around €750 million. The design-build joint venture will comprise companies from the Group's three Contracting business lines (VINCI Energies, Eurovia and VINCI Construction). The works are expected to take 52 months.

Operation and maintenance of the section will be carried out by VINCI Autoroutes.

The concession operator's remuneration will come from the tolls collected.

2. Information on trends

2.1 Outcome in 2011

Based on its strong performance in the first half of 2011, when issuing its half-yearly results in September 2011, VINCI raised the targets initially announced in March with the publication of its 2010 annual results. The revised targets were as follows:

- an increase in consolidated revenue of about 7%, taking into account growth in motorway concession revenue of slightly less than 4% and a rise in Contracting revenue of between 7% and 8%;
- growth in net income of 5% to 6%, including a slight improvement in VINCI Autoroutes' Ebitda margin and the maintenance of Contracting's 2010 operating margin;
- a slight increase in net financial debt compared with its December 2010 level due to higher investments in concessions, the continuation of the share buy-back programme and the change in working capital requirement, and before taking any further acquisitions into account.

These targets have been exceeded and the Group's financial situation has been strengthened.

2.2 Trends in 2012

At 31 December 2011, the order book of the Contracting business lines (VINCI Energies, Eurovia and VINCI Construction) stood at its historic high of €30.6 billion, up 18% over 12 months. It included €4.0 billion in respect of the contract for the high-speed rail line between Tours and Bordeaux.

VINCI Energies' order book totalled €6.4 billion at 31 December 2011, up 2% over the year, and represented about nine months of average business activity for the business line. Nearly two-thirds of the orders are to be completed in 2012.

Eurovia's order book amounted to €5.8 billion at 31 December 2011, up almost 13% over 12 months, and represented eight months of average business activity for the business line. More than half of the order book is for work to be performed in 2012.

Lastly, VINCI Construction's order book at 31 December 2011 totalled €18.3 billion, up almost 27% since 1 January 2011, and represented more than 15 months of average business activity for the business line. About 55% of the order book is for work to be performed in 2012.

Order book^(*)

(in € billions)	31/12/2011	31/12/2010
VINCI Energies	6.4	6.3
Eurovia	5.8	5.2
VINCI Construction	18.3	14.5
Contracting	30.6	25.9

(*) Unaudited data.

On the date of publication of this document, there have been no material changes in the Group's financial and commercial situation since 31 December 2011.

3. The Group's markets: seasonality of business

Most of the Group's activities, but particularly roadworks, civil engineering and some concessions, record lower business volumes in the first half of the year than in the second. This is due mainly to less favourable weather conditions. In 2011, the difference in revenue between the two halves was about 13%.

The seasonality of the Group's business is also reflected in the net use of cash in the first half, which is attributable to the lower level of receipts during this period and the pattern of operating cash flows, the majority of which is generated in the second half of the year. Group income and expenses in respect of ordinary activities that are of a seasonal, cyclical or occasional nature are accounted for using the same accounting methods as those adopted for the full-year financial statements. Income and expenses invoiced on an annual basis (e.g. patent and licence fees) are accounted for on a pro rata basis using an estimate for the full year.

C. Risk factors

VINCI's decentralised organisation allows it – in accordance with the Group's subsidiarity principle – to assess and handle risks at the most appropriate level of responsibility (subsidiary, business line, holding company) depending on their criticality.

The Group's general guidelines and its internal control systems enable reporting of information to the centre on the main risks and their treatment. The general approach and main procedures are described in the Report of the Chairman of the Board of Directors on corporate governance and internal control procedures, on page 161. Under this process, the risk mapping prepared in 2009 by the major Group entities and updated annually has enabled the main risk factors within both VINCI Holding and the business lines to be identified.

Provisions are taken for the likely risks, including in particular possible losses on completion of construction projects as specified in Notes 20, 21 and 23 to the consolidated financial statements.

In general, VINCI's businesses are dependent on the economic climate and, in part, on public-sector orders. If these decrease, pressure on volumes of activity and prices may result.

1. Operational risks

1.1 Commitments

Commitments connected to bidding or to the acquisition or disposal of businesses constitute the main risk faced by VINCI companies in their various business lines (Concessions, Energy, Roads, Construction, Property, etc.).

Risks are taken into account in cost estimates right from the bidding stage of each project. Budgets are then prepared and updated during the contract execution phase.

1.1.1. Bidding

The Group has set up a selective bidding policy, which involves the application of long-standing control procedures. Before commitments are taken, projects presenting specific risks, in particular those that exceed the thresholds stated in the general guidelines, are reviewed by business line Risk Committees. The largest projects are also reviewed by the Group Risk Committee.

In the Contracting business (VINCI Energies, Eurovia and VINCI Construction), Group companies seek to avoid project-related risks at an early stage by means of the terms and conditions of tenders, and in particular the associated technical, legal and financial commitments.

In most cases, these risks are limited by the modest size of construction contracts and their duration, which is usually a few months. The great diversity of the Group's skills, geographical locations and customers – with some 42% of revenue coming from public-sector clients – also contribute to the distribution of risk. At VINCI Construction France, approximately 50% of revenue is generated by contracts that are individually less than €5 million. VINCI Construction Grands Projets, which builds larger projects, accounts for only approximately 3.6% of the Construction business line's revenue and less than 1.4% of the Group's consolidated revenue. The Group's policy is to opt for projects with high technical value added, allowing its know-how to be leveraged in countries where the environment is known and manageable. Furthermore, these major projects are generally carried out with external companies in joint ventures, which limits the Group's risk exposure.

New public-private partnership (PPP) and concession projects are systematically submitted to VINCI's Risk Committee for examination and approval. In addition, in order to limit commitments and the amount of risk capital invested by the Group in project companies, these projects are generally developed in partnership with other companies and are substantially financed by debt, which is generally with no or limited recourse against VINCI.

1.1.2. Property commitments

The Group's property development activities are mainly carried out through its specialised subsidiary, VINCI Immobilier. This company's activities are concentrated in the Greater Paris area and France's main conurbations. In 2011, these operations accounted for less than 2% of the Group's revenue. VINCI Immobilier's commitments undergo systematic prior examination by the Risk Committee and are subsequently subject to regular monitoring processes and detailed reporting. Some VINCI subsidiaries may also participate in property development transactions as part of their construction activities, most of which are in France. These projects are systematically submitted to the Risk Committee for prior examination and approval. The Group's policy is to undertake new projects only if the risks related to the property and construction are under control and if the pre-sale rate is sufficiently high.

1.1.3 Acquisitions and disposals

To limit the risks associated with the integration of newly acquired companies and to be able to apply the Group's management principles in them, VINCI's policy is to take a majority interest in acquirees. Most proposed acquisitions and disposals are submitted to the Risk Committee for approval. The largest projects are also submitted to the Board of Directors after examination by the Strategy and Investment Committee (see paragraph 3.4.2 of the section entitled "Corporate governance" contained in the Report of the Chairman of the Board of Directors on corporate governance and internal control procedures, page 165).

1.2 Performance of contracts

1.2.1 General contract performance risks

In all the Group's business lines, VINCI companies are exposed to common risks that can affect satisfactory performance. They are mainly the following:

Human resources management

VINCI's success resides in the quality of its managerial model and its ability to attract, train and motivate its employees. Group companies are therefore exposed to risks connected with human resource management: employees leaving, difficulties connected with recruitment and training in a variety of skills, employees' health and safety, employment costs or industrial action.

On this score, VINCI considers the health and safety of its personnel and third parties involved with or affected by its operations to be major priorities. It has therefore set up a health and safety policy, which includes, in particular, measures that must be taken in the event of a pandemic.

VINCI has set up a workforce planning system to handle the risks related to the availability and/or suitability of technical, administrative or financial staff at management, white- and blue-collar worker level. The system aims to take into account future workloads and the resources needed.

Detailed information on VINCI's social responsibility approach is given in the Report of the Board of Directors – E. Social and environmental information, on page 125.

Cost increases

VINCI is potentially exposed to cost increases, particularly in the prices of some commodities and materials (examples include oil products, steel and cement). These issues are analysed for each core business in section 1.2.2. Commodities risk is also covered in section 2.3.

Subcontractors, joint contractors and suppliers

Given the diverse nature of VINCI's business activities and its organisational structure, which reflects the essentially local character of its markets, the Group considers that it is not dependent on a limited number of suppliers, joint contractors or subcontractors. Nevertheless, the quality of work done by other companies working with VINCI may have an impact on whether a given project is carried out satisfactorily.

VINCI companies usually guard against this type of risk by selecting their partners carefully, monitoring progress and taking any corrective measures needed during the project's life.

Social or political instability/country risk

Given the large number of countries where VINCI operates, some of the Group's activities may occasionally be affected by industrial action (strikes) or various forms of political unrest (riots, terrorism, armed conflict), malevolent acts such as theft and vandalism on construction sites, or criminal acts such as kidnapping. VINCI's Safety/Security Department regularly makes "country risk" information available to business lines to ensure the best possible preparation for work and travel, and makes recommendations aimed at reducing risks. It can also be called on to conduct site audits and/or implement regularly updated security plans.

Across its Contracting business lines (Energy, Roads and Construction), almost 58% of VINCI's revenue is generated in France, over 87% in total in Europe and 3% in North America. Country risk forms part of bidding risk. It is analysed prior to the tender being submitted (see Report of the Chairman of the Board of Directors on corporate governance and internal control procedures, page 170).

In 2011, within VINCI's existing portfolio of concessions, 94% of revenue was generated in France (mainly VINCI Autoroutes), 98% in Europe and, hence, only 2% out of Europe, of which almost half in North America. As regards foreign PPPs or concessions, country risk is assessed before bidding for new projects, and is monitored for projects under construction or in operation.

With respect to the various property operations conducted by VINCI Immobilier or VINCI Construction subsidiaries (except CFE), these are handled mainly in France.

Foreign exchange risk, which is another facet of country risk, is analysed under Financial risks in section 2.3.

Natural events

Like any other company, VINCI may be affected by natural events such as earthquakes, floods, cyclones, windstorms, lightning and exceptional weather conditions, which could interrupt operations or trigger the collapse or accidental destruction of Group infrastructure assets under construction or in use. Such events may cause a decline in revenue for the relevant entity and could also entail an increase in the costs involved in maintaining or repairing facilities. Part of these expenses may be borne by insurance policies.

In general, crisis situations need to be managed and VINCI has made preparations by setting up appropriate operational organisation arrangements.

Actions undertaken and training provided relate to alert procedures, the deployment of crisis management arrangements, and crisis management and resolution. This central organisation is applied in VINCI's business units, which have also set up their own crisis management and communication arrangements to improve responsiveness in the event of a crisis.

1.2.2 Risks specific to VINCI's business lines

The VINCI companies within each of the Group's business lines are exposed to risks, of which the prevention, control and daily management lie at the heart of their business.

Concessions and public-private partnerships (PPPs)

The first set of operational risks associated with concessions and PPP activities relates to the design and construction stage. Although some risks such as land unavailability may remain with the granting authority, default by the latter cannot be ruled out. Risks connected with design and construction are generally transferred by the project companies holding the PPP contract to the contractors in charge of construction. Financing risks, however, remain with special purpose vehicles (SPVs) and their shareholders (see section 2.4).

Regarding concessions in operation, the main risks relate to changes in traffic levels or infrastructure usage and customer-users' acceptance of tolling and toll charges whenever toll receipts account for virtually all the revenue. Traffic levels on motorway concessions are correlated to economic activity, especially heavy goods vehicle traffic. They may also be affected by fuel prices, in particular for light vehicles.

The risks connected with changes in the legal and regulatory environment during the lifetime of contracts must be assessed on the basis of the contractual framework governing their terms. This framework may or may not provide for compensation mechanisms applying in the event of changes in the legislative, regulatory or tax framework.

Concession operating companies' price rises are generally linked to inflation. These companies are therefore exposed to a contraction in the inflation rate.

The Group's image may be tarnished in the event of defaults in the quality of services provided (maintenance of the road network, vehicle recovery, etc.).

For motorway infrastructure, the cost of renewing surface courses, the wear of which is related to traffic intensity, is normally covered by provisions set aside under the contractual obligation to "maintain the condition of concession assets". These are detailed in Note 21.3. to the consolidated financial statements, "Breakdown of current provisions", page 229.

The main financial, legal and regulatory risks are described in paragraphs 2 and 3 below.

Contracting (VINCI Energies, Eurovia and VINCI Construction)

In the course of executing their contracts Group companies are exposed to the general risks referred to in 1.2.1. The extent of these risks varies from one entity to another and from one project to another.

If they form part of the contractual obligations, obtaining official authorisations (planning permission and acceptance certificates in particular) may represent unknowns that are managed on an individual contract basis by clearly planning the various steps preceding the construction and acceptance of infrastructure.

As is the case for any entity entering into a contract, VINCI is subject to the risk of a customer's default and, in particular, its insolvency. Cash flow and components of working capital requirement are therefore closely monitored.

The timetable and/or construction cost of the structure can differ from bid estimates as both depend on a wide range of parameters, some of which are difficult to anticipate such as:

- weather conditions (see "Natural events" above);
- changes in the cost of labour, subcontracting, materials, commodities and energy (see above).

Risks relating to changes in costs are handled in the following ways:

- the use of revision clauses and the short duration of most contracts mitigate the risk of unit cost inflation, but do not completely eliminate it;
- although VINCI bears the risk related to the cost of its own personnel directly, the risk of increases in the cost of external services is often transferred to subcontractors and suppliers by means of fixed-price agreements with them.

It must be emphasised that exposure to commodity prices is limited. Oil prices mainly affect Eurovia, which uses bitumen to build roads, fuel oil for industrial facilities and petrol/diesel for its equipment fleet. This risk is dealt with under market risks in section 2.3. Otherwise, since commodities account for only a limited proportion of contracting costs, dependence on external suppliers of these products is also limited. It should be noted that Eurovia sources 36% of its aggregates from Group quarries.

A lack of qualified staff, working directly for the Group or for subcontractors, may lead to quality problems. Work required to remedy these problems may give rise to additional costs and delays in completion. However, this risk is reduced by the Group's arrangements for recruiting and training operational staff (see 1.2.1).

For large projects, the technical complexity of unique infrastructure assets, site constraints (underground utilities, maintenance of traffic flows during construction works, etc.) and geological conditions are also areas where potentially major unexpected factors are normally subject to thorough analysis before tenders are submitted.

Some of the Group's activities may also be affected by the environmental, industrial and technological risks described in paragraph 4.

Property

The Group's property development activities are exposed to numerous risks associated in particular with administrative, technical, financial and commercial factors that could result in delays (or even the abandoning of some projects), budget over-runs and uncertainties regarding programme selling prices.

2. Financial risks

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2.1 Counterparty risk and credit risk

The Group is exposed to counterparty risk in respect of its contracts and financial instruments should the debtor refuse to honour all or part of its commitment or be unable to do so. Counterparty risk may result in either a loss of value or a loss of liquidity. The Group is exposed to loss of value in respect of its cash investments, in respect of the acquisition of negotiable debt securities, marketable securities, financial receivables and derivative instruments and regarding guarantees or sureties received. It is exposed to a loss of liquidity on the amounts of its unused confirmed credit facilities.

The counterparty risk management policy within the Group is described in Note 23.5 to the consolidated financial statements, page 242. VINCI is also exposed to credit risk in the event that a customer fails, as described in section 1.2.2. This risk is described in Note 23.5 to the consolidated financial statements, page 242.

2.2 Liquidity risk

The Group's exposure to liquidity risk relates to its obligations to repay its existing debt (disclosed in Note 22.2.1 to the consolidated financial statements, page 233), to the financing of its future needs associated in particular with concession operators' investment programmes (see Note 9 to the consolidated financial statements, page 207) and with the Group's general needs. Details of these obligations and the Group's resources to meet them (cash flow surpluses, unused confirmed credit lines, financial ratings, etc.) are given in Note 22 to the consolidated financial statements, on page 230. The Group seeks to diversify its sources of funding by using the bond markets, banks and supranational banking organisations such as the European Investment Bank (EIB). Details of the various credit lines are given in Note 22 to the consolidated financial statements, page 230. Investment vehicles used to manage cash surpluses are mainly monetary UCITS, negotiable debt securities and bank deposits. Some financing agreements include pre-payment clauses in the event of non-compliance with financial ratios and covenants. These are described in Note 22.2.5 to the consolidated financial statements, page 236.

2.3 Market risks (interest rate, foreign exchange, equity and commodity risks)

Because of its level of borrowings, VINCI is exposed to interest rate variations (mainly in the eurozone) in connection with its floating-rate debt and to changes in the spreads applied by lenders. VINCI is also exposed to currency risk in connection with its activities outside France. However, 76% of these activities are carried out through subsidiaries operating in the eurozone. As a result, VINCI's exposure to currency risks is currently limited. Management of interest rate and foreign exchange risks is explained in Notes 23.1 and 23.3 to the consolidated financial statements, pages 237 and 241.

As stated in section 1.2.2, a large share of the Group's revenue is generated under short-term contracts or contracts that include price review mechanisms and therefore allocate the risk of price movements to the customer. As these mechanisms make clear, commodities account for a very small proportion of costs in the Contracting business. As a general rule, the risk related to commodity price increases is limited.

In the case of large-scale contracts with non-reviewable prices, commodity risks are assessed on a case-by-case basis and managed, where possible, using suitable methods such as:

- negotiation of firm price agreements with suppliers over a given period;
- cash-and-carry deals;
- more marginally, hedging derivatives based on commodity indexes, particularly where the supplier uses a price review mechanism based on an index that can be hedged in the financial markets.

Equity risk is described in Note 23.2 to the consolidated financial statements, page 240 and in Note C3 (Treasury shares) to the parent company financial statements, page 269.

2.4 Impact of public-private partnerships (PPPs) and concession contracts on the Group's financial situation

The impact of PPP and concession projects on the Group's financial situation, in particular regarding its exposure to interest-rate and liquidity risks, is one of the items taken into account when responding to an invitation to tender. Such projects are submitted to the Group Risk Committee for examination and approval after being reviewed by the Risk Committee of the business line concerned. Projects are generally carried out through special purpose vehicles (SPVs), dedicated solely to the project. These SPVs are financed by loans made directly to them, with little or no recourse against their shareholders, backed by the future revenues or receivables while minimising the capital outlay. Depending on the nature of the risks involved (e.g. traffic volumes and country in question), the amount of project financing and the share of financing assured by the authority granting the concession, the amount of receivables involved is generally limited to between 5% and 20% of the total capital outlay. The impact on the Group's liquidity is therefore relatively low. Floating-rate debt raised by project companies is generally hedged by fixed-rate hedges for a very large proportion, usually more than 90%, in accordance with the commitments made to lenders.

3. Legal risks

3.1 Legal and regulatory compliance

Given the diversity of their activities and geographical locations, Group companies operate within a complex legal and regulatory environment that varies depending on the place where the service is provided and on the sector involved.

In particular, they must comply with rules on:

- the manner of agreeing and performing public- and private-sector contracts and orders;
- laws governing construction activities and the applicable technical rules governing the delivery of services, supplies and works; and
- environmental, commercial, labour, competition, and finance and securities law.

It should be noted that, with respect to concession operations, the Group is dependent on public authorities, which may, as is the case in France, unilaterally alter the terms and conditions of public service, PPP and concession contracts during their performance or even cancel the contract itself, subject to compensation.

Group companies' operations could result in them being held civilly or criminally liable in France and in foreign countries and in them bearing the financial or administrative consequences. Similarly, Group executives and employees may also be held criminally liable.

A large share of the risks of non-compliance is therefore likely to lie firstly with executives and/or company officers and with employees to whom responsibility has been delegated.

Business lines regularly hold awareness-raising and training sessions aimed at limiting all of these risks.

The financial risks relating to the potential invoking of Group companies' civil liability are covered by insurance policies described under "Insurance cover against risks" (see Section 5 below).

The Report of the Chairman of the Board of Directors on corporate governance and internal control procedures includes a paragraph on compliance with laws and regulations in force.

3.2 Disputes and arbitration

Detailed information on the principal disputes and arbitrations in which the Group is involved can be found in Note H to the consolidated financial statements, page 251. How provisions are taken is described in a paragraph in the Notes to the consolidated financial statements, page 194.

4. Environmental, industrial and technological risks

4.1 Economic risks and opportunities associated with climate change

VINCI divides climate change risks into four categories, each one being the subject of a specific approach in terms of economic risks and opportunities:

- physical risks such as damage or project delays due to the increasing number of climate events;
- regulatory risks caused by the introduction of more stringent international, European and national regulations aimed at reducing greenhouse gas emissions;
- competition risks caused by a possible increase in customer demand for more fuel-efficient products and processes;
- the risks of no action being taken to combat climate change.

Only one VINCI facility is concerned by France's national greenhouse gas quota scheme (PNAQ II): CIFIC's plant (part of Eurovia) at Fos sur Mer near Marseille, which has a quota of 190,085 tonnes. An approved auditor verifies the regulatory quota compliance of emissions by no later than 15 February each year. The CIFIC facility generated 162,658 tonnes of CO₂ emissions in 2008, 121,480 tonnes of CO₂ in 2009, 127,454 tonnes of CO₂ in 2010 and 107,348 tonnes of CO₂ in 2011. As with other environmental indicators, these figures are calculated over the period from 1 October in year Y-1 to 30 September in year Y (see "Note on the methods used in social and environmental reporting", page 149). A total of 18,000 tonnes of CO₂ were sold in 2008, 51,000 tonnes in 2009, 20,000 tonnes in 2010 but zero tonnes were sold in 2011.

4.2 Industrial and environmental risks

VINCI has low exposure to industrial and environmental risks.

Some of Eurovia's activities – which are highly regulated – have similar profiles to industry and can therefore be exposed to these risks. The risks run by these activities are limited and well identified.

- Binder plants: the use or manufacture of products that are potentially hazardous to the environment is subject to continuous monitoring and internal inspections by Eurovia's quality, health, safety and environment managers.
- Production and application of bituminous mixes: the setting-up of an environmental regulation inspection group for industrial sites enables managers to take the action needed to ensure permanent compliance with regulations. Regular and unannounced external inspections analyse products and measure the quantities in stock to ensure that the plants comply with regulations.

Performance techniques for applying bituminous mixes on worksites have been updated regularly over many years in close conjunction with the relevant health and safety bodies.

- Quarries: the pollution factors identified relate to noise, vibration and dust emissions. External audits of quarries are made annually by approved organisations. Dust emissions are inspected in accordance with standards by an external body and a report is submitted annually to the regional departments for industry, research and the environment (DRIRE).

Because these risks are limited, no special system has been set up to monitor the costs and investments associated with their prevention. However, all identified risks are analysed on a case-by-case basis and provisions are made where necessary. At 31 December 2011, provisions related to Eurovia, where the main risks in this area lie, amounted to €28.9 million, including €16.6 million in France. Corresponding provisions identified in VINCI's other subsidiaries stood at around €1 million.

VINCI is potentially exposed to risks connected with accidental pollution, in particular accidental spillage of hazardous goods on its roads network and construction sites. Even if VINCI's liability is not invoked, such an event could disrupt the particular site's operations. Such a situation would necessitate the deployment of crisis arrangements (see section 1.2.1 on general contract performance risks).

4.3 Specific technological risks

As VINCI has no facilities classified for environmental protection under clause IV of Article L.515-8 of the French Environmental Code (Seveso High Threshold), Group companies are not directly concerned by technological risks. They can, however, be indirectly exposed to such risks in the following cases:

- some of the Group's activities may be carried out occasionally or permanently near facilities classified for environmental protection. In these cases, the companies involved comply with applicable legislation in force;
- some activities carried out by VINCI Energies and VINCI Construction companies (Freysinet, VINCI Construction France, Soletanche Bachy, CFE, VINCI Construction Grands Projets) take place inside classified facilities (in particular, nuclear power plants). Those responsible for such facilities are subject to obligations and must take the necessary measures, especially as regards evacuating people.

5. Insurance cover against risks

5.1 General policy

Given the Group's decentralised organisation, this policy is defined at several levels of responsibility.

VINCI's Executive Management lays down the general framework and rules, and in particular the standards applicable to all subsidiaries.

Within this framework, and after rigorously identifying and analysing the risks relating to their activities, the managers of the business lines or major subsidiaries define the optimum trade-off between the level and extent of the guarantees likely to meet the range of insurable risks, and a cost (comprising premiums and uninsured losses) allowing operational entities to remain competitive. With a view to preventing accidents and optimising costs, uninsured losses are defined on an individual subsidiary basis. Self-insurance budgets have been set up for civil liability, motor vehicle insurance and damage insurance at Eurovia, VINCI Construction France and VINCI Energies.

In addition to subsidiaries' specific cover, VINCI has also taken out cover on behalf of all its subsidiaries, in particular regarding:

- supplementary civil liability cover in addition to the first levels of cover arranged by subsidiaries;
- civil liability protection for company officers;
- liability for environmental damage.

The Group's main insurers are SMABTP and AXA CS.

VINCI also has its own brokerage firm, VINCI Assurances, charged with taking out policies and harmonising cover within the Group. VINCI Assurances acts as a broker for most of the French subsidiaries and therefore bears no financial risk as an insurer.

5.2 Loss prevention and claims record

Loss prevention arrangements are systematically adopted on construction sites and operating sites. This policy, which gives a major role to training, forms part of VINCI companies' approach in the areas of quality assurance and prevention of work-place accidents.

The Group's claims record in the area of civil liability is marked, on the basis of available statistics and data and without prejudging any actual responsibility, by the low number of incidents involving more than €1 million, by a few medium-sized incidents, ranging from €100,000 to €1 million and, lastly, by a relatively irreducible number of small incidents (some several thousand) of less than €100,000 each, which, to a great extent, are borne directly by subsidiaries as uninsured losses or under self-insurance cover.

5.3 Insurance in the Construction, Roads and Energy business lines

Civil liability

Subsidiaries are exposed to their responsibility for bodily, physical or consequential damage caused to third parties, including customers and principals.

The civil liability cover taken out by the Group comprises a first line that combines the cover in place at subsidiary level, intended to cover usual incidents, and a set of complementary lines taken out for the common benefit by VINCI.

In addition to this basic cover, specific insurance is taken out as a result of legal or contractual requirements or management decisions, particularly in areas such as:

- 10-year liability (in France);
- motor insurance.

Property insurance

Contractor's All Risks (CAR) insurance is generally taken out in respect of major construction sites. In particular, this covers physical damage arising from accidents or natural events up to the value of the project as a maximum.

Office buildings and fixed production facilities are covered for a contractual rebuilding value, either value as new or an estimate of the maximum insurable loss. Site plant and equipment is covered on a case-by-case basis and, if financially worthwhile, depending on value, type and age.

Road vehicles, which are mostly pooled within fleets by subsidiary, are not generally covered on a comprehensive basis.

5.4 Insurance in concessions and services business lines

Property insurance

Concession operation involves a potential exposure of the Group to damage to assets under concession, whether accidental or not, that could result in an obligation to rebuild (bearing the related costs), in financial consequences due to the interruption of operations, and in obligations to providers of finance relating to debt servicing. As a general rule, bridges, tunnels and car parks are insured from their entry into service for their cost of reconstruction in the event of accidental destruction. This is not, however, the case for motorways and rail lines where complete destruction is not envisaged.

Civil liability

Assets operated under concession contracts by VINCI subsidiaries in France or abroad are also covered by specific civil liability insurance arrangements, which are coordinated with the complementary cover at Group level. To date, no claim has been settled under these further lines of insurance in the concessions and services business lines. These arrangements are specifically designed to meet local legal requirements and those laid down in concession agreements. Concession operations in which VINCI is a minority shareholder do not generally benefit from the Group's complementary civil liability cover taken out on behalf of all entities.

Business interruption insurance

Business interruption insurance is intended to allow concession operators to restore an income stream interrupted by an accidental event affecting the normal operation of an asset, thus enabling the operator to meet any financial commitments towards lenders and cover ordinary operating overheads during the reconstruction period.

For civil engineering structures (bridges and tunnels) and car parks, operating losses are generally covered subject to various levels of uninsured loss. Losses may be expressed as an amount or as a number of days of interruption. Motorways and rail lines, which have little exposure to this risk, are not systematically insured against such losses since a long-term or complete stoppage of operations is not taken into consideration. Uninsured amounts are determined on a case-by-case basis to ensure that the concession's earnings are not materially affected by an accidental interruption in traffic.

D. Company officers and executives

1. Company officers' appointments and other positions held

The table below details the appointments and other positions held by:

- the 14 members of the Board of Directors;
- the Director whose term of office expired in 2011.

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1.1 Directors in office

Xavier Huillard Director since: 2006 Current appointment ends: 2014 Shareholders' General Meeting Age: 57 Nationality: French Address: VINCI 1 cours Ferdinand de Lesseps 92500 Rueil Malmaison, France	Chairman and Chief Executive Officer of VINCI Main appointments within the VINCI Group: Chairman of VINCI Concessions SAS and of VINCI Concessions Management SAS; Director of VINCI plc (United Kingdom) and VINCI Investments Ltd (United Kingdom); member of the Supervisory Board of VINCI Deutschland GmbH (Germany); permanent representative of VINCI on the Boards of Directors of VINCI Energies and Eurovia, of Snel on the Board of Directors of ASF, of VINCI Concessions on the Board of Directors of ASF Holding and of VINCI Autoroutes on the Board of Directors of Cofiroute; Chairman of the Fondation VINCI pour la Cité. Main appointments within the VINCI Group that have expired during the last five financial years: Chairman and Chief Executive Officer of VINCI Concessions SA; Chairman of the Board of Directors of VINCI Concessions SA; Director of Soletanche Freyssinet, Cofiroute, VINCI Energies and VINCI Park; member of the Supervisory Board of VINCI Energies Deutschland GmbH and Chairman of VINCI Construction. Background: Xavier Huillard is a graduate of the École Polytechnique and the École Nationale des Ponts et Chaussées. He has spent most of his working life in the construction industry in France and abroad. Mr Huillard joined Sogea in December 1996 as Deputy Chief Executive Officer in charge of international activities and specific projects, and then became its Chairman and Chief Executive Officer in 1998. He was appointed Deputy General Manager of VINCI in March 1998 and was Chairman of VINCI Construction from 2000 to 2002. He was appointed Co-Chief Operating Officer of VINCI and was Chairman and Chief Executive Officer of VINCI Energies from 2002 to 2004, then Chairman of VINCI Energies from 2004 to 2005. Mr Huillard became Director and Chief Executive Officer of VINCI in 2006 and was appointed Chairman of the Board of Directors and Chief Executive Officer of VINCI on 6 May 2010. He was appointed Chairman of the Institut de l'Entreprise on 18 January 2011.
Yves-Thibault de Silguy Chairman of the Strategy and Investments Committee and of the Appointments and Corporate Governance Committee Director since: 2000 Current appointment ends: 2014 Shareholders' General Meeting Age: 63 Nationality: French Address: VINCI 1 cours Ferdinand de Lesseps 92500 Rueil Malmaison, France	Vice-Chairman and Senior Director of the Board of Directors of VINCI Main appointments within the VINCI Group: Permanent representative of VINCI on the Board of Directors of ASF. Appointments outside the VINCI Group in French listed companies: Director of LVMH. Other appointments outside the VINCI Group: Managing Partner of Ysilop Consulting SARL; Director of Solvay (Belgium) and VTB (France); Chairman of the Supervisory Board of Sofisport (France) and Chairman of YTSeuropaconsultants. Yves-Thibault de Silguy is a member of the Board of Directors of the Collège de France Foundation and a trustee of the IASC Foundation. He is also Chairman of the France-Qatar committee of Medef International, the French employers' organisation, and Chairman of the Board of Directors of AgroParisTech. He is a member of the Conseil des Affaires Étrangères. Main appointments within the VINCI Group that have expired during the last five financial years: Chairman of the Board of Directors of VINCI. Appointments outside the Group that have expired during the last five years: Director of SMEG (Monaco), VTB (Russia) and Suez Tractebel (Belgium); member of the Advisory Group of ING Direct (France); Chairman of the France-Algeria committee of Medef and member of the Conseil Économique de Défense (Economic Defence Council). Background: Yves-Thibault de Silguy has a degree in law from the University of Rennes, a Masters degree in public law, and is a graduate of the Institut d'Études Politiques de Paris, public service section, and of the École Nationale d'Administration. From 1976 to 1981, he worked at the French Ministry of Foreign Affairs and for the European Commission from 1981 to 1985. He then worked at the French Embassy in Washington as a Counsellor (economic affairs) from 1985 to 1986. From 1986 to 1988, Mr de Silguy was an adviser in the Prime Minister's office with responsibility for European affairs and international economic and financial affairs. From 1988 to 1993, he headed the international affairs department of the Usinor Sacilor Group, before being named its Director for International Affairs. From 1993 to 1995, he was Secretary-General of the Interdepartmental Committee for Questions of Economic Cooperation in Europe and at the same time, adviser for European affairs and vice-sherpa in the Prime Minister's office, assisting in the preparation of summits of the industrialised nations. From 1995 to 1999, Mr de Silguy was European Commissioner responsible for economic, monetary and financial affairs. From 2000 to 2005, he was Chairman of Medef's European Policy Committee. In January 2000, he became a member of the Executive Board of Suez Lyonnaise des Eaux, of which he was Chief Executive Officer from 2001 to 2003. He was then Executive Vice-President of Suez from 2003 until June 2006. Mr de Silguy was appointed Chairman of the Board of Directors of VINCI on 1 June 2006 and resigned from all his appointments at Suez. Since 6 May 2010, he has been Vice-Chairman of VINCI and Senior Director of the Board.
Dominique Bazy Member of the Remuneration Committee Director since: 1996 Current appointment ends: 2012 Shareholders' General Meeting^(*) Age: 60 Nationality: French Address: Barber Hauler Capital Advisers 19 rue des Capucines 75001 Paris, France	Managing Partner of Barber Hauler Capital Advisers Other appointments outside the VINCI Group: Director of Pierre Fabre SA. Appointments that have expired during the last five financial years: Vice-Chairman Europe of UBS Investment Bank; Chairman and Chief Executive Officer of UBS Holding France SA; Chairman of the Board of Directors of UBS Securities France SA; Director of GrandVision and of Pierre Fabre Participations; member of the Supervisory Board of Atos Origin and Director of Atos Origin. Background: Dominique Bazy has a degree in law, and is a graduate of the Institut d'Études Politiques de Paris and the École Nationale d'Administration. He is also a qualified economist. After holding various positions in government departments, he joined Athéna in 1984, became Chief Executive of Athéna Banque in 1985 and Deputy Chief Executive of Athéna from 1986 to 1988. He was appointed Chairman of Sicav Haussmann France in 1987. From 1990 to 1992, Mr Bazy held various positions with UAP. He was a member of the Executive Committee of Crédit Lyonnais in 1993 and Chairman of Clinvest from 1993 to 1994, Chairman of the Supervisory Board of Altus Finance in 1993, Executive Vice-President of Compagnie de l'UAP from 1995 to 1996, Chairman of Allianz Assurances France from 1997 to 2000, General Manager in charge of AGF's general agents department from 1998 to 2000, member of the International Executive Committee of Allianz AG from 1997 to 2000, Chairman and Chief Executive Officer of UBS Warburg (now UBS) Holding France from 2000 to 2003 and Chairman of UBS Securities France SA from 2003 to 2004. From 2004 to 2009, he was Vice-Chairman Europe of UBS Investment Bank. Since 1 September 2009, Mr Bazy has been Managing Partner of Barber Hauler Capital Advisers.
Elisabeth Boyer Member of the Strategy and Investments Committee Director since: 2011 Current appointment ends: 2015 Shareholders' General Meeting Age: 57 Nationality: French Address: Cofiroute - Campus Centre d'exploitation de Saint Romain Les Cormins 41140 Saint Romain sur Cher, France	Director representing employee shareholders An operations control centre supervisor at Cofiroute, Elisabeth Boyer is Chairman of the Supervisory Board of the Castor and Castor Relais corporate mutual funds. She is also a trade union representative and a full member of the Cofiroute works council. Background: Trained in banking, Elisabeth Boyer spent 19 years at BNP Paribas, where she headed a department responsible for managing customer accounts and for the analysis of the income statements of several branch groups in the Paris region. Subsequently, she founded and operated a newsstand-bookstore and then a restaurant. She later worked as an insurance and asset management adviser at AGF. Ms Boyer joined Cofiroute in 2000 as an operations centre supervisor. She is currently an operations control centre supervisor.

^(*) Mr Bazy has indicated that he will not seek the renewal of his appointment as Director, which expires at the close of the Shareholders' General Meeting to be held on 12 April 2012.

Robert Castaigne Member of the Audit Committee Director since: 2007 Current appointment ends: 2015 Shareholders' General Meeting Age: 66 Nationality: French Address: Total 12 rue Christophe Colomb 75008 Paris, France	Former Chief Financial Officer and former member of the Executive Committee of Total Appointments outside the VINCI Group in listed companies: Director and member of the Audit Committee of Sanofi Aventis and Director and member of the Audit Committee of Société Générale. Appointments that have expired during the last five financial years: Director and member of the Audit Committee of Compagnie Nationale à Portefeuille (Belgium) since 3 October 2011; Chairman and Chief Executive Officer of Total Nucléaire and of Total Chimie; Director of Arkema, Elf Aquitaine, Total Gestion Filiales, Hutchinson, Total Gabon, Petrofina (Belgium), Alpega (Bermuda), Omnium Insurance & Reinsurance Company Ltd (Bermuda) and Total Upstream UK Ltd. Background: Robert Castaigne is a graduate of the École Centrale de Lille and the École Nationale Supérieure du Pétrole et des Moteurs. He also holds a doctorate in economics from Université de Paris 1 – Panthéon-Sorbonne. He was an engineer at Total from 1 January 1972 and Chief Financial Officer and member of the Executive Committee of Total from June 1994 to May 2008.
François David Member of the Remuneration Committee Director since: 2003 Current appointment ends: 2013 Shareholders' General Meeting Age: 70 Nationality: French Address: Coface 12 cours Michelet La Défense 10 92065 Paris-La Défense, France	Chairman of Coface SA Appointments outside the VINCI Group in listed companies: Director of Rexel and member of the Supervisory Boards of Areva and Lagardère SCA. Other appointments outside the VINCI Group: Chairman of Coface Services, Coface Deutschland and Coface Assicurazioni (Italy) and member of the Council of the Order of the Legion of Honour. Appointments that have expired during the last five financial years: Chairman and Chief Executive Officer of Coface SCRL Participations and Coface SCRL; Chairman of the Board of Directors of Coface Expert, Chairman of the Supervisory Board of AKC (Allgemeine Kreditversicherung Aktiengesellschaft Coface); Director of EADS and Chairman of ICISA (International Credit Insurance and Surety Association). Background: François David has a degree in sociology, and is a graduate of the Institut d'Études Politiques de Paris and the École Nationale d'Administration. After holding various positions in government departments between 1969 and 1990, he was International Managing Director of Aérospatiale between 1990 and 1994. He has been Chairman of the Board of Directors of Coface since 1994, Chairman of the Supervisory Board of Coface Deutschland since 1996 and Chairman of the Board of Directors of Coface Assicurazioni since 1997. In 2008, he was appointed to the Supervisory Boards of Areva and of Lagardère SCA. Mr David has also written several books.
Patrick Faure Member of the Appointments and Corporate Governance Committee Director since: 1993 Current appointment ends: 2013 Shareholders' General Meeting Age: 66 Nationality: French Address: Patrick Faure et Associés 18 quai de Béthune 75004 Paris, France	Chairman of Patrick Faure et Associés Appointments within the VINCI Group: Director of Cofiroute. Appointments outside the VINCI Group: Director of ESL & Network and of Waterslim (Luxembourg). Appointments that have expired during the last five financial years: Chairman and Chief Executive Officer of Renault Sport; Chairman of the Board of Directors of Renault F1 Team Ltd and of Benetton Formula; Director of Compagnie Financière Renault, Compagnie d'Affrètement et de Transport, ESL & Network, Giat Industries, AB Volvo, Renault Agriculture and Grigny UK Ltd; Deputy Chief Executive Officer and member of the Executive Committee of Renault; Chairman of the Board of Directors of Ertico and Chairman of the France-Amériques Association. Background: Patrick Faure is a graduate of the Institut d'Études Politiques de Paris and the École Nationale d'Administration. From 1979 onwards he held various positions with Renault, including that of Manager of Renault Austria from 1981 to 1982 and of Renault UK from 1982 to 1984. In 1984, he was appointed central public relations manager of Renault and in July 1985 became manager of public relations and communication. In January 1986, Mr Faure became Vice-President of Renault, and then Company Secretary of the Renault Group in January 1988. In January 1991, he was appointed Deputy General Manager, Marketing Director and Chairman of Renault Sport. Mr Faure served as Executive Vice-President and as a member of the Executive Committee of Renault until 1 January 2005. He was also Chairman and Chief Executive Officer of Renault Sport and Chairman of the Board of Directors of Renault F1 Team Ltd until 2006.
Dominique Ferrero Member of the Appointments and Corporate Governance Committee Director since: 2000 Current appointment ends: 2014 Shareholders' General Meeting Age: 65 Nationality: French Address: Natixis 5-7 rue de Montessuy 75007 Paris, France	Adviser to the Chairman of Natixis Appointments outside the VINCI Group: Permanent representative of Natixis on the Board of Directors of Natixis Private Equity. Appointments that have expired during the last five financial years: Member of the Management Board and Chief Executive Officer of Natixis; permanent representative of Natixis on the Boards of Directors of Natixis Global Asset Management and Coface; and Chairman of the Management Board of Ixis Corporate & Investment Bank (Ixis CIB). Background: A graduate of the École Normale Supérieure, Dominique Ferrero joined Banque Française du Commerce Extérieur (BFCE) in 1978. He was seconded from BFCE from 1981 to 1986 to various positions in the French Treasury, the Ministry for Foreign Trade and Tourism and the Ministry for Industrial Redeployment and Foreign Trade. From 1988 to 1991, Mr Ferrero was Development Manager at BFCE and a member of the Executive Management Committee, responsible for creating and developing BFCE's long-term corporate finance and merchant banking activities. He was named Managing Director of Société Financière de la BFCE, then Deputy Managing Director and member of the Management Board in 1991, before being named Managing Director of BFCE in 1994. In 1996, he became Managing Director of the Natixis group (resulting from the merger of BFCE and Crédit National), then Managing Director of Natixis Banques Populaires (resulting from the merger of Natixis and Caisse Centrale des Banques Populaires) in 1999 and Chief Executive Officer of Crédit Lyonnais from 1999 to 2003. From 2004 to 2006, Mr Ferrero was Senior Adviser and Vice-Chairman of Merrill Lynch Europe and, from 2006 to 2008, he was Chief Executive Officer of Natixis. He is now an adviser to the Chairman of Natixis.
Jean-Pierre Lamoure Member of the Strategy and Investments Committee Director since: 2008 Current appointment ends: 2012 Shareholders' General Meeting^(*) Age: 63 Nationality: French Address: Soletanche Freyssinet 133 boulevard National 92500 Rueil Malmaison, France	Chairman of the Board of Directors of Soletanche Freyssinet Appointments outside the VINCI Group: Chairman of Psila; Managing Partner of Comemi; Chairman of the Supervisory Board of Atlantic SFDI; Chairman of the Executive Board of Sedeco; and Director and Secretary of the French National Federation of Public Works (FNTP). Appointments within the VINCI Group that have expired during the last five financial years: Chairman and Chief Executive Officer of Soletanche; Chairman of Soletanche Bachy Entreprise, Soletanche SA and Soletanche Bachy; Manager of Compagnie du Sol and of Solval (company merged); and Director of Bachy Soletanche Holdings Ltd (United Kingdom). Appointments outside the VINCI Group in listed companies that have expired during the last five financial years: Director of Technip. Other appointments outside the Group that have expired during the last five years: Joint Manager of HIGB, Manager of Clamar and member of the Supervisory Board of Fortis Banque France. Background: Jean-Pierre Lamoure is a graduate of the École Polytechnique and holds the rank of Master Engineer in the Corps des Mines. He held several different posts at the French Ministry of Industry between 1975 and 1981. From 1981 to 1983, he was Head of Management Control and Planning in the insulation division of Saint-Gobain. In 1983, Mr Lamoure joined the Soletanche group as Chief Executive Officer, a position he held from 1983 to 1987, before being appointed Chairman of the Executive Board of Soletanche Entreprise for 1987–1989. He was appointed Chairman and Chief Executive Officer of Soletanche SA in 1989 and served in this same position from 1997 to 2008 at Soletanche Bachy, which became a subsidiary of VINCI Construction in 2007. At Forasol-Foramer, a Soletanche subsidiary, he served as Vice-Chairman from 1983 to 1988, then as Chairman and Chief Executive Officer from 1988 to 1994 and as Chairman of the Supervisory Board from 1994 to 1997. Mr Lamoure has also been Chairman of the Supervisory Board of Atlantic SFDI since 1998. In addition, he was Vice-Chairman of the French National Federation of Public Works (FNTP) from 1998 until 2007, and has been its Secretary since 2007. Between 1995 and 1999 and between 2004 and 2009, he was also Chairman of that federation's Technology and Innovation Commission.

(*) Renewal of appointment for a period of four years proposed to the Shareholders' General Meeting.

Jean-Bernard Lévy Chairman of the Remuneration Committee Director since: 2007 Current appointment ends: 2015 Shareholders' General Meeting Age: 57 Nationality: French Address: Vivendi 42 avenue de Friedland 75008 Paris, France	Chairman of the Management Board of Vivendi Appointments outside the VINCI Group in listed companies: Chairman of Activision Blizzard, Inc. (USA), Vice-Chairman of the Supervisory Board of Maroc Telecom (Morocco) and Director of Société Générale. Other appointments outside the VINCI Group: Chairman of the Supervisory Board of the Canal Plus Group and of Canal Plus France, Chairman of the Board of Directors of GVT Holding SA (Brazil) and Director of SFR. Jean-Bernard Lévy is also a Director of the Institut Pasteur, Chairman of the Supervisory Board of Viroxis, Chairman of the Board of Directors of the Institut Télécom and member of the Advisory Board of Paris Europlace. Appointments that have expired during the last five financial years: Director of NBC Universal, Inc. (USA). Background: Jean-Bernard Lévy is a graduate of the École Polytechnique and Telecom ParisTech. He was an engineer at France Telecom from 1978 to 1986, and then technical adviser to Gérard Longuet, the French Minister with responsibility for Postal Services and Telecommunications from 1986 to 1988; General Manager, Communication Satellites at Matra Marconi Space from 1988 to 1993 and Chief of Staff to Gérard Longuet, the French Minister for Industry, Postal Services and Telecommunications and Foreign Trade from 1993 to 1994. From 1995 to 1998, Mr Lévy was Chairman and Chief Executive Officer of Matra Communication, then Managing Partner, Corporate Finance at Oddo Pinatton from 1998 to 2002. He joined Vivendi Universal in August 2002 as Chief Operating Officer and was appointed Chairman of the Management Board of Vivendi on 28 April 2005.
Michael Pragnell Member of the Audit Committee Director since: 2009 Current appointment ends: 2013 Shareholders' General Meeting Age: 65 Nationality: British Address: Pound Cottage RG72 LR Silchester United Kingdom	Chairman of the Council of Trustees of Cancer Research UK Other appointments outside the VINCI Group: Member of the Board of Directors of INSEAD. Appointments that have expired during the last five financial years: Chief Executive Officer and Director of Syngenta AG. Background: Michael Pragnell is a graduate of St John's College, Oxford and INSEAD. In 1968, he joined Courtaulds Ltd where he held positions in marketing and sales. In 1974, he joined First National Bank of Chicago in the international department. From 1975 to 1995, Mr Pragnell held various positions within the Courtaulds group: in marketing at International Paint plc (1975–1985), as Chief Executive Officer of National Plastics (1985–1986), as Chief Executive Officer of International Paint plc (1986–1992) and as Chief Financial Officer (1992–1994) of Courtaulds plc, where he was appointed to the Board of Directors in 1990. From 1995 to 2000, he was Chief Executive Officer of Zeneca Agrochemicals and a member of the Executive Committee of Zeneca plc (now known as AstraZeneca plc), and was appointed to its Board of Directors in 1997. In 2000, Mr Pragnell was appointed as the founding Chief Executive Officer and Chairman of the Executive Committee of Syngenta AG, where he was also a founding member of the Board of Directors. From 2002 to 2005, he was Chairman of CropLife International.
Henri Saint Olive Chairman of the Audit Committee Director since: 2000 until 9 January 2006, then from 16 May 2006 Current appointment ends: 2014 Shareholders' General Meeting Age: 68 Nationality: French Address: Banque Saint Olive 84 rue Duguesclin 69458 Lyon Cedex 06, France	Chairman of the Board of Directors of Banque Saint Olive Other appointments outside the VINCI Group: Chairman of the Supervisory Board of Saint Olive et Cie and of Saint Olive Gestion; Chairman of the Board of Directors of Enyo; Manager of CF Participations and of Segipa; member of the Supervisory Boards of Prodit and of Monceau Générale Assurances; Director of Centre Hospitalier Saint-Joseph-et-Saint-Luc and of the Association de l'Hôpital Saint-Joseph at Lyon; and Chairman of the Saint Gabriel endowment fund. Appointments in listed companies that have expired during the last five financial years: Member of the Supervisory Board of Eurazeo. Other appointments that have expired during the last five financial years: Chairman of the Board of Directors of Ciarl; Director of Rue Impériale de Lyon, Monceau Assurances Mutuelles Associées and Groupe Monceau-Mutuelles Associées; Managing Partner of LP Participation; member of the Supervisory Board of ANF; Director of Mutuelle Centrale de Réassurance and Compagnie Industrielle d'Assurance Mutuelle. Background: A graduate of HEC, in 1969 Henri Saint Olive joined Banque Saint Olive where he has spent his working life. He was appointed Chairman of the Executive Board of this bank in 1987 then Chairman of its Board of Directors in 1997.
Pascale Sourisse Member of the Audit Committee Director since: 2007 Current appointment ends: 2015 Shareholders' General Meeting Age: 50 Nationality: French Address: Thales 160 boulevard de Valmy BP 82 92704 Colombes Cedex, France	Senior Vice President, Defence & Security C4I Systems and member of the Executive Committee, Thales Appointments outside the VINCI Group in listed companies: Director and member of the Accounts and Audit Committee of Renault. Other appointments outside the VINCI Group: Chairman and Chief Executive Officer of Thales Communications & Security SA; Chairman of Thales Services SAS; member of the Supervisory Board of Thales Alenia Space SAS; Director of DCNS and Thales USA, Inc.; member of the Board of Directors of Institut Télécom (Minefi); President of the Board of Telecom ParisTech and member of the Board of Administrators of Gifas. Appointments that have expired during the last five financial years: Chairman and Chief Executive Officer of Alcatel Cyber Satellite and Thales Communications SA; Chairman of 181 Centelec SAS, Thales Security & Solutions SAS and Eurospace; Director and Chairman of Skybridge Satellite Operations; Director of Skybridge LLC, Skybridge 2 LLC, Skybridge Operations France, Skybridge Communications par Satellites and Satlynx; Chairman of Thales Alenia Space France SAS, Alcatel Spacecom and SkyBridge GP, Inc.; and Director of Thales North America, Inc. (USA), Thales Alenia Space Italia SpA, Telespazio Holding SRL, Galileo Industries SA, Galileo Industries SpA and EuropeStar Ltd. Background: A graduate of the École Polytechnique, Pascale Sourisse is a telecommunications engineer. She worked as an engineer at Compagnie Générale des Eaux from 1984 to 1985, as an engineer in the telecommunications division of Jeumont-Schneider from 1985 to 1986, and as head of the enterprise network division at France Telecom from 1987 to 1990. From 1990 to 1994, Ms Sourisse worked in the French Ministry for Industry, as assistant deputy manager, then deputy manager, of the Consumer Electronics and Audiovisual Communication department. She then joined the Alcatel Group, where she held the positions of Director, Planning and Strategy from 1995 to 1997, Chairman and Chief Executive Officer of Skybridge from 1997 to 2001, Chief Operating Officer and then President and Chief Executive Officer of Alcatel Space from 2001 to 2005. She was President of Alcatel Alenia Space (now Thales Alenia Space) from 2005 to 2008. Since April 2007, she has been a member of the Executive Committee of Thales. From May 2008 until early 2010, Ms Sourisse was Senior Vice President of Thales' Land & Joint Systems Division. In early 2010, she was named Managing Director, then Senior Vice President for Defence & Security C4I Systems at Thales.
Qatari Diar Real Estate Investment Company Headquarters: Lusail Visitor Center Lusail Street PO Box 23175 Doha, Qatar Director since: 2010 Current appointment ends: 2014 Shareholders' General Meeting Nationality: Qatari Permanent representative: Mr Yousuf Ahmad Al Hammadi Member of the Strategy and Investments Committee	Qatari Diar Real Estate Investment Company (Qatari Diar) was formed in 2005 and is wholly owned by the Qatar Investment Authority (QIA), which belongs to the State of Qatar. Qatari Diar is the main player in Qatar's urban development projects and in property development operations carried out abroad on behalf of the State of Qatar. Qatari Diar is present in more than 20 countries across Asia, Africa, Europe and South America. In 2008, Qatari Diar acquired control of Cegelec. In 2010, Qatari Diar transferred ownership of Cegelec to VINCI in exchange for new VINCI shares and treasury shares. Since this transaction, Qatari Diar has owned 31,500,000 VINCI shares. The Chairman of the Board of Directors of Qatari Diar is His Excellency Yousef Hussein Kamal, Minister of Economy and Finance of Qatar. Mr Ghanim bin Saad al-Saad, a Director of Qatari Diar, is also Chairman of Barwa, a listed subsidiary in which Qatari Diar has a substantial shareholding and which is one of the country's main property developers. Qatari Diar's Chief Executive Officer is Mr Mohammed bin Ali Al Hedfa. Appointments outside the VINCI Group in listed companies: Qatari Diar is a Director of Veolia Environnement. To 1 March 2011: Mr Alain Maillot, a partner in the law firm Darrois Villey Maillot Brochier, was Qatari Diar's permanent representative on the Board of Directors of VINCI. Appointments outside the VINCI Group in listed companies: Mr Maillot is also a Director of PCB SA (Belgium). From 1 March 2011: Mr Yousuf Ahmad Al Hammadi, Regional Manager Europe of Qatari Diar, is now the permanent representative of this company on the Board of Directors of VINCI. Main appointments within the VINCI Group: Chairman of Qatari Diar VINCI Construction (Qatar).

1.2 Director whose term of office expired in 2011

Denis Vernoux
Director representing employee
shareholders from 6 June 2002 to
2 May 2011

Age: 65

Main appointments within the VINCI Group that have expired during the last five financial years: Director representing employee shareholders of VINCI.

Background: A qualified engineer (EIM-CHEBAP), Denis Vernoux joined VINCI in 1973 and spent all of his working life within the Group. In particular, he was Chief Engineer in the Technical Department of Campenon Bernard. He has also served as Chief Engineer in the Engineering and Technical Resources Department of VINCI Construction Grands Projets. At the same time, he was successively a member and secretary of the works council at the head office of Campenon Bernard and then of VINCI Construction Grands Projets. Mr Vernoux, who was appointed as Director representing employee shareholders of VINCI on 6 June 2002, resigned from his position with effect from the close of the Shareholders' General Meeting of 2 May 2011. He retired on 31 July 2011.

2. VINCI shares held by the company officers

2.1 Shares held by the company officers

In accordance with the Company's Articles of Association, the minimum number of VINCI shares that each Director (except the Director representing employee shareholders) must hold is 1,000, which, on the basis of the share price at 30 December 2011 (€33.76) amounts to a minimum of €33,760 invested in VINCI shares.

The table below summarises the number of shares held by the company officers as at 31 December 2011, as declared to the Company.

Company officer	Number of VINCI shares
Xavier Huillard	460,403
Yves-Thibault de Silguy	45,678
Dominique Bazy	1,400
Elisabeth Boyer	0
Robert Castaigne	1,038
François David	1,184
Patrick Faure	5,103
Dominique Ferrero	2,229
Jean-Pierre Lamoure	2,000
Jean-Bernard Lévy	2,400
Michael Pragnell	1,000
Henri Saint Olive ^(*)	48,843
Pascale Sourisse	1,000
Qatari Diar Real Estate Investment Company ^(**)	1,000

^(*) Including 38,875 shares held indirectly through companies.

^(**) The Qatari Diar group holds a total of 31,500,000 shares (1,000 directly and 31,499,000 through its subsidiary Comet Luxembourg).

2.2 Share transactions by company officers, executives and persons referred to in Article L.621-18-2 of the French Monetary and Financial Code

The Group's company officers and executives subject to spontaneous declaration of their share transactions carried out the following transactions in 2011:

<i>(in number of shares)</i>	Acquisitions ^(*)	Disposals ^(**)
Xavier Huillard, Chairman and Chief Executive Officer	123,016	83,700
Christian Labeyrie, Executive Vice-President and Chief Financial Officer	94,142	96,000

^(*) Excluding grants of performance shares.

^(**) Excluding donations and disposals of units in company savings funds invested in VINCI shares.

3. Company officers' remuneration and interests

3.1 Directors' fees and other remuneration received by non-executive company officers

The total amount of Directors' fees paid in 2011 by the Company (for the second half of 2010 and the first half of 2011) amounted to €830,000. Some company officers also received Directors' fees in 2011 from companies controlled by VINCI. The amount of Directors' fees payable by VINCI in respect of 2011 was €822,500.

The table below summarises the Directors' fees and other remuneration received in 2010 and 2011 by non-executive company officers of VINCI.

Directors' fees and other remuneration received by non-executive company officers

	Amounts paid in 2010		Amounts paid in 2011	
	By VINCI	By companies controlled by VINCI	By VINCI	By companies controlled by VINCI
Serving Directors				
Yves-Thibault de Silguy ⁽¹⁾	1,174,054		403,648	
Yousuf Ahmad Al Hammadi ⁽²⁾			16,667	
Dominique Bazy	58,333		50,000	
Elisabeth Boyer ⁽³⁾⁽⁴⁾			8,333	
Robert Castaigne	63,333		55,000	
François David	45,000		50,000	
Patrick Faure	45,000	10,000	50,000	10,000
Dominique Ferrero	58,333		50,000	
Jean-Pierre Lamoure ⁽⁵⁾	50,000	216,060	50,000	216,060
Jean-Bernard Lévy	60,000		60,000	
Michael Pragnell	47,500		55,000	
Henri Saint Olive	73,333		65,000	
Pascale Sourisse	63,333		55,000	
Former Directors				
Alain Maillot ⁽⁶⁾	8,333		33,333	
Denis Vernoux ⁽⁷⁾	50,000		41,667	
Total Directors' fees and other remuneration	1,796,552	226,060	1,043,648	226,060

(1) Yves-Thibault de Silguy served as Chairman of the Board of Directors from 1 January to 6 May 2010. For this period he received remuneration composed of a fixed and a variable component, the latter being paid to him during the first quarter of the year following the one for which it was due. Disclosures in respect of 2010 and 2011 include the remuneration relating to this appointment as well as the Directors' fees paid to him during these two years (€131,667 in 2010 and €190,000 in 2011). Mr de Silguy's remuneration package from the time of his appointment as Vice-Chairman and Senior Director on 6 May 2010 is described in the Report of the Chairman on page 161. Mr de Silguy also received benefits in kind of €4,515 in 2010 and €5,020 in 2011 (company car). Furthermore, it should be noted (a) that Mr de Silguy is entitled to receive a supplementary retirement pension not externalised, payable in the amount of €253,333 for the period from 1 May to 31 December 2010 and in the amount of €381,168 for 2011 and (b) that the Company entered into a services agreement on 3 March 2010 with YTSuropaconsultants, of which Mr de Silguy is sole partner, authorised by the Board of Directors and approved by the Shareholders' General Meeting of 6 May 2010. This agreement covers the responsibilities described in the Report of the Chairman on page 161. Under this agreement, YTSuropaconsultants received from VINCI a total payment of €220,000 excluding VAT for the period from 6 May to 31 December 2010 and a total payment of €330,000 excluding VAT for 2011. The amounts mentioned in points (a) and (b) are not included in the table above.

(2) Yousuf Ahmad Al Hammadi is the permanent representative of Qatari Diar Real Estate Investment Company, which is a Director of VINCI. The amount paid in 2011 corresponds to the period from 1 March 2011 (the date of Mr Al Hammadi's appointment as permanent representative of Qatari Diar Real Estate Investment Company) to 30 June 2011.

(3) Amounts paid in 2011 for the period from 2 May 2011 (when she was appointed Director representing employee shareholders) to 30 June 2011.

(4) The salary received by Elisabeth Boyer, who is currently the Director representing employee shareholders, is not included in the table above.

(5) In 2010 and 2011, Jean-Pierre Lamoure received remuneration of €216,060 in respect of his appointment as Chairman of the Board of Directors of Soletanche Freyssinet (comprising a fixed part only). He also received benefits in kind of €3,326 in 2010 and €2,328 in 2011 (company car).

(6) Amounts paid in 2011 for the period from 1 July 2010 until the change in the permanent representative of Qatari Diar Real Estate Investment Company effective 1 March 2011.

(7) Amounts paid in 2011 for the period from 1 July 2010 until his resignation on 2 May 2011.

3.2 Remuneration received by the Chairman and Chief Executive Officer

3.2.1 Remuneration

Pursuant to the provisions of the Afep-Medef code of corporate governance relating to the remuneration of executive company officers, the tables below summarise (a) all remuneration allocated and options and performance shares granted to the executive company officer during the last two financial years and (b) the remuneration paid during the last two financial years by VINCI and Group companies to Mr Xavier Huillard, Chairman and Chief Executive Officer, as well as the remuneration set by the Board of Directors, as proposed by the Remuneration Committee, that is due in respect of each of these two financial years, regardless of the year in which the remuneration in question is paid.

(a) Summary of remuneration due in respect of the last two financial years and options and shares granted

Mr Xavier Huillard	2010 ^(*)	2011
Remuneration due in respect of the financial year	1,614,115	1,834,072
Value of options granted during the financial year		
Value of performance shares granted during the financial year		
Total	1,614,115	1,834,072

(*) Financial year during which Xavier Huillard was Director and Chief Executive Officer until 6 May 2010, then Chairman and Chief Executive Officer as from this same date.

(b) Summary of remuneration

	2010		2011	
Mr Xavier Huillard	Amounts due in respect of the year	Amounts paid during the year	Amounts due in respect of the year	Amounts paid during the year
Gross fixed remuneration ^(*)	700,000	700,000	900,000	900,000
Gross variable remuneration including Directors' fees ^(**)	930,000		930,000	
Gross variable remuneration excluding Directors' fees ^(**)	882,997	868,612	916,330	882,997
Directors' fees ^(**)	27,003	47,003	13,670	13,670
Benefits in kind ^(***)	4,115	4,115	4,072	4,072
Total	1,614,115	1,619,730	1,834,072	1,800,739

(*) At its meeting of 3 March 2010, the Board decided, as proposed by the Remuneration Committee, to raise the fixed part of Xavier Huillard's remuneration to €900,000 in recognition of the fact that he was to hold the position of Chairman as well as that of Chief Executive Officer (effective 6 May 2010). However, the Board decided that, as proposed by the Remuneration Committee at the request of Mr Huillard, this change in remuneration would only apply as from 1 January 2011.

(**) Directors' fees received by Mr Huillard from companies belonging to the VINCI Group are deducted from the variable remuneration decided by the Board, as proposed by the Remuneration Committee. Since his appointment as Chairman and Chief Executive Officer, thus with effect from 6 May 2010, Mr Huillard has not received Directors' fees from VINCI SA. For the duration of this appointment, the only Directors' fees he receives are those paid in respect of appointments in other Group companies.

(***) Mr Huillard had the use of a company car in 2010 and 2011.

Xavier Huillard's remuneration package is described on page 168.

At its meeting of 7 February 2012, the Board of Directors decided, in respect of 2011 and as proposed by the Remuneration Committee, to set the portion of the variable part of Mr Huillard's remuneration based on financial criteria, after calculating the performance index, at €733,290 and the managerial portion at €380,000, making a total variable part of €1,113,290 before deducting the Directors' fees paid in 2011.

Mr Huillard submitted a request, which was accepted by the Board, to lower this variable part to the same level as that set in respect of 2010, namely €930,000 before deduction of the Directors' fees paid in 2011, which amounted to €13,670.

3.2.2 Long-term incentive plan

At its meeting of 3 March 2010, the Board decided to set up a long-term incentive plan to be awarded to Xavier Huillard, the features of which are described in section 4.1 of the Report of the Chairman (page 168). This plan gives rise to an annual allocation that Mr Huillard will only be eligible to receive if he completes his term in office (except in specific cases). Each year, the Company sets aside a provision corresponding to the value, at market conditions prevailing on 31 December, of the likely amount. At 31 December 2011, the total provision recognised in respect of this plan from its inception at 6 May 2010 amounted to €1,111,967.

3.2.3 Obligations in respect of supplementary retirement plans

Like other senior executives of VINCI SA with at least 10 years' service Xavier Huillard is eligible for coverage under a collective pension plan, the purpose of which is to guarantee the individuals concerned a supplementary annual pension upon their retirement of between 20% and 40% of the average annual remuneration received in the 36 months preceding their departure. This supplementary pension plan will be limited to an annual amount that will gradually increase to a maximum of eight times the French social security ceiling at 1 January 2019.

As the application of this plan constitutes a commitment subject to the procedure for the authorisation of regulated agreements in accordance with Article L.225-42-1 of the French Commercial Code, it was approved by the Shareholders' General Meeting of 6 May 2010.

At 31 December 2011, VINCI's obligations in respect of the retirement benefits described above for Mr Huillard amounted to €3,809,900. Retirement benefit obligations are also described on page 249 of the Notes to the consolidated financial statements.

3.2.4 Summary table

The table below summarises the various data relating to the existence in favour of the executive company officer, if applicable, of (I) an employment contract in addition to the appointment as company officer, (II) supplementary pension plans, (III) commitments entered into by the Company corresponding to allowances or benefits due or that could be due as a consequence of cessation or change of the executive company officer's duties or after their cessation, and (IV) allowances compensating for a non-competition clause.

Executive company officer	Employment contract		Supplementary pension plan		Allowances or benefits that could be due as a result of cessation or change of duties		Allowances for non-competition clause	
					yes	no		
Xavier Huillard, Chairman and Chief Executive Officer	yes	no	yes	no	yes	no	yes	no
Date of appointment: 6 May 2010								
Appointment ends: 2014 Shareholders' General Meeting		X ^(*)	X		X ^(**)			X

(*) Xavier Huillard had a suspended employment contract that ended via resignation on 6 May 2010 when he was appointed as Chairman and Chief Executive Officer of VINCI.

(**) Mr Huillard is eligible for the payment of termination compensation in the event that the Company terminates his corporate office prior to the expiry of his term of office as Director, described on page 168 of the 2011 Annual Report.

4. Options and performance shares

4.1 Policy on granting of options or performance shares

Two authorisations given to VINCI's Board of Directors remained valid in 2011: one conferred by the Shareholders' General Meeting of 2 May 2011 to grant share subscription options and another conferred by the Shareholders' General Meeting of 15 May 2008 to grant performance shares, which expired on 14 July 2011. In 2011, an incentive scheme was set up, resulting either in the granting of performance shares alone, or the combined granting of share subscription options and performance shares, depending on the beneficiary's management level.

VINCI's policy consists of granting performance shares and options to a significant number of Group executives and employees (more than 1,500) in order to allow them to share in its performance and ensure their long-term commitment.

4.2 Share subscription or share purchase option plans

4.2.1 Existing option plans

a) General information

Under the authorisations given by the Shareholders' General Meeting, the Board of Directors of VINCI decided to implement share subscription and/or share purchase option plans, details of which are given in the following table.

Record of granting of share subscription or purchase options⁽¹⁾

Plan	Date		Original number		Including options originally granted to		Date		In 2011		At 31/12/2011		Exercise price
	Shareholders' General Meeting	Board Meeting	Beneficiaries	Options ⁽²⁾	Company officers ⁽³⁾	Top 10 employee beneficiaries ⁽²⁾⁽⁴⁾	From which options may be exercised	Of expiry of options	Number of options exercised in 2011	Number of options cancelled or expired in 2011	Options not exercised at 31/12/2011	Number of remaining beneficiaries at 31/12/2011	Adjusted exercise price (in euros)
VINCI 2001	25/10/99	08/03/01	3	930,000	930,000	-	08/03/03	07/03/11	-	-	-	-	13.96
VINCI 2002 No. 1	25/10/99	17/12/02	287	9,802,000	2,620,000	1,212,000	25/01/04	17/12/12	480,777	-	656,398	54	15.59
VINCI 2002 No. 2	25/10/99	17/12/02	409	10,000,000	2,760,000	1,020,000	17/12/04	17/12/12	343,534	-	630,745	83	12.96
VINCI 2003	14/05/03	11/09/03	126	5,608,000	1,400,000	1,296,000	11/09/05	11/09/13	239,596	-	582,186	39	15.04
VINCI 2004	14/05/03	07/09/04	142	6,344,000	1,640,000	1,420,000	07/09/06	07/09/14	523,950	-	1,928,845	83	20.18
VINCI 2005	14/05/03	01/03/05	158	5,081,136	2,268,000	1,176,000	16/03/07	16/03/12	918,435	-	965,823	89	24.20
VINCI 2006 No. 1	14/05/03	09/01/06	8	2,630,000	1,850,000	780,000	09/01/08	09/01/13	-	-	1,071,950	6	35.58
VINCI 2006 No. 2	14/05/03	16/05/06	1,352	3,383,606	50,000	242,000	16/05/08	16/05/12	62,250	-	3,257,105	1,316	40.32
VINCI 2009 ⁽⁵⁾	14/05/09	31/08/09	1,582	3,865,000	-	228,180	15/09/12	15/09/16	3,350	58,197	3,766,956	1,536	38.37
VINCI 2010 ⁽⁵⁾	14/05/09	09/07/10	1,735	4,234,595	-	243,348	09/07/13	09/07/17	-	35,125	4,159,839	1,709	36.70
VINCI 2011 ⁽⁵⁾	02/05/11	02/05/11	266	1,592,493	-	243,346	02/05/14	02/05/18	-	13,450	1,579,043	263	43.70
Total share subscription plans				53,365,544	14,698,000	7,860,874			2,571,892	106,772	18,598,890	2,678	33.61
VINCI 2001	25/10/99	08/03/01	3	930,000	930,000	-	08/03/03	07/03/11	-	-	-	-	13.96
VINCI 2002	25/10/99	25/01/02	7	198,000	-	198,000	25/01/04	24/01/12	6,263	-	-	-	15.59
VINCI 2006 No. 2	14/05/03	16/05/06	1,352	3,383,606	50,000	242,000	16/05/08	16/05/12	104,970	-	3,214,385	1,301	40.32
Total purchase plans				11,581,606	1,160,000	971,200			111,233	-	3,214,385	1,301	40.32
Total				74,429,943	15,858,000	10,479,928			2,683,125	106,772	21,813,275	2,678	34.60

(1) Only those plans for which the exercise period has not expired or expired in 2011 are mentioned

(2) Original number adjusted for the two-for-one share split in May 2007 but not adjusted for the increase in share capital in April 2006 (except for the 2006 No. 2 plan).

(3) Company officers serving at the time of granting.

(4) Not company officers.

(5) The final number of shares granted will be set on the basis of performance criteria.

Note: one option gives the right to subscribe to or purchase one VINCI share; option plans are subject to annual vesting by thirds over a three-year period as from the grant date for the options (except for the VINCI 2009 plan, the VINCI 2010 plan and the VINCI 2011 plan).

b) Number of shares that can be subscribed to or purchased by the executive company officers**Total number of shares that can be subscribed to or purchased by the executive company officers at 31 December 2011**

Executive company officer	Plan	Exercise price (in euros)	Expiry	Type	Number of shares
Xavier Huillard	VINCI 2003	15.04	11/09/2013	Subscription	580
	VINCI 2004	20.18	07/09/2014	Subscription	134,016
	VINCI 2006 No. 1	35.58	09/01/2013	Subscription	265,434
Total					400,030

4.2.2 Options granted in 2011**a) General information**

On 2 May 2011, the Board of Directors decided to use the authorisation given by the Shareholders' General Meeting of 2 May 2011 to implement a plan for the granting of options to subscribe to the Company's shares, with effect from 2 May 2011. This plan provides for the granting of 1,592,493 options to subscribe to the Company's shares to 266 Group executives and employees. No options have been granted to company officers under this plan.

Each option gives the right to subscribe to one new VINCI share, at a subscription price of €43.70. The definitive granting of options is subject to the performance condition determined by the Board of Directors under the conditions defined by the Shareholder's General Meeting, which require that, in the financial years 2011 and 2012, the VINCI Group's average return on capital employed (ROCE) be greater than 5%, after restating for non-controlling interests. The number of options finally granted will depend on this rate; 100% of the options will be granted if the ROCE is greater than 6% and the proportion will be set by linear interpolation if this rate is between 5% and 6%.

Options that have been definitively granted under the performance condition may only be exercised by the beneficiaries on or after 2 May 2014 provided they are still actively employed by the Group. Shares acquired through the exercise of options may not be sold before expiry of a four-year holding period in accordance with tax rules, other than in the event of death, invalidity or involuntary retirement.

Beneficiaries also have a right to early exercise of options definitively granted after verification of the performance condition in the event of a public offer being made for the Company's shares.

The validity period for the options is seven years with effect from 2 May 2011 and thus expires on 2 May 2018.

No subsidiary controlled by VINCI has granted share subscription or purchase options.

b) Granting of options to the executive company officer

No options were granted in 2011 to Mr Xavier Huillard, Chairman and Chief Executive Officer.

c) Granting of options to the 10 employees who are not company officers of the VINCI Group to whom were granted the largest number of options

The number of options granted during the year by VINCI and by other Group companies entitled to grant options to the 10 VINCI Group employees who were granted the largest number of options was 243,346 (corresponding to 15.3% of the total number).

4.2.3 Options exercised in 2011**a) General information**

Between 1 January and 31 December 2011, 2,683,125 options were exercised, comprising 2,571,892 subscription options and 111,233 purchase options. During this same period, 106,772 options were cancelled or expired, all of which were subscription options.

Taking all of these elements into account, there were a total of 21,813,275 options remaining to be exercised at 31 December 2011, at an average exercise price of €34.60 (comprising 18,598,890 subscription options at an average price of €33.61 and 3,214,385 purchase options at an average price of €40.32).

b) Exercise of options by the executive company officer

In 2011, Mr Xavier Huillard, Chairman and Chief Executive Officer, exercised the following options:

Share subscription and purchase options exercised during the year

Executive company officer	Plan	Date of corresponding meeting of the Board of Directors	Type	Number of options exercised during the year	Exercise price (in euros)
Xavier Huillard	2004 Plan	07/09/2004	Subscription	46,000	20.18
	2005 Plan	01/03/2005	Subscription	77,016	24.20
Total/weighted average				123,016	22.70

c) Exercise of options by the 10 employees who are not company officers of the VINCI Group having exercised the largest number of options

In 2011, share subscription and purchase options exercised by the 10 employees who are not company officers of the VINCI Group having subscribed to or purchased the largest number of shares in 2011 concerned the following plans:

Plan	Type	Number of options exercised during the year	Exercise price (in euros)
VINCI 2002 No. 1	Subscription	63,706	15.59
VINCI 2002 No. 2	Subscription	42,882	12.96
VINCI 2003	Subscription	29,840	15.04
VINCI 2004	Subscription	208,078	20.18
VINCI 2005	Subscription	313,783	24.20
VINCI 2006	Purchase	15,000	40.32
Total/weighted average		673,289	21.38

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4.2.4 Definitive granting of options at 15 September 2011 under the plan implemented by the Board of Directors on 31 August 2009 with effect from 15 September 2009

The plan implemented on 31 August 2009 with effect from 15 September 2009 stipulates that the definitive granting of options is subject to the performance condition determined by the Shareholders' General Meeting, namely that the Board of Directors will note changes in the VINCI share price at the end of a period of two years starting on 31 August 2009, and will determine the proportion of options to be definitively granted, having regard to the share's performance compared with that of an index initially comprising 13 European companies from the construction and infrastructure concessions sector. The Board reserves the right to make any weightings reflecting in particular the market capitalisation of companies and to exclude from the list certain companies that, during the reference period, may have been the subject of exceptional transactions or de-listing or that may have experienced atypical price changes and to replace them if applicable with an index such as the Eurostoxx index. The number of options finally granted will depend on this rate reflecting the performance of the VINCI share against the index; 100% of the options will be granted if the rate is higher than 5% and 0% if it is lower than -5%. The percentage will be determined by linear interpolation between these two limits of +5% and -5%.

On 30 August 2011, the Board of Directors noted that the VINCI share had outperformed the index by 15.6%.

Consequently, the Board, during its meeting of 30 August 2011, decided that all of the share subscription options that had been originally granted to the beneficiaries would be deemed to be definitively granted to them at 15 September 2011 (3,766,956 options granted to 1,536 individuals). It is to be understood that these options will only be definitively granted and may only be exercised by their beneficiaries from 15 September 2012 provided they meet the conditions to be considered as active employees laid down by the Board in its meeting of 31 August 2009 and that the exercise price of these options is €38.37.

4.3 Performance share plans

4.3.1 Existing performance share plans

a) General information

Record of granting of performance shares

Plan	Date		Original number		Including shares originally granted to		Definitive number	Date				At 31/12/2011	
	Shareholders' General Meeting	Board Meeting	Beneficiaries	Performance shares	Company officers ⁽¹⁾	Top 10 employee beneficiaries ⁽²⁾	Determined at the end of the vesting period	Start of vesting period	End of vesting period	End of holding period		Number of shares at 31/12/2011	Number of remaining beneficiaries at 31/12/2011
VINCI 2007 ⁽³⁾⁽⁴⁾	16/05/2006	12/12/2006	1,434	2,200,000	55,000	139,000	2,053,980	02/01/2007	02/01/2009	02/01/2011		-	-
VINCI 2008 ⁽⁵⁾	16/05/2006	11/12/2007	1,570	2,165,700	72,000	130,000	1,582,325	02/01/2008	02/01/2010	02/01/2012		-	-
VINCI 2009 ⁽⁶⁾	15/05/2008	31/08/2009	1,582	1,545,999	-	91,272	1,470,406	15/09/2009	15/09/2011	15/09/2013		1,470,406	1,502
VINCI 2010 ⁽⁷⁾	15/05/2008	09/07/2010	1,813	1,726,138	-	97,339	unknown	09/07/2010	09/07/2012	09/07/2014		1,667,800	1,761
VINCI 2011 ⁽⁷⁾	15/05/2008	02/05/2011	1,782	2,139,059	-	97,338	unknown	02/05/2011	02/05/2013	02/05/2015		2,115,859	1,761
Total				9,776,896	127,000	554,949						5,254,065	2,190

(1) Company officers serving at the time of granting.

(2) Not company officers.

(3) The number of shares originally granted takes account of the two-for-one share split in May 2007.

(4) These shares were deemed to be definitively granted to the beneficiaries on 2 January 2009, following the Board of Directors' decision on 16 December 2008, which noted that the performance conditions provided for in the plan established in December 2006 had been met. As the holding period expired on 2 January 2011, they became available to be exercised at that date.

(5) 76.70% of the performance shares originally granted were deemed to be definitively granted to their beneficiaries on 2 January 2010, following the decision by the Board of Directors on 15 December 2009.

(6) These shares were definitively granted to the beneficiaries on 15 September 2011, following the decision by the Board of Directors on 30 August 2011, which noted that the performance conditions provided for in the plan decided in August 2009 had been met.

(7) The number of shares definitively granted at the end of the vesting period may be lower, depending on the results of a performance indicator.

b) Number of performance shares granted to the executive company officer

In line with decisions made by the Board of Directors in December 2006 and December 2007, Mr Huillard was granted performance shares as shown in the table below:

Performance shares granted to the executive company officer

Xavier Huillard	Plan	Date of corresponding meeting of the Board of Directors	Number of shares originally granted ^(*)	Definitive number determined at the end of the vesting period	Value of shares using the method used for the consolidated financial statements ^(**)	Date of vesting	Date of availability	Performance conditions
	2007 Plan	12/12/2006	24,000	24,000	588,000	02/01/2009	02/01/2011	yes
	2008 Plan	11/12/2007	22,000	16,874	475,847	02/01/2010	02/01/2012	yes
Total			46,000	40,874	1,063,847			

(*) This number takes account of the two-for-one share split in May 2007.

(**) This value is determined on the basis of the definitive number of shares granted.

It should be noted that these performance shares must be retained for two years and that company officers are required to retain at least one-quarter of them during the term of their appointment.

Only performance shares granted under the 2007 Plan became available in 2011 (at 2 January 2011).

4.3.2 Establishment of the 2011 plan

On 2 May 2011, the Board of Directors decided to use the authorisation given by the Shareholders' General Meeting of 15 May 2008 to implement a plan for the granting of Company performance shares, with effect from 2 May 2011. This plan provides for the granting of 2,139,059 existing shares to 1,782 beneficiaries. No performance shares have been granted to company officers under this plan.

The plan stipulates that the shares are only deemed to be definitively granted at the end of a two-year vesting period, which will expire on 2 May 2013. The number of shares to be definitively granted to beneficiaries depends on the results of a performance indicator. Thus, definitive granting is subject to the condition that in the financial years 2011 and 2012, the VINCI Group's average return on capital employed (ROCE) should be greater than 5% (after restating for non-controlling interests). The number of performance shares finally granted will depend on this rate; 100% of the shares will be granted if the ROCE is greater than 6% and the proportion will be set by linear interpolation if this rate is between 5% and 6%.

The plan also provides that the shares granted in this way must be retained for two years, i.e. until 2 May 2015, during which time they may not be disposed of, other than in the event of invalidity or death.

The number of shares originally granted by the Board of Directors on 2 May 2011 to the 10 employees who were not company officers having received the largest number of shares was 97,338.

4.3.3 Definitive granting of performance shares on 15 September 2011 under the plan implemented by the Board of Directors on 31 August 2009 with effect from 15 September 2009

The plan implemented on 31 August 2009, with effect from 15 September 2009, stipulates that shares are only definitively granted at the end of a two-year vesting period expiring on 15 September 2011. The number of shares to be definitively granted to beneficiaries depends on the results of a performance indicator. Thus, definitive granting is subject to the condition that in the financial years 2009 and 2010, the VINCI Group's average return on capital employed (ROCE) should be greater than 5% (after restating for non-controlling interests). The number of performance shares finally granted will depend on this rate; 100% of the shares will be granted if the ROCE is greater than 6% and the proportion will be set by linear interpolation if this rate is between 5% and 6%.

On 30 August 2011, the Board of Directors noted that the VINCI Group's average return on capital employed (ROCE) amounted to 9.15% on average for the 2009 and 2010 financial years (after restating for non-controlling interests).

Consequently, at its meeting of 30 August 2011, the Board decided to definitively grant to the beneficiaries (1,502 individuals) as at 15 September 2011, 100% of the performance shares that were originally granted to them, representing 1,470,406 shares. These shares will not be transferable for an additional two-year period that will expire on 15 September 2013.

E. Social and environmental information

This report is compiled pursuant to Articles L. 225-102-1, R. 225-104 and R. 225-105 of the French Commercial Code, and is based on such international reporting guidelines and standards as the Global Reporting Initiative and ISO 26000. This report has been prepared in view of the future application of the draft decree relating to corporate transparency obligations on social and environmental matters.

It contains three sections:

- workforce-related responsibility;
- environment;
- social responsibility.

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VINCI's sustainable development policy and strategy are presented on pages 18-25 of this annual report. Additional, regularly updated information is available on the Group's website at www.vinci.com, in particular examples of the innovative approaches adopted by the Group's companies, arranged by category and type of challenge. Since 2002, VINCI has requested the opinion of its Statutory Auditors on its social and environmental reporting procedures, which form part of a single reporting system, and on a selection of performance indicators. Information about this audit work, along with a note about the methods used, is presented on pages 149-150 and 159-160. In addition to complying strictly with legislation, VINCI has voluntarily committed to observing the 10 principles of the UN's Global Compact and to reporting annually on its initiatives in this area. VINCI has also made a commitment to French non-profit organisation Amis du Global Compact France to promote these initiatives among businesses. VINCI's sustainable development self-diagnosis method enables managers to review the Group's workforce-related, environmental and social categories, and take strategic decisions related to them. The method was developed in accordance with texts such as the Global Compact, the fundamental conventions of the ILO (International Labour Organisation) and ISO 26000.

Global Compact implementation

Commitments/principles	Initiatives in 2011
Human rights	
1. To support and respect the protection of internationally proclaimed human rights within the Group's sphere of influence.	- Sogea-Satom's support for various non-profit projects relating to business, health and education. - Ongoing support for HIV-AIDS prevention programmes. - A workforce-related responsibility audit performed by an independent audit firm on the Group's Qatari subsidiary QDVC. The audit identified areas for improvement in relation to promoting human rights internationally. - Drafting of a "Labour standards and human rights" chapter for the "Global performance commitments of VINCI suppliers and subcontractors" charter, which is sent to Group suppliers and incorporated into VINCI contracts.
2. To ensure that Group companies are not complicit in human rights abuses.	- Initial roll-out of VINCI's sustainable development self-diagnosis method, enabling subsidiaries to map their CSR risks, particularly as regards human rights.
Labour standards	
3. To uphold the freedom of association and the effective recognition of the right to collective bargaining.	- Signature of a new agreement with labour representatives to improve dialogue between management and labour in January 2012.
4. To uphold the elimination of all forms of forced and compulsory labour.	- Inclusion of workforce-related criteria in the supplier and subcontractor selection process, as well as in framework contracts with VINCI subsidiaries. - Audit and monitoring of these workforce-related criteria. - Initial roll-out of VINCI's sustainable development self-diagnosis method, enabling subsidiaries to map their CSR and human rights risks. The method covers aspects such as forced labour, child labour, illegal labour, rights of indigenous peoples and living conditions in worksite accommodation.
5. To uphold the effective abolition of child labour.	- Addition of clauses prohibiting child labour to framework contracts.
6. To uphold the elimination of discrimination in respect of employment and occupation.	- Launch of a global network of diversity coordinators and trainers within the Group. Sixty-three coordinators were appointed and trained in 2011. - Audit and monitoring work for the fifth consecutive year, particularly outside France. - Further diversity training for operational staff.
Environmental protection	
7. To support a precautionary approach to environmental challenges.	- Environmental criteria and pollution prevention systematically taken into consideration when assessing business and product risk at an early stage of projects (REACH). - Enhanced training concerning the prevention of environmental risks. - Systematic application of life-cycle analysis during proposal and design phases: multi-criteria analysis of each phase of the project life cycle.
8. To undertake initiatives to promote greater environmental responsibility.	- Enhanced environmental reporting with Faceo and Cegelec being integrated into the Group in 2011. - Ongoing work to conserve biodiversity in partnership with environmental associations.
9. To encourage the development and dissemination of environmentally friendly technologies.	- Support given to the research and teaching efforts of the VINCI ParisTech Chair in eco-design of building complexes and infrastructure: 13 research projects involving VINCI Executive Committee members and five conferences in 2011. - Organisation of The City Factory seminars on urban development and new low-carbon technologies in the city. - Integration of renewable energy and more energy-efficient systems within the Group's activities and proposals.
Anti-corruption	
10. To work towards combating all forms of corruption, including extortion and bribery.	- Further reinforcement of internal controls. - Ongoing distribution of the Code of Ethics and Conduct to all management. - Inclusion of social responsibility criteria in the supplier and subcontractor selection process, as well as in framework contracts with VINCI subsidiaries. - Initial deployment of the VINCI sustainable development self-diagnosis method, encouraging subsidiaries to strengthen operational rules in all countries in which they operate.

Complying with and promoting the fundamental conventions of the International Labour Organisation

In addition to the 10 Global Compact principles, VINCI is committed to complying with and promoting among its subsidiaries and partners the provisions of the International Labour Organisation's fundamental conventions:

- freedom of association and the effective recognition of the right to collective bargaining;
- elimination of discrimination in respect of employment and occupation;
- elimination of all forms of forced or compulsory labour;
- effective abolition of child labour.

Details about various VINCI initiatives are contained in the "Global Compact implementation" table on page 125 and in the "Workforce relations and collective bargaining agreements", "Agreements signed in relation to health and safety at work", "Equality and diversity" and "Human rights" chapters (pages 130, 133, 134 and 148).

1. Workforce-related responsibility

1.1 General human resources policy

VINCI's business model is based on a complementary set of short- and long-term business activities, performed through a decentralised organisation. The success of the model is dependent on VINCI's staff. VINCI's operating methods therefore prioritise people over systems, and are based on the view that sustained business success requires an ambitious approach to human resources.

For a number of years, this approach has been demonstrated through major commitments summarised in the VINCI Manifesto, which focuses on creating permanent jobs, prioritising health and safety at work, combating all kinds of discrimination and promoting diversity, promoting civic engagement among staff, encouraging employee share ownership, and giving all staff a personalised training plan.

These commitments are supported by a forward-looking management approach to jobs and skills, allowing VINCI's human resources to be continually adjusted in line with the requirements of its business activities. Accordingly, in 2010 the Group adopted employee development plans, involving an annual appraisal for each Group employee, along with the requirement for entities to carry out a collegial workforce review and implement individual development plans covering areas such as job mobility and training.

As a major player in sectors that are highly fragmented and extremely competitive despite their relatively low career appeal, VINCI works hard to set an example. As a result, VINCI is ranked among the top 10 best places to work for French engineering students according to the UNIVERSUM 2011 survey.

1.2. Employment

1.2.1 Workforce

At the end of 2011, VINCI had 183,320 employees, up 2% relative to 2010, in about 100 countries. Thanks to a dynamic recruitment and external growth policy, the Group's workforce has grown by more than 30% over the past five years, with European entities representing 84% of the total workforce in 2011.

Workforce at 31 December 2011 by geographical area and by business line

Workforce	2011							2010		2011/10
	VINCI Autoroutes	VINCI Concessions	VINCI Energies	Eurovia	VINCI Construction	Holding cos. and misc.	Total		Total	
France	8,205	2,905	37,251	24,373	34,004	688	107,426	58.6%	105,943	1.4%
United Kingdom	6	1,098	987	1,236	6,031	0	9,358	5.1%	9,402	-0.5%
Germany	0	73	6,602	3,973	56	12	10,716	5.9%	10,508	2.0%
Benelux	0	97	3,188	666	3,649	3	7,603	4.1%	7,515	1.2%
Spain	0	288	1,262	443	61	0	2,054	1.1%	2,451	-16.2%
Central and Eastern Europe Europe	0	160	2,186	6,313	4,462	0	13,121	7.2%	13,055	0.5%
Rest of Europe	0	103	3,494	0	689	0	4,286	2.3%	4,001	7.1%
Europe excl. France	6	1,819	17,719	12,631	14,948	15	47,138	25.7%	46,932	0.4%
Americas	74	1,383	2,912	2,933	2,624	0	9,926	5.4%	8,937	11.1%
Africa	0	0	1,063	0	9,976	0	11,039	6.0%	10,725	2.9%
Rest of the world	0	1,300	1,090	0	5,401	0	7,791	4.3%	6,990	11.5%
Total	8,285	7,407	60,035	39,937	66,953	703	183,320	100.0%	179,527	2.1%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

At the end of 2011, VINCI's workforce consisted of 17% managers and 83% non-managers, the same as a year previously. The proportion of female employees was stable at 13% of the total workforce. Women accounted for 16% of managers (15% in 2010) and 13% of non-managers. The number of women managers has almost doubled in five years (2006-2011).

Workforce at 31 December 2011 by category, gender and business line

Workforce	2011							2010	2011/10
	VINCI Autoroutes	VINCI Concessions	VINCI Energies	Eurovia	VINCI Construction	Holding cos. and misc.	Total		Total Change
Managers	1,015	804	10,435	4,455	14,581	416	31,706	17%	30,429 4%
Men	698	573	8,988	3,885	12,266	286	26,696	84%	25,842 3%
Women	317	231	1,447	570	2,315	130	5,010	16%	4,587 9%
Non-managers	7,270	6,603	49,600	35,482	52,372	287	151,614	83%	149,098 2%
Men	4,136	5,023	43,998	32,120	46,953	93	132,323	87%	130,207 2%
Women	3,134	1,580	5,602	3,362	5,419	194	19,291	13%	18,891 2%
Total	8,285	7,407	60,035	39,937	66,953	703	183,320	100%	179,527 2%
Men	4,834	5,596	52,986	36,005	59,219	379	159,019	87%	156,049 2%
Women	3,451	1,811	7,049	3,932	7,734	324	24,301	13%	23,478 4%

☑ Data covered by the Report of the Statutory Auditors presented on page 159 of the 2011 Annual Report.

Workforce at 31 December 2011 by age

Workforce	2011							2010	2011/10
	VINCI Autoroutes	VINCI Concessions	VINCI Energies	Eurovia	VINCI Construction	Holding cos. and misc.	Total		Total Change
Less than 25	385	815	6,239	4,013	7,151	53	18,656	10%	18,397 1%
26-35	1,029	2,217	15,134	9,456	20,796	192	48,824	27%	47,335 3%
36-50	4,432	2,926	24,207	16,327	26,041	304	74,237	40%	73,475 1%
Over 50	2,439	1,449	14,455	10,141	12,965	154	41,603	23%	40,320 3%
Total	8,285	7,407	60,035	39,937	66,953	703	183,320	100%	179,527 2%

1.2.2 Recruitment and departures

1.2.2.1 Recruitment

In 2011, VINCI hired 51,114 people, including 21,128 on a permanent basis worldwide (9,479 in France). In compliance with its commitment to encourage permanent jobs, the portion of permanent contracts (unlimited term and site contracts) has risen from 33% to over 41% in two years. During 2011, VINCI again pursued its policy of active recruitment. In particular, 2,212 graduates were hired, accounting for 4.3% of all new hires.

1.2.2.2 Types of employment contracts

The proportion of permanent jobs has been stable at about 88% of the workforce over the past five years. Of the Group's 183,320 employees worldwide, 160,696 have permanent jobs. In France, especially in the construction sector, site contracts are considered permanent jobs. At 31 December 2011, 18,477 people were employed under fixed-term employment contracts. During the year, 16,215 temporary employees (full-time equivalent) worked for VINCI in France. VINCI promotes local employment and encourages career progression within the Group. Intra-Group transfers remained stable at 2,400 in 2011. Group companies support international volunteering programmes that give graduates the opportunity to work abroad, and 122 people were welcomed under these programmes in 2011. The Group had 1,965 expatriate employees at end-2011.

Workforce at 31 December 2011 by type of employment contract and business line

Workforce	2011							2010	2011/10
	VINCI Autoroutes	VINCI Concessions	VINCI Energies	Eurovia	VINCI Construction	Holding cos. and misc.	Total		Total Change
Unlimited-term contracts	7,969	6,911	54,618	36,282	53,090	655	159,525	87%	157,327 1%
Site contracts	7	0	212	185	767	0	1,171	1%	1,065 10%
Fixed-term contracts	239	465	3,152	2,547	12,052	22	18,477	10%	17,216 7%
Work-study programmes	70	31	2,053	923	1,044	26	4,147	2%	3,919 6%
Total VINCI employees	8,285	7,407	60,035	39,937	66,953	703	183,320	100%	179,527 2%
Temporary employees (full-time equivalent)	71	319	7,477	4,055	15,314	31	27,267	15%	22,449 21%

Worldwide intra-Group transfers

2011							
	VINCI Autoroutes	VINCI Concessions	VINCI Energies	Eurovia	Construction	VINCI Holding cos. and misc.	Total
Transfers within a business line	11	64	929	381	858	1	2,244
Transfers to another business line	11	7	62	10	57	9	156
Total	22	71	991	391	915	10	2,400

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1.2.2.3 Reasons for departure

The Contracting business lines (Energy, Roads and Construction) execute their projects at temporary worksites and over a relatively short period. They traditionally employ a large number of people whose contracts expire once the project is completed or who seek employment with another local company to avoid having to move. In the Concessions business, and particularly in the Motorways business line, seasonal variations in activity also explain the relatively large proportion of expired contracts.

Departures by business line^(*)

Workforce	2011							2010	2011/10
	VINCI Autoroutes	VINCI Concessions	VINCI Energies	Eurovia	Construction	Holding cos. and misc.	Total	Total	Change
Expired contracts ^(**)	8,321	1,192	2,962	2,532	11,807	35	26,849	56%	28,329
Resignations	70	905	3,388	1,724	4,110	16	10,213	21%	8,190
Redundancies	0	293	589	680	728	0	2,290	5%	4,529
Dismissals	82	247	1,543	712	2,022	14	4,620	9%	3,739
Other reasons ^(***)	88	273	1,445	1,542	1,163	15	4,526	9%	3,721
Total	8,561	2,910	9,927	7,190	19,830	80	48,498	100%	48,508

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

(*) Excluding changes in consolidation scope.

(**) Expiry of a fixed-term, site or work-and-study contract, or retirement.

(***) Includes termination during trial period, partial loss of business and mutually agreed contract termination (for France).

1.2.2.4 Workforce-reduction and employment protection plans, redeployment efforts, rehiring and support measures

After a period of intense recruitment, the economic and financial crisis has made it necessary to restructure some business activities. Since VINCI's operations cannot be relocated, senior management and human resources managers work together to ensure economic and social solidarity through job mobility and redeployment plans, which are facilitated by the Group's extensive presence. Similarly, when VINCI makes an acquisition, it strives to retain staff whenever possible, since they are the guardians of valuable skills and the expertise needed to leverage Group synergies, share resources and drive networking. Some Group companies have occasionally implemented redundancy plans or redeployed employees. VINCI's Human Resources Department and local HR managers regularly review sites that are experiencing business or employment difficulties.

1.3 Organisation of working hours

1.3.1 Hours worked and overtime

Working hours throughout the VINCI Group are subject to each country's legal requirements and collective bargaining agreements. In 2011, employees worked almost 315 million hours. There were 16.2 million overtime hours, representing 5.2% of the total worked.

Hours worked and overtime

	2011			2010	2011/10
	Managers	Non-managers	Total	Total	Change
Total hours worked	52,467,571	262,125,816	☑ 314,593,387	289,001,041	9%
Of which overtime	272,504	16,012,347	☑ 16,284,851	15,757,364	3%
Number of part-time employees	570	4,315	☑ 4,885	5,129	-5%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

1.3.2 Absenteeism

Employees were absent from work for 3.1 million calendar days in 2011. Non-occupational illnesses accounted for 62% of these absences. Days absent represented 7.5% of the 42 million days worked worldwide, of which 23 million were in France.

Days of absenteeism by cause

(In number of calendar days)	2011						2010		2011/10	
	VINCI Autoroutes	VINCI Concessions	VINCI Energies	Eurovia	Construction	Holding cos. and misc.	Total		Total	Change
Non-occupational illness	109,197	44,890	716,937	501,219	583,023	6,048	1,961,314	62%	1,851,253	6%
Work accident	7,678	4,096	59,145	42,521	96,766	271	210,477	7%	206,702	2%
Commuting accident	1,787	989	9,499	9,572	12,849	172	34,868	1%	31,597	10%
Occupational illness	3,100	4	16,065	21,641	23,740	0	64,550	2%	55,867	16%
Maternity/paternity leave	9,616	10,786	67,807	38,553	54,251	1,719	182,732	6%	196,309	-7%
Short-time work	0	0	7,824	8,853	21,766	0	38,443	1%	139,549	-72%
Other cause	38,375	5,782	171,303	227,954	223,462	779	667,655	21%	808,454	-17%
Total	169,753	66,547	1,048,580	850,313	1,015,857	8,989	3,160,039	100%	3,289,731	-4%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

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1.4 Remuneration, social security payments and employee savings

1.4.1 General policy

The Group's remuneration policy is in keeping with its decentralised management structure. It is based on common principles of allowing employees to take part in their employer's success through profit-sharing and incentive plans that reward individual performance. These principles are implemented through different means in the various countries where VINCI operates, in accordance with national contexts, laws and regulations. Employee remuneration takes different forms: wages, bonuses, profit-sharing, incentive plans, employee share ownership, insurance and retirement plans, and other company benefits. VINCI supports all of these. All employees, regardless of position, are rewarded in accordance with their responsibilities and performance. At the end of 2011, 92% of employees in France benefited from incentive plans and/or profit-sharing agreements. In total, VINCI employees in France shared in the Group's growth and success through the distribution of €172.7 million under profit-sharing and incentive plans, which represents €40 million or 30% more than five years ago.

On 19 October 2011, VINCI signed a Group-wide agreement with the main trade unions in France (the CFDT, CFTC and CFE-CGC), resulting in employees receiving a profit-sharing bonus of €350 each in October 2011. This bonus, which was the same for each employee regardless of his or her basic salary, was paid to employees of Group companies controlled by VINCI. The Group exceeded its statutory obligations by paying the bonus to those working at companies with fewer than 50 employees (around 100,000 VINCI staff). This bonus payment amounted in total to €33.7 million for the Group.

Employment benefits and employee share ownership

(In € millions)	2011	2010	2011/10 change	of which France 2011	of which France 2010	2011/10 change
Incentive plans	82.2	82.0	0%	74.5	75.4	-1%
Profit-sharing	99.2	99.4	0%	98.2	98.1	0%
Welfare	38.4	32.7	17%	33.3	28.3	18%
Sub-total	219.8	214.1	3%	206	201.8	2%
Employer contribution	93.9	87.3	8%	93.9	87.3	8%
Profit-sharing bonus	33.7			33.7		
Total	347.4	301.4	15%	333.6	289.1	15%

1.4.2 Remuneration and social security payments

Payroll expenses totalled €5.6 billion in 2011, equal to 15.3% of revenue.

Remuneration and social security payments worldwide

(In € thousands)	Total			Managers			Non-managers		
	2011	2010	2011/10 change	2011	2010	2011/10 change	2011	2010	2011/10 change
Average VINCI salary	☑ 31	30	3%	55	54	2%	26	25	4%
Men	☑ 31	30	3%	58	56	4%	26	25	4%
Women	☑ 28	28	0%	43	42	2%	24	25	-4%
Social security payments	40%	39%		43%	43%		38%	37%	

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

Remuneration and social security payments in France

	Total		Managers		Office, technical and supervisory staff		Manual workers	
(in € thousands)	2011	2010	2011	2010	2011	2010	2011	2010
Average VINCI salary	35	34	60	59	31	31	26	25
Men	35	34	63	62	32	32	26	25
Women	32	31	47	46	27	27	23	22
Social security payments	49%	48%	51%	51%	50%	46%	45%	47%

1.4.3 Employee savings plans

VINCI continued its employee savings efforts, carrying out three share issues during the year as provided for under the terms of its Group Savings Scheme in France. The regularity of share issues ensures the strength and continuity of this scheme, which has been available to employees since 1995.

Employee investment in the Castor fund, which invests exclusively in VINCI shares, is encouraged through a 10% discount on VINCI's share price and a sliding scale of employer contributions aimed at encouraging savings by the lowest-paid employees. Employer contributions in 2011 were as follows:

- 100% up to €1,000;
- 70% from €1,000 to €3,000;
- 25% from €3,000 to €5,000;
- 10% from €5,000 to €11,000.

The maximum employer's annual contribution per employee was thus €3,500, as in 2009 and 2010.

The total employer's contribution was around €94 million in 2011. Employees owned 9.8% of the Group's share capital at the end of 2011, their confidence in VINCI's future making them once again collectively its largest shareholder. At end 2011, around 105,000 employees owned shares in VINCI through one of the Group's investment funds. The average portfolio was worth about €16,000.

VINCI introduced its Employee Shareholders' Circle in April 2011, which provides a new perspective on the Group through discussions between employee shareholders. At end-2011, after eight months of existence, the Circle had 10,500 members, equal to almost 10% of the Group's employee shareholders. Events held by the Circle were highly successful. Almost 600 members attended various events in Paris (400), Bordeaux (120) and Lyon (70). Stadium visits were popular, with 300 members attending three visits to the Stade de France (in July, September and November) and 30 members attending the first visit to the MMArena in Le Mans.

Around 100 employee shareholders also attended conferences at VINCI's headquarters in Rueil Malmaison, in which they met Group experts and discussed economic and social matters such as the Group's financial performance, sustainable development, employee savings arrangements and the Fondation VINCI pour la Cité.

To support its international business development, VINCI intends to extend its employee savings arrangements by giving employees in countries other than France the chance to acquire (directly or indirectly) VINCI shares at preferential prices and thereby give them a greater interest in VINCI's financial performance and growth. In 2012, after studies carried out in 2011, the Group will propose a plan to employees of subsidiaries in which VINCI owns more than a 50% stake in 14 countries (the employees must have been with the Group for at least six months). The plan will therefore cover around 300 subsidiaries and 45,000 employees. Subject to holding their shares for three years, employees may receive an employer contribution from VINCI in the form of a bonus share award, deferred for three years to avoid initial taxation (with exceptions) and dependent on employees remaining with the Group for the three-year period. The countries concerned are Germany, the USA, Portugal, Spain, Belgium, the Czech Republic, Morocco, Poland, Canada, Switzerland, Romania, Netherlands, Slovakia and the UK.

The Group's Perco collective retirement savings plan came into force in December 2010 following the collective agreement with French trade unions (the CFDT, CFE-CGC and CFTC) dated 25 June 2010. The agreement takes into account the reduction in income from mandatory pension plans. It enables employees to save for retirement under more attractive terms than they could obtain individually. VINCI has committed to making 50% matching contributions, limited to €200 a year for an employee contribution of €400. This new plan, named Archimedes, provides a complementary savings alternative to the Castor funds of the Group Savings Scheme, and enables all employees of the Group's French subsidiaries to:

- receive a lump-sum payment or an annuity upon retirement;
- manage their investment themselves or opt for guided management;
- select from a wide range of investment vehicles in accordance with their particular savings or investment profile.

At end-September 2011, around 13% of employees had joined Archimedes, of whom 70% were aged under 50. The average portfolio value was almost €600. Some 65% of investments were managed by employees themselves, with 35% subject to guided management.

1.5 Labour relations and collective bargaining agreements

1.5.1 General policy regarding dialogue between management and labour

VINCI's policy regarding dialogue between management and labour reflects its fundamental principles: recognising the role played by trade unions in the Group and the right of employees to belong to a union; achieving a constant balance between union involvement and close links with professional activities; facilitating communication and meetings between trade union representatives and employee representative bodies; ensuring that employee and trade union representatives are properly informed and trained by involving them in the Group's major initiatives (e.g. in the areas of health, safety, sustainable development, gender equality, and employing people with disabilities); and working to foster communication and collective bargaining worldwide. VINCI's decentralised organisational structure enables it to maintain dialogue between management and labour at all levels throughout the Group.

In 2011, 7,779 employees (including 7,124 in France) served as employee representatives.

In those countries that have not ratified the International Labour Organisation's conventions on trade union rights, VINCI companies are working to give employees the means of expressing themselves. QDVC in Qatar, for example, has set up an experimental forum that enables workers to express themselves through identified representatives.

1.5.2 Employee representative bodies

Employee representative bodies strengthen dialogue between management and labour by working locally with the various bodies that oversee occupational hygiene, health, safety and working conditions.

A number of bodies covering specific cases or national situations have been set up in certain countries to complement individual companies' employee representative bodies. France, for example, has a Group Works Council comprising representatives from over 50 entities. It meets at least twice a year and receives information about the Group's business and financial situation, employment trends and forecasts, and health and safety actions at Group and company levels. It is kept informed of the economic and business outlook for the coming year and has access to the Group's consolidated financial statements and the associated Statutory Auditors' reports. It is also informed, prior to any decision, of any significant projects that may affect the Group's consolidation scope or its legal or financial structure, and of their potential impact on employment.

Discussions within these various local or national bodies are reported at the European level by the European Works Council. The latter, which was renewed in 2010 under an agreement that was unanimously approved by all unions, is composed of representatives from 17 countries in which VINCI operates. These countries are Austria, Belgium, the Czech Republic, France, Germany, Greece, Hungary, Luxembourg, the Netherlands, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland and the United Kingdom. The role of the council, which meets once a year, is to ensure that the employee representatives of the Group's subsidiaries in the European Economic Area and Switzerland are properly informed and consulted.

1.5.3 Trade union freedoms

VINCI companies observe the laws and regulations of the countries in which they do business. Operational managers are assisted by human resources managers who propose the most appropriate solutions in compliance with local requirements and VINCI's own commitments to observing trade union freedoms. Since 89% of the Group's business is in Europe, the European Works Council is the prime guarantor of freedom of association and the right to organise.

1.5.4 Collective agreements in 2011

The collective agreements negotiated and signed by VINCI companies are a concrete example of the Group's decentralised approach to human resources management, which takes account of the realities on the ground and aims to improve working conditions, health, safety and the organisation of working hours. In 2011, 1,079 collective agreements were signed, including 216 outside France.

Collective agreements by category

	2011	Portion of total agreements	2010	2011/10 change
Flexible work arrangements	95	8.8%	92	3.2%
Equality and diversity	100	9.3%	43	132.6%
Union rights	43	4%	79	-45.6%
Training	17	1.6%	20	-15%
Workforce planning system	36	3.3%	27	33.3%
Health and safety	81	7.5%	63	28.6%
Welfare	54	5%	53	1.9%
Remuneration and benefits	595	55.1%	565	5.3%
Pensions	24	2.2%	19	26.3%
Other	34	3.2%	36	-5.5%
Total	1,079	100%	997	8.2%

In 2011, negotiations continued with labour representatives on a new agreement to promote dialogue between management and labour within the VINCI Group. This agreement consolidates and expands the scope of collective bargaining.

1.5.5 Collective conflicts

Employee absences due to strikes totalled 13,661 days in 2011 (including 6,833 in France), equal to fewer than 0.1% of days worked. Pay claims were the main reason for the strikes.

1.6 Health and safety

1.6.1 General health and safety policy

Achieving zero accidents remains VINCI's top priority and all employees are working to that end. The goal applies not only to VINCI employees, but also to temporary personnel and anyone else working on a VINCI site, including the employees of joint contractors and subcontractors. The Group encourages and supports its subcontractors and suppliers in this effort; it also shares its resources with them and involves them in safety actions. In five years, this approach has reduced the frequency of lost-time accidents by 30% and their severity by 9.5%.

In 2011, the Group paid particular attention to staff from temporary employment agencies. As part of negotiations on a new Group framework agreement, criteria were added for selecting partner agencies on the basis of workforce-related responsibility and particularly the health and safety of temporary workers. In practice, these criteria are resulting in improvement plans for selected agencies, to help them enhance their health and safety arrangements.

1.6.2 Health and safety of VINCI employees

Lost-time work accidents affecting VINCI employees

Accident frequency rate, severity rate and percentage of VINCI companies with zero lost-time accidents

	Group			of which France		
	2011	2010	2011/10 change	2011	2010	2011/10 change
Lost-time accident frequency rate	☑ 10.30	☑ 10.98	-6.2%	13.32	13.81	-3.5%
Lost-time accident severity rate	☑ 0.67	☑ 0.72	-6.9%	1.05	1.10	-4.5%
Percentage of companies with zero lost-time accidents	60%	58%		54%	57%	

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

Lost-time accident frequency rate = (number of lost-time accidents x 1,000,000)/number of hours worked.

Lost-time accident severity rate = (number of days of time off due to work accidents x 1,000)/number of hours worked.

The proportion of companies reporting no accidents has risen from 48% to 60% in the last five years.

Accident frequency rate and severity rate of VINCI companies by business line

	Frequency rate		Severity rate	
	2011	2010	2011	2010
Concessions	10.44	13.62	0.47	0.58
VINCI Autoroutes	11.41	12.36	0.66	0.71
VINCI Concessions	9.62	14.89	0.30	0.44
Contracting	10.31	10.77	0.69	0.73
VINCI Energies	9.77	10.61	0.61	0.72
Eurovia	8.41	8.53	0.64	0.72
VINCI Construction	11.74	12.08	0.78	0.74
Group	☑ 10.30	☑ 10.98	☑ 0.67	☑ 0.72

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

The main objectives of the Group's health and safety policy are to anticipate and prevent occupational health and safety hazards (including psychosocial risks and harassment); to ensure the quality of hygiene, health, safety and living conditions in the workplace; and to redeploy employees who have suffered an occupational accident or illness.

VINCI's health and safety policy is led by a coordination system that consists of all the health and safety coordinators in the Group's business lines and divisions worldwide. Its aim is to foster the sharing of best practices, improve the reliability of health and safety indicators and examine new ways of enhancing performance. Specific initiatives are also developed in each business line to maintain improvements in all activities. Examples of these initiatives in 2011 include international safety days at Eurovia and safety conferences at VINCI Construction France.

Actions to promote health and safety include substance-abuse awareness, training and employee support campaigns; ergonomic studies of workstations; equipment adaptation and mechanisation; improvements to worksite organisation; and employee training to prevent musculoskeletal disorders and other occupational illnesses.

Occupational illnesses were responsible for 2% of total days of absence in 2011, the same proportion as in 2010. This represents 64,550 days of the total 41.9 million worked.

Number of days lost through occupational illness and its severity rate at VINCI companies

	Group			of which France		
	2011	2010	2011/10 change	2011	2010	2011/10 change
Days lost through occupational illness	☑ 64,550	55,867	15.5%	61,366	52,266	17.4%
Occupational illness frequency rate ^(*)	1.03			1.96		
Occupational illness severity rate ^(**)	0.21	0.19	10.5%	0.38	0.35	8.6%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

(*) Occupational illness frequency rate = (number of occupational illnesses recognised x 1,000,000)/hours worked.

(**) Occupational illness severity rate = (number of days lost through occupational illness x 1,000)/hours worked.

1.6.3 Health and safety of temporary staff

Lost-time work accidents involving temporary personnel by business line

Accident frequency rate in France ^(*)

	2011	2010	2011/10 change
Concessions	14.44	4.26	239%
VINCI Autoroutes	8.19	7.40	10.7%
VINCI Concessions	16.54 ^(**)	2.99	453.2%
Contracting	28.70	30.32	-5.3%
VINCI Energies	24.79	23.02	7.7%
Eurovia	21.33	25.46	-16.2%
VINCI Construction	34.82	36.9	-5.7%
Total	28.42	29.73	-4.4%

^(*) Temporary staff lost-time accident frequency rate = (number of lost-time accidents involving temporary staff x 1,000,000)/number of hours worked by temporary staff.

^(**) The increase in the frequency rate in 2011 at VINCI Concessions corresponds to an increase from 1 to 4 lost-time accidents at VINCI Airports and an increase from 0 to 2 at VINCI Park.

Under the terms of framework agreements, temporary employment agencies participate directly in the Group's health and safety policy. These agencies were selected on the basis of criteria including the health and safety of temporary staff, and they follow improvement plans.

The substantial difference between the accident frequency rates of VINCI employees and temporary personnel reflects differences in the jobs performed, in technical know-how and experience, and in safety awareness and culture. Reports on work accidents involving temporary personnel enable concrete action to be taken to prevent them from recurring. These measures reduced the accident frequency rate of temporary personnel in VINCI companies in France by 4.4% in 2011.

1.6.4 Subcontractor health and safety

Many VINCI companies have signed specific framework contracts with their subcontractors. Special clauses covering accident prevention require, for example, that personal protective equipment be worn, work accidents reported and any change in work hazards notified. In a separate initiative, Cofiroute has prepared a guidebook of best safety practices for its subcontractors.

1.6.5 Health and safety agreements

As part of its health and safety policy, VINCI negotiates and enters into specific agreements with trade unions and employee representatives on subjects related to improving staff working conditions, thereby enhancing the overall performance of Group companies. One of the main subjects of collective negotiations in 2011 was the prevention of factors that make work more arduous, with the aim of optimising working conditions in VINCI businesses.

1.7 Training

1.7.1 General training policy

The Group's objective is to have professional teams capable of meeting customer expectations in all its markets, and to offer career development opportunities to each of its 183,320 employees.

Accordingly, each business line has established training centres tailored to its specific needs. These include Cesame (VINCI Construction), the VINCI Energies Academy, the Road Industry Training Centre (Eurovia), the VINCI Park School (VINCI Concessions), and Parcours ASF and Cofiroute Campus (VINCI Autoroutes).

Training reflects actual operations in the Group's various countries as closely as possible. In September 2011, VINCI Construction France opened its eighth Cesame training centre, in southwest France. Outside France, VINCI Construction Grands Projets opened its first "worksites school" in Lusail (Qatar) and Eurovia CS opened its "Dvur Kralov nad Labem" training centre in the Czech Republic.

In addition to business-specific training centres, the VINCI Academy provides training to executives in order to support the Group's international development and promote synergies. A club has also been set up to give training centre managers an opportunity to share experiences and pool resources. The VINCI Academy, VINCI Energies Academy and the training centres of Eurovia and VINCI Construction France set up e-learning sites in the fourth quarter of 2011, using a shared platform that draws on the experience of the VINCI Park school.

VINCI has maintained its proactive policy regarding work-study programmes by signing a "Charter in favour of training through work-study programmes" with France's ministry for apprenticeships and professional training. By signing this charter, VINCI made nine commitments: to increase the number of young people on work-study programmes, to promote their integration into the workforce, to enhance the image of work-study programmes among staff, to develop mentoring, to reduce drop-out rates from work-study programmes, to involve higher education institutions and elite universities, to create favourable conditions for the development of work-study programmes, to provide information and raise awareness, and to promote and disseminate best practice.

1.7.2 Training initiatives

In 2011, an average of 16 hours of training per employee was provided within the Group, with managers receiving 21 hours and non-managers 14 on average. Almost €157 million was spent on training in 2011; 2.8 million hours of training (up 7.2% relative to 2010) were devoted to technical and health and safety matters. In 2011, environment training increased by almost 32%, and diversity training by more than 19%. VINCI's goal is to foster the professional development of all its employees by providing each of them with personalised training. This goal was confirmed in 2011, when ☒ 107,753 employees received training.

Expansion of in-house training centres

Business line	Training centre	Number of training hours in 2011	2011/10 change	Number of trainees in 2011	2011/10 change
Concessions		162,702	25.5%	17,977	23.6%
VINCI Autoroutes	Cofiroute Campus, Parcours ASF	143,045	27.3%	16,282	23.9%
VINCI Concessions	VINCI Park School	19,657	13.8%	1,695	20.2%
Contracting		573,877	2.8%	31,019	21.7%
VINCI Energies	VINCI Energies Academy, Cegelec Group University	149,671	24.2%	9,480	73.3%
Eurovia	Road Industry Training Centre	97,850	(4.1%)	2,731	7.4%
VINCI Construction	Cesame, Eugène Freyssinet centre	326,356	(2.7%)	18,808	7.6%
Total		736,579	7.1%	48,996	22.3%

Breakdown of training hours by subject and by number of hours

	2011							2010	2011/10
	Managers	Non-managers	Men	Women	Total		of which France	Total	Change
Technical	235,234	1,056,567	1,160,715	131,086	1,291,801	45.5%	820,702	1,171,357	10.3%
Health and safety	121,802	730,740	787,175	65,367	852,542	30%	604,462	776,546	9.8%
Environment	10,560	35,573	40,259	5,874	46,133	1.6%	22,116	35,010	31.8%
Management	113,969	72,030	160,509	25,490	185,999	6.6%	109,800	171,428	8.5%
Admin and support	98,713	140,110	157,321	81,502	238,823	8.4%	155,152	292,000	-18.2%
Languages	46,062	81,109	82,976	44,195	127,171	4.5%	36,977	117,031	8.7%
Diversity	2,737	7,744	8,337	2,144	10,481	0.4%	5,476	8,798	19.1%
Other	18,980	65,646	67,945	16,681	84,626	3%	29,945	74,808	13.1%
Total	648,057	2,189,519	2,465,237	372,339	2,837,576	100%	1,784,629	2,646,978	7.2%
Hours of training per employee	21	14	16	16	16		17	15	6.7%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

More than 5,500 young people received training under work-study programmes within VINCI in 2011. The Group especially encourages handing on expertise from one generation to the next, particularly through mentoring. At VINCI Construction France, for example, 248 highly experienced and skilled workers, site managers and engineers have acquired “Master Builder” status and are committed to passing on their knowledge. At ASF, training is provided by almost 300 in-house trainers and mentors.

1.8 Equality and diversity

1.8.1 General policy for promoting diversity and preventing discrimination

In this area, VINCI is pursuing the policy it adopted in 2004, which is based on preventing any type of discrimination in its hiring, training, promotion and remuneration of employees and in their working conditions, as well as ensuring equal opportunities for everyone, with a special focus on gender equality, people with disabilities, people from an immigrant background and people over the age of 50.

In 2011, equality and diversity became the second most common subject of dialogue between management and labour. The number of collective agreements relating to diversity and equality more than doubled from 43 in 2010 to 100 in 2011, making up more than 9% of all collective agreements.

Diversity network

In 2011, VINCI set up a worldwide network of diversity coordinators and trainers. The aim is to implement the Group’s policy at the local level by strengthening links between VINCI’s business activities and geographical areas and by promoting the sharing of best practice. At the end of 2011, the network consisted of 70 people, most of whom are human resource and operational managers. Each member of the network attended a three-day in-depth training course, covering both theory and practice. It included a review of discrimination concepts, the various dimensions of diversity, key factors for action and progress, ways to promote a diversity policy, and training skills. Dedicated tools were created and provided to coordinators and trainers to use locally. For example, the “diversity booklet”, published in English and French, consists of 250 practices identified within the Group, enabling coordinators and operational managers to identify the steps towards successful diversity management.

Audits and diversity accreditation

The Group continued to perform diversity and equality audits in 2011, and extended them further to cover subsidiaries outside Europe, including those in the USA and Canada. In all, 120 subsidiaries have now undergone an in-depth audit.

Audit follow-up work was performed for the third consecutive year. In 2011, follow-up work on the 28 European subsidiaries audited by Vigéo Group in 2009 revealed positive changes in the areas examined, as in 2010.

After carrying out audit work in 2011, AFNOR confirmed the diversity accreditation it awarded to Group companies in 2009.

Managerial involvement and diversity training

VINCI's sustainable development self-diagnosis methods enable the management committees of Group companies to assess their performance and establish a common diagnosis. These methods have proved their effectiveness as a tool for motivating staff, particularly in managing diversity and combating discrimination. They enable entities to identify their weaknesses and draw up action plans.

Diversity training, included as part of the training programme for the Group's operational managers, continued, with almost 10,500 hours provided in 2011. Furthermore, surveys of managers who had taken part in this training showed that they had a better understanding of how stereotypes can influence their decisions.

To make progress in this area, VINCI is an active member of France's corporate social responsibility monitoring agency (ORSE) and two non-profit organisations, Managers for Diversity (AFMD) and the Institut du Mécénat de Solidarité (IMS). VINCI frequently contributes to public discussions on this subject.

1.8.2 Measures to promote gender equality

VINCI has the objective of achieving a significant improvement in its gender mix. In particular, it intends to increase the proportion of women in managerial roles to 20% in 2015, from 16% in 2011. A plan of action was prepared in 2011, addressing VINCI's attractiveness and recruitment methods, as well as its career development opportunities.

VINCI takes part in the "Capital Filles" programme, which provides mentoring to young female students in disadvantaged areas. The programme also encourages apprenticeships, enabling these students to find out about the activities and businesses of the future, as well as scientific and technical roles that have traditionally been performed by men.

Women employees by business line and percentage of total business line workforce

	2011				Total	Percentage of women	2010	2011/10
	Managers		Non-managers					Change
Concessions	548	30%	4,714	34%	5,262	33%	5,319	-1%
VINCI Autoroutes	317	31%	3,134	43%	3,451	42%	3,545	-3%
VINCI Concessions	231	29%	1,580	23%	1,811	23%	1,774	2%
Contracting	4,332	15%	14,383	10%	18,715	11%	17,877	5%
VINCI Energies	1,447	14%	5,602	11%	7,049	12%	6,833	3%
Eurovia	570	13%	3,362	9%	3,932	10%	3,877	1%
VINCI Construction	2,315	16%	5,419	10%	7,734	11%	7,167	8%
Holding companies and other	130	31%	194	68%	324	48%	282	15%
Total	5,010	16%	19,291	13%	24,301	13%	23,478	4%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

1.8.3 Measures to promote the employment and social integration of disabled people

The Group's strategy has two main strands: redeploying staff who become unable to perform their current roles and hiring disabled people. There is a further strand in France, i.e. increasing the use of companies and non-profit organisations that specifically employ people with disabilities.

In meeting VINCI's commitments, the various business lines adopt their own strategies that are appropriate to their organisations.

For example, in 2009 VINCI Energies signed a partnership agreement with AGEFIPH (a French national fund that promotes the employment of people with disabilities) in the aim of developing its disability policies in France. VINCI Energies adopted six initiatives to improve its approach to disabilities: awareness-raising and communication, training and support, keeping disabled people in employment, integration and recruitment, use of businesses that employ disabled people, and support with working life. The implementation of this policy involves setting progress targets as part of the Shared Strategic Projects of each of VINCI Energies' 500 business units in France. Overall, VINCI Energies has trained 1,355 staff in its disability approach and raised awareness of the approach among 8,000 staff, or 40% of its workforce. Its subsidiaries have hired 169 disabled people in the two years since the approach was adopted in 2009.

The commitment of VINCI subsidiaries to redeploy staff who become unable to perform their current roles resulted in the creation of Trajeo'h in 2008. Trajeo'h is a non-profit entity that operates across numerous VINCI companies. Its two main missions are to keep these staff in employment and support Group companies with disability issues. Trajeo'h was initially set up in the Rhône-Alpes region, before moving into the Greater Paris region in 2010 and southeast France in 2011. It is now financed by VINCI's local subsidiaries and supported by the Group's business lines. Since its creation, Trajeo'h Rhône-Alpes has carried out 83 initial assessments and provided support to 62 VINCI employees. Trajeo'h PACA (southeast France) has provided support to seven employees since it was set up in May 2011.

The strategy of using companies and non-profit organisations that specifically employ disabled people is coordinated by the Group Purchasing Coordination unit. This unit acts on the Group's strong desire to increase the amount of work subcontracted to these companies and organisations, as discussed on page 145, in chapter 3.3.2 "Managing relations with suppliers and subcontractors".

Percentage of employees with disabilities by business line

	2011				2010		2011/10
	Managers		Non-managers		Total	Percentage of total workforce	Change
Cessions	19	1%	465	3.3%	484	3.1%	2.8%
VINCI Autoroutes	13	1.3%	371	5.1%	384	4.6%	4.4%
VINCI Cessions	6	0.1%	94	1.4%	100	1.4%	1.0%
Contracting	252	0.9%	2,936	2.1%	3,188	1.9%	1.8%
VINCI Energies	95	0.9%	1,357	2.7%	1,452	2.4%	2.3%
Eurovia	28	0.1%	727	2%	755	1.9%	1.7%
VINCI Construction	129	0.1%	852	1.6%	981	1.5%	1.4%
Holding companies and other	1	0.2%	17	5.9%	18	1.6%	1.9%
Total	272	0.9%	3,418	2.3%	3,690	2.0%	1.9%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

In 2010, €6.1 million of revenue was awarded to companies with workforces made up primarily of employees with disabilities. This represents an increase of 72% in the last two years.

2. Environment

Since 2010, the reference period for environmental reporting for year Y is from 1 October Y-1 to 30 September Y. This applies to all entities.

2.1 General environmental policy

VINCI's policy is to address the environmental aspects of its operations at all levels and at every stage of each project. In addition to complying with regulations and anticipating regulatory changes, the Group's companies consider environmental challenges to be a real and expanding opportunity for business development. Research, development and innovation efforts focus heavily on improving the environmental performance of everyday life, infrastructure and transport.

VINCI's environmental strategy has four major thrusts:

- taking environmental issues into account systematically as part of companies' business strategy: environmental criteria are addressed during initial project risk analysis in order to design and propose green solutions;
- limiting the environmental impact of the Group's business activities: understand and limit impacts; prevent pollution;
- combating climate change by adopting an eco-design approach: life cycle assessment of products and services in order to reduce their environmental impact throughout the value chain. This approach, which had its origins in the construction industry, is making inroads into civil engineering, transport and the development of eco-neighbourhoods and more extensive eco-areas;
- conserving biodiversity and nature for future generations: the general approach is to avoid, reduce and offset impacts.

VINCI companies work closely with local environmental protection organisations to involve them in new projects at the earliest possible stage. These organisations sometimes assist in raising environmental awareness, training employees at worksites, and providing environmental support and monitoring of sites.

In 2011, VINCI's environmental initiatives included the following:

- the introduction of tools to enhance the environmental performance of projects. One example is the Oxygen commitment, which VINCI Construction France uses to ensure that eco-responsible actions are taken from the initial phase of the building's design up to and including its occupancy. Another is CO₂ncerned, which provides a way of calculating environmental variables in complex infrastructure projects in order to limit greenhouse gas emissions across the project's whole lifecycle;
- the development of the first urban eco-design training and teaching modules following the ramp-up of 13 research projects initiated by the Chair in eco-design of building complexes and infrastructure, a five-year partnership between VINCI and the ParisTech group of engineering schools (www.chaire-eco-conception.com).

2.1.1 Environmental organisation

The implementation of VINCI's environmental policy depends on senior management's commitment, the empowerment of all operational staff within Group companies and dialogue with stakeholders. To manage environmental risks, operational departments rely on a network of over 500 correspondents who ensure that environmental policy guidelines are observed on the ground. These correspondents work in environment, sustainable development and technical departments, ensuring the application of VINCI's environmental policy in all aspects of day-to-day work. The Group's Delegation for Sustainable Development oversees this network, organises technical working groups comprising experts from each business line and coordinates the Group's environmental actions. VINCI's sustainable development self-diagnosis questionnaire is used by all Group companies. Based on the ISO 26000 concept, it enables each subsidiary's Management Committee to check progress and validate its environmental action plan.

2.1.2 Environmental reporting coverage and scope

VINCI's environmental reporting system covers almost all Group companies. It uses the Group's common financial and social reporting method and is based on guidelines that are modelled on those of the Global Reporting Initiative (GRI) and Article 116 of France's New Economic Regulations Act, and adapted to the Group's activities. The reporting system uses around 60 quantitative indicators for measuring performance

against key environmental parameters such as the consumption of resources and energy, greenhouse gas emissions, waste and recycling, certification, training, environmental incidents and environmental risk provisions. Environmental reports are prepared using updated methodological guidebooks and procedures that are available on the Group's intranet. The methodological note on pages 149 presents a list of these guidebooks and procedures. In 2011, VINCI paid particularly close attention to regulatory developments so that it could comply with new legislation as soon as it came into force.

Environmental reporting coverage

(as a percentage)	2011 worldwide revenue covered	2010 worldwide revenue covered	2009 worldwide revenue covered
Concessions	93	93	93
Contracting			
VINCI Energies	99	100	100
Eurovia	100	97	95
VINCI Construction	88	85	85
VINCI Immobilier	100	100	100
Total	94	92	91

VINCI broadened the scope of its environmental reporting in 2011. The increase compared with 2010 corresponds to an additional €5.6 billion of business (up 18%), mainly due to the inclusion of environmental data from Cegelec, Faceo and the South Europe Atlantic high-speed rail line project (via Cosea). Environmental reporting coverage increased further in 2011 to 94% of total revenue generated by companies in the new scope. For major short-term projects outside France, environmental data is monitored at each worksite.

In 2011, the Report of the Statutory Auditors expresses moderate assurance on a certain number of environmental indicators for the VINCI Group. The indicators are identified by the symbol . The statutory auditors carried out interviews and surveys on the application of the guidelines at the following subsidiaries: CFE (Belgium), Eurovia, VINCI Autoroutes, VINCI Construction France, VINCI Energies France and VINCI plc (UK), i.e. at least one entity from each VINCI business line. Environmental data is presented in compliance with Article 116-b of France's New Economic Regulations Act of 2001 and the future requirements of the decree that implements Article 225 of the Grenelle 2 Environment Act of 12 July 2010.

Having been one of the first companies in France to support voluntary audits of its data, VINCI is continuing its efforts to increase transparency with respect to stakeholders and make this an important element in assessing its performance. The figures presented in this report are consolidated using the same method as VINCI's financial data, with the exception of some VINCI Construction Grands Projets and CFE entities, in particular QDVC and Deme, which are still consolidated on the basis of VINCI's shareholding.

2.1.3 Environmental training

All VINCI companies make efforts to raise awareness of environmental issues. In 2011, VINCI stepped up these efforts, resulting in a 32% increase in the number of hours spent on them in most subsidiaries, particularly VINCI Concessions and VINCI Autoroutes, which more than doubled the number of hours they spent on environmental training.

Environmental training in 2011 focused on supporting biodiversity and agroforestry. ASF introduced an environmental awareness training programme, which includes a biodiversity module. Elsewhere, new training sessions were organised to meet market expectations in the construction sector. This training relates in particular to buildings energy efficiency accreditation (RT2012), environmental certification (BREEAM, LEED), and eco-design.

Environmental training and awareness

	Number of hours of training		
	2011	2010	2011/2010 change
Concessions	12,537	5,662	121%
VINCI Autoroutes	11,289	5,048	124%
VINCI Concessions	1,248	614	103%
Contracting	33,589	29,344	14%
VINCI Energies	6,522	5,318	23%
Eurovia	17,741	17,374	2%
VINCI Construction	9,326	6,652	40%
Holding companies and other	7	4	75%
Group total	✓ 46,133	35,010	32%

 Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

2.1.4 Preventing environmental incidents

Each Group entity prepares and updates environmental incident prevention plans that address its specific environmental risks. The most significant projects undergo a preliminary analysis of environmental risks, which serves to determine the equipment and procedures required to prevent or mitigate any such risks. Specific documents and equipment are provided to help prepare for and respond to emergency situations. At VINCI Construction France, for example, engineering and design departments, construction managers and skilled site workers receive environmental risk prevention training tailored to the specific features of their activities. The training covers both regulations and the sharing of best practices.

In 2011, VINCI or its subcontractors were involved in eight major environmental incidents. A major incident is defined as one that creates extensive pollution requiring clean-up by external specialists and has consequences stretching beyond the entity's responsibility. Five of the incidents resulted in water pollution, two in air pollution and one in the spillage of hazardous materials on a road in Romania. They were all handled in accordance with applicable regulations.

2.1.5 Environmental certification

VINCI encourages its companies to obtain ISO 14001 or similar environmental certification to confirm and improve the effectiveness of their environmental management system. Companies in the Contracting business lines continued their efforts in this area in 2011; change – including in the integration of new companies and the development of new business activities, for example – is analysed over several years. Significant progress was also made towards ISO 14001 certification of operational activities, particularly at VINCI Autoroutes as part of its eco-motorway programme, and at VINCI Facilities (VINCI Energies) as part of its Green Facilities offering.

Evaluation and environmental certification

(as percentage)	ISO 14001			Scope/base reference
	2011	2010	2009	
VINCI Autoroutes				France
Motorways in service	☑ 64	26	4	in number of kilometres
Motorways under construction	☑ 90	100	77	in number of kilometres
VINCI Energies	☑ 22	☑ 24	☑ 21	France and International
Eurovia				France and International
Production from quarries owned	☑ 65	☑ 62.5	☑ 54	in tonnes
Production from coating plants owned	☑ 30	39	37	in tonnes
Production from binder plants owned	☑ 65	75	68	in tonnes
Revenue from the works activity	☑ 35	37	37	
VINCI Construction	☑ 60	59	57	

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

At VINCI Immobilier, all new residential property development projects comprise low-energy buildings associated with environmental accreditations such as HQE, H&E and HPE. VINCI companies have acquired substantial expertise in meeting a variety of environmental standards, including HQE, BREEAM and LEED. Meanwhile, VINCI Energies entities have developed an HQE Exploitation service, which has already been implemented in about 10 of the buildings they manage. A small but growing number of Group companies have initiated ISO 26000 certification programmes.

2.2 Conserving resources

2.2.1 Protecting water resources

Group companies monitor water resources particularly carefully. Of the motorways in service, 69% have been equipped with water protection systems, involving either natural protection or engineering structures that address potential problems. The policy for protecting water resources was strengthened by the adoption of the green motorway package in 2010. Currently, studies are being completed in relation to 239 projects, 120 water catchment areas are already protected and works have begun in five new highly vulnerable areas.

Subsidiaries have also adopted a number of specific initiatives to reduce water consumption. Programmes to repair leaking pipes are being deployed on Escota's motorway network and in southern France. VINCI plc in the UK monitors monthly water consumption on each project with the aim of reducing the volume used.

VINCI Construction has introduced a wastewater recycling policy in France. Around 30 concrete mixer washing stations have already been installed on worksites, leading to large reductions in water consumption.

Water consumption (cubic metres of water purchased)

	2011	2010	Scope
VINCI Autoroutes	925,250	☑ 936,576	ASF, Cofiroute, Escota
VINCI Concessions	103,093	118,202	Stade de France Consortium, VINCI Park France
VINCI Energies	358,040	☑ 169,261	All VINCI Energies companies in France and worldwide
Eurovia	2,146,399	64,677	Eurovia France and worldwide (scope much larger than in 2010)
Holding companies and other	2,343	2,000	VINCI Immobilier
Subtotal (excluding VINCI Construction)	☑ 3,535,125	1,290,716	
VINCI Construction	4,892,119	4,183,262	87% of VINCI Construction's business, including all or part of VINCI Construction France, VINCI Construction Grands Projets, Sogea-Satom, Entrepouse Contracting, Soletanche Bachy, CFE, Freyssinet and VINCI plc
Total	8,427,244	5,473,978	

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

In 2011, VINCI improved the accuracy of its reporting on water consumption, particularly at Eurovia. As a result, the reported volume of water consumed increased significantly. This indicator is also checked by VINCI's auditors. The 17% increase in VINCI Construction's water consumption relative to 2010 is mainly due to increased business levels in France and improved consumption monitoring at Sogea-Satom.

2.2.2 Raw materials

In the Contracting business, raw materials purchasing is decentralised, with purchases monitored on a project-by-project basis and not consolidated at Group level. Efforts focus on purchasing recycled materials of equivalent performance, recycling waste (see section 2.2.8) and sourcing local products. There is also a focus on designing products that use fewer raw materials. The Group's eco-design approach is used by VINCI Construction France for developing housing, offices, student accommodation and other projects. In housing, the Habitat Colonne procedure reduces raw materials consumption by 20%.

In the Concessions business, consumption of the main raw materials is monitored and consolidated. In 2011, 947,034 tonnes of coating were used (751,555 tonnes in 2010) and 48,386 tonnes of de-icing salt were purchased (74,499 tonnes in 2010).

In 2011, to gain a better understanding of the environmental impact of raw materials, VINCI stepped up its collaboration with professional groups to prepare life cycle inventories (LCI) of its materials, particularly steel. VINCI also participates in inter-industry working groups, such as the infrastructure committee of France's energy, environment and transport observatory (OEET) and the GT41 working group of the French underground tunnel association (AFTES). Soletanche Bachy is contributing to GT41 efforts to develop a life cycle assessment-based methodology for assessing and comparing underground structure building methods, estimating the impact of materials used, making design and construction adjustments and comparing technical solutions.

2.2.3 Energy consumption

In 2011, VINCI's energy consumption measurements were audited for the first time at Group level by the Statutory Auditors, who expressed a moderate level of assurance in the figures. VINCI Facilities (VINCI Energies) is using its expertise in areas such as energy diagnostics and audits, monitoring and optimisation work to develop DIAGO energy efficiency contract solutions for its clients. These may involve various levels of service, from adjusting an energy supplier contract to performing major energy-related renovation work. In all cases, clients are guaranteed a certain level of energy savings. VINCI Facilities also uses its expertise to improve its own energy performance, monitoring and managing its energy consumption and raising staff awareness about saving energy.

In France, the 2012 thermal regulations form a major part of the Grenelle Environment legislation and seek to encourage low-energy buildings. These regulations came into force in 2011 for some projects (commercial buildings and housing in urban renewal areas). To meet the new requirements, VINCI Construction France has set up an energy efficiency working group to discuss best practice at the design stage. VINCI has also taken part in drafting the environmental best practice guides produced by the EGF-BTP general contractors, construction and public works union, including one on energy performance.

Natural gas, heavy fuel oil and electricity consumed by VINCI companies in 2011

	Natural gas (MWh)	Heavy fuel oil (tonnes)	Electricity (MWh)
Concessions	16,059	0	238,128
VINCI Autoroutes	7,535	0	120,836
VINCI Concessions	8,524	0	117,292
Contracting	702,835	75,062	760,319
VINCI Energies	55,138	0	84,909
Eurovia	615,622	26,861	349,023
VINCI Construction	32,075	48,201	326,387
Holding companies and other	0	0	2,221
Total	718,894	75,062	1,000,668

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

Energy consumption reporting has become more accurate over the past three years. In 2011, the energy data was checked by the Statutory Auditors at Group level. The changes in energy consumption reflect this improved accuracy.

Due to the industrial nature of its business, Eurovia continues to account for a large proportion of the total energy consumption. Gas consumption declined 1% and heavy fuel oil consumption 30% relative to 2010. Eurovia was the first Group business line to set up an ambitious energy and CO₂ reduction plan, including improvements to the energy efficiency of coating plants, quarry equipment and operations buildings. Eurovia is also developing processes that reduce energy consumption. For example, the Evotherm® warm mix process produces energy savings of 30-40%.

At VINCI Construction, its subsidiary Arbonis specialises in wood-related activities. It sells Sylvabox, a range of wood-framed bungalows featuring enhanced insulation that reduces energy consumption by 80%.

Fuel consumption

	Diesel ^(*)	Petrol	Total			
(litres)	2011	2011	2011	2010 ^(**)	Change	Scope and/or explanation for change
Concessions	10,750,643	56,439	10,807,082	11,442,919	-5.6%	
VINCI Autoroutes	10,382,139	53,644	10,435,783	11,107,467	-6%	ASF, Cofiroute, Escota
VINCI Concessions	368,504	2,795	371,299	335,452	10.7%	VINCI Park in France, Stade de France Consortium
Contracting	472,562,111	20,427,608	492,989,719	424,480,889	16.1%	
VINCI Energies	55,826,533	2,233,655	58,060,188	35,480,363	63.6%	France and international/Inclusion of Cegelec and Faceo
Eurovia	184,498,866	5,418,893	189,917,759	200,676,246	-5.4%	Energy reduction plan
VINCI Construction	232,236,712	12,775,060	245,011,772	188,324,280	30.1%	Increase in activity
Holding company and other	173,400	0	173,400			VINCI Immobilier
Total	483,486,154	20,484,047	503,970,201	435,923,808	15.6%	

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

(*) In 2011, the indicator takes into account diesel and heating oil.

(**) In 2010, the consumption calculated takes into account petrol, diesel and heating oil.

The 15.6% increase in total fuel consumption is attributable to strong growth of VINCI Construction's business, particularly in France, to ongoing improvements in the data reported by subsidiaries (such as diesel consumed by Deme's dredging vessels) and to the integration of new entities.

Training in eco-driving of passenger vehicles and trucks and eco-operation of heavy equipment was continued in all Group subsidiaries, in particular at Eurovia, where more than 3,300 people were trained in 2011. In addition to this in-house training, VINCI Autoroutes encourages clients to reduce their fuel consumption by organising eco-driving awareness campaigns at motorway rest areas. In 2011, the company also promoted car-sharing. This initiative includes opening parking facilities close to motorway interchanges such as that for the North Valence/Bourg lès Valence interchange on the A7 motorway, which was opened in 2011.

2.2.4 Use of renewable energy

In 2011, VINCI companies purchased 4,385 MWh of electricity generated from renewable energy sources (2010: 4,293 MWh). VINCI plc (VINCI Construction) fixed sites in the United Kingdom buy almost all their electricity under renewable energy contracts.

The Contracting companies have expertise in designing, supplying and installing photovoltaic panels. SONIL, a VINCI Construction France subsidiary, specialises in integrating and installing solar panels. The company has completed 595 projects totalling 18,807 m² or 2,614.8 kWp. VINCI Energies France subsidiary Advanced Energies provides design, project management and operational assistance services for renewable energy and energy efficiency projects. Its projects include FLORENERGIE, the largest roof-mounted photovoltaic installation in the Centre region of France, with 10,000 m² of solar panels generating 1 GWh per year. VINCI Energies companies also have expertise in building photovoltaic power plants. In Guadeloupe, GETELEC Electricité built the Bélice solar farm, which covers 16 hectares and generates 8.74 MWp of power.

VINCI Autoroutes has 2,810 renewable energy devices (excluding heat pumps) generating solar, thermal and wind energy.

As concerns the Group's vehicle fleet, subsidiaries are currently testing hybrid and electric alternatives. VINCI is a member of a group of major companies that has made a commitment to the public authorities to encourage and support the development and mass production of no-carbon vehicles.

2.2.5 Land use

To combat the loss of natural and agricultural resources and to maintain a balance between nature and human amenities, the Group deals with land use issues at a very early stage. Efforts include research into biodiversity and urban agriculture as part of ParisTech's Chair in eco-design of building complexes and infrastructure. Integrating sites into their environment and land use are subjects of special concern for motorway concessions and for Eurovia's quarries. These entities have acquired special expertise in rehabilitation. This enables them to restore the biodiversity of sites and make them an integral part of the local environment. For all infrastructure projects, and particularly for the South Europe Atlantic high-speed line project in 2011, the Group worked with local communities and made commitments to the French government. The companies have appointed experts in landscaping and reliefs.

2.2.6 Air pollution

The VINCI business lines most concerned with the problem of atmospheric emissions are VINCI Concessions, Eurovia and VINCI Construction. In Concessions, atmospheric emissions were monitored at a sample of 272 VINCI Park, VINCI Airports and VINCI Autoroutes car parks. This revealed that most emissions are generated by users (cars, aircraft, etc.).

2.2.7 Noise pollution

All VINCI projects are subject to a preliminary noise study to limit the noise generated by urban construction sites, motorway traffic and so forth. Soletanche Freyssinet subsidiary Soldata specialises in noise management. VINCI companies systematically offer technical solutions during the construction phase, including changing a motorway route, erecting noise barriers and embankments and using special low-noise road surfacing materials, such as Eurovia's Viaphone®.

Noise levels on motorways in France are measured regularly to enable VINCI's motorway concession companies to identify and reduce noise black spots. Homes may then be protected using noise insulation in their facades, or noise barriers or embankments planted with shrubs or trees.

Number of new homes protected against noise

	2011	2010
On new motorway sections	0	1
On existing motorways	311	157
On motorway widening projects	0	0
Under partnerships	0	10
Total	311	168

As part of the green motorway package, VINCI Autoroutes has committed to providing noise protection to 1,000 homes identified as noise black spots between 2010 and 2012. In 2011, 311 homes were protected compared with 168 in 2010. Studies and administrative work were conducted in 2010, with most of the noise-prevention work to be carried out in 2011 and 2012. In 2011, the number of noise black spots handled rose 85% compared with 2010.

2.2.8 Waste management and recycling

VINCI's general policy is based on a circular economy model and focuses on three aims: producing less waste at the source; waste sorting and traceability; and recovering waste to use as a resource. This policy is closely associated with the eco-design strategy used in VINCI's products and services. Waste management is important to both Contracting entities – which deal mainly with construction site waste – and Concessions entities, which have to dispose of their customers' waste (car parks, motorways, etc.).

The Group's Contracting companies implement waste management plans at their worksites in accordance with local requirements. In the UK, VINCI companies have joined the national effort to halve the quantity of landfilled waste between 2005 and 2012. In 2011, VINCI plc produced 435,372 cubic metres of waste, of which over 80% was recycled, a significant improvement on the 2010 figure of 59%. VINCI Energies companies also monitor their waste closely, including paper waste, which totalled 1,057 tonnes in 2011. In 2011, these companies (excluding VINCI Facilities) produced 188,284 tonnes of inert waste, 8,515 tonnes of non-hazardous waste and 686 tonnes of hazardous waste.

Recycling has been a priority at Eurovia for some 20 years and there is a veritable boom in the development of innovative products and processes that use smaller amounts of natural resources and energy. Eurovia now has 130 facilities that recycle most of the waste produced by its worksites. In 2011, recovered or recycled materials amounted to 7.7 million tonnes (a 9.5% increase over 2010), making Eurovia Europe's market leader in this field.

Waste recycling and recovery at Eurovia

	2011		2011		2010	2010
	World	2011/10 change	France	2011/10 change	World	France
Percentage of mix manufactured with recycled mix aggregate	12.3	48%	10.4	62%	8.3	6.4
Production of recycled material (in tonnes)	7,713	9%	6,336	6%	7,043	5,955
Total recycled material as a percentage of total aggregate production	9.6	-23%	14.9	10%	12.4	13.6

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

As part of the green motorway package, the proportion of rest areas equipped with sorting bins for selective waste collection increased to 39% in 2011 from 21% in 2010 and 14% in 2009. VINCI Autoroutes also runs regular awareness campaigns to encourage motorway users to sort their waste. Once sorted, waste is delivered to recovery and treatment facilities.

Waste sorted and collected on VINCI Autoroutes motorways

(tonnes)	2011	2010
Non-hazardous waste (customers + operations)	12,745	10,377
Household waste	7,885	7,664
of which packaging sorted at rest areas and recycled	90	59
of which glass sorted at rest areas and recycled	26	19
Hazardous waste (customers + operations)	572	1,934
of which used motor oil	49.9	35.4
Rest areas equipped for waste sorting	39%	21%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

2.3 Combating climate change

Greenhouse gas emissions must be reduced in order to combat climate disruption. In 2007, VINCI initiated a proactive programme on this subject to anticipate, monitor and comply with legislation in the most advanced countries. The impact of current carbon emissions regulations on VINCI's activities is mainly indirect. VINCI has only one facility that is subject to the European emissions trading scheme's National Allocation Plan (see page 112) and must comply with the Carbon Reduction Commitment in the United Kingdom. VINCI Autoroutes has undertaken a study of how carbon reduction measures affect its activities. New regulations are opening up opportunities for VINCI, whose companies now offer their customers climate-friendly solutions that enable them to reduce their own greenhouse gas emissions.

2.3.1 Greenhouse gas emissions

In 2007, VINCI adopted a Group-wide methodology for measuring its greenhouse gas emissions. The methodology uses the Group's environmental reporting data and measures ISO 14064 Scope 1 and 2 emissions. Scope 1 includes direct emissions from the use of fossil fuels (fixed sites, worksites and company vehicles), as well as non-energy emissions (mainly from decarbonising limestone at Eurovia's lime plant). Scope 2 includes indirect emissions produced to make energy (mainly electricity) purchased and used at fixed sites and for projects. Overall, VINCI's CO₂ emissions in 2011 amounted to 2.3 million tonnes.

Greenhouse gas emissions (Scopes 1 and 2)

	Tonnes of CO ₂ equivalent	Tonnes of CO ₂ equivalent	2011/2010 change
	2011	2010	
Concessions	53,988	56,915	-5.1%
VINCI Autoroutes	40,457	42,755	-5.4%
VINCI Concessions	13,531	14,160	-4.4%
Contracting	2,247,801	2,089,956	7.6%
VINCI Energies	182,257	111,066	64.1%
Eurovia	1,027,006	1,064,603	-3.5%
VINCI Construction	1,038,539	914,287	13.6%
Holding companies and other	670	153	338%
Total	2,302,459	2,147,024	7.2%
Total per million euros of revenue	63	70	-10%

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

Data extrapolated to cover 100% of VINCI's revenue.

In 2011, VINCI's Scope 1 and 2 CO₂ emissions measurements were audited for the first time at Group level by the Statutory Auditors, who expressed a moderate level of assurance in the figures. Although the Group's greenhouse gas emissions rose by a reported 7.2%, they grew less than the revenue of businesses covered by environmental reporting (up 18% between 2010 and 2011). The Group's direct emissions (Scope 1 and 2) per million euros of revenue have fallen consistently over the past three years: 72 tonnes of CO₂ equivalent in 2009, 70 tonnes in 2010 and 63 tonnes in 2011, making a cumulative reduction of 12.5% over two years. The Group's carbon intensity is continuing to decrease.

To develop low-CO₂ solutions, VINCI is continuing to develop specific tools and carry out studies to better quantify and control greenhouse gas emissions resulting from its business (ISO Scope 1, 2 and 3). By applying the CO₂ Attitude approach to its worksites, VINCI Construction Grands Projets identified and implemented a number of actions to reduce Scope 3 emissions, thereby meeting its 2011 target of cutting total emissions by 20,000 tonnes of CO₂ equivalent. In March 2011, over 80 people attended VINCI's annual in-house seminar on this subject to discuss their main initiatives and tools. The seminar focused on Life Cycle Assessment (LCA) tools which, as well as CO₂ emissions, measure indicators such as water consumption, depletion of natural resources and impacts on human health. These tools allow the Group to ensure that CO₂ reductions do not result in other impacts at any point in the lifecycle of its structures.

Other levers for reducing greenhouse gas emissions are mainly to be found in how structures are used by clients and end-users: operation accounts for over 50% of lifetime emissions for a rail line, 90% for a building and over 95% for a motorway. The CO₂NCERNED methodology developed by VINCI to assess a project's carbon footprint takes into account the construction, operation and end-of-life phases so that alternative technologies capable of reducing user emissions can be compared and selected during the design phase. It is used in all VINCI business lines. For example, it is used to assess construction options at VINCI Construction, the effectiveness of solutions at VINCI Energies, and motorway routes at VINCI Concessions. LCA tools are developed within the frame of the ParisTech eco-design chair, and are used in numerous subsidiaries. At VINCI Construction France and Soletanche Bachy, around 100 eco-design studies have been carried out using these tools. Eurovia has also carried out LCA on a number of projects, and on three new types of coating.

VINCI is an active member of national and international working groups within its industry (Association Bilan Carbone and ENCORD) that are defining standards for quantifying Scope 3 emissions. Under this approach, success depends on relationships with end-customers, which is why VINCI Autoroutes encourages motorists to drive less aggressively and to use the eco-comparison tool on its website to calculate the amount of CO₂ they could avoid emitting. VINCI Construction shows building occupants how they can consume less energy through its OXYGEN eco-commitment (27 projects considered in 2011), while VINCI Facilities (a VINCI Energies subsidiary) provides customers with innovative solutions for drastically reducing the carbon emissions of the buildings it manages.

CO₂ emissions of VINCI Autoroutes companies

(tonnes of CO ₂ equivalent)	2011	2010
ISO Scope 1 and 2 emissions	☑ 40,457	☑ 42,755
Motorway user emissions	13,033,349	12,862,206

☑ Data checked by the Statutory Auditors, see page 159 of the 2011 Annual Report.

In 2011, the CO₂ emissions of VINCI Autoroutes companies fell by more than 5% to around 40,500 tonnes, due in particular to enhanced energy efficiency per kilometre of motorway in service. Compared with 2010, emissions by motorway customers increased 1.33% because of a 1% increase in mileage covered by reporting and a rise in traffic on VINCI Autoroutes motorways.

Investors have responded positively to the measurement of greenhouse gas emissions and actions taken to reduce them. In 2011, for the fifth year running, VINCI confirmed its leadership position in France regarding climate strategy by obtaining the Carbon Disclosure Project's highest rating (75/100, level B) among its peers in the construction and public works category. The Carbon Disclosure Project, which is conducted on behalf of 475 investors, assesses how the world's 500 largest companies by market capitalisation are responding to climate change.

2.3.2 Adapting to climate change

VINCI has adopted France's 2011 plan for adjusting to climate change and takes a forward-looking approach to the issue. VINCI plans in advance for any necessary changes to cities and buildings. The Group plays a central role in making new and existing structures more resistant to extreme weather events, ensuring long-term durability and providing innovative construction solutions. It carries out extensive research, both internally and through the partnership with the ParisTech chair in the eco-design of building complexes and infrastructure.

Additional discussions concerning urban environment issues are held through The City Factory, a forum that encourages public- and private-sector operators to share experience and expertise with a view to promoting pioneering initiatives (see www.lafabriquedelacite.com). As part of these efforts, a working group was set up in 2011 to look at the new energy landscape and how it will affect power consumption and supplies in cities.

2.4 Conserving biodiversity and biological balance

VINCI's biodiversity policy and strategy are implemented through a biodiversity working group, which consists of around 15 experts. This group monitors the regulatory environment, analyses risks and promotes initiatives. VINCI's scientific expertise is enhanced by its partnership with the Chair in eco-design of building complexes and infrastructure, which studies the integration of biodiversity, particularly in the urban environment. VINCI is also a member of several consultation groups such as EpE and the French biodiversity research foundation. Working with a specialist consultancy, VINCI has carried out research into biodiversity impacts, both today and in 2020. It has adjusted its guidelines and programmes accordingly, including by involving environmental organisations at the earliest possible stage of all projects.

In late 2011, the Group hosted a biodiversity and infrastructure day in partnership with the UN Global Compact. It included joint presentations with environmental organisations and discussions on best practices and lessons learned.

The long-term nature of VINCI's activities and the scale of its operations mean that VINCI companies have a responsibility to take early action to limit environmental risks during the operation phase. VINCI's strategy is to avoid, reduce and offset. This strategy was adopted as part of the South Europe Atlantic high-speed rail line project. A number of impact studies have been carried out to determine the state of the environment before the start of the project and to project possible impacts. Studies of this type are carried out for all Contracting and Concessions projects, both in France and abroad, with a view to limiting impacts throughout the works phase. In addition, VINCI constantly strives to mitigate biodiversity impacts. As a last resort, if it proves impractical to implement preventive measures, offsetting methods are considered.

Biodiversity is one of the major themes of the green motorway package that VINCI Autoroutes has been deploying since 2010. A number of initiatives were undertaken during 2011. At Cofiroute, specific environmental management plans were implemented to conserve or improve biodiversity in five sites of ecological interest. For example, environmental monitoring has already revealed several remarkable species such as the carnivorous plant *Drosera intermedia* on the Sologne marshland near the A71. Several ecological experiments have been carried out along 10 km pilot sections of road in order to promote biodiversity on motorway embankments (environmentally friendly grass mowing, adjustments to water retention ponds, planting of hedges for bats, etc.). ASF has built environmentally friendly bridges to ensure ecological continuity between both sides of a motorway. In 2011, such bridges were built at Col du Grand Bœuf on the A7 in southern France and Forêt de la Lande in western France. Some 17 other improvements (creation of passages under the motorway for small animals, creation of fishways, adjustment of crossings, etc.) are under way. Escota has planted over 200 olive trees along the A57 as part of its socially responsible olive grove conservation project. The Group also works hard to ensure the safety of wild animals. These efforts make it easier for wild animals to escape from roads and reduce the number of collision-related accidents.

VINCI Autoroutes seeks to raise awareness among road users through educational materials in rest areas, such as the Saint Nicolas de Bourgueil rest area on the A85, which is in a highly biodiverse location, featuring various bird and insect species. The materials provided enable users of the rest area to find out more about biodiversity, and about the wealth of fauna on the site. A bird-watching point has, for example, been installed along with specific installations for insects.

2.5 Preservation and restoration

2.5.1 Legal and regulatory compliance

As regards France's Grenelle 2 environmental legislation, VINCI has a proactive approach to legal compliance. Special IT tools for managing regulatory and QHSE risks are also used, such as VINCI Energies' Préventéo®, which supports regulatory monitoring and the standardisation of criteria for the Group's regulatory audit. The Group pools this expertise and environmental regulation monitoring efforts through cross-business working groups.

2.5.2 Environmental protection costs

Expenditure on protecting the environment (e.g. soil remediation at Soletanche Bachy, cleaning and decontamination of structures at Freyssinet and recovery of organic materials at VINCI Environnement) is generally included directly in each project's operating expenses and is not consolidated centrally.

Between 2010 and 2011, the annual environmental expenditure of VINCI Autoroutes tripled, mainly because of the green motorway package.

Environment-related expenditure by VINCI Autoroutes companies in 2011

<i>(in € millions)</i>	2011	2010
Annual environmental investment	260	83
Annual spend on the upkeep of natural areas	32	30
Insurance premiums to cover environmental risks	0.32	0.34

2.5.3 Environment provisions and guarantees

See "Environmental, industrial and technological risks", page 112 of the Report of the Board of Directors.

2.5.4 Damages paid in 2011 following legal decisions on environmental matters and lawsuits filed for damage to the environment

Legal decisions regarding the environment are handled directly by the business units concerned and the amounts paid are not consolidated at Group level. No VINCI companies appear to have paid any damages in 2011 subsequent to a court decision on an environmental matter.

2.6 Objectives for subsidiaries outside France

The programmes, resources and targets for foreign subsidiaries are the same as those set for French subsidiaries (see table on page 24).

3. Social responsibility

This chapter contains information about VINCI's social responsibility commitments.

3.1 Regional, economic and workforce-related impacts of VINCI's activities

VINCI is a leading player in the development of regions, whether urban or rural. The Group's activities structure a region, making it more coherent and helping to improve its economic and social development.

The Group's companies have strong roots in their regions, and both its Construction and Concessions businesses generate major long-term economic benefits. In VINCI's industry, work is often done in partnerships through joint ventures. This gives Group companies a significant sphere of influence that makes them important local players. As regards the workforce, the jobs generated by Group companies, directly and indirectly through temporary work and subcontracting, also help to support regional development.

3.1.1 Impacts on employment and regional development

The Contracting business activities (Energy, Roads and Construction) are very labour intensive, and so have a substantial direct impact on local employment. They involve a number of partners, such as joint contractors, subcontractors, temporary employment agencies, social integration organisations and public-sector employment agencies.

Group companies are also involved in enhancing the skills and qualifications of the local population. Social mobility is a constant issue and must enable everyone to make progress regardless of their initial training and qualifications. VINCI's in-house training structures also welcome a large number of staff who, after few years, for reasons of geographical and professional mobility, carry out some of their career outside the Group. VINCI's investment in training, combined with public-sector provision, has a positive impact on the overall level of training within a given area.

Major public-private partnership projects play a part in regional jobs and skills planning, which include efforts to redeploy people from sectors in difficulty.

Internationally, major projects use the local workforce, providing training and helping to increase the general level of vocational skills.

3.1.2 Impacts on neighbouring residents and local populations

The activities of VINCI companies interact with communities and their inhabitants during both the construction and operation phases. Decisions on transport, amenity and energy infrastructure, including where they are located, are made by the public authorities. However, in practice, it is VINCI companies that interact with local populations and with residents living near to the structures it builds.

3.2 Relations with people and organisations interested in VINCI's activities, including social integration organisations, educational institutions, environmental protection associations, consumer associations and neighbouring residents

In general, VINCI companies use a process of consultation and discussion with a project's various stakeholders as a way to add value. This process is encouraged for every project. The scope for consultation, discussion and action varies according to the type of project, its workforce-related, social and environmental impacts, and the intensity of those impacts. VINCI companies aim to hold discussions with the people most closely affected by its activities in order to develop joint responses with measurable impacts.

Subjects for joint discussions include employment and social integration, protection of the environment and biodiversity, and the protection and restoration of heritage sites. Full reporting of actions and amounts spent on sponsorship is not consolidated at a Group level. Estimated amounts show a commitment of more than €7 million.

3.2.1 Relations with social integration organisations

3.2.1.1 Dialogue and partnership with social integration organisations

The VINCI Group believes that a new type of interaction between the business world and civil society is needed. As a result, it seeks to act in partnership with the regions where it operates, to develop its local roots and to establish a consistent local presence that extends beyond the worksite. Since its creation, VINCI has worked to develop a number of initiatives to combat social exclusion and to help those currently excluded from the workforce to gain employment. For example, GTM Bâtiment (VINCI Construction France) has since 1992 worked in partnership with France's federation of social integration enterprises (UREI and CNEI). Through this partnership, it has helped to promote the social integration of disadvantaged people, and it encourages permanent jobs being offered within both its own companies and its partner integration enterprises. The Group also encourages the award of a percentage of the jobs on its worksites to social integration enterprises.

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3.2.1.2 Corporate patronage and initiatives with social integration organisations

The Fondation VINCI pour la Cité. In 2002, VINCI set up a corporate foundation known as the Fondation VINCI pour la Cité. This foundation is a genuine laboratory for social innovation, and provides ongoing proof that links between business and civil society can result in progress in the fight against exclusion. By providing financial support and the skills of Group employees – on a voluntary basis – the foundation supports long-term projects that create social links and help excluded people find jobs. In 2011, 118 projects were supported by the foundation at a cost of €1.96 million with the assistance of 147 VINCI employee-sponsors who passed on their professional skills.

New foundations. In the Czech Republic, VINCI set up the Nadace Foundation in 2008. In 2011, the foundation provided more than €42,000 of funding to six projects, involving six different sponsors. The VINCI Foundation for Social Responsibility, which was established in Germany in 2010, supported 11 projects in 2011 with the aid of 11 employee-sponsors and subsidies totalling €150,000. A foundation was also set up in Greece in 2011, and it provided €22,000 of financial support for two projects.

Solidarity organic market gardens along motorways. The Fondation VINCI supports the development of rural areas through the creation of social integration organic market gardens along motorways in partnership with Réseau de Cocagne. These give socially excluded people the chance to find employment by working on organic market gardens located on previously unused land close to services on VINCI Autoroutes motorways. This unusual partnership has created new tools to combat exclusion, resulting in more effective social integration. In 2011, three of these gardens were opened, and they are operated as part of the Cocagne social integration network. There are plans to open a further three gardens.

The aim of the Cité Solidaire programme is for Group companies to support very small organisations working in the heart of underprivileged neighbourhoods. It supports projects in these communities, assists small neighbourhood associations that act locally, and encourages local Group companies to sponsor projects and to allow employees to contribute their skills in a collective manner. In 2011, initial trials in France confirmed the effectiveness of this approach. Around 30 associations in Sarcelles, Tourcoing and Vitry sur Seine have been supported financially by the VINCI business lines that operate locally.

ViE programme. Given the ongoing difficult socio-economic conditions in France, VINCI's companies there have sought to step up their efforts in the fields of social integration, disabilities and employment. They are working together to promote social integration, responding to growing demand from both the public authorities and private-sector operators. In France, where VINCI's social integration commitments amount to around 4 million hours of work per year (equivalent to 2,200 full-time jobs), its companies have developed an offer that is of high socio-economic value. As part of a commercial service, the ViE structure, set up in April 2011, provides innovative and effective solutions to Group companies that want to address the workforce-related demands they face in their markets. This is a unique initiative in France. Its aim is to provide Group companies with day-to-day support, establish professional relations with socially responsible entities appointed by the public authorities as their preferred contacts regarding social integration, and to advise local government authorities about new services that meet business needs.

As well as serving Group companies, ViE provides a comprehensive framework that takes the specific training requirements and employment issues of disadvantaged people into account and helps them to find long-term employment. In the space of eight months, and through partnerships with more than 50 social integration organisations, 400 people have been helped through contracts awarded to ViE. The programme also supports subsidiaries in their socially responsible purchasing and outsourcing efforts, particularly when buying goods and services from companies that employ people with disabilities.

GEIQs: employer groups promoting social integration through work and qualifications. In France, Group companies are active in 35 of the 53 GEIQs that focus on the building and civil engineering sectors. VINCI was keen to increase its commitment to this initiative, and in 2006, at the initiative of 11 subsidiaries, it helped set up the GEIQ for the Greater Paris area. Since 2009, this GEIQ has overseen a redeployment unit based on the Trajeo'h model (described on page 135 of section 1.8.3 "Measures to promote the employment and social integration of disabled people"). The unit supports staff who need to be redeployed due to disability. They may be redeployed internally, staying at the same workplace, or they may move to another workplace, another Group company or a company outside the Group. The unit provides personalised support, helping employees define a new career plan including, if necessary, a suitable training course, and helps them with administrative procedures throughout the redeployment procedure. Since its foundation, the Greater Paris GEIQ has found employment for 468 people, reflecting the continuing commitment of the Group's companies. Over 55 VINCI subsidiaries are currently involved in this programme.

3.2.2 Relations with educational institutions

3.2.2.1 Dialogue and partnership with educational institutions

VINCI companies have consistently recruited new staff for a number of years, and have long-term partnerships with educational institutions. The Group's general policy is to enable all Group companies to rely on VINCI's reputation as a high-volume, high-quality employer for their

own recruitment purposes. Educational efforts are focused mainly on the construction business and cover all staff from those undergoing initial training to qualified engineers.

Within Group companies, the apprenticeship approach has proved that combining formal education with on-the-job training is the key to success. VINCI supports initiatives to develop apprenticeships, and wants to increase the proportion of apprentices to 4% of its workforce in France.

3.2.2.2 Corporate patronage and initiatives with educational institutions

VINCI has adopted a number of initiatives in this area. They include an apprenticeship contribution, which companies can allocate directly in accordance with their business activities and their choice of institutions. VINCI supports this effort by allocating money paid by temporary employment agencies under the framework agreement. The Group is also heavily involved with educational institutions, through school forums, scholarships to low-income students – including those attending the ESTP civil engineering school – and other forms of partnership. For the last six years, the partnership with the ENISE engineering school in Saint Etienne has given engineering students with a passion for construction the chance to pursue their studies in partnership with VINCI Construction France. During a three-year course, they carry out work-experience placements within Group subsidiaries, attend classes held by company employees, and are invited to numerous events. At VINCI Construction plc in the UK, the Prince's Trust "Get into Construction" programme provides young people with training in the building trades. It gives unemployed people aged 18-25 worksite experience and the opportunity to familiarise themselves with the trades and career prospects offered by the building industry. VINCI also supports the development of educational courses. These efforts have recently resulted in the creation of a road-building degree course at the IUT University in Cergy Pontoise, France. In the 2011/12 academic year, more than 25 students are taking the course, most of them employed by a Eurovia subsidiary and attending through work-study programmes. In Africa, Sogea-Satom has formed a partnership with Ecole Polytechnique de Dakar in Senegal, with the aim of training young Africans in works supervision. This is in addition to existing partnerships with the ISTAC technology institute in Cameroon and the ZIE international water and environmental engineering institute in Burkina Faso.

At VINCI Concessions, the Stade de France consortium is sponsoring the "Mosaïque des talents" project in Seine Saint Denis, for vocational and technology students in the Plaine Commune district.

As part of its efforts to help specific groups, particularly those most excluded from education and the labour market, VINCI also provides active support to "second chance" schools and the "Capital Filles" programme, which sponsors classes for young girls attending schools in disadvantaged urban areas.

VINCI has also supported ParisTech for the last three years, especially the research and teaching work of MinesParisTech, AgroParisTech and Ecole des Ponts ParisTech in relation to the eco-design of building complexes and infrastructure (€600,000 per year). The City Factory is a discussion forum dealing with urban issues, and brings together scientists, businesspeople and public-sector decision-makers. It develops partnerships with schools and universities. In particular, it has contributed to the AMUR (urban development and project ownership) master's degree offered by École Nationale des Ponts et Chaussées (ENPC France) and the master's degree in regional and urban development strategies offered by Sciences Po-Paris. It also has a partnership with Institut d'Urbanisme de Grenoble (IUG).

3.2.3 Relations with environmental-protection and heritage associations

VINCI's general policy is to be involved as much as possible, and as early as possible, with the various stakeholders in its projects. The sheer number of stakeholders and their differing interests sometimes makes it hard to gain an overview of these partnerships. VINCI seeks close, practical, calm and effective relationships with its stakeholders. Through this approach, it is able to attract associations with a genuine interest in its projects, involve them in those projects and develop suitable joint initiatives with them.

3.2.3.1 Dialogue and partnership with environmental-protection and heritage associations

The aim is to form constructive, long-term partnerships in which mutual respect is the foundation. Partnerships are based on specific programmes and initiatives rather than on communication campaigns. Initiatives concerning the green motorway package and the South Europe Atlantic high-speed rail line capitalise on the experience gained in quarrying and excavation works, both in France and elsewhere.

3.2.3.2 Corporate patronage and initiatives with environmental-protection and heritage associations

Environmental protection associations vary widely in their composition, governance, financing and expectations. Environmental initiatives are usually carried out locally. In late 2011, as part of the United Nations Global Compact initiative, VINCI presented some of its successful initiatives around an "infrastructure and biodiversity" theme. For example, Cofiroute made a presentation on its work with the Paris region's botanical conservation unit and France's Office of Environmental Engineering to re-establish natural environments, using the example of the Sologne marshland; and Eurovia made a presentation on environmental continuity in quarries. There was also a presentation on the Moscow-St Petersburg motorway by VINCI Concessions and Pur Project, an enterprise that coordinates initiatives involving the 16 local non-governmental organisations that are stakeholders in the project.

Alongside relationships with environmental protection associations, VINCI companies carry out heritage work in the immediate vicinity of its projects. At many sites, VINCI companies provide free advice and technical expertise to projects aimed at restoring highly valued local assets. VINCI is also part of the "development club" of INRAP (France's national institute for preventive archaeological research), and takes part in discussions to promote the importance and recovery of worksite discoveries. In Cambodia, INRAP completed the first of five planned preventive archaeological projects in Siem Reap in the summer of 2011. These projects are related to the extension of Siem Reap international airport, which is close to the huge Angkor archaeological site. The projects are important to our understanding of Cambodia's Khmer past, and have allowed research into the way that people close to the large sanctuaries lived between the 10th and 12th centuries.

3.2.4 Relations with consumer associations

3.2.4.1 Dialogue and partnership with consumer associations

VINCI companies work for both public- and private-sector entities. The Group's progress with the eco-design of building complexes and infrastructure clearly shows how seriously it takes user behaviour in the operation phase. However, consumer associations currently have little involvement in the major issues of climate change and energy consumption. VINCI Autoroutes and VINCI Concessions are the main Group companies that have direct relations with end-consumers. In 2011, efforts to develop these relations included mobile applications that give road users information about journey times, weather conditions and accidents.

3.2.4.2 Corporate patronage and initiatives with consumer associations

The VINCI Autoroutes Foundation for Responsible Driving. This foundation, set up in February 2011, aims to raise driver awareness and support research into the risks arising from drivers losing concentration, which are particularly high on motorways. This foundation gives VINCI Autoroutes a way of improving its understanding of how accidents are caused, with the aim of designing new solutions and enhancing road-users' risk-awareness. It operates in three ways. First, it finances initiatives by non-profit bodies and innovative scientific research into certain areas of risky driving that have not been sufficiently explored or that are incorrectly identified by road users. Second, it carries out public information campaigns, with the aim of raising awareness of road-related risks and promoting responsible driving. Third, it develops knowledge relating to the specific driving habits of different motorway user groups, to help them enhance their own safety in their day-to-day conduct. The foundation is part-laboratory, through its experimental work, and part-observatory, carrying out behavioural studies. In its efforts to change driver behaviour, it works with various partners and stakeholders including institutions, professionals and non-profit organisations.

In 2011, the foundation spent more than €2 million on initiatives supporting responsible driving. These included campaigns over the Easter and All-Saints Day holidays to raise awareness of risks relating to losing attention and falling asleep at the wheel. The foundation financed major scientific research conducted by the Raymond Poincaré hospital in Garches, near Paris, to assess the links between lack of sleep and sudden fatigue. It also formed a partnership with SIFE France, covering both 2011 and 2012, aimed at raising awareness of responsible driving; teams of university students were asked to submit proposals for innovative projects, and the team with the best project will receive a special VINCI Autoroutes Foundation for Responsible Driving award.

3.2.5 Relations with neighbouring residents

VINCI carries out systematic consultations with residents living near its projects. It has a long-standing practice of speaking to the local residents most affected by possible nuisances during the construction phase (such as noise, dust, passing trucks and machinery) and the operation phase (visual and noise pollution, etc.) in order to find solutions. For several years, VINCI companies have been developing digital tools like 3D models, so that residents can visualise the various phases of construction, give their opinion and propose local solutions.

3.3 Suppliers and subcontractors

3.3.1 General policy

In 2011, the share of purchases remained at about 60% of the Group's revenue and includes €9.3 billion of materials and €13.3 billion of external services, including subcontracting and the cost of temporary staff. VINCI maintained its policy of pursuing balanced and sustainable relationships with its suppliers and subcontractors. During the year, the Group continued its efforts to measure and take into account workforce-related, social and environmental factors in the overall value chain.

These efforts are overseen by the Central Purchasing Coordination Department. This is a small unit that was expanded in 2011 with the arrival of a new manager and experts specialising in specific purchasing categories. It works with the purchasing departments of business lines and subsidiaries, and reports to a member of VINCI's Executive Committee. These efforts are implemented locally by the purchasing network, in particular through decentralised purchasing clubs in France and the various countries where VINCI operates. In addition to the framework agreements signed by business lines and subsidiaries with their suppliers, over 400 national, European and global cross-business framework agreements were signed in 2011 to meet the multiple procurement requirements of Group companies.

3.3.2 Managing relations with suppliers and subcontractors

In 2011, the procurement policy led to an increasing emphasis on sustainable development criteria when selecting products and suppliers and drafting framework agreements and specifications for the Group and its business lines. The criteria take into account the environmental impact of products and services, the workforce-related arrangements for producing or providing them, and the social commitments made by suppliers. Feedback analysis shows that these efforts add value.

Environmental performance. In its purchasing decisions, VINCI prefers more environmentally friendly products and seeks to adopt solutions that limit its environmental footprint. Examples of this are its adoption of cleaning products featuring the EU eco-label for use in concessions, and its selection of FSC/PEFC accredited wood at VINCI Construction France, to ensure that wood does not come from illegal logging operations. Some of the solutions developed in partnership with Group companies involve genuine innovation. Examples are Sogea-Satom's introduction of bitumen packaged in thermoplastic sacks and transported using "big bags" for its African projects, along with VINCI Park's use of Ec-H₂O detergent- and chemical-free cleaning materials and its dynamic parking-space guidance system (used in 16 car parks with a total of 9,600 spaces), which reduces drivers' fuel consumption.

The Group has also adopted initiatives regarding zero-emission vehicles and infrastructure development. VINCI is committed to reducing the carbon footprint of its vehicle fleet. Group companies have carried out trials of electric vehicles and VINCI Park is involved in Renault-Nissan's SAVE (Seine Aval Véhicules Electriques) electric-vehicle initiative. Over an 18-month period, this project will test Renault-Nissan's electric vehicles, along with a network of 300 charging stations in urban and suburban areas.

Workforce-related performance. This strategy also involves paying greater attention to workforce-related and social issues when selecting suppliers. In 2011, VINCI completed its list of approved temporary employment agencies in France. All agencies were assessed and selected according to five criteria: occupational health and safety; promoting diversity and preventing discrimination; training and skills development; compliance with labour laws; and preventing fraud and corruption. In keeping with VINCI's continuous improvement process, agencies must adopt the Group's values and commitments, and are provided with a progress plan to assist them in this goal. A similar approach has been adopted in the Paris region for remote-site cleaning services.

Social responsibility performance. Through its various projects, the VINCI Group develops partnership-based approaches with suppliers and subcontractors, and favours local relationships with small and medium-sized enterprises (SMEs). In the South Europe Atlantic high-speed line

project, project presentation and information meetings were organised with Chambers of Commerce and Industry in the areas affected. The aim was to involve local SMEs as much as possible and promote partnerships by bringing them in at the earliest possible phase of the project.

The Group also handles some exports on behalf of SMEs, enabling them to expand their market coverage. For example, Sogea-Satom allows SMEs to deliver their goods to its export platform and organises their transport to Africa. This enables a whole network of SMEs to export their goods to countries that would be hard for them to access alone.

The Group promotes long-term, balanced relationships with suppliers and subcontractors. Autoroutes du Sud de la France has worked with its snow-removal subcontractors to develop workers' skills through accreditation, to raise their awareness about ASF's environmental policy and to set up reciprocal services, such as occupational first-aid training.

The policy also involves increasing purchases from companies and non-profit organisations that work towards social integration for the long-term unemployed and people with disabilities. As part of the biodiversity partnership agreement between ASF and SMBRJ (Syndicat Mixte du Bassin Roubion et du Jadron) for the maintenance of rivers running near to the A7 motorway, work has been awarded to people seeking to return to work after a period of unemployment.

VINCI is developing its partnerships with a French non-profit working with people suffering from paralysis, Association des Paralysés de France, for the collection and recycling of waste electrical and electronic equipment, and with non-profit organisation Ateliers sans Frontières for the collection and repair of discarded computer equipment for resale at a low price to other non-profit organisations. In 2011, almost 10 tonnes of material were collected through these partnerships, an increase of almost 150% over three years.

Various tools were developed and improved in 2011 to support this policy. A guidebook, written jointly by Escota's Purchasing and Sustainable Development Departments, provides all those involved with a step-by-step explanation of the purchasing process, with the aim of raising awareness about eco-responsible purchasing.

In 2011, a Purchasing and Sustainable Development Club was set up. This club helps to form long-term, balanced relationships with the Group's suppliers and subcontractors and to factor workforce-related, social and environmental issues into the value chain. Its approach is to simplify and adjust internal communication to make it more operationally appropriate, to define and implement tools and methods, and to share and disseminate best practice.

Subcontractors are generally selected from among small and medium-sized enterprises located near Group plants or worksites, thereby developing the local economy. These partners are increasingly involved in project planning and preparation. Workforce-related and environmental clauses are gradually being added to their contracts. The general policy is to strengthen relationships over the long term. Subcontracting and joint contracting companies have long been committed to the Group's safety policy. In addition, the principles of the UN's Global Compact, included in framework agreements, are supplemented by the "Global performance commitments of VINCI suppliers and subcontractors" charter.

3.4 Fair business practices

3.4.1 Prevention of corruption

VINCI's Code of Ethics and Conduct contains all the rules of conduct that apply to all Group companies and employees. In 2011, the Group continued its efforts to disseminate and explain the Code to managers, who then made similar efforts within their own organisations. The Group actively monitors this procedure, and an intranet tool enables Executive Management and internal audit to check that it is being deployed. Regular reporting is made to the Executive Committee, which allows remedial action to be taken quickly if required. Regular training sessions are organised to promote understanding of Group principles and values.

The appointment of the ethics correspondent, as part of the whistleblowing arrangements, was widely communicated within the Group. All employees can contact the ethics correspondent in accordance with rules set out in the Code, which include maintaining confidentiality, respecting the integrity and status of all employees, and avoiding discrimination. Several matters were referred to the ethics correspondent in 2010. In each case, the issues were dealt with thoroughly, in compliance with the aforementioned principles.

3.4.2 Customer health and safety

Road risks affect all VINCI employees who drive any of the Group's 30,000 company vehicles or 10,000 site machines, as well as the 600 million customers who use the motorways, roads, car parks and other infrastructure operated by VINCI worldwide under concession contracts. Campaigns are organised to raise awareness and training is provided for those employees most exposed to road risks. One of the working groups created as part of the Group's Safe Together initiative has been tasked with promoting the sharing of best practices in this field.

VINCI Autoroutes made further progress in this area in 2011. Early in the year, it set up its Foundation for Responsible Driving, which promotes road safety (see page 146, section 3.2.4. Relations with consumer associations – Corporate patronage and initiatives).

3.5 Human rights

VINCI has been a signatory to the UN Global Compact since 2003. It is committed to supporting and promoting respect for human rights within its sphere of influence, and to ensuring that Group companies are not complicit in human rights abuses. In practical terms, the Group acts on this commitment by including clauses relating to human rights in its framework agreements with suppliers and subcontractors. In 2011, VINCI appointed an independent consultancy (Vigéo Group) to perform an external audit of its Qatari subsidiary QDVC, covering all areas of corporate social responsibility (CSR). The audit identified areas for improvement in relation to protecting and promoting human rights internationally. The audit focused particularly on the elimination of forced labour, child labour and degrading treatment. It was performed at the request of QDVC, and allowed the Group's sustainable development self-diagnostic tool to be tested. Based on the audit's findings and on the latest international standards, including the OECD Guidelines, the sustainable development self-diagnostic tool enables subsidiaries to map their risks relating to CSR and human rights issues, such as the prevention of human-rights abuses and complicity in human-rights abuses, bans on illegal, forced and child labour, the rights of migrant workers, subcontracting conditions, living conditions in worksite accommodation and the rights of indigenous peoples.

4. Note on the methods used in social and environmental reporting

VINCI's social and environmental reporting framework complies with Articles L.225-102-1, R.225-104 and R.225-105 of the French Commercial Code and is based on the transparency principles of the Global Reporting Initiative (GRI).

4.1 Methodological procedures

VINCI's procedures are specified in the following materials:

- for social indicators:
 - a guidebook in four languages (French, English, German and Spanish) containing social indicator definitions;
 - a methodological guide to VINCI's social reporting system, including a reporting tool users' manual in four languages (French, English, German and Spanish);
 - a guide to consistency checks in two languages (French and English);
- for environmental indicators:
 - a methodological guide to VINCI's environmental reporting system, including a guide to the definition of common indicators that entities can use to set up their environmental reporting procedures. This guide is available in two languages (French and English);
 - an IT system users' manual in two languages (French and English);
 - an audit guide helping entities to make preparations and respond to audit results (available in French and English).

All of the above materials are accessible on the Group's intranet site.

The Group's efforts to accelerate its social and environmental reporting process in 2010 resulted in:

- new methods for earlier preparation of social indicators, applicable to all entities in 2011;
- the shifting of the reference period for environmental reporting by one quarter (the reference period for year Y is now from 1 October Y-1 to 30 September Y). This change has applied to all entities since 2010.

4.2 Scope

The reporting scope is intended to be representative of all VINCI's business activities:

- social reporting has covered all Group entities by worldwide revenue since 2002;
- in 2011, environmental reporting covered 94% of Group entities by worldwide revenue. From 2011, the consolidation rules used for these scopes are the same as the financial consolidation rules, except for the following entities, which are still consolidated proportionally:
 - VINCI Construction Grands Projets: QDVC (Qatar);
 - CFE: all CFE group companies, including the stake in DEME (Belgium);
 - Soletanche Freyssinet: Grupo Rodio Kronsa and Freyssinet SA (Spain).

These consolidation rules apply to all environmental reporting indicators, except the "number of environmental incidents" indicator, in which all incidents count for 1.

Changes in scope

- Social reporting scope: changes in scope in year Y are taken into account in the same year.
- Environmental reporting scope: changes in scope in year Y are taken into account in year Y+1.

4.3 Indicator selection

Indicators are selected on the basis of the social and environmental impact of the Group's activities and the risks associated with those activities.

There are three levels of core social indicators:

- those specified in Articles R.225-104 and R.225-105 of the French Commercial Code;
- those included in the social report, as required by French law; and
- specific indicators reflecting VINCI's human resources policy.

The complementary nature of these three levels of indicators makes it possible to measure the results of the Group's human resources policy and social commitments.

The core environmental indicators are made up of five types:

- resource consumption (energy, CO₂ and water);
- waste management and recycling;
- certifications and special projects;
- environmental awareness and training;
- environmental incidents and provisions for environmental risks.

Each business line continues to use its own additional indicators, which are based on its specific environmental challenges.

4.4 Methodological explanations and limitations

The methodologies used for some social and environmental indicators may be subject to limitations due to:

- differences between French and international definitions (which VINCI is working to harmonise);
- differences in labour and social laws in some countries; the fact that some estimates may not be representative or that some external data required for calculations may not be available, particularly data required for environmental indicators at VINCI Construction, where a statistical approach is being deployed for this purpose;
- changes in indicator definitions that could affect their comparability;
- changes in business scope from one year to the next;
- the difficulty of collecting data from a subcontractor or joint venture with external partners;
- the procedures for collecting and entering this information.

Eurovia France and Eurovia International's water consumption and Eurovia France's energy consumption are calculated on the basis of financial amounts and associated average prices for the 2011 environmental reporting reference period. Steps are being taken to report energy consumption directly.

For VINCI plc, figures for total waste generation and the percentage of waste recycled are based on waste volume figures for each worksite. For each skip of waste collected, the fill ratio is estimated by the operator in charge of the skip, based on the type and density of the waste, and VINCI plc's procedure defines four categories.

In 2011, VINCI Park in France altered its method of calculating purchased water consumption. For car parks outside Paris that do not have automatic sprinkler-type fire extinguishing systems, water consumption is calculated from the total purchase cost of water divided by its average price in France. For other car parks, water consumption corresponds to the volume of water purchased.

For VINCI Construction France, consumption of water, electricity and fuel oil on worksites ("mobile sites") is estimated using a statistical method. On the basis of a representative sample of worksites, coefficients reflecting the relationship between environmental indicators and revenues are calculated. These coefficients were then used to extrapolate results to all worksites, by applying them to consolidated revenue for the period from 1 October 2010 to 30 September 2011.

Given the diversity of the countries in which the VINCI Group operates, various types of absence are included under "other absences".

The figures in the Annual Report are based on data known at the end of the financial year. They may, however, be adjusted the following year if a significant anomaly is observed and provided that the adjustment is substantiated in detail. None of the figures published in the 2010 Annual Report were adjusted in 2011.

4.5 Consolidation and internal control

Social data is collected from each operational entity using a specific package of the "VISION II" data reporting system, including automatic controls. Data is checked and validated by the Group entities themselves. This data is then consolidated in two steps:

- Step 1: business lines

Each business line consolidates all data within its scope. When consolidation takes place, data consistency checks are carried out. Having been consolidated and checked at the business-line level, data is then provided to the Group HR department.

- Step 2: Group HR department

The Group HR department consolidates data across the whole scope and checks their consistency.

Environmental data is collected, checked, consolidated and validated by the environment managers in each business line and division using their own IT tools. The data is then consolidated centrally using "VISION II". When consolidation takes place, data consistency checks are carried out at Group level by the Delegation for Sustainable Development. Comparisons are made with the previous year's data and any material discrepancies are analysed in detail.

4.6 External controls

Each year since 2003, VINCI has asked its Statutory Auditors to give their opinion on the quality of the procedures used to report social and environmental information. In 2011, the audit was conducted by two Statutory Auditors. The social and environmental indicators that they audited are identified in the tables by the symbol  (see pages 126-142). The nature of the auditing work carried out and the findings are presented on pages 159-160.

F. General Information about the Company and its share capital

1. Corporate name and Articles of Association

Corporate name: VINCI

Registered office: 1 cours Ferdinand de Lesseps, 92500 Rueil Malmaison, France

Telephone: +33 1 47 16 35 00 – Fax: +33 1 47 51 91 02

Type of company: French public limited company (“Société Anonyme”) with a Board of Directors

Applicable legislation: French

Date of formation: 1 July 1908

Legal term of existence: The initial duration was set at 99 years and was extended by another 99 years on 21 December 1979. The date of expiry is thus 21 December 2078, unless the term of existence is extended once again or the company is liquidated at an earlier date.

Financial year: From 1 January to 31 December

Registration number: RCS 552 037 806 Nanterre – Siret no. 552 037 806 00585 – Code NAF: 7010Z

Place where legal documents can be consulted: Legal documents relating to VINCI are available at its registered office, at the Clerk’s Office of the Nanterre Commercial Court and on the Company’s website (www.vinci.com).

Corporate purpose (Article 2 of the Articles of Association)

The Company has as its purpose:

- undertaking all forms of civil engineering: in particular, development of the goodwill originally contributed by Sainrapt-et-Brice and continuation of the business of that company, specialising in all types of underground works, foundations, hydraulics and reinforced concrete; and
- more generally, all industrial, commercial, financial, securities and property operations directly or indirectly related to the purposes specified above.

The Company may pursue these operations in mainland France and overseas France, as well as other countries, either alone, or in partnership, on a trading basis, or in any other form whatsoever, either directly, or indirectly through transfer, leasing arrangements or under licence, either on a brokerage or commission basis.

In addition, it may implement any measures, either alone or by any other means, create any partnerships or companies, make any contributions in kind to existing companies, merge or enter into alliances with them, subscribe, purchase and resell any shares or other corporate rights, take all orders and extend any loans, credits and advances.

Statutory appropriation of income (excerpt from Article 19 of the Articles of Association)

At least 5% of the income for the year, after deduction of any previous year’s losses, is taken to the statutory reserve. This ceases to be obligatory when the reserve reaches an amount equal to 10% of the share capital. This process is to resume when the reserve falls below this 10% level.

The income available for distribution consists of the income for the year (after deduction of previous years’ losses as well as any amounts set aside in reserves in application of the law or Articles of Association) and retained earnings.

The Shareholders’ General Meeting allocates the following from this distributable income:

- any amounts considered by the Board of Directors as appropriate for constituting or supplementing any ordinary or special reserves, or for carrying over to the next year as retained earnings;
- the amount required for distribution to shareholders by way of a first dividend, equal to 5% of the amounts of their fully paid, unredeemed shares. Shareholders cannot, however, claim this dividend against the income of subsequent years should the income of a given year be insufficient for the dividend payment;
- the balance available after these allocations is distributed in respect of all shares, in proportion to the amount of the share capital they represent.

Following a proposal from the Board of Directors, the Shareholders’ General Meeting may decide to distribute amounts taken from available reserves. In such a case, the decision must indicate the specific reserves from which the amounts are to be taken.

Except in the case of a capital reduction, no distribution to shareholders may be made if the shareholders’ equity is (or would be following such a distribution) less than the amount of the share capital plus any reserves whose distribution is not permitted under the law or Articles of Association.

The conditions for payment of dividends agreed by the Shareholders’ General Meeting are determined by the Shareholders’ General Meeting or, failing that, by the Board of Directors. The payment of dividends must occur within nine months of the year-end, unless this deadline is extended by a Court decision.

The Shareholders’ General Meeting may offer each shareholder, for all or for part of the dividend or interim dividend distributed, the choice between payment in cash and payment in shares.

Shareholders’ General Meetings (Article 17 and excerpt from Article 8 of the Articles of Association)

Article 17 of the Articles of Association is described in the Report of the Chairman, part 5 “Formalities for participating in the Shareholders’ General Meeting”, page 169.

Excerpt from Article 8 of the Articles of Association:

In addition to the voting right attached to it under the law, each share gives the right to a proportion (based on the number and nominal value of outstanding shares) of the Company’s assets, earnings and liquidating dividends.

Statutory threshold provisions (excerpt from Article 10b of the Articles of Association)

In addition to the obligations relating to declaration thresholds set out in paragraph 1 of Article L.233-7 of the French Commercial Code, any individual or legal entity, acting alone or in concert, who comes to hold or ceases to hold a proportion of the share capital, voting rights or securities giving future access to the Company's share capital, equal to or greater than 1%, or a multiple thereof, including a multiple exceeding the reporting threshold as defined by legislative and regulatory provisions in force, must inform the Company within five stock market trading days of the date of crossing one of these thresholds or, when a Shareholders' General Meeting has been convened, no later than midnight (Paris time) of the third business day preceding the meeting, of the total number of shares, voting rights or securities giving future access to the Company's share capital that it holds on its own account directly or indirectly, or in concert.

Failure to meet this obligation will be sanctioned by the loss of the voting rights attached to the shares exceeding the undeclared proportion at any Shareholders' General Meeting held within two years of the date of the due notification provided for above.

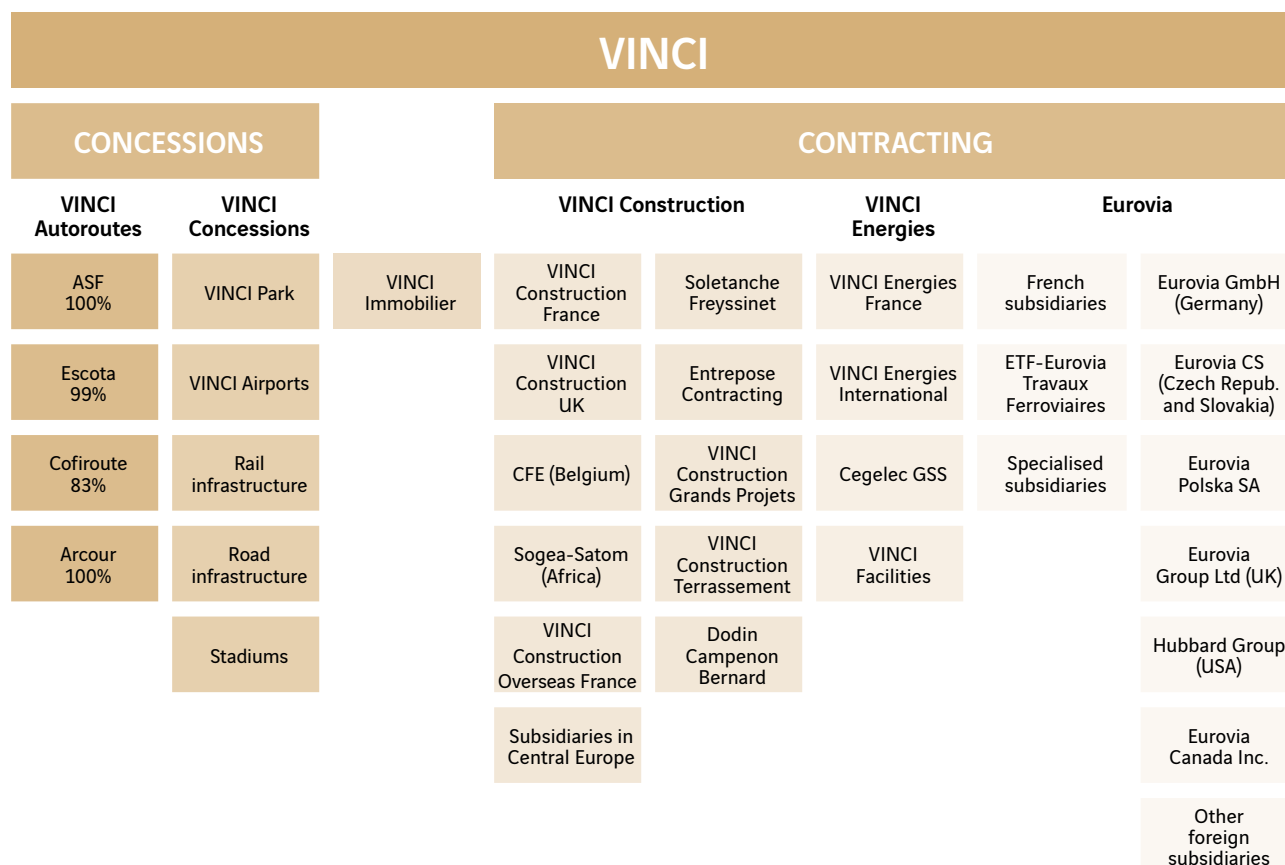
This sanction is applied if so requested by one or several shareholders holding at least 5% of the Company's share capital and if the request is entered in the minutes of the Shareholders' General Meeting.

Shareholder identification (excerpt from Article 10b of the Articles of Association)

The Company is entitled to ask the securities clearing body, under the conditions defined by the regulations in force, for the name, nationality and address of individuals or legal entities holding securities that confer, now or in the future, voting rights at its Shareholders' General Meetings; for the number of securities held by each individual or legal entity; and, where applicable, the restrictions attached to those securities.

2. Relations between the parent company and subsidiaries

2.1 Organisation chart^(*)



^(*) Simplified organisation chart of the Group at 31 December 2011 (main companies owned directly or indirectly and percentage of capital held).

VINCI's direct shareholdings in subsidiaries and affiliates are described on page 278. The list of the main consolidated companies (pages 254-260) gives an indication of the various subsidiaries that comprise the Group and of VINCI's equity interest (whether direct or indirect) in the various entities.

2.2 Role of the VINCI holding company towards its subsidiaries

The VINCI holding company has no operational activities of its own. The Group's operational activities are carried out by a large number of subsidiaries (there were 2,246 consolidated entities at 31 December 2011), which are organised into five business lines within two core businesses, Concessions (VINCI Autoroutes and VINCI Concessions) and Contracting (VINCI Energies, Eurovia and VINCI Construction). VINCI Immobilier, which is in charge of property development activities, reports directly to the VINCI holding company.

The holding company provides leadership and supervisory functions for the Group's operational entities, supplying services and assistance to its subsidiaries in the following areas:

- development and execution of strategy, acquisitions and disposals, and the study and implementation of industrial and commercial synergies within the Group;
- provision of expertise in administrative, legal, human resources, tax, financial, communication and sustainable development matters.

VINCI also shares with its subsidiaries the benefits associated with the Group's size and reputation, such as access to internationally recognised partners, optimisation of terms for financing, purchasing and insurance, easier access to regulatory authorities, and public relations.

2.3 Movements of funds between the VINCI holding company and its subsidiaries

The main movements of funds between the VINCI holding company and its subsidiaries, other than the payment of dividends, are as follows:

Payment for the holding company's assistance to its subsidiaries

In exchange for the assistance provided to its subsidiaries, the holding company receives a fee depending on the services provided. In 2011, fees for assistance received by VINCI from its subsidiaries amounted to €93.6 million.

Centralised cash management

Group subsidiaries' cash surpluses are generally invested with the holding company through a cash pooling system. In return, the holding company meets subsidiaries' financing needs. The holding company acts on the money and the financial markets on its own behalf or on its subsidiaries' behalf, investing and borrowing funds as necessary. With some exceptions (the main one to date being ASF and its subsidiaries in accordance with the contracts entered into with the Caisse Nationale des Autoroutes), this system applies to all French subsidiaries wholly owned, directly or indirectly, by VINCI.

VINCI Finance International (VFI), a wholly owned subsidiary of VINCI, centralises all the cash flows of foreign subsidiaries working in the Group's main markets in Europe and North America. VFI also makes medium- and long-term loans to VINCI subsidiaries to finance asset acquisitions, working capital or investments.

VINCI and VFI may make medium-term loans to some subsidiaries and receive funds from other subsidiaries for short- and medium-term investments. At 31 December 2011, these transactions represented outstandings for VINCI of €1,920 million for medium-term loans and €1,015 million for fixed-term deposits, and outstandings for VFI of €1,898 million for medium-term loans and €437 million for fixed-term deposits.

Regulated agreements

There are regulated agreements between VINCI and its subsidiaries, which are subject to prior authorisation by the Board of Directors, special reports by the Statutory Auditors and approval by the Shareholders' General Meeting.

3. General information about VINCI's share capital

All changes in share capital or in the rights attached to the shares are subject to general legal provisions. The Articles of Association do not provide for additional conditions (except as regards capital thresholds, see paragraph 1 "Corporate name and Articles of Association").

On 31 December 2011, VINCI's share capital amounted to €1,413,191,680, represented by 565,276,672 shares, each with a nominal value of €2.50, fully paid-up and all of the same class. VINCI shares are registered or bearer shares, at the shareholder's choice, and may be traded freely.

3.1 Movements in share capital over five years

	Capital increase/ (reduction) (in euros)	Share premium arising on contributions or mergers (in euros)	Number of shares issued or cancelled ^(*)	Number of shares outstanding ^(*)	Share capital (in euros)
Position at 31/12/2006				470,622,930	1,176,557,325
Share capital reduction	(9,500,000)	(113,364,800)	(3,800,000)	466,822,930	1,167,057,325
Group Savings Scheme	21,693,128	310,020,226	8,677,251	475,500,181	1,188,750,453
Share subscription options exercised	26,191,518	134,657,853	10,476,607	485,976,788	1,214,941,970
Position at 31/12/2007				485,976,788	1,214,941,970
Group Savings Scheme	8,476,643	139,104,535	3,390,657	489,367,445	1,223,418,613
Share subscription options exercised	5,887,258	31,048,028	2,354,903	491,722,348	1,229,305,870
Payment of dividend in shares	11,100,330	185,751,933	4,440,132	496,162,480	1,240,406,200
Position at 31/12/2008				496,162,480	1,240,406,200
Group Savings Scheme	22,671,710	207,017,588	9,068,684	505,231,164	1,263,077,910
Share subscription options exercised	7,355,790	44,962,646	2,942,316	508,173,480	1,270,433,700
Payment of dividend in shares	31,960,175	334,842,687	12,784,070	520,957,550	1,302,393,875
Position at 31/12/2009				520,957,550	1,302,393,875
Group Savings Scheme	15,091,573	187,374,980	6,036,629	526,994,179	1,317,485,448
Share subscription options exercised	8,955,645	54,594,480	3,582,258	530,576,437	1,326,441,093
Payment of dividend in shares	2,610,025	36,999,714	1,044,010	531,620,447	1,329,051,118
Cegelec contribution	52,500,000	792,067,549	21,000,000	552,620,447	1,381,551,118
Position at 31/12/2010				552,620,447	1,381,551,118
Group Savings Scheme	25,210,833	317,288,509	10,084,333	562,704,780	1,406,761,950
Share subscription options exercised	6,429,730	44,549,294	2,571,892	565,276,672	1,413,191,680
Position at 31/12/2011				565,276,672	1,413,191,680

(*) Adjusted for the two-for-one share split in May 2007.

3.2 Potential capital

The only existing financial instruments that could cause the creation of new shares are the share subscription options granted to VINCI officers and employees (see section D, "Company officers and executives", paragraph 4.2, on page 121 of the Report of the Board of Directors for details of these options). Share subscription and purchase options would become exercisable in the event of a takeover bid.

3.3 Changes in the breakdown of share capital and voting rights during the last three years

Breakdown of share capital

	Dec. 2011 ^(**)			Dec. 2010			Dec. 2009		
	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights
Treasury shares ^(*)	25,021,501	4.4%	-	11,360,406	2.1%	-	21,083,639	4.0%	-
Employees (company mutual funds)	55,590,796	9.8%	10.3%	49,904,956	9.0%	9.2%	47,809,964	9.2%	9.6%
Total not publicly held	80,612,297	14.3%	10.3%	61,265,362	11.1%	9.2%	68,893,603	13.2%	9.6%
Company officers	2,447,566	0.4%	0.5%	2,507,943	0.5%	0.5%	2,177,357	0.4%	0.4%
Other individual shareholders	65,442,081	11.6%	12.1%	63,845,270	11.6%	11.8%	62,103,977	11.9%	12.4%
Total individual shareholders	67,889,647	12.0%	12.6%	66,353,213	12.0%	12.3%	64,281,334	12.3%	12.9%
Qatari Diar	31,500,000	5.6%	5.8%	31,500,000	5.7%	5.8%	-	-	-
Financière Pinault	15,712,512	2.8%	2.9%	20,987,172	3.8%	3.9%	20,987,172	4.0%	4.2%
Other institutional investors	369,562,216	65.4%	68.4%	372,514,700	67.4%	68.8%	366,795,441	70.4%	73.4%
Total institutional investors	416,774,728	73.7%	77.1%	425,001,872	76.9%	78.5%	387,782,613	74.4%	77.6%
Total	565,276,672	100.0%	100.0%	552,620,447	100.0%	100.0%	520,957,550	100.0%	100.0%

(*) Treasury shares held by the holding company.

(**) Estimate at end-December 2011 on the basis of registered named shareholders, a schedule of identifiable bearer shares and a shareholding survey conducted with institutional investors.

Employee shareholders

Details of the Group Savings Scheme are given in the "Social and Environmental" section of the Report of the Board of Directors on page 125 and in Notes E.18 and E.19.3 to the consolidated financial statements.

Voting rights

The difference between the breakdown of shareholdings and voting rights is due to the absence of voting rights attached to treasury shares. There are no double voting rights.

Breaching of shareholding thresholds

According to the declarations received by the Company of breaches of the legal threshold of 5% or the threshold of 1% provided for in the Articles of Association of the share capital or voting rights, the shareholders identified at 31 December 2011 as holding more than 1% of the share capital or voting rights, other than those shown in the table on the previous page, are as follows:

- Amundi: 17 declarations in 2011; the latest, dated 21 November 2011, mentions a shareholding in VINCI of 3.4%;
- Société Générale: four declarations in 2011; the latest, dated 31 May 2011, mentions a shareholding in VINCI of 5.0%;
- BNP Paribas: three declarations in 2011; the latest, dated 15 July 2011, mentions a shareholding in VINCI of 1.1%;
- Norges: a 2% shareholding on 2 September 2011;
- Financière Pinault, through its subsidiaries Artémis 12 and TEM: a 2.8% shareholding on 8 November 2011.

Shareholder agreements

In accordance with the strategic partnership agreement signed by Qatari Diar Real Estate Investment Company (Qatari Diar) and VINCI on 19 January 2010 and following approval by the European competition authorities, the VINCI Board of Directors met on 14 April 2010 and carried out the Cegelec transfer by issuing new shares and exchanging treasury shares. Upon completion of the transaction, Qatari Diar acquired a shareholding in VINCI. This acquisition was accompanied by a stable shareholding agreement, under which VINCI agreed to reserve a seat on its Board of Directors for a director nominated by Qatari Diar. Qatari Diar was appointed by the Shareholders' General Meeting of 6 May 2010 and designated Mr Maillot as its permanent representative. Mr Maillot was also made a member of the Strategy and Investments Committee. As of 1 March 2011, Mr Maillot was replaced by Mr Yousuf Ahmad Al Hammadi in these positions. Under the agreement, Qatari Diar shall maintain a shareholding in VINCI of between 5% and 8% for a period of three years starting on 14 April 2010, barring certain non-significant exceptions (see the 14 April 2010 press release issued regarding this transaction). VINCI shall have a right of first offer (or, in some cases, a pre-emptive right) on any disposals by Qatari Diar of blocks of shares representing more than 1.0% of the share capital.

To the best of the Company's knowledge, with the exception of this agreement and the concerted action of Financière Pinault with Artémis, Artémis 12 and Victoris, which it controls, declared on 8 June 2007, there are no shareholder agreements or groups of shareholders acting as partners.

Registered shareholders

At 31 December 2011, the Company had 3,880 shareholders whose registration is managed by the Company and 1,653 shareholders whose registration is managed by a financial institution. At that date, 441,723 shares whose registration is managed by the Company and 251,952 shares whose registration is managed by a financial institution were pledged.

3.4 Treasury shares

The disclosures required under Article L.225-211 of the French Commercial Code are made in Note C.3 to the consolidated financial statements on page 269.

3.5 Shareholders' agreement relating to ASF shares

In December 2006, in connection with the financing of the transfer by VINCI of its 22.99% shareholding in ASF to ASF Holding, VINCI entered into a shareholders' agreement with its subsidiary ASF Holding, to which this shareholding was transferred, under which the two companies organise their relations within ASF.

Under the terms of this agreement, the parties undertake, as majority shareholders of ASF, to act in such a way as to ensure that the decisions made by the competent governing bodies of ASF comply with:

- the principle of implementing and maintaining a policy of maximising the dividends distributed on the basis of ASF's distributable income and reserves, provided ASF meets its commitments to a syndicate of 23 banks in respect of the €3.5 billion financing signed on 18 December 2006, and, in particular, with the following financial ratios, calculated on the basis of ASF's consolidated financial statements: net debt to cash flow from operations^(*) ≤ 7 and cash flow from operations^(*) to net financial costs ≥ 2.2;
- the prior conditions for any disposal by ASF of shares it holds in Escota, as defined in the credit line agreements signed on 18 December 2006 with a bank syndicate by ASF and ASF Holding of €3.5 billion and €1.2 billion respectively.

VINCI undertakes furthermore:

- that VINCI Concessions will return to ASF Holding the sums that ASF Holding may have made available to it under Group centralised cash management agreements should ASF Holding be required to make early repayment of its syndicated loan of €1.2 billion;
- that it will maintain, directly or indirectly, a shareholding in ASF giving it access to a majority of the share capital and voting rights.

This commitment ended when ASF Holding increased its shareholding in ASF so as to hold the majority of the share capital and voting rights directly.

This shareholder agreement will remain in force as long as any money remains due to the banks under ASF Holding's syndicated loan, which matures in December 2013, it being understood that VINCI and/or ASF Holding may sell all or part of their holdings in ASF, provided any third party becoming the holder of at least a blocking minority signs this shareholder agreement beforehand.

VINCI has not entered into any agreements other than this agreement that could have a material effect on its share price. However, it should be stated that the formation of companies by VINCI with other parties may have resulted in agreements being made. This is the case in particular for Cofiroute, Stade de France Consortium and companies created specifically for the needs of securing and managing infrastructure concessions. The main purpose of these agreements is to organise the respective rights of shareholders in the event of the disposal of shares, and if applicable, to set certain operating principles for the corporate governing bodies.

^(*) Before tax and financing costs.

3.6 VINCI shares and the stock market

The VINCI share is traded on the regulated market of Euronext Paris (Compartment A) and on several Multilateral Trading Facilities (MTFs), of which the main ones are Chi-X, Turquoise and BATS. In 2011 as a whole, 69% by volume of the trades were on Euronext and 31% on MTFs.

The VINCI share is included in particular in the CAC 40, Euronext 100, Eurostoxx 50, Eurostoxx Construction & Materials, Euro Dow and Aspi Eurozone indices.

Changes in the stock price and in trading volumes over the last 18 months were as follows (source: Euronext Paris and Bloomberg):

		Average price ^(*) (in euros)	Highest ^(**) (in euros)	Lowest ^(**) (in euros)	Transactions ^(***) (in millions of shares)	Value of transactions (in € millions)
2010	July	35.8	38.5	33.0	72.5	2,593.3
	August	36.1	38.6	33.4	61.4	2,216.4
	September	37.0	38.0	35.0	65.5	2,425.6
	October	38.4	39.8	35.9	54.5	2,096.1
	November	39.4	40.9	37.0	70.1	2,762.3
	December	40.1	41.5	37.0	87.5	3,510.1
2011	January	41.6	43.6	39.4	63.8	2,653.7
	February	43.3	44.6	41.8	54.0	2,340.6
	March	42.9	44.7	40.2	72.5	3,109.5
	April	43.7	45.4	41.4	43.2	1,888.6
	May	43.9	45.5	42.7	49.7	2,184.7
	June	42.6	45.0	41.3	85.3	3,629.4
	July	41.4	44.8	38.8	65.8	2,727.6
	August	35.3	41.4	32.1	108.5	3,823.5
	September	32.9	36.5	29.5	96.4	3,171.4
	October	34.5	38.2	30.0	69.1	2,386.0
	November	32.1	36.0	28.5	96.7	3,103.3
	December	32.6	34.3	31.1	74.3	2,422.3

(*) Average of closing prices (Euronext Paris).

(**) Price during trading sessions (Euronext Paris).

(***) Volume of transactions (Euronext +MTF).

4. Matters that could be material in the event of a public offer

In application of Article L.225-100-3 of the French Commercial Code, matters that could be material in the event of a public offer are as follows:

a) Structure of the Company's share capital	F. General information, paragraph 3.3 "Breakdown of share capital and voting rights at 31 December 2011"
b) Restrictions in the Articles of Association on the exercise of voting rights and the transfer of shares or clauses of agreements brought to the Company's knowledge in application of Article L.233-11	F. General information, paragraph 1 "Statutory threshold provisions (excerpt from Article 10b of the Articles of Association)"
c) Direct or indirect investments in the Company's share capital of which it has knowledge by virtue of Articles L.233-7 and L.233-12	F. General information, paragraph 3.3 "Breaching of shareholding thresholds"
d) The list of holders of any shares granting special control rights and description thereof	F. General information, paragraph 3.3 "Registered shareholders"
e) Control arrangements provided if there is an employee shareholding system in place, whenever rights to control are not exercised by the employees	F. General information, paragraph 3.3 "Employee shareholders"
f) Any agreements between shareholders of which the Company has knowledge and that could entail restrictions on the transfer of shares and the exercise of voting rights	F. General information, paragraphs 3.3 "Shareholder agreements" and 3.5 "Shareholders' agreement relating to ASF shares"
g) The rules applicable to the appointment and replacement of members of the Board of Directors and to amendments of the Articles of Association	Report of the Chairman on corporate governance and internal control procedures, provisions of law and Articles of Association
h) The powers of the Board of Directors, in particular for the issue or buy-back of shares	Table of authorisations regarding share capital increases attached to the Report of the Board of Directors and F. General information, paragraph 3.2 "Potential capital"
i) Agreements entered into by the Company that are amended or cease in the event of a change of control of the Company, unless this disclosure would seriously undermine its interests, except when such disclosure is a legal obligation	F. General information, paragraph 3.5 "Shareholders' agreement relating to ASF shares" Note 22.2.5 to the consolidated financial statements
j) Agreements providing for compensation payable to members of the Board of Directors or employees if they resign or are dismissed without valid grounds or if their employment is terminated due to a public offering	D. Company officers and executives, paragraph 3.2 "Remuneration of executive company officers" Report of the Chairman on corporate governance and internal control procedures

5. Other information on the Company forming an integral part of the Report of the Board of Directors

The sections "Stock market and shareholder base" (pages 26-27), "Parent company financial statements" (pages 262-278) and the consolidated financial statements (pages 178-260) form an integral part of the Report of the Board of Directors.

The following documents are annexed to the Report of the Board of Directors:

- the Report of the Chairman of the Board of Directors on corporate governance and internal control procedures (pages 161-175);
- the table of financial results over the last five years (page 279);
- the table of authorisations granted to increase the share capital (pages 157-158).

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Authorisations granted to the Board of Directors to increase the share capital and carry out other financial transactions

The authorisations currently in force are as follows:

	Date of Shareholders' General Meeting	Date of expiry	Maximum amount of issue (nominal value)
Share buy-backs ⁽¹⁾	02/05/11 (Seventeenth resolution)	01/11/12	€2,000 million 10% of the share capital
Capital reductions by cancellation of treasury shares	02/05/11 (Nineteenth resolution)	01/11/12	10% of the share capital over a period of 24 months
Capital increases through capitalisation of reserves, profits and share premiums	02/05/11 (Twentieth resolution)	01/07/13	⁽²⁾
Issues, maintaining the shareholders' preferential subscription rights, of all shares and securities giving access to the share capital of the Company and/or its subsidiaries	02/05/11 (Twenty-first resolution)	01/07/13	€300 million (shares) ⁽³⁾ €5,000 million (debt securities) ⁽⁴⁾
Issues of Océane bonds, while cancelling shareholders' preferential subscription rights, by the Company and/or its subsidiaries	02/05/09 (Twenty-second resolution)	01/07/13	€150 million (shares) ⁽³⁾⁽⁵⁾ €3,000 million (debt securities) ⁽⁴⁾⁽⁶⁾
Issue of debt securities other than Océane bonds giving access to the share capital, while cancelling the shareholders' preferential subscription rights	02/05/11 (Twenty-third resolution)	01/07/13	€150 million (shares) ⁽³⁾⁽⁵⁾ €3,000 million (debt securities) ⁽⁴⁾⁽⁶⁾
Increase of the amount of an issue if it is over-subscribed	02/05/11 (Twenty-fourth resolution)	01/07/13	15% of the initial issue ⁽³⁾⁽⁴⁾
Issues of all shares and securities giving access to the share capital to use as consideration for contributions in kind made to the Company in the form of shares or securities giving access to the share capital	02/05/11 (Twenty-fifth resolution)	01/07/13	10% of the share capital
Issue of shares in the Company following the issue by one or more subsidiaries of securities giving access to the Company's share capital	06/05/10 (Twenty-first resolution)	05/07/12	€150 million ⁽⁵⁾ €300 million ⁽⁵⁾
Capital increase reserved for employees of VINCI and its subsidiaries under savings plans	02/05/11 (Twenty-sixth resolution)	01/07/13	2% of the share capital ⁽⁷⁾
Capital increases reserved for a specific category of beneficiaries in order to offer employees outside France benefits comparable to those offered to employees who subscribe directly or indirectly through a company mutual fund in a savings plan	02/05/11 (Twenty-seventh resolution)	01/11/12	2% of the share capital ⁽⁷⁾
Issue of share subscription options	02/05/11 (Twenty-eighth resolution)	01/07/13	0.9% of the share capital ⁽⁸⁾ Other conditions ⁽⁹⁾

(1) Except during a public offer period.

(2) Total amount of reserves, profits or share premiums arising on issue that may be capitalised.

(3) The cumulative nominal amount of share capital increases that may be undertaken by virtue of the Twenty-first resolution adopted by the Shareholders' General Meeting of 6 May 2010 and the Twenty-first, Twenty-second, Twenty-third and Twenty-fourth resolutions adopted by the Shareholders' General Meeting of 2 May 2011 may not exceed €300 million.

(4) The cumulative nominal amount of issues of debt securities that may be undertaken by virtue of the Twenty-first, Twenty-second, Twenty-third and Twenty-fourth resolutions adopted by the Shareholders' General Meeting of 2 May 2011 may not exceed €5,000 million.

(5) The cumulative nominal amount of share capital increases that may be undertaken by virtue of the Twenty-first resolution adopted by the Shareholders' General Meeting of 6 May 2010 and the Twenty-second and Twenty-third resolutions adopted by the Shareholders' General Meeting of 2 May 2011 may not exceed €150 million.

(6) The cumulative nominal amount of issues of debt securities that may be undertaken by virtue of the Twenty-second and Twenty-third resolutions adopted by the Shareholders' General Meeting of 2 May 2011 may not exceed €3,000 million.

(7) The total number of shares that may be issued under the Twenty-sixth and Twenty-seventh resolutions adopted by the Shareholders' General Meeting of 2 May 2011 may not exceed 2% of the shares representing the share capital when the Board of Directors takes its decision.

(8) The total number of options that can be granted under the Twenty-eighth resolution adopted by the Shareholders' General Meeting of 2 May 2011 cannot relate to a number of shares to subscribe exceeding 0.9% of the number of shares making up the share capital.

(9) The issue price of the shares may not be less than the average stock market price on the 20 trading days preceding the day of the Board of Directors' meeting at which the options are granted; the performance conditions attached to the options must include a mechanism that ties the number of options granted to the Group's intrinsic business performance, reflected in achieving a return on capital employed (ROCE) of at least 5%.

The authorisations proposed to the Shareholders' General Meeting of 12 April 2012 are as follows:

	Date of Shareholders' General Meeting	Date of expiry	Maximum amount of issue (nominal value)
Share buy-backs ⁽¹⁾	12/04/12 (Fifth resolution)	11/10/13	€2,000 million 10% of the share capital
Capital reductions by cancellation of treasury shares	12/04/12 (Eighth resolution)	11/10/13	10% of the share capital over a period of 24 months
Capital increases reserved for employees of VINCI and its subsidiaries under savings plans	12/04/12 (Ninth resolution)	11/06/14	2% of the share capital ⁽²⁾
Capital increases reserved for a specific category of beneficiaries in order to offer employees outside France benefits comparable to those offered to employees who subscribe directly or indirectly through a company mutual fund in a savings plan	12/04/12 (Tenth resolution)	11/10/13	2% of the share capital ⁽²⁾
Authorisation to grant performance shares using existing shares	12/04/12 (Eleventh resolution)	11/06/15	1% of the share capital social ⁽³⁾ Other conditions ⁽⁴⁾

(1) Except during a public offer period.

(2) The total number of shares that may be issued under the Ninth and Tenth resolutions adopted by the Shareholders' General Meeting of 12 April 2012 may not exceed 2% of the shares representing the share capital when the Board of Directors takes its decision.

(3) The total number of performance shares that may be granted under the Eleventh resolution of the Shareholders' General Meeting of 12 April 2012 may not exceed 1% of the shares representing the share capital when the Board of Directors takes its decision.

(4) Shares are only definitively allocated after a minimum vesting period of two years following their allocation to beneficiaries provided the beneficiaries are still Group employees or company officers at the date of definitive allocation. The number of shares definitively allocated is subject to the condition that, during the two-year vesting period, the VINCI Group's average return on capital employed (ROCE), after restating for non-controlling interests, is greater than 6% and the number of performance shares finally allocated will depend on this rate: 100% of the performance shares will be allocated if it is greater than 7% and the proportion will be set by linear interpolation if this rate is between 6% and 7%.

Report of the Statutory Auditors expressing moderate assurance on selected environmental and social indicators

as published in the VINCI Group's 2011 Annual Report

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Year ended 31 December 2011

In accordance with the terms of our appointment and in our capacity as Statutory Auditors of the VINCI Group, we conducted a review with the aim of providing moderate assurance on social⁽¹⁾ and environmental indicators ("the Data") selected by the VINCI Group and identified by the symbol ☒ in the tables on pages 126-142 of the 2011 Annual Report⁽²⁾.

The findings below apply solely to the selected Data and not to all the indicators reported.

The social data was prepared under the responsibility of VINCI's Human Resources Department and the environmental data under the responsibility of the Delegation for Sustainable Development in accordance with the manuals and guides prepared by the Group, which are available for consultation at the company's head office (hereinafter collectively referred to as the "Guidelines"). The methodological note on pages 149-150 of the 2011 Annual Report provides additional information on the methods used to collect and calculate the indicators reported. Our responsibility is to express an opinion on the Data selected based on our review.

Nature and scope of our work

We performed our work in accordance with the ISAE 3000 standard and with professional standards applicable in France.

Based on our limited review, we express a moderate level of assurance that the Data selected contains no material misstatement. More extensive work would have been required to assert a higher level of assurance.

For the selected Data, we have:

- reviewed the Guidelines in terms of their relevance, reliability, objectivity, clarity and completeness;
- conducted interviews and Guidelines compliance tests with:
 - 15 entities⁽³⁾ representing 21% of the Group's consolidated workforce, with respect to the social data;
 - 32 entities⁽⁴⁾ representing from 11.7% to 68% of the consolidated data, depending on the scope, with respect to the environmental data;

Scope	Indicators
Group	Percentage of revenue from ISO 14001-certified activities excluding Eurovia and VINCI Autoroutes Electricity consumption Natural gas consumption Heavy fuel oil consumption Domestic heating oil and motor fuel consumption CO ₂ emissions (scope 1+2)
Group excluding VINCI Construction	Purchased water consumption
VINCI Autoroutes	Purchased de-icing salt Hazardous waste produced Non-hazardous waste produced Kilometres of ISO 14001-certified motorways
VINCI plc	Quantity of waste generated by VINCI plc Percentage of waste recycled by VINCI plc
Eurovia	Percentage of mix manufactured with recycled mix aggregate Percentage of ISO 14001-certified revenue (works agencies) ISO 14001-certified tonnage (own quarries) ISO 14001-certified tonnage (own coating plants) ISO 14001-certified tonnage (own binder plants)

- conducted consistency tests on the consolidation of this Data.

We were assisted in this work by the sustainable development experts of our respective firms.

Comments on procedures

We have the following comments to make on the reporting procedures:

Environmental reporting:

- The internal control system should be enhanced at certain consolidation levels within the Construction business line, particularly outside France.
- As regards VINCI Construction France's statistical method, responsibilities for the reporting of selected worksites should be better defined.
- Reporting guidelines for VINCI Autoroutes companies should be harmonised, to ensure the consistency of information collected.

Social reporting:

- As regards indicators relating to absenteeism, greater efforts should be made to encourage contributors to comply with the Guidelines.

Conclusion

Our work did not reveal any material misstatement that would indicate that the selected information identified by the symbol ☑ in the tables on pages 126-142 of the 2011 Annual Report was not prepared in compliance with the Guidelines in all material respects.

(1) Period-end workforce, number of women, total recruitment (unlimited-term contracts + site contracts + fixed-term contracts + work-study contracts), total departures, average VINCI salary, average salary for women, actual hours worked, overtime, number of part-time employees, total days of absence, lost-time work accident frequency rate for VINCI employees, work accident severity rate for VINCI employees, days of absence for occupational illnesses, number of hours of training, number of hours of environmental training, number of people trained, number of disabled employees.

(2) The social indicators are for the period from 1 January 2011 to 31 December 2011 and the environmental indicators are for the period from 1 October 2010 to 30 September 2011.

(3) VINCI Construction: VINCI Construction DOM-TOM (Réunion Island), VINCI Construction Terrassement, Campenon Bernard Construction; VINCI Autoroutes: ASF, Escota and Cofiroute; Eurovia: Eurovia Teerbau and Eurovia VBU (Germany), Eurovia Filiales Spécialisées; VINCI Energies: VINCI Energies France including VINCI Energies Est and VINCI Energies Ile de France, VINCI Energies Switzerland; VINCI Concessions: VINCI Concessions (excluding Stade de France) including the holding company and two airports.

(4) VINCI Construction: ETS Fondations et Travaux Nautiques, VINCI Construction France head office, VINCI Construction France Nord Picardie (all companies including one mobile site), VINCI Construction France Provence Alpes Côte d'Azur (all companies including one mobile site), CFE (Engema, Van Wallen, CFE Nederland); VINCI Autoroutes: ASF Provence Camargue, ASF's Védène head office, Cofiroute Ponthévrard, Cofiroute Thivars, Escota Provence, Escota Val de Durance, Escota Maintenance Department; VINCI Energies France: VINCI Energies Est, VINCI Energies Rhône-Alpes Auvergne, VINCI Energies Sud-Est, VINCI Energies Ile de France, VINCI Energies Infrastructures Télécoms; Eurovia: Eurovia Germany, Eurovia Czech Republic, Eurovia Sud-Ouest, Eurovia Centre-Ouest; VINCI plc: ST Forecourt, Gatwick CSC, Whiston Hospital, Coventry University, Tottenham Court Road, The Royal Oldham Hospital, City School, King's Cross, King Edward VII.

The Statutory Auditors
Paris-La Défense and Neuilly sur Seine, 20 February 2012

KPMG Audit
Department of KPMG SA

Philippe Arnaud
Partner
Responsible for the
Climate Change and Sustainable
Development Department

Patrick-Hubert Petit
Partner

Deloitte & Associés

Eric Dugelay
Responsible for the Sustainable
Development Departments for
Europe, Africa and the Middle East

Alain Pons
Partner

Report of the Chairman of the Board on corporate governance and internal control procedures

In accordance with Article L.225-37 of the French Commercial Code, the objective of this report of the Chairman of the Board of VINCI is to give an account of the composition of the Board of Directors, the application of the principle of equal representation of men and women on the Board, how the Board's work is prepared and organised, and the internal control and risk management procedures the VINCI Group has put in place.

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This report was prepared by the Chairman in liaison with the Company's Finance Department (the Audit Department being included therein) and Legal Department.

The "Corporate governance" section of this report was submitted to the Appointments and Corporate Governance Committee.

The "Internal control and risk management procedures" section was prepared with the input of the VINCI Group's business lines and divisions. The required information was gathered from key personnel responsible for internal audit and risk management procedures. This section of the report was submitted for approval to the Audit Committee.

This report was approved by the Board of Directors at its meeting of 7 February 2012.

A. Corporate governance

1. Reference to the Afep-Medef code of corporate governance

At its meeting of 13 November 2008, the Board of Directors of VINCI decided that the Company would, as from financial year 2008, use the Afep-Medef code as a frame of reference for preparing the report required by Article L.225-37 of the French Commercial Code. This corporate governance code may be consulted in full on the Medef website (www.medef.fr). The following criteria or recommendations of this code have been set aside:

Criterion/recommendation set aside	Reason
A Director is not considered independent if he/she has held his/her position for more than 12 years.	The Group's significant assets relate to multi-year contracts that are in effect over a long period of time, sometimes several decades (concessions and public-private partnerships). Board members must have sufficient perspective on these activities. The individuals affected by this criterion are fully independent in their judgement.
A Director is not considered independent if he/she is a company officer of a subsidiary.	Provided the Board member in question is otherwise considered independent, the Board believes that the fact that he/she holds the position of (non-executive) Director of a subsidiary is a strength, and that this situation does not make him/her less independent in his/her judgement.
An executive may only receive a termination benefit if the departure from the company is imposed and due to a change in control or strategy.	In May 2010, the Company made a commitment to its Chairman and Chief Executive Officer to pay a benefit in the event the Board terminated his appointment, regardless of the reason. However, the Board has made payment of this benefit subject to performance criteria.
The Board's assessment must measure the contribution of each member of the Board.	There is no formalised system for measuring the individual contribution of each Board member. All of the members of the Board approved of the collegial manner in which the Board functions. This can only result from positive individual contributions.

2. Executive Management structure

On 6 May 2010, shareholders renewed Mr Huillard's appointment as a member of the Board. The Board then decided to combine the functions of Chairman of the Board and Chief Executive Officer. The Board believed – and continues to believe – that this decision, announced in November 2009, represents the most appropriate choice for the Group because i) its operational structure demands it, with Executive Management of a listed holding company supported by structured business lines in, Concessions and Contracting, ii) it wanted to unify the Group's top-level representation vis-à-vis third parties so as to clarify it and make the Group more responsive in today's particularly uncertain and difficult worldwide economic situation.

Chairman and Chief Executive Officer

Xavier Huillard, Chairman and Chief Executive Officer:

- organises and directs the work of the Board and reports thereon to shareholders at the Shareholders' General Meeting. He ensures the proper functioning of the various corporate bodies and committees and, in particular, ensures that the Directors are able to fulfil their responsibilities;
- has the broadest powers to act in all circumstances in the Company's name. He exercises these powers within the limits of the corporate purpose, subject to the powers that the law attributes expressly to shareholders and to the Board of Directors, and in accordance with the Board's internal rules. He represents the Company in its dealings with third parties and is responsible for overall operational management of the Group.

He provides the Board and its committees with the information they need, reports on the highlights of the Group's operations over the period and implements the Board's decisions.

The Board's internal rules require the Company's material transactions, referred to in paragraph 3.3 below, to be subject to prior approval by the Board. In addition, the Chairman and Chief Executive Officer regularly presents the Group's performance, prospects and strategy to the financial community, in particular through road shows.

Mr Huillard chairs the Executive Committee and the Management and Coordination Committee. The Executive Committee had 14 members as of the date of this report. It met 20 times in 2011, with an average of one to two meetings per month. The Management and Coordination Committee is composed of the members of the Executive Committee and the Group's main operational and functional executives. Its purpose is to ensure broad consultation on VINCI's strategy and position as well as on cross-cutting policies within the VINCI Group. This committee has 37 members and met four times in 2011.

Mr Huillard also chairs the Risk Committee mentioned in paragraph 4.3 of part B.

Vice-Chairman and Senior Director of the Board

Yves-Thibault de Silguy was named Vice-Chairman and Senior Director of the VINCI Board on 6 May 2010. Mr de Silguy was previously Chairman of the Board (from 2006), and he proposed that the Board change its system of corporate governance by creating a new Senior Director function with real prerogatives, set out in the Board's internal rules. The Board approved his proposal unanimously. The Senior Director has an outstanding level of information about the Group and how it operates and also enjoys specific powers which are specified in the Board's internal rules and restated in the Report of the Vice-Chairman and Senior Director on page 177 of this report. These factors ensure the system's efficiency. Mr de Silguy cannot be considered an "independent Director" as defined by the Afep-Medef code because he held the position of Chairman of the Board between 2006 and 2010. Nevertheless, the Board considers that his exceptional knowledge of the Group by virtue of his previous position, the information from which he will continue to benefit, as specified in the internal rules, and his availability constitute sufficient reason to assign the position to him. Mr de Silguy reports on his activity to the Remuneration Committee in the form of a detailed written report.

Mr de Silguy:

- devotes part of his time to remaining up to the minute on the Group's news and events through regular meetings with the Group's principal operational and functional executives;
- assists the Chairman and Chief Executive Officer, as part of the company's corporate governance arrangements, in organising the work of the Board and its committees;
- provides the Board with his insights on transactions it will have to consider, supplementing the activity of the Board committees, and ensures the proper functioning of governance bodies on behalf of the Board;
- calls a meeting of the Directors once a year, without the Chairman and Chief Executive Officer being present.

Mr de Silguy also chairs the Appointments and Corporate Governance Committee and the Strategy and Investments Committee. He takes part in numerous meetings with individual shareholders.

Lastly, Mr de Silguy assists the Chairman and Chief Executive Officer and the executives of the Group's numerous subsidiaries, at their request, in high-level representation vis-à-vis governmental authorities and major customers and business partners in France and abroad. This support is governed by a services agreement approved by shareholders at the Shareholders' General Meeting of 6 May 2010. The Board of Directors is careful to ensure that this contract does not give rise to a conflict of interest or weaken the role of Senior Director that has been separately assigned to Mr de Silguy. To this end, his remuneration is a fixed, non-adjustable sum and the contract's execution is monitored every year by the Audit Committee on the basis of a detailed written report.

3. The Board of Directors

3.1 Composition of the Board of Directors – Independence of members

At the date of this document, the Board of Directors has 14 members, including one member representing employee shareholders.

In 2011, shareholders renewed the terms of Pascale Sourisse, Robert Castaigne and Jean-Bernard Lévy as Directors and appointed Elisabeth Boyer as Director representing employee shareholders, following the resignation of Denis Vernoux.

At the Shareholders' General Meeting of 12 April 2012, shareholders will be asked to vote on the renewal of the term of Jean-Pierre Lamoure as Director. Dominique Bazy has decided not to seek re-election to his position upon expiration of his term at the end of this Annual Shareholders' General Meeting.

Since the Shareholders' General Meeting of 2 May 2011, the percentage of women on the Board has been 14%. Following the 12 April 2012 Shareholders' General Meeting, it will be 15%. The Board aims to comply, within the specified time frame, with Act no. 2011-103 of 27 January 2011 concerning the balance between men and women on Boards of Directors and Supervisory Boards and concerning equal status for men and women. Furthermore, two Board members do not have French citizenship.

The term of office of Directors is four years. The Directors' terms of office expire at different times, such that approximately one-quarter of the Board is renewed every year.

The Company's Articles of Association provide that no one may be appointed or re-appointed as a Director after reaching the age of 75 and that no more than one-third of the Directors in office at the close of the financial year for which shareholders are asked to approve the financial statements may be over 70.

At its meeting of 7 February 2012, the Board also made an assessment of the current Directors' independence, as required by the Afep-Medef code and in accordance with the criteria of that code.

For the purpose of evaluating the independence of VINCI's Directors, the Board decided to exclude the code's 12-year seniority criterion for the reasons explained above in paragraph A.1.

Although certain VINCI Board members might be customers or suppliers of companies having business relationships with the Group, the Board has determined that, given the business of the Group and because business relationships between the companies in the Group and their industrial partners are highly dispersed, there is no significant flow of business requiring special surveillance and that might give rise to conflicts of interest. Concerning relationships with its partner banks, the Board examined the individual situation of the two Directors who have had responsibilities in the banking sector, and concluded that no conflict of interest has been identified over the last five years and that they have full independence of judgement.

After receiving the report of the Appointments and Corporate Governance Committee, the Board examined the situation of each Board member and reached the following conclusions:

Directors who cannot be considered independent

- Xavier Huillard, Chairman and Chief Executive Officer;
- Yves-Thibault de Silguy, Vice-Chairman and Senior Director;
- Elisabeth Boyer, Director representing employee shareholders. This evaluation was based on the fact that Ms Boyer is an employee of Cofiroute, a subsidiary of VINCI. The Board nevertheless noted that Ms Boyer is a member of an employee representative body, giving her protection that could enable her to be considered an independent Director under the European Commission Recommendation 2005/162/EC of 5 February 2005;
- Jean-Pierre Lamoure. This evaluation was based on the fact that Mr Lamoure was a Group employee and that he is currently Chairman of Soletanche Freyssinet, a wholly owned subsidiary of VINCI.

Directors who can be considered independent

The Board of Directors believes that the following members of the Board are independent. It believes that even if some of them do not meet certain criteria set out by the Afep-Medef code, the judgement of these individuals is completely independent, ensuring that they can carry out their remit in a fully independent manner.

- Dominique Bazy. The Board has found that there is no business relationship between VINCI and Barber Hauler Capital Advisers, of which Mr Bazy is managing partner. During its examination, the Board noted that Mr Bazy held a position in an investment bank (UBS) less than five years ago and that he has been a Director of VINCI since 1996, i.e. more than 12 years. However, the Board believes that these circumstances do not alter his independence of judgement.
- Robert Castaigne. The Board has taken into account the fact that until May 2008 Mr Castaigne was Chief Financial Officer and member of the Executive Committee of the Total Group, with which the VINCI Group has normal business relationships involving fuel purchase contracts or construction projects, for example. The Board believes that these factors do not alter Mr Castaigne's independence of judgement.
- François David. Mr David is Chairman of Coface. The Board believes, however, that the normal commercial relationships that might exist between the Coface Group and the VINCI Group (e.g. insurance policies for contracts entered into by VINCI subsidiaries abroad) do not alter Mr David's independence of judgement.
- Patrick Faure. The Board noted that Mr Faure has been a Director of VINCI since 1993, i.e. more than 12 years, and that he sits on the Board of Cofiroute, a company controlled by VINCI. The Board believes, however, that Mr Faure's directorship at Cofiroute does not alter his independence of judgement. On the contrary, the Board believes this constitutes an advantage inasmuch as Mr Faure has useful experience in motorway judgements from which the other members of the Board can benefit.
- Dominique Ferrero. The Board considers that Mr Ferrero no longer has an operational role within the Natixis Group. The Board took into consideration Mr Ferrero's statements, according to which his functions did not give rise to any conflict of interest in 2011.
- Jean-Bernard Lévy. Mr Lévy is Chairman of the Management Board of Vivendi. The Board believes that the normal business relationships that exist between VINCI and certain subsidiaries of the Vivendi Group do not alter Mr Lévy's independence of judgement. These relationships include telephone subscription contracts, construction projects and arm's length service contracts.
- Michael Pragnell held management responsibilities within Syngenta AG until 2007. This company has no business relationship with the VINCI Group.
- Henri Saint Olive. Mr Saint Olive is Chairman of Banque Saint Olive, which might enter into transactions with the Company or its subsidiaries or into private transactions with executives thereof. The Board believes, however, that such transactions do not alter Mr Saint Olive's independence of judgement.
- Pascale Sourisse. Ms Sourisse has management responsibilities within the Thales Group. The Board believes, however, that the normal business relationships that may exist between the Thales Group and certain companies in the VINCI Group do not alter Ms Sourisse's independence of judgement.
- Qatari Diar Real Estate Investment Company. The Board noted that the Qatari Diar Group held less than 6% of the share capital and voting rights of VINCI, acquired when the Cegelec Group was sold to VINCI. In addition, the Board noted that VINCI Construction Grands Projets, a wholly owned subsidiary of VINCI, and Qatari Diar are partners in the Qatari-law company Qatari Diar VINCI Construction (QDVC). This company, 51%-owned by Qatari Diar, is involved in developing construction activities in Qatar and elsewhere in the Middle East. The permanent representative of Qatari Diar on the Board of VINCI, Yousuf Ahmad Al Hammadi, has been Chairman of QDVC since 26 August 2011. The Board believes, however, that Mr Al Hammadi's appointment as a representative of the majority shareholder of QDVC does not affect his independence of judgement as a member of the Board of VINCI.

As a result of this evaluation, the Board of Directors considers that 10 of its 14 members, i.e. more than half, qualify as independent.

If the appointment of Mr Lamoure is renewed, nine Directors out of 13 will be considered independent.

3.2 Personal situation of company officers

As of the date this document was prepared and to the best of the Chairman's knowledge:

- there are no family links between any of VINCI's company officers;
- none of VINCI's company officers has been found guilty of fraud in the last five years;
- none of these individuals has been involved as a company officer in a bankruptcy, sequestration of assets or liquidation during the last five years and none has been incriminated or officially punished by a statutory or regulatory authority. None has been disqualified by a Court from serving as a member of a Board of Directors or company management or supervisory body of a securities issuer, nor from being involved in the management or conduct of the affairs of a securities issuer in the last five years;
- no company officer of VINCI has declared a conflict of interest in respect of any decisions taken by the Board of Directors in 2011.

3.3 The Board of Directors' internal rules

In May 2003, the Board of Directors adopted a set of internal rules that is periodically updated. The most recent version came into effect on 6 May 2010 when the Board decided to combine the functions of Chairman and Chief Executive Officer. This document specifies the rules applicable to the Board and its committees, and it includes rules of ethics detailing the standard of conduct expected of each Director. The internal rules may be consulted in full on the Company's website (www.vinci.com).

The internal rules of the Board of Directors specifically require the Board to examine and approve, prior to implementation:

- strategic transactions carried out by the Company and more generally, by the Group;
- strategic investment projects and any transaction, in particular acquisitions and divestments in excess of €200 million;
- transactions falling outside of the Company's announced strategy and any transaction brought to its attention by its Strategy and Investments Committee.

The internal rules of the Board of Directors also require that Board members be kept informed at all times of the Company's financial condition, cash position and commitments, and of all significant events and transactions related to the Company. They may request information about specific subjects and they may meet with the Company's principal executives, if necessary, whether or not the company officers are present, so long as the Chairman is notified in advance.

Lastly, the internal rules specifically define the powers and prerogatives of the Vice-Chairman and Senior Director. These include the right to call a meeting of the Board, to add any item to the agenda, to call a meeting of the members of the Board or to meet with the members of the Executive Committee without the Chairman and Chief Executive Officer being present.

3.4 Conditions of preparation and organisation of the work of the Board

3.4.1 Functioning and work of the Board of Directors in 2011

The Board of Directors met eight times in 2011 and the average attendance rate at its meetings was 95%. The Board of Directors discussed all matters of importance relating to the Group's activities. The Executive Vice-President and Chief Financial Officer attends Board meetings. The General Counsel acts as Board Secretary.

In respect of the financial statements and day-to-day management of the Company, the Board:

- examined and approved the annual consolidated and parent company accounts for financial year 2010 together with the half-yearly 2011 consolidated and parent company accounts;
- approved the terms of the various reports to shareholders, prepared and called the Shareholders' General Meeting of 2 May 2011, approved the agenda and the resolutions submitted for shareholder approval and approved the Report of the Chairman on corporate governance and internal control procedures;
- decided to cap the utilisation of the 23rd and 25th resolutions submitted for shareholder approval at the General Meeting of 2 May 2011 at 15% of share capital;
- took note of the work of the Audit Committee and the Strategy and Investments Committee;
- regularly examined the Group's business activities, on-going developments, financial situation, plans and indebtedness;
- decided to pay an interim dividend on 2011 earnings;
- examined the evolution of the share capital and the share buy-back programme;
- decided to put in place a Euro Medium Term Notes programme;
- approved the renewal of the Chairman and Chief Executive Officer's powers regarding guarantees and collateral;
- renewed a delegation of power to the Chairman and Chief Executive Officer to issue bonds.

Regarding corporate governance and remuneration, the Board:

- examined the Board assessment report, prepared with the assistance of an outside consultant;
- took note of the work of the Remuneration Committee and the Appointments and Corporate Governance Committee as well as that of the meeting of the Chairmen of the Board Committees;
- evaluated the independence of its members with regard to the criteria of the Afep-Medef code, and proposed the renewal of the terms of three Directors;

- set the amount to be recognised in the financial statements for the first year during which Mr Huillard's long-term incentive plan is in effect;
- set Mr Huillard's variable remuneration for financial year 2010 and Mr de Silguy's variable remuneration for the period from 1 January to 30 April 2010;
- approved the tentative work programme of the Board of Directors for 2012;
- decided to implement a share subscription option and/or performance share plan;
- voted on the definitive number of performance shares and share subscription options under the 2009 plan, in light of the performance actually achieved.

Regarding employee savings plans, the Board:

- set the subscription price of shares to be issued under the French employee savings plan for the periods from 2 May to 31 August 2011, from 1 September to 31 December 2011 and from 2 January to 30 April 2012;
- examined a proposed international employee share purchase plan and delegated powers for its implementation.

In addition, the Board:

- took note of the work of the Strategy and Investments Committee;
- examined various acquisition projects;
- approved the subscription by VINCI to a capital increase of its subsidiary VINCI Finance International;
- authorised the issue of guarantees;
- examined the internal reclassification of shareholdings in the Group's motorway companies and various related financial transactions;
- examined the organisation and activities of the VINCI Energies business line;
- examined the Group's business activities in Morocco;
- examined the activities of the Fondation VINCI pour la Cité.

A two-day strategy seminar was held in November 2011 and was attended by the members of the Board of Directors and of the Executive Committee. The seminar offered the opportunity to examine the business and outlook for growth of the different activities, and to reflect on the Group's overall strategy and how to apply it in each of the business lines. In addition, a Board meeting was held in Rabat, Morocco in 2011 and visits were organised to some of the Group's projects in the country on that occasion.

3.4.2 The Board committees

The responsibilities and *modus operandi* of the committees are governed by the internal rules of the Board of Directors. Each committee has a role to play in analysing and preparing the Board discussions falling within its field of competence and in studying topics and/or projects that the Board or its Chairman may submit to it for review. It has consultative powers and acts under the authority of the Board, of which it is an extension and to which it is accountable. Minutes of each committee meeting are drawn up and circulated to the members of the Board of Directors.

The Audit Committee

Terms of reference

The Audit Committee helps the Board monitor the accuracy and fair presentation of VINCI's parent company and consolidated financial statements and the quality of the information provided.

In particular, its duties are to monitor:

- the process of compiling financial information: examine the Group's annual and half-yearly parent company and consolidated financial statements before they are presented to the Board, satisfy themselves that the accounting policies and methods are appropriate and consistently applied, warn against any non-compliance with these rules and monitor the quality of the information given to the shareholders;
- the effectiveness of the Group's internal control and risk management systems: (a) concerning internal control procedures, assess subsidiaries' internal control systems with the managers of the internal control function and more particularly the internal audit plan, the conclusions of internal audits, the recommendations issued and the resulting follow-up action; (b) concerning risk management, regularly review the Group's financial situation and main financial risks and in particular its off-balance-sheet commitments;
- the auditing of the parent company and consolidated financial statements by the Statutory Auditors and the independence of the Statutory Auditors: examine the Statutory Auditors' work programmes, conclusions and recommendations with them, as well as follow-up action taken; verify compliance with the Statutory Auditors' obligation to be independent, assess proposals on the appointment of the Company's Statutory Auditors, on the renewal of their terms of office as well as their remuneration, and issue a recommendation on this matter;
- the Group's policy in respect of insurance;
- the setting up of procedures regarding business ethics and competition and ensure that there is a system for verifying that they are enforced.

To carry out its remit, the Board's internal rules specify that the Audit Committee may seek external advice, the cost of which is borne by the Company.

Composition

The Audit Committee comprises at least three Directors designated by the Board. The Executive Vice-President and Chief Financial Officer and the Statutory Auditors attend Audit Committee meetings. Since 14 May 2009, this committee has been composed of Henri Saint Olive (Chairman), Robert Castaigne, Michael Pragnell and Pascale Sourisse.

The Board considers all four members to be independent Directors. By virtue of their professional experience and qualifications, the members of the Audit Committee have the financial and accounting expertise necessary to serve thereon. Their experience and qualifications are described in the curriculum vitae set out in the Report of the Board of Directors on page 115 of the 2011 annual report.

The Executive Vice-President and Chief Financial Officer acts as secretary to the committee.

Activities in 2011

The Audit Committee met four times in 2011, with a participation rate of 94%. The Audit Committee meets at least two days before the Board meeting called to approve the annual and half-yearly financial statements.

Audit Committee meetings dealt with the following subjects:

- the process of compiling accounting and financial information: review of the Group's financial statements, budget updates, cash positions and financial debt, the Group's financial strategy and on-going financial transactions; the Fast Close project to shorten the lead time for producing and publishing consolidated financial statements;
- the effectiveness of the Group's internal control and risk management systems: review of the results of the annual self-assessment, systems in place at Eurovia and VINCI Immobilier, the "risk factors" chapter of the Report of the Board of Directors and the policies regarding insurance; review of ongoing disputes and litigation; review of ethics procedures in place;
- statutory auditing of annual and consolidated financial statements: discussions with the Statutory Auditors and review of their conclusions; adherence to legal and regulatory obligations concerning accounting and financial information; the Group's tax situation; changes to IFRSs;
- independence of the Statutory Auditors: review of the Statutory Auditors' statement of independence; fees paid to the Statutory Auditors' network; information on the services rendered that were directly connected to the assignment.

In addition, the Committee examined the services provided under the services agreement with YTSEuropaconsultants, of which Mr de Silguy is the sole partner.

For the purposes of this work, the following executives were interviewed: the Executive Vice-President and Chief Financial Officer, the Senior Vice President, Corporate Controlling and Accounting, the Director of Treasury and Financing, the Chief Audit Officer, the General Counsel and the Statutory Auditors. During their presentation, the Statutory Auditors emphasised the important points and the accounting options chosen.

The Strategy and Investments Committee

Terms of reference

This committee helps the Board review the Group's overall strategy. It examines proposed strategic investments and all transactions, including investments and divestments, that could have a material impact on the Group's scope of consolidation, business activities, risk profile, earnings or balance sheet or on the Company's share price. It carries out its reviews before these transactions are presented to the Board.

In particular its duties are to:

- examine the Group's three-year plan;
- prepare the Board's discussions on the Group's strategy;
- formulate an opinion, for the benefit of the Executive Management, on proposed acquisitions or disposals of shareholdings of a value exceeding €50 million that do not come under the Board's direct terms of reference;
- give its opinion to the Executive Management on plans for significant change to the Group's legal or operational structure.

In addition, the Executive Management informs the committee on progress in multi-year projects that entail a total investment by the VINCI Group in equity and debt of more than €100 million.

Composition

The Strategy and Investments Committee comprises at least three Directors designated by the Board. From 6 May 2010 to 1 March 2011, the permanent members of the committee were Yves-Thibault de Silguy (Chairman), Jean-Pierre Lamoure, Alain Maillot (the permanent representative of Qatari Diar Real Estate Investment Company) and Denis Vernoux. From 1 March 2011 to 2 May 2011, the committee was composed of Yves-Thibault de Silguy (Chairman), Jean-Pierre Lamoure, Yousuf Ahmad Al Hammadi (the permanent representative of Qatari Diar Real Estate Investment Company) and Denis Vernoux. Since 2 May 2011, the committee has been composed of Yves-Thibault de Silguy (Chairman), Elisabeth Boyer, Jean-Pierre Lamoure and Yousuf Ahmad Al Hammadi. The committee is open to all Board members wishing to participate.

The Chairman and Chief Executive Officer, the Executive Vice-President and Chief Financial Officer and the Vice-President, Business Development of VINCI attend the meetings of the Strategy and Investments Committee. The Board Secretary acts as secretary to the committee.

Activities in 2011

The Strategy and Investments Committee met nine times in 2011, with an average participation rate of 75%. Voluntary participation in the committee's work on the part of Directors who were not committee members was 42% in 2011.

During the year the committee examined:

- around 30 investment or acquisition projects in companies based abroad, in particular in Europe, North America, the Middle East and Asia;
- around 40 public-private partnerships or infrastructure concessions, in particular in the rail, motorway, airport and sports sectors;
- the situation in Greece.

The Remuneration Committee

Terms of reference

The Remuneration Committee proposes the terms and conditions of company officers' remuneration to the Board of Directors.

Its duties are to:

- make recommendations to the Board concerning the remuneration, pension and welfare benefit plans, benefits in kind and miscellaneous pecuniary rights, including any performance shares or share subscription or share purchase options granted to the company officers and to salaried members of the Board, if any;
- propose to the Board an overall package of performance shares and/or subscription or purchase options on the Company's shares and the general and specific conditions applicable to these allocations;
- express an opinion on the Executive Management's proposals regarding the number of beneficiaries;
- propose to the Board an aggregate amount of Directors' fees and the manner of their allocation.

In addition, the Remuneration Committee is informed of the remuneration policy applicable to the principal executives.

Composition

The Remuneration Committee comprises at least three Directors designated by the Board. Since 6 May 2010, the Remuneration Committee has been composed of Jean-Bernard Lévy (Chairman), Dominique Bazy and François David. The Board recognises all members of the committee as independent.

The Vice-President responsible for Human Resources and Corporate Social Responsibility attends the meetings of the Committee. The Chairman and Chief Executive Officer also attends the Committee's meetings except when the Committee examines questions relating personally to him. The Board Secretary acts as secretary to the Committee.

Activities in 2011

The Remuneration Committee met four times in 2011, with a participation rate of 92%.

The Committee examined and made proposals to the Board regarding:

- determination of the variable portion of the remuneration for Mr Huillard and Mr de Silguy for 2010;
- calculation of the annual amount to be set aside for Mr Huillard's long-term incentive programme;
- performance share and share subscription option plans and the allocation policy for 2012;
- the Group Savings Scheme and implementation of an international employee share purchase plan.

The Chairman and Chief Executive Officer attended and participated in several Committee meetings (except for items concerning him personally).

The Appointments and Corporate Governance Committee

Terms of reference

This committee:

- ensures adherence to corporate governance rules;
- prepares the Board's discussions on the assessment of the Company's Executive Management;
- examines, on a consultative basis, the Executive Management's proposals relating to the appointment and dismissal of the Group's principal executives;
- is informed of the Executive Management's policy for managing the Group's senior executives and in this regard, the Committee examines the procedures for succession plans;
- makes proposals on the selection of Directors;
- examines all candidacies for Board membership and expresses an opinion or recommendation to the Board on those candidacies;
- discusses, every year, the issue of independence of Board members;
- prepares, in a timely manner, recommendations and opinions on the appointment or succession to the posts of executive company officers.

Composition

The Appointments and Corporate Governance Committee comprises at least three Directors designated by the Board. Since 6 May 2010, it has been composed of Mr Yves-Thibault de Silguy (Chairman), Patrick Faure and Dominique Ferrero. The Board recognises two of the three members of the Committee as independent.

The Chairman and Chief Executive Officer attends the Committee's meetings when it examines the Executive Management's proposals relating to the appointment and dismissal of the Group's principal executives and when it is informed of the Executive Management's policy for managing the Group's senior executives. The Board Secretary acts as secretary to the Committee.

Activities in 2011

The Committee met four times in 2011, with an attendance rate of 92%.

The Committee:

- examined and proposed the renewal of Directors' terms of office in 2011;
- examined the consequences of the resignation of the Director representing employee shareholders;
- examined the percentage of women on the Board and implementation of Act no. 2011-103 of 27 January 2011 concerning the balance of men and women on Boards of Directors;
- examined the Board assessment report, prepared by an external consultant;
- performed an assessment of the Executive Management;
- assessed each Board member with regard to the independence criteria of the Afep-Medef code and made proposals to the Board;
- examined the report of the Chairman of the Board on corporate governance;
- examined the consequences of the departure of a Group executive and interviewed a replacement candidate;
- considered Directors' terms of office expiring in 2012.

3.5 Assessment of the composition and functioning of the Board of Directors

In application of the Board of Directors internal rules, each year, the agenda of one meeting includes a discussion on the functioning of the Board with the aim of improving its effectiveness. In addition, a formal assessment is performed every three years. This exercise may be supervised by a Director, with the assistance of an external consultant.

The most recent formal assessment of the Board and its committees was performed at the end of 2010 with the help of an external consultant. During its meetings of 1 March and 5 July 2011, the Board of Directors devoted one item on its agenda to a discussion of the assessment report submitted by the consultant in January 2011.

In September 2011, the Chairmen of Board committees met to review the improvements that had been made to the committees' *modus operandi* as well as potential further room for improvement, with a view to ensuring the transparency of information provided to the Board.

At its meeting of 17 October 2011, the Board of Directors noted that all of the observations in the above-mentioned report of January 2011 had been acted upon.

In addition, the Directors met during the financial year under the chairmanship of the Vice-Chairman without the executive company officer, in order to assess the Executive Management.

4. Principles and rules for determining company officers' remuneration and benefits of whatever nature

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4.1 Remuneration and benefits of the executive company officer

The remuneration of the executive company officer is set by the Board of Directors based on a proposal from the Remuneration Committee.

Xavier Huillard

On 6 May 2010, the Board of Directors confirmed the decisions taken on 3 March 2010 concerning Mr Huillard's remuneration and benefits from the time of his appointment as Chairman and Chief Executive Officer until the end of his term. During the meetings of 1 March 2011 and 7 February 2012, the Board set the following terms for his remuneration:

- fixed annual remuneration of €900,000 for financial year 2012 (unchanged from 2011);
- a two-part variable remuneration plan, ranging from 0 to €1,440,000, or 0-160% of the fixed portion, depending on performance achieved. The first part is based on three economic ratios (net earnings per share, operating income per share and free cash flow). The second part is managerial and based on performance against qualitative criteria as defined by the Board. For the first part, the quantitative target level expected to be achieved is linked to the specific method of the calculation formula, such that any increase in remuneration is dependent on an improvement in the performance ratios from one year to the next;
- a long-term incentive plan, allowing for a capital allowance to be built up gradually, variably, and based on specific performance objectives. Except in certain specific cases, incentive plan awards will vest only if the beneficiary completes his term of office. Under this incentive plan, an amount equivalent to (a) 16,600 times the value of the VINCI share, provided that ROCE, restated for non-controlling interests when they are higher than 33.33%, exceeds 6%, and (b) 41,500 times the increase in the VINCI share price over a one-year period, provided that the VINCI share outperforms a peer group comprising at least 10 European construction and infrastructure concession companies by at least 5%, is to be granted to Mr Huillard for each of the four years of his term of office. In the event of lesser performance, the amount of the annual allocation under (a) will be reduced and will be equal to zero if ROCE is less than 5%, and the allocation under (b) will be reduced to zero if the VINCI share underperforms the peer group by more than 5%;
- Mr Huillard is deemed to have the status of a senior executive, thereby entitling him to benefit from the additional supplementary pension plan established for senior executives of VINCI SA and mentioned in paragraph D. 3.2 of the Report of the Board of Directors, page 120, as well as from the Group's welfare benefits plans. The commitment with regard to the supplementary pension plan was approved by shareholders at the 6 May 2010 Shareholders' General Meeting. The benefit of such a supplementary pension plan was taken into account in the determination of Mr Huillard's overall remuneration;
- Mr Huillard is eligible for severance pay in the event that the Company terminates his appointment as Director prior to its normal expiry (at the end of the Shareholders' General Meeting called to approve the financial statements for the year ending 31 December 2013). This commitment is limited to 24 months of his remuneration and subject to performance conditions based on the same criteria as those used in the calculation of the quantitative part of his variable remuneration. Severance pay shall be equal to 24 months if average performance is at least equal to 130% of the objective and nil if average performance is less than or equal to 70% of the objective. This commitment was approved by shareholders at the 6 May 2010 Shareholders' General Meeting.

Mr Huillard has not benefited from the share subscription options and performance shares incentive plan approved by the Board of Directors at its meeting of 2 May 2011.

4.2 Remuneration and benefits of the Vice-Chairman and Senior Director

The remuneration of the Vice-Chairman and Senior Director is set by the Board of Directors on the basis of a proposal by the Remuneration Committee.

Yves-Thibault de Silguy

Mr de Silguy receives Directors' fees in his capacity as Vice-Chairman and Senior Director, calculated as described in paragraph 4.3.

In addition, it should be noted that Mr de Silguy is beneficiary of a supplementary pension plan and he activated his pension rights as of 30 April 2010. VINCI's obligations under this pension plan amounted to €6,738,500 at 31 December 2011.

Lastly, on 3 March 2010, the Company signed a services agreement with YTSEuropaconsultants, of which Mr de Silguy is the sole partner. This agreement was authorised by the Board of Directors and approved by shareholders at the 6 May 2010 Shareholders' General Meeting. The agreement covers the provision of services as described in paragraph A.2 above, with oversight by the Audit Committee, in return for an annual flat fee of €330,000 (ex. VAT) and has a duration of one year, renewable automatically. This agreement was renewed automatically for a new term of one year.

4.3 Directors' fees

At the Shareholders' General Meeting of 6 May 2010, shareholders set the aggregate amount of Directors' fees at €920,000 for the financial year starting on 1 January 2010.

In its meetings of 27 February 2008 and 3 March 2010, the Board of Directors agreed on the following allocation of Directors' fees (amounts expressed on an annualised basis):

- the Chairman and Chief Executive Officer receives no Directors' fees from the Company;
- the Vice-Chairman receives €140,000, of which €30,000 is variable and depends on his presence at Board meetings;
- other Directors receive €40,000 each, of which €20,000 is variable and depends on their presence at Board meetings;
- the chairman of each committee receives €25,000, the members of the Audit Committee receive €15,000 and the members of the other committees receive €10,000, in addition to the Directors' fees mentioned above.

Payment of the variable fee is dependent on the member's attendance at Board meetings. The variable fee is reduced by €2,500 per meeting for any Board member who misses two or more meetings.

5. Formalities for participation of shareholders in the Shareholders' General Meeting

The formalities for shareholders to participate in the Shareholders' General Meeting are described in Article 17 of the Articles of Association and reproduced below:

Article 17 – Shareholders' General Meetings

Shareholders' General Meetings are called and take place in accordance with the legislation and regulations in force.

The meetings are held either at the registered office or at another location specified in the notice of the meeting.

All shareholders may, regardless of the number of shares they own, participate in meetings personally or by proxy, on producing evidence of their identity and shareholding in the form of either:

- a personal registration of the shares in their own name; or
- a record of the shares in a bearer securities account with an authorised intermediary. The intermediary must provide an attendance certificate, which can be communicated by electronic means, if necessary.

These formalities must be completed no later than midnight (Paris time), on the third business day before the meeting. Shareholders wishing to attend the meeting but who have not received their admission card by midnight (Paris time) of the third business day before the meeting will be given an attendance certificate. However, the Board of Directors may shorten or remove this time period provided that any such decision applies to all shareholders.

If the Board of Directors so decides when the General Meeting is called, individual shareholders may take part in the General Meeting by video-conference or vote by any telecommunication or electronic means including via the Internet, in accordance with the applicable regulations in force at the time such means are used. Any such decision must be communicated in the notice of meeting and the invitation to the meeting.

Postal votes may be cast, subject to the terms and conditions defined by law and regulations. Shareholders may transmit proxy forms and postal votes for every Shareholders' General Meeting, under the conditions set out by law and regulations, either in paper form or, if the Board of Directors so authorises, by electronic means, including over the Internet. Those shareholders who, within the required time period, use the electronic voting form on the website made available by the meeting centraliser, are counted as attending or represented shareholders. Shareholders may complete and sign the electronic voting form directly on the centralising bank's website by any process determined by the Board of Directors that meets the conditions set forth in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code and Articles R.225-77, subsection 2, and R.225-79 of the French Commercial Code and, more generally, the provisions of law and regulations in force. This process may include the use of a personal identifier and password.

Proxy forms received and votes cast prior to the Shareholders' General Meeting by electronic means, together with the acknowledgement of receipt provided, shall be considered as irrevocable acts enforceable with regard to all parties involved, it being specified that in the event of a sale of shares that takes place before the third business day prior to the Meeting at zero hour (Paris time), the Company shall invalidate or amend, as necessary, any proxy form or vote cast prior to such date and time.

Shareholders' General Meetings are chaired by the Chairman of the Board of Directors or, in his or her absence, by the Vice-Chairman of the Board of Directors, if a Vice-Chairman has been designated, or by a member of the Board of Directors specifically appointed by the Board to that effect. Failing that, shareholders elect their own Chairman.

The minutes of the Shareholders' General Meetings are drawn up and copies thereof are certified and delivered in compliance with regulations in force.

6. Publication of information required by Article L.225-100-3 of the French Commercial Code

Information mentioned in Article L.225-100-3 of the French Commercial Code concerning elements likely to have an impact in the event of a takeover offer is published in the Report of the Board of Directors on page 156 of the 2011 annual report.

B. Internal control and risk management procedures

1. Introduction

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1.1. Definitions and reference framework

In July 2010, the French stock market regulator, the Autorité des Marchés Financiers (AMF), published the findings of the working group formed under its aegis. This document is entitled "Risk management and internal control systems: reference framework".

The Group uses this document as its reference framework.

Risk management and internal control systems participate in a complementary manner in keeping control over the Group's business.

"Risk" is the possibility that an event might take place with consequences that would adversely affect the objectives of the Group and in particular its financial condition and reputation.

The **risk management system** aims to identify and analyse the principal risks that Group entities encounter. "Internal control" encompasses all the controls to best handle these risks.

Risk management is therefore a set of resources, conduct, procedures and initiatives that correspond to the VINCI Group's characteristics and enable its executives to maintain risk at an acceptable level.

VINCI's risk management system is a management tool to be used by each company in the Group to help:

- create and preserve value, assets and the Company's reputation;
- secure the company's decision-making procedures and other processes so as to increase the likelihood of achieving objectives;
- ensure that initiatives are in line with the Company's values;
- foster a shared view of the principal risks among employees of the Company.

The **internal control system** aims more particularly to ensure:

- that the instructions and guidelines set by the Executive Management are implemented;
- that the activities of the Group are in compliance with laws and regulations;
- that the Company's internal processes function correctly, notably those contributing to the safeguarding of its assets;
- that financial reporting is reliable.

The internal control system is a set of resources, procedures, conduct and initiatives that correspond to the VINCI Group's characteristics, which:

- helps businesses run smoothly and contributes to effective operations and efficient use of resources;
- must take significant risks into account in an appropriate manner, whether they are operational, financial or legal.

Nevertheless, like any set of controls, the internal control system cannot provide an absolute guarantee that the Group will achieve its objectives, however well designed and implemented the system is.

1.2. Scope of risk management and internal control

In addition to managing a system specific to VINCI Holding, the Group also ensures that there are risk management and internal control systems in place at each of the subsidiaries in its scope of consolidation. A list of these principal consolidated entities can be found in Chapter J of the notes to the consolidated financial statements, page 254.

For the specific case of the Belgian company CFE (in which VINCI has a 46.84% capital stake) and its subsidiaries, the provisions in force are adapted to the specific features of Belgian law, which attributes responsibility for risk management and internal control to the Board of Directors of companies listed on the stock exchange.

Entrepose Contracting, which is listed on the Paris stock exchange, issues its own Chairman's report on risk management and internal control.

2. Environment and organisation

2.1. Principles of action and conduct

The businesses in which VINCI operates require the personnel involved to be geographically close to customers in order to ensure the prompt delivery of solutions that are suited to their needs. To enable the manager of each business unit – around 3,000 in total in the Group – to take the required operational decisions rapidly, a decentralised organisation has been implemented in each business (Concessions and Contracting), business line and division, as well as in VINCI Immobilier.

This organisation entails delegation of authority and responsibility to operational and functional staff at all levels. The delegation of authority to operational and functional management staff is carried out in compliance with the general guidelines (see paragraph 4.2) and the principles of action and conduct to which VINCI is strongly committed:

- strict compliance with the rules common to the whole Group, in particular in respect of commitments, risk-taking (see paragraph 4.3), acceptance of contracts (see paragraphs 4.4 and 4.5), and reporting of financial, accounting and management information (see paragraph 4.2). These common rules, which are deliberately restricted in number given the broad spectrum of the Group's activities, must be strictly applied by the staff concerned and their teams;
- transparency and loyalty of managers towards their line management superiors and towards the functional departments of the business lines and the holding company. In particular, managers are required to inform their superiors of any difficulties encountered in the performance of their duties (e.g. with respect to carrying out work on sites, relations with customers, government departments and suppliers, financial partnerships, internal relationships, personnel management, safety, etc.). An integral part of operational managers' duties is to take decisions alone on matters falling within their area of competence, within the framework of the general guidelines they have received and accepted. Nevertheless, any difficulties encountered must be handled with the assistance, as necessary, of their line management superiors or the functional departments of the business lines and the VINCI holding company;
- compliance with the laws and regulations in force in the countries where the Group operates;
- adherence to the Code of Ethics and Conduct;
- responsibility of operational executive managers to communicate the Group's principles governing action and conduct to their staff by appropriate means and to set a good example. This responsibility cannot be delegated;
- health and safety of individuals (employees, external service providers, subcontractors, etc.);
- a culture of financial performance.

2.2 Participants in the risk management and internal control processes

Everyone in the organisation plays a role in risk management and internal control, from the governing bodies to the employees of each Group subsidiary.

VINCI's **Board of Directors** represents all the shareholders collectively and is responsible for monitoring management performance, defining the Company's strategic choices and ensuring that the Company functions properly. It considers all major matters concerning the Group's business. In its report, the Board gives an account of the principal risks and uncertainties the Group faces, delivering information in particular on the Group's use of financial instruments.

In 2003, the Board adopted a set of internal rules and created several specialised committees: audit, strategy and investment, remuneration, and appointments and corporate governance. It delegated to the **Audit Committee** responsibility for the monitoring assignments defined by the 8 December 2008 Order transposing the European directive on statutory auditing. The principal activities carried out in 2011 in this regard can be found in part A of the Chairman's report (page 161). They are in line with the recommendations of the AMF working group on audit committees (dated July 2010).

The **Executive Committee**, composed of 14 members at the time of writing of this report (see page 14), is in charge of implementing the Group's strategy, defining its management policies (risk management, finance, human resources, safety, insurance, etc.), and monitoring their enforcement.

The **holding company** functions with a streamlined staff (201 people at 31 December 2011), suited to the Group's highly decentralised structure. In particular, the holding company's functional departments ensure that the Group's rules and procedures as well as the Executive Management's decisions are correctly enforced. Furthermore, and depending on the needs that are expressed, these departments advise business lines on technical matters but do not interfere with operational decisions, which are the sole responsibility of the business lines.

The **Audit Department** has a three-part role.

- Concerning risk management: based on guidelines from the Executive Management, it plays a leading role in deploying and implementing a structured, permanent and adaptable system, making it possible to identify, analyse and handle the principal risks. The Audit Department coordinates the risk management system by giving methodological support to the Group's operational and functional departments. It organises the meetings of the VINCI Risk Committee, which reviews and authorises new contracts exceeding certain thresholds set by Executive Management or presenting particular technical or financial risks.
- Concerning internal control: the Audit Department's role is to draft and disseminate the general internal control procedures set by the holding company, ensuring in particular that they are appropriate for the way the Group is organised and in accordance with the law. To this end, the Audit Department organises the annual self-assessment survey on the internal control of the various components of the Group.
- Concerning auditing: in addition to its own assignments, the Audit Department is supported by the work carried out by the business lines and by the members of the holding company's functional departments, depending on their areas of expertise.

The **business lines** carry out their activities based on the principles of action and conduct described in paragraph 2.1. In this regard, they implement risk management and internal control systems suited to their business.

3. Risk management system

"Risks" are defined as obstacles that might prevent the Company from achieving its objectives. These objectives may be strategic (commitments), operational (common or specific to a business activity), financial, or in relation to compliance with laws and regulations.

The Group applies the policies set by the Executive Committee. These policies aim, by strengthening the risk management process at the Group level, to comply with the new legal requirements and to ensure that risks are monitored in a more formalised, systematic and homogeneous manner. This plan involves operational managers, but without complicating operating methods. Risk monitoring is therefore an integral part of the existing procedures related to commitments and monitoring of operations.

A risk-mapping process encompassing all the Group's activities was created in 2009 and is updated annually as follows, in accordance with the AMF's recommendations:

- an anticipation of the main identifiable risks, either internal or external, that represent obstacles to the achievement of the Company's objectives;
- a qualitative assessment of risk criticality, taking into account the impact, likelihood and degree of control of each element of risk.

Deployment of this procedure across all business activities at the level of the holding company, business lines and divisions has enabled the Group to identify, assess and select the major risks for the various components of the Group: holding company, Concessions, Contracting and property. These risks are described in the chapter entitled "Risk factors", on page 108 of the Report of the Board of Directors.

Using a mapping system specific to each business (Concessions, Contracting), risk scorecards were developed in 2010. Their application makes it possible to present and assess the most significant events during Risk Committee meetings in a uniform manner.

4. Internal control system

The main procedures described below are common to all companies in the Group. There are specific procedures within each business line, in particular for the monitoring of projects and forecasting of results, especially for contracts spanning several years.

4.1 Compliance with laws and regulations

The Group's compliance objectives include the standards of conduct set by the laws and regulations in force.

The Legal Department of the holding company is responsible for:

- maintaining a legislative watch related to the various rules applicable to the Group;
- informing employees about rules pertaining to them;
- monitoring major acquisition projects and disputes that could affect the Group.

These provisions are supplemented by a system adapted to the business lines and subsidiaries, particularly those located outside France.

A variety of training and awareness sessions have been held in this regard.

As indicated under "Our commitments" in the sustainable development section (page 24), particular emphasis is placed on:

- safety of employees on construction sites through active implementation of the Group's accident prevention policy;
- purchasing and subcontracting.

4.2 Application of the guidelines and instructions of the Executive Management

The Chairmen of the companies heading business lines in the Contracting business (VINCI Energies, Eurovia and VINCI Construction), the Chairman of VINCI Autoroutes, the Chief Executive Officer of VINCI Concessions and the Chairman of VINCI Immobilier exercise the powers given to them by law.

Under the Group's internal organisation, they are also required to comply with the general guidelines issued for them by VINCI's Chairman and Chief Executive Officer.

These apply in particular to the following areas:

- compliance with the Code of Ethics and Conduct;
- entering into commitments, and in particular bidding for new contracts that are complex, of a significant size or involve significant potential risks; acquisitions and disposals; property transactions; and material off-balance sheet commitments;
- reporting to the holding company of accounting and financial information or information relating to events that are material for the Group, in particular in respect of safety, litigation, disputes, and insurance policies and claims.

These general guidelines require compliance with the holding company's procedures regarding bidding or investments. These procedures define thresholds above which specific authorisation must be obtained from the appropriate committees, namely the Risk Committee (see paragraph 4.3) or the Board of Directors' Strategy and Investment Committee, or where prior notifications must be issued to the Chairman and Chief Executive Officer and/or to certain VINCI functional departments.

These directives are cascaded through the organisation by the heads of the business lines:

- via delegations to their operational and functional staff for the provisions concerning them;
- to managers serving as company officers in a company in their business sector.

Operational and functional line managers regularly carry out field inspections in order to ensure that the principles of action and conduct described in paragraph 2.1 are being applied.

4.3 Procedures related to new commitments – the VINCI Risk Committee

Strict control procedures are in force that must be complied with before a new commitment is accepted.

The role of the Risk Committee is to assess:

- acquisitions and disposals of businesses;
- the terms and conditions of tenders for construction works which, by virtue of their scale, specific financing characteristics, location or technical characteristics, entail specific risks of a technical, legal, financial or other nature. The thresholds for automatic, prior review and vetting by the Risk Committee are defined in the general guidelines. They apply to the entire project, taking all works packages together, irrespective of the Group's share in the project or the manner in which contracts are awarded (call for tenders, direct contracts, etc.);
- all transactions relating to property development, public-private partnerships (PPPs), concession operations or long-term commitments, including all associated financing, whether in France or elsewhere.

For construction contracts, thresholds below those necessitating a review by the Risk Committee require that an information sheet be sent to VINCI's Executive Management, which may convene a Risk Committee meeting as needed.

Submission of a project to the Risk Committee formalises the commitment made by the manager of the subsidiary to his or her superiors as to the expected results.

Risk Committee meetings are usually attended by the following members:

- the Chairman and Chief Executive Officer of VINCI and/or the Executive Vice-President, Contracting;
- the Chairman (or Chief Executive Officer) of the business line involved;
- the Executive Vice-President and Chief Financial Officer of the Group;
- the Chief Audit Officer;
- the operational representatives of the company or companies presenting the project (Chief Executive Officer, project manager, etc.);
- the functional representatives of the company or business line involved (legal, insurance, finance, etc.).

The composition of the Risk Committee may be adjusted as a function of its agenda (e.g. review of property transactions, acquisitions of companies, concession contracts, PPPs).

The Group Risk Committee, in its various configurations, met 351 times in 2011 and reviewed 383 projects.

4.4 Procedures related to monitoring of operations

The business lines have their own operational control systems tailored to their business. Specific budget control measures have been implemented by the VINCI Energies, Eurovia and VINCI Construction business lines and by each of the concession activities (motorways, car parks, etc.). They make it possible to regularly monitor the progress of projects and contracts. These systems are compatible with those used to prepare and process financial and accounting information as described below.

Monthly dashboard reports on business, new orders, the order book and the Group's consolidated net borrowing position are prepared by the Finance Department on the basis of detailed information provided by the business lines.

Each main entity's Executive Management prepares a monthly report on key events.

The budget procedure is common to all Group business lines and their subsidiaries. It is built around five key dates in the year: the budget for the next year at the end of the current year, followed by four updates in March, May, September and November. Management committees meet twice a year, in May and November, at the time of the second and fourth budget updates, to examine each business line's performance and financial data. The Chairman and Chief Executive Officer of VINCI and the Executive Vice-President and CFO of the Group attend these meetings.

In addition, the business lines participate in regular monitoring of VINCI's social and environmental responsibility commitments as described under "Our commitments" in the sustainable development section, page 24, with a particular emphasis on safety.

4.5 Procedures related to the preparation and processing of financial and accounting information

The Budgets and Consolidation Department, reporting to the Finance Department, is responsible for the integrity and reliability of VINCI's financial information (parent company and consolidated financial statements) that is disseminated inside and outside the Group. To ensure the statements are produced, the department is specifically in charge of:

- preparing, approving and analysing VINCI's half-year and annual parent company and consolidated financial statements and forecasts (consolidation of budgets, budget updates and three-year forecasts);
- establishing, disseminating and monitoring the Group's accounting procedures and in particular their compliance with IFRS standards;
- coordinating "Vision", the Group's financial information system, which includes the consolidation process and unifies VINCI's various reporting systems (accounting and financial information, commercial data, debt, human resources).

The Budgets and Consolidation Department establishes the timetable and closure instructions for the preparation of the half-year and annual accounts. These instructions are sent to the business lines' Finance Departments and are presented in detail to the people in charge of consolidation in the related entities.

The Group's accounting rules and methods, including the definition of reporting documents and consolidation packages, are set out in widely distributed procedural notes and published on VINCI's corporate intranet. At each accounts closure, business lines transmit a package to the Budgets and Consolidation Department containing an analysis of the consolidated data submitted and comments thereon. Complex transactions are subject to specific analyses, which are validated by the Statutory Auditors.

The Statutory Auditors present their observations, if any, on the half-year and annual accounts to the Audit Committee before they are presented to the Board of Directors.

Before signing their reports, the Statutory Auditors request representation letters from Group management and management of the business lines. In these representations, Group management and management of the business lines confirm that to the best of their knowledge, all items at their disposal have been submitted to the Statutory Auditors so as to enable them to perform their duties and that any anomalies noted by the Statutory Auditors and still unresolved at the date of these representations do not have a material impact, either individually or in aggregate, on the financial statements taken as a whole.

5. Actions undertaken to strengthen internal control and risk management

5.1 Tasks carried out prior to 2011

In 2003, VINCI initiated an action plan intended to enhance the quality of the Group's internal control and risk management systems without calling into question the principles and features of its management organisation. This organisation combines an entrepreneurial culture, autonomy for operational managers, transparency and loyalty, and a network-based operating model, all in a decentralised environment. These actions included, in particular:

Evaluation of internal control

Annual self-assessment surveys to measure the quality of internal control, in accordance with the requirements of the French Financial Security Act, covered an ever-increasing number of Group entities, rising from 193 in 2005 to 310 in 2010.

Information systems

Surveys to assess the operation of information systems were carried out in 2006, 2008 (13 entities in France, building a representative sample) and 2009 (33 subsidiaries based outside mainland France).

5.2 Tasks carried out in 2011

In 2011, in line with its objectives, VINCI implemented its Fast Close procedure, aimed at closing and publishing its financial statements at the beginning of February, representing a one-month gain on its previous publication schedule.

With the help of an external consultancy, a team was put together specifically to organise and implement the Fast Close procedure at subsidiary and business line and holding company levels. Particular attention was paid to internal control during the procedure, so as to give more continuity to the monitoring function.

The annual self-assessment survey of internal control quality in the VINCI Group was carried out on 370 legal entities in 2011 (including 110 outside France), representing 83% of the Group's consolidated business. The questionnaire contained 53 questions (58 for entities at the head of a business line or division). The report prepared by the holding company's Audit Department was presented to the Audit Committee in December.

As in 2010, a specific questionnaire was sent to the Chairman and Chief Executive Officer covering matters related to his function.

Risk management was a key area of focus throughout the entire Group in 2011:

- risk maps were updated and the results of meetings between the Audit Department and the executives of the principal Group entities were integrated;
- risk scorecards enabling risks to be assessed and presented in a homogeneous way were used during meetings of the risk committees and for monitoring by the finance committees and during budget updates.

The "Code of Ethics and Conduct", previously disseminated via the corporate hierarchy, was made available to all employees on the Group intranet on 1 February 2011.

Each Group component (business lines, or divisions for VINCI Construction) prepared a report summarising the specific actions carried out in 2011. The reports, which in particular give an account of the audits and reviews carried out, did not reveal any significant problems.

In addition, VINCI's Audit Department carried out audits in each of the following business lines: VINCI Concessions, Eurovia, VINCI Energies and VINCI Construction.

These audits did not reveal any problems that might have a significant impact on the business or financial statements of the Group.

A working group, assisted by an external consultancy, prepared a report on the adequacy of the information systems used by VINCI's different business lines with respect to the Group's objectives. The report is based on the results of a survey of VINCI's component entities.

5.3 Work to be done in 2012 and beyond

VINCI aims to continue improving the organisation of internal control within the Group, while maintaining a streamlined chain of command, both at the holding company and business line levels.

VINCI's Executive Committee considers that a more effective flow of communication within the Group is essential to achieving current and future objectives, and has therefore initiated developments in the following areas:

- interoperability of Group networks;
- interoperability of messaging networks;
- redesign of VINCI's intranet and launch of version 2.0 based on a collaborative approach.

An action plan has thus been decided with deadlines at various intervals over the next two years.

The priority areas for improvement identified for all business lines also include:

- continued deployment within each business line of common management tools, especially in non-French subsidiaries;
- continued integration of entities acquired in 2010 (Faceo, Cegelec, Tarmac) by deploying the procedures and resources common to the Group and the business line, so as to ensure rapid dissemination and implementation of the Group's internal control culture, tools and practices;
- application of the Fast Close procedure to half-year financial statements, which will be published at the end of July.

Report of the Statutory Auditors in application of Article L.225-235 of the French Commercial Code on the Report of the Chairman of the Board of Directors

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Year ended 31 December 2011

To the shareholders

As Statutory Auditors of VINCI SA, and in application of the provisions of Article L.225-235 of the French Commercial Code, we present our report on the report prepared by the Chairman of your Company in accordance with the provisions of Article L.225-37 of the French Commercial Code, for the year ended 31 December 2011.

The Chairman is required to prepare and submit for the approval of the Board of Directors a report on the internal control and risk management procedures implemented within the Company and to provide the other information required by Article L.225-37 of the French Commercial Code relating in particular to corporate governance.

Our role is:

- to communicate to you any comments required by the information contained in the Chairman's report on internal control and risk management procedures relating to the preparation and treatment of accounting and financial information; and
- to attest that the report includes the other information required by Article L.225-37 of the French Commercial Code, it being clearly stated that we are not required to verify the fair presentation of this other information.

We conducted our review in accordance with the professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and treatment of accounting and financial information

The applicable professional standards require us to plan and perform our work so as to be able to assess the fair presentation of the information in the Chairman's report on the internal control and risk management procedures relating to the preparation and treatment of accounting and financial information. Those standards require in particular that we:

- inform ourselves of the internal control and risk management procedures relating to the preparation and treatment of the accounting and financial information supporting the information presented in the Chairman's report, and of the existing documentation;
- inform ourselves of the work done to prepare this information and the existing documentation;
- ascertain if appropriate disclosures have been made in the Chairman's report in respect of any major deficiencies of internal control relating to the preparation and treatment of accounting and financial information that we may have noted in performing our work.

On the basis of this work, we have no comments to make on the disclosures regarding the Company's internal control and risk management procedures relating to the preparation and treatment of accounting and financial information, contained in the report of the Chairman of the Board of Directors, prepared in application of Article L.225-37 of the French Commercial Code.

Other information

We declare that the Report of the Chairman of the Board of Directors includes the other information required by Article L.225-37 of the French Commercial Code.

Paris-La Défense and Neuilly sur Seine, 10 February 2012
The Statutory Auditors

KPMG Audit
Department of KPMG SA

Deloitte & Associés

Patrick-Hubert Petit

Alain Pons

Mansour Belhiba

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. The report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

Report of the Vice-Chairman and Senior Director of the Board of Directors

The Vice-Chairman and Senior Director of the VINCI Board of Directors hereby reports on the role and responsibilities that have been assigned to him in this capacity.

This report was prepared by the Vice-Chairman in liaison with the Company's legal department and was submitted to the Appointments and Corporate Governance Committee before being presented to the VINCI Board of Directors at its meeting on 7 February 2012.

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1. Terms of reference for the Vice-Chairman and Senior Director

The terms of reference for the Vice-Chairman and Senior Director are described as follows in Article 2.3.2 of the internal rules of the Board of Directors, which are also available on the Company's website (www.vinci.com):

"The Vice-Chairman is the Senior Director of the Board. The Vice-Chairman assists the Chairman with his duties, notably the organisation and proper functioning of the Board and its committees and the supervision of corporate governance and internal control.

"The Vice-Chairman also assists the Board in ensuring the proper functioning of the Company's governance bodies and provides the Board with his insight on the transactions the Board is called to approve.

"He holds a meeting with the Directors once a year, in the absence of the executive company officers.

"The Chairman and Chief Executive Officer keeps the Vice-Chairman informed of material events or situations affecting the Group, notably relating to strategy, organisation, financial reporting, significant investment and divestment projects, major financial transactions, changes to the company's share capital and contacts with the company's main current or potential shareholders.

"In order to carry out his role and responsibilities, the Vice-Chairman has direct access to the members of the Group's Executive Committee. In coordination with the Chairman and Chief Executive Officer, the Vice-Chairman may organise any meeting with executives and employees designated by them that he deems appropriate or useful to the performance of his duties. The Vice-Chairman may consult with the managers responsible for internal control, risk and compliance or the Statutory Auditors and may access any document or information that he deems necessary for the performance of his duties.

"The Chairman and Chief Executive Officer facilitates the performance of these duties by providing the required instructions."

2. Activities of the Vice-Chairman and Senior Director in the performance of the duties assigned to him by the Board of Directors

During the financial year 2011, the Vice-Chairman and Senior Director participated in all eight Board meetings and the Board's strategic seminar (two days). He chaired all four meetings of the Appointments and Corporate Governance Committee and all nine meetings of the Strategy and Investment Committee held in 2011.

In addition, the Vice-Chairman and Senior Director kept up to date on Group events by meeting regularly with the Chairman and Chief Executive Officer, the Executive Vice-President and Chief Financial Officer, the heads of the business lines, the other members of the Executive Committee, the Senior Vice-President, Corporate Controlling and Accounting Department and the Statutory Auditors. He also kept up to date with all of the documents produced by the Company's different departments on the business and control procedures of all the Group's subsidiaries.

He participated in the Group's management convention in June 2011, attended the VINCI Innovation Awards event and visited numerous worksites.

The Vice-Chairman and Senior Director maintained frequent contact with each Board member and met with each of them individually in 2011.

He sent a detailed written report about the execution of his duties to the Remuneration Committee.

He chaired a meeting of Board members, without the Chairman and Chief Executive Officer being present, so as to evaluate the Executive Management. He also chaired a meeting of the chairmen of the Board committees so as to complete the implementation of the corporate governance improvement actions resulting from the self-assessment.

Lastly, the Vice-Chairman and Senior Director presented his report on financial year 2010 to shareholders at the 2 May 2011 Shareholders' General Meeting.

As a result of his work, the Vice-Chairman concluded that the governing bodies functioned normally. Board meeting agendas were communicated to him for his opinion before invitations were sent out to Board members, and he did not request the inclusion of any additional items. Consequently, he did not deem it necessary to call a Board meeting pursuant to Article 3.1 of the Board's internal rules.

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Key figures

(in € millions)	2011	2010
Revenue ^(*)	36,955.9	33,375.8
Revenue generated in France ^(*)	23,561.8	20,921.8
% of revenue ^(*)	63.8%	62.7%
Revenue generated outside France ^(*)	13,394.1	12,454.0
% of revenue ^(*)	36.2%	37.3%
Operating income from ordinary activities	3,659.9	3,433.9
% of revenue ^(*)	9.9%	10.3%
Operating income	3,601.0	3,429.1
Net income for the period attributable to owners of the parent	1,904.3	1,775.9
Diluted earnings per share (in €)	3.48	3.30
Dividend per share (in €)	1.77	1.67
Cash flows from operations before tax and financing costs	5,366.2	5,052.0
Operating investments (net of disposals)	(668.0)	(595.4)
Growth investments (concessions and PPPs)	(1,135.4)	(871.1)
Free cash flow (after investments)	2,134.2	1,918.7
Equity including non-controlling interests	13,615.3	13,024.7
Net financial debt	(12,589.6)	(13,059.7)

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

Consolidated income statement for the period

(in € millions)	Notes	2011	2010
Revenue ^(*)	1-2-3	36,955.9	33,375.8
Concession subsidiaries' revenue derived from works carried out by non-Group companies		690.2	627.0
Total revenue		37,646.1	34,002.8
Revenue from ancillary activities	5	205.0	166.1
Operating expenses	5	(34,191.2)	(30,735.1)
Operating income from ordinary activities	2-5	3,659.9	3,433.9
Share-based payment expense (IFRS 2)	19	(101.4)	(71.2)
Goodwill impairment expense	5-10-13	(8.0)	(1.8)
Profit/(loss) of companies accounted for under the equity method	5-15	50.5	68.2
Operating income	5	3,601.0	3,429.1
Cost of gross financial debt		(741.9)	(711.1)
Financial income from cash investments		95.2	75.2
Cost of net financial debt	6	(646.6)	(635.9)
Other financial income	6	99.2	109.7
Other financial expense	6	(74.0)	(154.9)
Income tax expense	7	(983.6)	(847.4)
Net income from continuing operations		1,996.0	1,900.6
Net income from discontinued activities (halted or sold)			
Net income		1,996.0	1,900.6
Net income attributable to non-controlling interests		91.7	124.7
Net income for the period attributable to owners of the parent		1,904.3	1,775.9
Earnings per share from continuing operations – attributable to owners of the parent			
Basic earnings per share (in €)	8	3.52	3.35
Diluted earnings per share (in €)	8	3.48	3.30
Earnings per share attributable to owners of the parent			
Basic earnings per share (in €)	8	3.52	3.35
Diluted earnings per share (in €)	8	3.48	3.30

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

Consolidated comprehensive income statement for the period

(in € millions)	2011			2010		
	Attributable to owners of the parent	Attributable to non-controlling interests	Total	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Net income	1,904.3	91.7	1,996.0	1,775.9	124.7	1,900.6
Financial instruments of controlled companies: changes in fair value	(110.9)	0.4	(110.6)	(45.9)	(0.2)	(46.1)
of which:						
Available-for-sale financial assets	(19.9)	(0.0)	(19.9)	5.6		5.6
Cash flow hedges ^(*)	(91.1)	0.4	(90.7)	(51.5)	(0.2)	(51.7)
Financial instruments of companies accounted for under the equity method: changes in fair value	(255.2)	(16.8)	(272.0)	(76.6)	(5.8)	(82.4)
Currency translation differences	(6.1)	(1.0)	(7.1)	103.9	8.6	112.5
Tax ^(**)	117.0	3.8	120.8	36.4	1.9	38.3
Income and expense for the period recognised directly in equity	(255.3)	(13.6)	(268.9)	17.7	4.5	22.3
of which:						
Controlled companies	(80.2)	(0.5)	(80.7)	66.5	5.1	71.6
Companies accounted for under the equity method	(175.1)	(13.1)	(188.2)	(48.7)	(0.6)	(49.3)
Total comprehensive income	1,649.0	78.1	1,727.1	1,793.6	129.2	1,922.9

(*) Changes in the fair value of cash flow hedges (interest-rate hedges) are recognised in equity for the effective portion. Cumulative gains and losses in equity are taken to profit or loss at the time when the cash flow affects profit or loss.

(**) Including +€120.8 million of tax effects relating to changes in the fair value of financial instruments (compared with +€38.3 million in 2010), +€6.8 million relating to available-for-sale financial assets (compared with -€1.9 million in 2010) and +€114 million relating to cash flow hedges (effective part) (compared with +€40.2 million in 2010).

Consolidated balance sheet

Assets

(in € millions)	Notes	31/12/2011	31/12/2010
Non-current assets			
Concession intangible assets	9	23,921.5	23,771.6
Goodwill	10-13	6,263.8	6,103.1
Other intangible assets	11	374.8	354.9
Property, plant and equipment	12	4,399.1	4,411.5
Investment property	14	48.0	40.9
Investments in companies accounted for under the equity method	15	748.6	713.5
Other non-current financial assets	16	1,267.6	869.5
Deferred tax assets	7	179.1	144.9
Total non-current assets		37,202.5	36,409.8
Current assets			
Inventories and work in progress	21	1,004.1	843.8
Trade receivables	21	10,222.0	8,816.3
Other current operating assets	21	4,131.3	3,435.4
Other current non-operating assets		46.3	57.8
Current tax assets	7	70.4	76.1
Other current financial assets		356.6	292.8
Cash management financial assets	22	169.6	733.2
Cash and cash equivalents	22	7,372.4	5,747.9
Total current assets (before assets classified as held for sale)		23,372.7	20,003.4
Total current assets		23,372.7	20,003.4
Total assets		60,575.2	56,413.2

Consolidated balance sheet

Equity and liabilities

<i>(in € millions)</i>	Notes	31/12/2011	31/12/2010
Equity			
Share capital	18.1	1,413.2	1,381.6
Share premium	18.1	7,182.4	6,820.6
Treasury shares	18.2	(1,097.5)	(552.2)
Other equity instruments		490.6	490.6
Consolidated reserves		3,493.9	2,629.8
Currency translation reserves		22.7	28.5
Net income for the period attributable to owners of the parent		1,904.3	1,775.9
Amounts recognised directly in equity	18.4	(519.8)	(270.7)
Equity attributable to owners of the parent		12,889.9	12,304.0
Non-controlling interests	18.6	725.4	720.6
Total equity		13,615.3	13,024.7
Non-current liabilities			
Non-current provisions	20	1,535.4	1,314.1
Bonds	22	7,819.8	6,020.5
Other loans and borrowings	22	9,605.2	11,676.2
Other non-current liabilities		95.6	65.4
Deferred tax liabilities	7	2,166.9	2,355.1
Total non-current liabilities		21,223.0	21,431.2
Current liabilities			
Current provisions	21	3,484.1	3,235.0
Trade payables	21	7,625.0	6,692.2
Other current operating liabilities	21	10,381.5	9,075.0
Other current non-operating liabilities		567.8	496.7
Current tax liabilities	7	232.6	183.1
Current borrowings	22	3,445.8	2,275.3
Total current liabilities (before liabilities classified as held for sale)		25,736.9	21,957.3
Total current liabilities		25,736.9	21,957.3
Total equity and liabilities		60,575.2	56,413.2

Consolidated cash flow statement

(in € millions)	Notes	2011	2010
Consolidated net income for the period (including non-controlling interests)		1,996.0	1,900.6
Depreciation and amortisation	5.2	1,810.7	1,730.7
Net increase/(decrease) in provisions		67.7	135.0
Share-based payments (IFRS 2) and other restatements		10.9	(17.7)
Gain or loss on disposals		(20.5)	(20.4)
Change in fair value of financial instruments		(1.4)	0.3
Share of profit or loss of companies accounted for under the equity method, dividends received from unconsolidated entities and profit or loss from operations classified as held for sale		(66.4)	(82.8)
Capitalised borrowing costs		(60.9)	(77.2)
Cost of net financial debt recognised	6	646.6	635.9
Current and deferred tax expense recognised	7.1	983.6	847.4
Cash flows (used in)/from operations before tax and financing costs	2	5,366.2	5,052.0
Changes in operating working capital requirement and current provisions		93.4	(78.3)
Income taxes paid		(936.2)	(949.9)
Net interest paid		(643.4)	(692.8)
Dividends received from companies accounted for under the equity method		57.7	54.2
Cash flows (used in)/from operating activities	I	3,937.6	3,385.3
<i>Purchases of property, plant and equipment, and intangible assets</i>		<i>(757.7)</i>	<i>(694.7)</i>
<i>Proceeds from sales of property, plant and equipment, and intangible assets</i>		<i>89.7</i>	<i>99.3</i>
Operating investments (net of disposals)	2	(668.0)	(595.4)
Operating cash flow	2	3,269.5	2,789.8
<i>Investments in concession fixed assets (net of grants received)</i>		<i>(1,106.4)</i>	<i>(836.2)</i>
<i>Financial receivables (PPP contracts and others)</i>		<i>(29.0)</i>	<i>(34.9)</i>
Growth investments in concessions and PPPs	2	(1,135.4)	(871.1)
Free cash flow (after investments)	2	2,134.2	1,918.7
<i>Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)</i>		<i>(196.8)</i>	<i>(690.8) (*)</i>
<i>Proceeds from sales of shares in subsidiaries and affiliates (consolidated and unconsolidated)</i>		<i>39.7</i>	<i>29.5</i>
<i>Net effect of changes in scope of consolidation(**)</i>		<i>(15.1)</i>	<i>(378.7)</i>
Net financial investments		(172.2)	(1,040.0)
Other		(95.9)	(68.4)
Net cash flows (used in)/from investing activities	II	(2,071.5)	(2,575.0)
Changes in share capital		393.5	305.3 (*)
Transactions on treasury shares		(623.5)	(86.4)
Non-controlling interests in share capital increases of subsidiaries		0.6	1.0
Acquisitions/disposals of non-controlling interests (without acquisition or loss of control)		(34.9)	(54.4)
Dividends paid		-	-
- to shareholders of VINCI SA (***)		(946.8)	(902.9)
- to non-controlling interests		(89.0)	(61.9)
Proceeds from new long-term borrowings		1,627.0	721.0
Repayments of long-term loans		(1,723.7)	(1,171.1)
Change in cash management assets and other current financial debts		933.4	239.4
Net cash flows (used in)/from financing activities	III	(463.4)	(1,009.9)
Change in net cash	I+II+III	1,402.7	(199.6)
Net cash and cash equivalents at beginning of period		5,071.1	4,821.7
Other changes		40.3	449.0
Net cash and cash equivalents at end of period	22.2	6,514.1	5,071.1
Increase/(decrease) of cash management financial assets		(933.4)	(239.4)
(Proceeds from)/repayment of loans		96.7	450.0
Other changes		(136.2)	(390.0)
Change in net financial debt		470.1	70.0
Net financial debt at beginning of period		(13,059.7)	(13,129.7)
Net financial debt at end of period	22	(12,589.6)	(13,059.7)

(*) Excluding acquisition of Cegelec paid in VINCI shares (€1,385 million).

(**) Including net financial debt of companies acquired in the period (€10.3 million in 2011 compared with €386.7 million in 2010).

(***) Including the interest payment of the perpetual subordinated bonds for €31.3 million.

Consolidated statement of changes in equity

Equity attributable to owners of the parent											
(in € millions)	Share capital	Share premium	Treasury shares	Other equity instruments	Consolidated reserves	Net income	Currency translation reserves	Amounts recognised directly in equity	Total attributable to owners of the parent	Non-controlling interests	Total
Balance at 1 January 2010	1,302.4	5,749.6	(1,108.2)	490.6	2,040.9	1,596.0	(75.8)	(184.8)	9,810.7	656.4	10,467.1
Net income for the period						1,775.9			1,775.9	124.7	1,900.6
Income and expense for the period recognised directly in equity of controlled companies							96.6	(30.2)	66.5	5.1	71.6
Income and expense for the period recognised directly in equity of companies accounted for under the equity method							7.3	(56.0)	(48.7)	(0.6)	(49.3)
Total comprehensive income for the period						1,775.9	103.9	(86.2)	1,793.6	129.2	1,922.9
Increase in share capital	79.2	1,071.0			78.5				1,228.7	1.0	1,229.7
Decrease in share capital											
Transactions on treasury shares			555.9		(180.7)				375.3		375.3
Allocation of net income and dividend payments					693.1	(1,596.0)			(902.9)	(61.9)	(964.7)
Share-based payments (IFRS 2)					49.7				49.7	0.4	50.0
Impact of acquisitions or disposals of non-controlling interests after acquisition of control					(21.3)				(21.3)	(8.0)	(29.3)
Changes in consolidation scope					(1.5)		1.6	(0.2)		3.8	3.8
Other					(29.1)		(1.2)	0.5	(29.8)	(0.3)	(30.2)
Balance at 31 December 2010	1,381.6	6,820.6	(552.2)	490.6	2,629.8	1,775.9	28.5	(270.7)	12,304.0	720.6	13,024.7
Net income for the period						1,904.3			1,904.3	91.7	1,996.0
Income and expense for the period recognised directly in equity of controlled companies							(7.7)	(72.5)	(80.2)	(0.5)	(80.7)
Income and expense for the period recognised directly in equity of companies accounted for under the equity method							1.5	(176.7)	(175.1)	(13.1)	(188.2)
Total comprehensive income for the period						1,904.3	(6.1)	(249.1)	1,649.0	78.1	1,727.1
Increase in share capital	31.6	361.8							393.5	0.6	394.1
Decrease in share capital											
Transactions on treasury shares			(545.2)		(78.3)				(623.5)		(623.5)
Allocation of net income and dividend payments					829.1	(1,775.9)			(946.8)	(89.0)	(1,035.8)
Share-based payments (IFRS 2)					69.1				69.1	0.5	69.6
Impact of acquisitions or disposals of non-controlling interests after acquisition of control					(25.4)		0.2		(25.2)	(1.1)	(26.3)
Changes in consolidation scope					(0.1)		0.1			10.4	10.4
Other					69.7			0.1	69.7	5.3	75.0
Balance at 31 December 2011	1,413.2	7,182.4	(1,097.5)	490.6	3,493.9	1,904.3	22.7	(519.8)	12,889.9	725.4	13,615.3

A. Accounting policies and measurement

1. General policies

Pursuant to Regulation (EC) No. 1606/2002 of 19 July 2002, VINCI's consolidated financial statements for the period ended 31 December 2011 have been prepared under the International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2011^(*).

The accounting policies used at 31 December 2011 are the same as those used in preparing the consolidated financial statements at 31 December 2010, except for the Standards and Interpretations adopted by the European Union applicable as from 1 January 2011, (see Note A.1.1. "New Standards and Interpretations applicable from 1 January 2011").

The information relating to 2009, presented in the 2010 registration document D.11-0169 filed with the AMF on 23 March 2011, is deemed to be included herein.

The consolidated financial statements were adopted by the Board of Directors on 7 February 2012 and will be submitted to the Shareholders' General Meeting for approval on 12 April 2012.

1.1 New Standards and Interpretations applicable from 1 January 2011

The new Standards and Interpretations applicable from 1 January 2011 have no material impact on VINCI's consolidated financial statements at 31 December 2011. These are mainly:

- Amendment to IAS 24 "Related Party Disclosures";
- Amendment to IAS 32 "Classification of Rights Issues";
- Amendment to IFRIC 14 "Prepayments of a Minimum Funding Requirement";
- IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments";
- The Amendments published in May 2010 under the IFRS annual improvements procedure.

1.2 Standards and Interpretations adopted by the IASB but not yet applicable at 31 December 2011

The Group has not applied early the following Standards and Interpretations of which application is not mandatory at 1 January 2011:

- Standards on consolidation methods:
- IFRS 10 "Consolidated Financial Statements";
- IFRS 11 "Joint Arrangements";
- IFRS 12 "Disclosure of Interests in Other Entities";
- IAS 27 Revised "Consolidated and Separate Financial Statements";
- IAS 28 Revised "Interests in Associates and Joint Ventures".

Other Standards:

- IFRS 7 Amended "Disclosures—Transfers of Financial Assets";
- IFRS 9 "Financial Instruments";
- IFRS 13 "Fair Value Measurement";
- IAS 1 Amended "Presentation of Items of Other Comprehensive Income";
- IAS 12 Amended "Deferred Tax: Recovery of Underlying Assets";
- IAS 19 Amended "Employee Benefits";
- IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine".

VINCI is currently analysing the impacts and practical consequences of the application of these Standards and Interpretations.

2. Consolidation methods

2.1 Consolidation scope and methods

Companies in which the Group holds, whether directly or indirectly, the majority of voting rights enabling control to be exercised, are fully consolidated. Companies that are less than 50% owned but in which VINCI exercises de facto control – i.e. has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities – are consolidated using this same method. This relates mainly to CFE, a Belgian construction group quoted on the Brussels stock market, of which VINCI owns 46.84% and over which it has de facto control in view in particular of the widely held nature of that company's shareholder register.

Jointly controlled operations and assets are recognised on the basis of the Group's share of the assets, liabilities, income and expenses. This mainly relates to construction operations carried out in partnership, in the form of consortia or joint ventures, in the Contracting business.

^(*) Available on http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

Companies over which the Group exercises significant influence, and jointly controlled companies, are accounted for under the equity method.

VINCI's consolidated financial statements include the financial statements of all companies with revenue of more than €2 million, and of companies whose revenue is below this figure but whose impact on the Group's financial statements is material.

Number of companies by reporting method

(number of companies)	31/12/2011			31/12/2010		
	Total	France	Foreign	Total	France	Foreign
Controlled companies	1,907	1,197	710	1,865	1,177	688
Equity method	339	66	273	332	80	252
Total	2,246	1,263	983	2,197	1,257	940

In addition to the creation of several concession or public-private partnership project companies including LISEA (for the South Europe Atlantic high-speed rail line), Stade Bordeaux Atlantique and Nice Eco Stadium, the main changes in the period relate to the acquisition of eight companies by VINCI Energies, 27 by VINCI Construction, 13 by Eurovia and seven by VINCI Immobilier.

2.2 Intragroup transactions

Reciprocal operations and transactions relating to assets and liabilities, income and expenses between companies that are consolidated or accounted for under the equity method are eliminated in the consolidated financial statements. This is done:

- for the full amount if the transaction is between two controlled subsidiaries;
- applying the percentage owned of an equity-accounted entity in the case of profits or losses realised between a controlled company and a company accounted for under the equity method.

2.3 Translation of the financial statements of foreign companies and establishments

In most cases, the functional currency of companies and establishments is their local currency.

The financial statements of foreign companies of which the functional currency is different from that used in preparing the Group's consolidated financial statements are translated at the closing rate for balance sheet items and at the average rate for the period for income statement items. Any resulting translation differences are recognised under translation differences in consolidated reserves. Goodwill relating to foreign entities is considered as comprising part of the assets and liabilities acquired and is therefore translated at the exchange rate in force at the balance sheet date.

2.4 Foreign currency transactions

Transactions in foreign currency are translated into euros at the exchange rate at the transaction date. At the balance sheet date, financial assets and monetary liabilities denominated in foreign currencies are translated at the closing rate. Resulting exchange gains and losses are recognised under foreign exchange gains and losses and are shown under other financial income and other financial expense in the income statement. Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivative instruments used as long-term finance of investments in foreign subsidiaries that is neither expected nor likely to be repaid in the foreseeable future, or as hedges of investments in foreign subsidiaries, are recorded under currency translation differences in equity.

2.5 Business combinations

Business combinations completed between 1 January 2004 and 31 December 2009 have been recognised applying the provisions of the previous version of IFRS 3.

Business combinations completed from 1 January 2010 onwards are recognised in accordance with IFRS 3 Revised. This Standard is applied prospectively. It does not therefore affect business combinations made before 1 January 2010.

In application of this revised Standard, the Group recognises the identifiable assets and liabilities assumed at their fair value at the dates when control was acquired. The cost of a business combination is the fair value, at the date of exchange, of the assets given, liabilities assumed, and/or equity instruments issued by the acquirer in exchange for control of the acquiree. Contingent price adjustments are measured at fair value at each balance sheet date. After 12 months have elapsed from the acquisition date, any subsequent changes to this fair value are recognised in profit or loss.

Expenses that are directly attributable to the acquisition, such as professional fees for due diligence and other related fees, are expensed as they are incurred.

Non-controlling interests in the acquiree are measured either at their share of the acquiree's net identifiable assets, or at their fair value. This option is applied on a case-by-case basis for each acquisition.

The cost of acquisition is allocated by recognising the acquiree's identifiable assets and liabilities assumed at their fair value at that date, except for assets or asset groups classified as held for sale under IFRS 5, which are recognised at their fair value less costs to sell. The positive difference between the cost of acquisition and the fair value of the identifiable assets and liabilities acquired constitute goodwill. Where applicable, the cost of acquisition can include the fair value of non-controlling interests if VINCI has opted to apply the full goodwill method.

The Group has 12 months from the date of acquisition to finalise the accounting for business combinations.

In the case of a business combination achieved in stages, previously acquired shareholdings in the acquiree are measured at fair value at the date of acquisition of control. Any resulting gain or loss is recognised in profit or loss.

2.6 Transactions between shareholders, acquisitions and disposals of non-controlling interests after acquisition of control

In accordance with IAS 27 Revised, acquisitions or disposals of non-controlling interests, with no change of control, are considered as transactions with the Group's shareholders. Under this approach, the difference between the consideration paid to increase the percentage shareholding in an already-controlled entity and the supplementary share of equity thus acquired is recorded under consolidated equity. Similarly, a decrease in the Group's percentage interest in an entity that continues to be controlled is booked in the accounts through equity, with no impact on profit or loss.

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2.7 Discontinued operations (halted or sold), operations and assets classified as held for sale

Discontinued operations

Whenever discontinued operations (halted or sold), or operations classified as held for sale are:

- a business line or a geographical area of business that is material for the Group and that forms part of a single disposal plan; or
- a subsidiary acquired exclusively with a view to resale;

they are shown on a separate line of the consolidated balance sheet at the balance sheet date of the period under consideration.

Assets connected with discontinued operations are measured at the lower of their carrying amount and their estimated sales price less costs to sell. Income statement and cash flow items relating to these discontinued operations are shown on a separate line for all the periods presented.

Assets classified as held for sale

Non-current assets of which the sale has been decided during the period are shown on a separate line of the balance sheet whenever the sale is expected to be completed within 12 months. Such assets are measured at the lower of their carrying amount and their estimated sales price less costs to sell.

Contrary to discontinued operations, the related income statement and cash flow items are not shown on a separate line.

3. Measurement rules and methods

3.1 Use of estimates

The preparation of financial statements under the IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in those financial statements.

These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

The consequence of the financial crisis in the eurozone, in particular financial market volatility, access to finance and economic growth, makes it difficult to assess the outlook for business in the medium term. The consolidated financial statements for the period have therefore been prepared with reference to the immediate environment, in particular as regards the estimates given below.

3.1.1 Measurement of construction contract profit or loss using the stage of completion method

The Group uses the stage of completion method to recognise revenue and profit or loss on construction contracts, applying the general revenue recognition rules on the basis of the stage of completion.

The stage of completion and the revenue to recognise are determined on the basis of a large number of estimates based on monitoring of the work performed and using the benefit of experience to take account of unforeseen circumstances. In consequence, adjustments may be made to initial estimates throughout the contract and may materially affect future results.

3.1.2 Values used in impairment tests

The assumptions and estimates made to determine the recoverable amount of goodwill, intangible assets and property, plant and equipment relate in particular to the assessment of market prospects needed to estimate the cash flows, and discount rates adopted. Any change in these assumptions could have a material effect on the recoverable amount and could entail a change in the impairment losses to recognise. The main assumptions used by the Group are described in Note E.13 "Impairment tests on goodwill and other non-financial assets".

3.1.3 Measurement of share-based payment expenses under IFRS 2

The Group recognises a share-based payment expense relating to the granting to its employees of share options (offers to subscribe to or purchase shares), performance share plans and shares under the Group Savings Scheme. This expense is measured on the basis of actuarial calculations using estimated behavioural assumptions based on observation of past behaviour.

The main actuarial assumptions (expected volatility, expected return on the share, etc.) adopted by the Group are described for each plan in Note E.19 "Share-based payments".

3.1.4 Measurement of retirement benefit obligations

The Group is involved in defined contribution and defined benefit retirement plans. Its obligations in connection with these defined benefit plans are measured actuarially, based on assumptions such as the discount rate, the return on the investments dedicated to these plans, future increases in wages and salaries, employee turnover, mortality rates and the rate of increase of health expenses.

These assumptions are generally updated annually. Details of the assumptions used and how they are determined are given in Note E.20.1 "Provisions for retirement benefit obligations". The Group considers that the actuarial assumptions used are appropriate and justified in the current conditions. Obligations may, however, change if assumptions change.

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3.1.5 Measurement of provisions

The factors that materially influence the amount of provisions relate to:

- the estimates made on a statistical basis from expenses incurred in previous years, for after-sales-service provisions;
- the forecasts of expenditures on major maintenance over several years used as a basis for the provisions for the obligation to maintain the condition of infrastructure under concession. These forecasts are estimated taking account of indexation clauses included in construction and civil engineering contracts (mainly the TP01, TP02 and TP09 indices);
- the estimates of forecast profit or loss on construction contracts, which serve as a basis for the determination of losses on completion (see Note A.3.4. "Construction contracts");
- the discount rates used to determine the present value of these provisions.

3.1.6 Measurement of financial instruments at fair value

Fair value is determined on the basis of the following three models or levels:

- Level 1: quoted prices on an active market: whenever quoted prices on an active market are available, these are used in priority to determine fair value. Marketable securities and some listed bond issues are measured in this way;
- Level 2: internal model using internal measurement techniques with observable factors: these techniques use the usual mathematical computation methods, which incorporate observable market data (forward prices, yield curves, etc.). The calculation of the fair value of most derivative financial instruments (swaps, caps, floors, etc.) traded on markets is made on the basis of models commonly used by market participants to price such financial instruments.

Every quarter, the internally calculated values of derivative instruments are checked for consistency with the values sent to us by the counterparties.

- Level 3: internal model using non-observable factors: this model applies in VINCI only for holdings of unlisted shares, which, in the absence of an active market, are measured at their cost of acquisition plus transaction costs.

3.2 Revenue

Consolidated revenue of the Contracting business (VINCI Energies, Eurovia and VINCI Construction) is recognised in accordance with IAS 11. It includes the total of the work, goods and services generated by the consolidated subsidiaries pursuing their main activity and the revenue for construction work on infrastructure under concession. The method for recognising revenue under construction contracts is explained in Note A.3.4 "Construction contracts" below.

Consolidated revenue of the Concessions business is recognised in accordance with IAS 18 and IAS 11. The method for recognising revenue in respect of concession contracts is explained in Note A.3.5 "Concession contracts" below. Revenue comprises:

- tolls for the use of motorway infrastructure operated under concession, revenue booked by car parks and airport service concessions, and ancillary income such as fees for the use of commercial installations, rental of telecommunications infrastructure and advertising space; and
 - revenue in respect of the construction of new concession infrastructure recognised on a stage of completion basis in accordance with IAS 11.
- In the property sector, revenue arising on lots sold is recognised as the property development proceeds (in accordance with IFRIC 15).

3.3 Revenue from ancillary activities

Revenue from ancillary activities mainly comprises rental income, sales of equipment, materials and merchandise, study work and fees other than those generated by concession operators.

3.4 Construction contracts

The Group recognises construction contract income and expenses using the stage of completion method defined by IAS 11. For the VINCI Construction business line, the stage of completion is usually determined on a physical basis. For the other business lines (Eurovia and VINCI Energies), it is determined on the basis of the percentage of total costs incurred to date.

If the estimate of the final outcome of a contract indicates a loss, a provision is made for the loss on completion regardless of the stage of completion, based on the best estimates of income, including, if need be, any rights to additional revenue or claims if these are probable and can be reliably estimated. Provisions for losses on completion are shown under liabilities.

Part payments received under construction contracts before the corresponding work has been carried out are recognised under liabilities under advances and payments on account received.

3.5 Concession contracts

Under the terms of IFRIC 12, a concession operator has a twofold activity:

- a construction activity in respect of its obligations to design, build and finance a new asset that it makes available to the grantor: revenue is recognised on a stage of completion basis in accordance with IAS 11;
- an operating and maintenance activity in respect of the assets under the concession: revenue is recognised in accordance with IAS 18.

In return for its activities, the operator receives consideration from either:

- **users: the intangible asset model applies.** The operator has a right to receive tolls (or other payments) from users in consideration for the financing and construction of the infrastructure. The intangible asset model also applies whenever the concession grantor remunerates the concession operator on the basis of the extent of use of the infrastructure by users, but with no guarantees as to the amounts that will be paid to the operator (under a simple pass through or shadow toll agreement).

Under this model, the right to receive toll payments (or other remuneration) is recognised in the concession operator's balance sheet under "Concession intangible assets". This right corresponds to the fair value of the asset under concession plus the borrowing costs capitalised during the construction phase. It is amortised over the term of the arrangement in a manner that reflects the pattern in which the asset's economic benefits are consumed by the entity, starting from the entry into service of the asset.

This treatment applies to most of the infrastructure concessions, in particular the motorway networks (ASF, Escota and Cofiroute, the A19, the A4 and A5 A-Modell in Germany and the motorway concessions in Greece), bridges (the Rion-Antirion bridge in Greece and the bridges over the Tagus in Lisbon) and most of the parking facilities managed under concession by VINCI Park.

- **the grantor: the financial asset model applies.** The operator has an unconditional contractual right to receive payments from the concession grantor, irrespective of the amount of use made of the infrastructure.

Under this model, the operator recognises a financial asset, attracting interest, in its balance sheet, in consideration for the services it provides (design, construction, operation or maintenance). Such financial assets are recognised in the balance sheet under "Loans and receivables", for the amount of the fair value of the infrastructure on first recognition and subsequently at amortised cost. The receivable is settled by means of the grantor's payments received. The financial income calculated on the basis of the effective interest rate, equivalent to the project's internal rate of return, is recognised under operating income.

This model applies to public-private partnerships in France and abroad: PFI (Private Finance Initiative) contracts and the Newport bypass in the UK, the Liefkenshoek Tunnel in Belgium, the schools construction or renovation contracts in Germany, the Coentunnel in the Netherlands, Granvia in Slovakia (the R1 expressway), and to some VINCI Park contracts.

- In the case of **bifurcated models**, the operator is remunerated partly by users and partly by the grantor. The part of the investment that is covered by an unconditional right to receive payments from the grantor (in the form of grants or rental) is recognised as a financial receivable up to the amount guaranteed. The unguaranteed balance, of which the amount is dependent on the extent of use of the infrastructure, is recognised under "concession intangible assets". On the basis of an analysis of existing contracts, this model applies in particular to LISEA, the concession company for the high-speed rail line between Tours and Bordeaux, some VINCI Park contracts and the Le Mans Stadium in France.

3.6 Share-based payments

The measurement and recognition methods for share subscription and purchase plans, the *Plans d'Epargne Groupe* – Group savings schemes – and performance share plans, are defined by IFRS 2 Share-based Payment. The granting of share options, performance shares and offers to subscribe to the Group Savings Scheme represent a benefit granted to their beneficiaries and therefore constitute supplementary remuneration borne by VINCI. Because such transactions do not give rise to monetary transactions, the benefits granted in this way are recognised as expenses in the period in which the rights are acquired, with a corresponding increase in equity. Benefits are measured on the basis of the fair value at the grant date of the equity instruments granted.

Benefits granted under share option plans, performance share plans and the Group Savings Scheme are implemented as decided by VINCI's Board of Directors after approval by the Shareholders' General Meeting, and are not, in general, systematically renewed. As their measurement is not directly linked to the business lines' operations, VINCI has considered it appropriate not to include the corresponding expense in the operating income from ordinary activities, which is an indicator of business lines' performance, but to report it on a separate line, labelled "Share-based payment expense (IFRS 2)", in operating income.

3.6.1 Share subscription or purchase option plans

Options to subscribe to or purchase shares have been granted to Group employees and senior executives. For some of these plans, definitive vesting of share subscription or purchase option plans is conditional on performance conditions (stock market performance or financial criteria) being met. The fair value of options is determined, at grant date, using the Monte Carlo valuation model, taking account of the impact of the market performance condition if applicable. The Monte Carlo model allows a larger number of scenarios to be modelled, by including in particular the valuation of assumptions about beneficiaries' behaviour on the basis of observation of historical data.

3.6.2 Performance share plans

Performance shares subject to vesting conditions have been granted to Group employees and senior executives. As these are plans under which the final vesting of the shares may be dependent on the realisation of financial criteria, the fair value of the shares has been estimated, at grant date, taking account of the likelihood of the financial criteria being met, as recommended by IFRS 2.

The number of performance shares measured at fair value in the calculation of the IFRS 2 expense is adjusted at each balance sheet date for the impact of the change in the likelihood of the financial criteria being met.

3.6.3 Group Savings Scheme

Under the Group Savings Scheme, VINCI issues new shares in France reserved for its employees three times a year with a subscription price that includes a discount of 10% against the average stock market price of the VINCI share during the last 20 business days preceding the authorisation by the Board of Directors. This discount is considered as a benefit granted to the employees; its fair value is determined using the Monte Carlo valuation model at the date on which the subscription price is announced to the employees. As certain restrictions apply to

the shares acquired by the employees under these plans regarding their sale or transfer, the fair value of the benefit to the employee takes account of the fact that the shares acquired cannot be freely disposed of for five years, other than in certain specific circumstances. The Group recognises the benefits granted in this way to its employees as an expense over the vesting period, with a corresponding increase in consolidated equity.

3.7 Cost of net financial debt

The cost of net financial debt includes:

- the cost of gross financial debt, which includes the interest expense calculated at the effective interest rate, gains and losses on interest-rate derivatives allocated to gross financial debt, whether designated as hedges for accounting purposes or not; and
- the line item "financial income from cash management investments", which comprises the return on investments of cash and cash equivalents. Investments of cash and cash equivalents are measured at fair value through profit or loss.

3.8 Other financial income and expense

Other financial income and expense mainly comprises foreign exchange gains and losses, the effects of discounting to present value, dividends received from unconsolidated entities, capitalised borrowing costs, and changes in the value of derivatives not allocated to interest-rate risk management.

Borrowing costs borne during the construction of concession assets are included in the cost of those assets. They are determined as follows:

- to the extent that funds are borrowed specifically for the purpose of constructing an asset, the borrowing costs eligible for capitalisation on that asset are the actual borrowing costs incurred during the period less any investment income arising from the temporary investment of those borrowings;
- when borrowing is not intended to finance a specific project, the interest eligible for capitalisation on an asset is determined by applying a capitalisation rate to the expenditure on that asset. This capitalisation rate is equal to the weighted average of the costs of borrowing funds for construction work, other than those specifically intended for the construction of given assets.

This does not relate to the construction of infrastructure under concession accounted for using the financial asset model (see Note A.3.20.2 "Loans and receivables at amortised cost").

3.9 Income tax

Income tax is computed in accordance with the tax legislation in force in the countries where the income is taxable.

In accordance with IAS 12, deferred tax is recognised on the temporary differences between the carrying amount and the tax base of assets and liabilities. It is calculated using the latest tax rates enacted or substantially enacted at the date of closing the accounts. The effects of a change in the tax rate from one period to another are recognised in the income statement in the period in which the change occurs.

Deferred tax relating to items recognised directly under equity, in particular share-based payment expenses (under IFRS 2), is also recognised under equity.

Whenever subsidiaries have distributable reserves, a deferred tax liability is recognised in respect of the probable distributions that will be made in the foreseeable future. Moreover, shareholdings in companies accounted for under the equity method give rise to recognition of a deferred tax liability in respect of all the differences between the carrying amount and the tax base of the shares.

Net deferred tax is determined on the basis of the tax position of each entity or group of entities included in the tax group under consideration and is shown under assets or liabilities for its net amount per taxable entity. Deferred tax is reviewed at each balance sheet date to take account in particular of the impact of changes in tax law and the prospects for recovery. Deferred tax assets are only recognised if their recovery is probable.

Deferred tax assets and liabilities are not discounted.

3.10 Earnings per share

Basic earnings per share is the net income for the period after non-controlling interests, divided by the weighted average number of shares outstanding during the period less treasury shares.

In calculating diluted earnings per share, the average number of shares outstanding is adjusted for the dilutive effect of equity instruments issued by the Company, in particular share subscription or purchase options and performance shares.

3.11 Concession intangible assets

Concession intangible assets correspond to the concession operator's right to operate the asset under concession in consideration for the investment expenditures incurred for the design and construction of the asset. This operator's right corresponds to the fair value of the construction of the asset under concession plus the borrowing costs capitalised during the construction phase. It is amortised over the term of the contract in a manner that reflects the pattern in which the contract's economic benefits are consumed by the entity, starting from the date when the right to operate starts to be used. For concessions that have recently entered service, the amortisation is calculated using the progressive, straight-line or diminishing-balance method, on the basis of the forecast traffic levels included in the business plan. In the particular case of the motorway operating companies ASF, Cofiroute and Escota, the straight-line method is used.

3.12 Goodwill

Goodwill is the excess of the cost of a business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities at the date(s) of acquisition, recognised on first consolidation.

Goodwill in fully consolidated subsidiaries is recognised under goodwill in consolidated assets. Goodwill relating to companies accounted for under the equity method is included in the line-item "Investments in companies accounted for under the equity method".

Goodwill is not amortised but is tested for impairment at least annually and whenever there is an indication that it may be impaired. Whenever goodwill is impaired, the difference between its carrying amount and its recoverable amount is recognised in operating income in the period and is not reversible.

Negative goodwill is recognised directly in profit or loss in the year of acquisition.

Following adoption of IFRS 3 Revised, an option is available to measure non-controlling interests at acquisition date either at fair value (the full goodwill method), or for the portion of the net assets acquired that they represent (the partial goodwill method). The choice can be made for each business combination.

3.13 Other intangible assets

Other intangible assets mainly comprise operating rights, brands, quarrying rights of finite duration and computer software. Other purchased intangible assets are measured at cost less any applicable amortisation and cumulative impairment losses. Quarrying rights are amortised as materials are extracted (volumes extracted during the period are compared with the estimated total volume to be extracted from the quarry over its useful life), in order to reflect the decline in value due to depletion. Other intangible assets are amortised on a straight-line basis over their useful life.

3.14 Grants related to assets

Grants related to assets are presented in the balance sheet as a reduction of the amount of the asset for which they were received.

3.15 Property, plant and equipment

Items of property, plant and equipment are recorded at their acquisition or production cost less cumulative depreciation and any impairment losses. They are not revalued. They also include concession operating assets that are not controlled by the grantor but that are necessary for operation of the concession such as buildings intended for use in the operation, equipment for toll collection, signing, data transmission and videosurveillance, and vehicles and equipment.

Depreciation is generally calculated on a straight-line basis over the period of use of the asset. Accelerated depreciation may, however, be used when it appears more appropriate to the conditions under which the asset is used. For certain complex assets comprising several components, in particular buildings and constructions, each component of the asset is depreciated over its own period of use. In the particular case of quarries, they are depreciated as materials are extracted (volumes extracted during the period are compared with the estimated total volume to be extracted from the quarry over its useful life), in order to reflect the consumption of the economic benefits.

The main periods of use of the various categories of items of property, plant and equipment are as follows:

Constructions	
- structure	Between 20 and 50 years
- general technical installations	Between 5 and 20 years
Site equipment and technical installations	Between 3 and 12 years
Vehicles	Between 3 and 5 years
Fixtures and fittings	Between 8 and 10 years
Office furniture and equipment	Between 3 and 10 years

Depreciation commences as from the date when the asset is ready to enter service.

3.16 Finance leases

Assets acquired under finance leases are recognised as non-current assets whenever the effect of the lease is to transfer to the Group substantially all the risks and rewards incidental to ownership of these assets, with recognition of a corresponding financial liability. Assets held under finance leases are depreciated over their period of use.

3.17 Investment property

Investment property is property held to earn rentals or for capital appreciation. Such property is shown on a separate line in the balance sheet. Investment property is recorded at its acquisition cost less cumulative depreciation and any impairment losses, in the same way as items of property, plant and equipment.

3.18 Impairment of non-financial non-current assets

Under certain circumstances, impairment tests must be performed on intangible and tangible fixed assets. For intangible assets with an indefinite useful life, goodwill and construction work in progress, a test is performed at least annually and whenever there is an indication of a loss of value. For other fixed assets, a test is performed only when there is an indication of a loss of value. In accordance with IAS 36, the criteria adopted to assess indications that an asset might be impaired are either external (e.g. a material change in market conditions) or internal (e.g. a material reduction in revenue), without distinction.

Assets to be tested for impairment are grouped within cash-generating units that correspond to homogeneous groups of assets that generate identifiable cash inflows from their use. Whenever the recoverable value of a cash-generating unit is less than its carrying amount, an impairment loss is recognised in operating income. The recoverable amount of a cash-generating unit is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. The discount rate is determined, for each cash-generating unit, taking account of its geographical location and the risk profile of its business.

3.19 Investments in companies accounted for under the equity method

Equity-accounted investments are initially recognised at cost of acquisition, including any goodwill arising. Their carrying amount is then increased or decreased to recognise the Group's share of the entity's profits or losses after the date of acquisition. Whenever losses are greater than the value of the Group's net investment in the equity-accounted entity, these losses are not recognised unless the Group has entered into a commitment to recapitalise the entity or provide it with funding. The attributable share of the negative net equity of companies accounted for under the equity method that corresponds to falls in the fair value of interest-rate hedging instruments is presented in provisions for financial risks.

If there is an indication that an investment may be impaired, its recoverable value is tested as described in Note A.3.18 "Impairment of non-financial non-current assets". Impairment losses shown by these impairment tests are recognised as a deduction from the carrying amount of the corresponding investments.

In order to present business lines' operational performance in the best way possible, the profit or loss of companies accounted for under the equity method is reported on a specific line, between the lines "operating income from ordinary activities" and "operating income".

These shareholdings are those in companies in which the Group has significant influence and jointly controlled entities.

3.20 Other non-current financial assets

Other non-current financial assets comprise available-for-sale securities, the part at more than one year of loans and receivables measured at amortised cost, the part at more than one year of financial receivables under public-private partnership contracts (PPPs) and the fair value of derivative financial instruments designated as hedges maturing after one year (see Note A.3.29.2 "Fair value of derivative instruments (assets and liabilities)").

3.20.1 Available-for-sale securities

"Available-for-sale securities" comprises the Group's shareholdings in unconsolidated companies.

At the balance sheet date, available-for-sale securities are measured at their fair value. The fair value of shares in listed companies is determined on the basis of the stock market price at that balance sheet date. For unlisted securities, if their fair value cannot be determined reliably, the securities continue to be measured at their original cost, i.e. their cost of acquisition plus transaction costs.

Changes in fair value are recognised directly in equity.

Whenever there is an objective indication that this asset is impaired, the corresponding loss is recognised in profit or loss and may not be reversed.

- For securities quoted on an active market, a long lasting or material decline in fair value below their cost is an objective indication of their impairment. The factors considered by the Group in assessing the long-lasting or material nature of a decline in fair value are generally the following:
 - the impairment is long lasting whenever the closing stock market price has been lower than the cost of the security for more than 18 months;
 - the impairment is material whenever, at the balance sheet date, there has been a 30% fall in the spot price compared with the cost of the financial asset.
- For unlisted securities, the factors considered are the decrease in value of the share of equity held and the absence of prospects for profit.

3.20.2 Loans and receivables at amortised cost

"Loans and receivables at amortised cost" mainly comprises receivables connected with shareholdings, current account advances to companies accounted for under the equity method or unconsolidated entities, guarantee deposits, collateralised loans and receivables and other loans and financial receivables. It also includes the financial receivables relating to concession contracts and public-private partnerships whenever the concession operator has an unconditional right to receive remuneration (generally in the form of "scheduled construction service payments") from the grantor.

When first recognised, these loans and receivables are recognised at their fair value plus the directly attributable transaction costs. At each balance sheet date, these assets are measured at their amortised cost using the effective interest method. In the particular case of receivables coming under the scope of IFRIC 12, the effective interest rate used corresponds to the project's internal rate of return.

If there is an objective indication of impairment of these loans and receivables, an impairment loss is recognised at the balance sheet date. The impairment loss, corresponding to the difference between the carrying amount and the recoverable amount (i.e. the present value of the expected cash flows discounted using the original effective interest rate), is recognised in profit or loss. This loss may be reversed if the recoverable value increases subsequently and if this favourable change can objectively be linked to an event arising after recognition of the impairment loss.

3.21 Inventories and work in progress

Inventories and work in progress are recognised at their cost of acquisition or of production by the entity. At each balance sheet date, they are measured at the lower of cost and net realisable value.

3.22 Trade receivables and other current operating assets

"Trade receivables" and "other current operating assets" are current financial assets and are initially measured at their fair value, which is generally their nominal value, unless the effect of discounting is material. At each balance sheet date, trade receivables and other current operating assets are measured at their amortised cost less any impairment losses taking account of any likelihood of non-recovery. An estimate of the likelihood of non-recovery is made at each balance sheet date in the light of payment delays and guarantees obtained and an impairment loss is recognised if necessary.

3.23 Other current financial assets

"Other current financial assets" comprises the fair value of derivative financial instruments (assets) not designated as hedges for accounting purposes, the part at less than one year of the fair value of derivative financial instruments (assets) designated as hedges for accounting purposes and the part at less than one year of loans and receivables reported under other non-current financial assets (see Note A.3.29.2 "Fair value of derivative financial instruments (assets and liabilities)").

3.24 Cash management financial assets

"Cash management financial assets" comprises investments in monetary and bond securities, and units in UCITS, made with a short-term management objective, that do not satisfy the IAS 7 criteria for recognition as cash (see Note A.3.25 "Cash and cash equivalents"). As the Group adopts fair value as being the best reflection of the performance of these assets, they are measured and recognised at their fair value, and changes in fair value are recognised through profit or loss.

Purchases and sales of cash management financial assets are recognised at their transaction date.

Their fair value is determined using commonly used valuation models or, for non-listed cash management assets, at the present value of future cash flows. In assessing the fair value of listed instruments, the Group uses the market price at the balance sheet date or the net asset value of UCITS.

3.25 Cash and cash equivalents

This item comprises current accounts at banks and cash equivalents corresponding to short-term, liquid investments subject to negligible risks of fluctuations of value. Cash equivalents comprise in particular monetary UCITS and certificates of deposit with maturities not exceeding three months at the origin. Bank overdrafts are not included in cash and are reported under current financial liabilities.

The Group has adopted the fair value method to assess the return on its financial instruments. Changes in fair value are recognised directly in profit or loss.

Their fair value is determined using commonly used valuation models or, for non-listed cash management assets, at the present value of future cash flows. In assessing the fair value of listed instruments, the Group uses the market price at the balance sheet date or the net asset value of UCITS.

3.26 Treasury shares and other equity instruments

Treasury shares held by the Group are booked as a deduction from equity at their cost of acquisition. Any gains or losses connected with the purchase, sale, issue or cancellation of treasury shares are recognised directly in equity without affecting the income statement.

In accordance with IAS 32, equity includes perpetual subordinated bonds that meet the definition of an equity instrument.

3.27 Non-current provisions

Non-current provisions comprise provisions for retirement benefit obligations and other non-current provisions.

3.27.1 Provisions for retirement benefit obligations

Provisions are taken in the balance sheet for obligations connected with defined benefit retirement plans, for both current and former employees (people with deferred rights or who have retired). These provisions are determined using the projected unit credit method on the basis of actuarial assessments made at each annual balance sheet date. The actuarial assumptions used to determine the obligations vary depending on the economic conditions of the country where the plan is operated. Each plan's obligations are recognised separately.

For defined benefit plans financed under external management arrangements (i.e. pension funds or insurance policies), the surplus or shortfall of the fair value of the assets compared with the present value of the obligations is recognised as an asset or liability in the balance sheet, after deduction of cumulative actuarial gains and losses and any past service cost not yet recognised in profit or loss.

Past service cost corresponds to the benefits granted either when an entity adopts a new defined benefit plan or when it changes the level of benefit of an existing plan. Whenever new rights to benefit are acquired as from the adoption of the new plan or the change of an existing plan, the past service cost is recognised immediately in profit or loss. Conversely, whenever adoption of a new plan or a change in a plan gives rise to the acquisition of rights after its implementation date, past service costs are recognised as an expense on a straight-line basis over the average period remaining until the corresponding rights are fully vested.

Actuarial gains and losses result from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and what has actually occurred).

Cumulative unrecognised actuarial gains and losses that exceed 10% of the higher of the present value of the defined benefit obligation and the fair value of the plan assets are recognised in profit or loss on a straight-line basis over the average expected remaining working lives of the employees in that plan.

For defined benefit plans, the expense recognised under operating income comprises the current service cost, the amortisation of past service cost, the amortisation of any actuarial gains and losses and the effects of any reduction or winding up of the plan. The interest cost (cost of discounting) and the expected yield on plan assets are recognised under other financial income and expense.

Commitments relating to lump-sum payments on retirement for manual construction workers, which are met by contributions to an outside multi-employer insurance fund (CNPO), are considered as being under defined contribution plans and are recognised as an expense as and when contributions are payable.

The part of provisions for retirement benefit obligations that matures within less than one year is shown under current liabilities.

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3.27.2 Other non-current provisions

These comprise provisions for other employee benefits, measured in accordance with IAS 19, and those provisions that are not directly linked to the operating cycle, measured in accordance with IAS 37. These are recognised whenever, at the balance sheet date, the Group has a legal or constructive present obligation towards non-Group companies arising from a past event, whenever it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and whenever a reliable estimate can be made of the amount of the obligation. These provisions are measured at their present value, corresponding to the best estimate of the outflow of resources required to settle the obligation.

The part at less than one year of other employee benefits is reported under “other current liabilities”. The part at less than one year of provisions not directly linked to the operating cycle is reported under “current provisions”.

3.28 Current provisions

Current provisions are provisions directly linked to each business line’s own operating cycle, whatever the expected time of settlement of the obligation. They are recognised in accordance with IAS 37 (see above). They also include the part at less than one year of provisions not directly linked to the operating cycle.

Provisions are taken for contractual obligations to maintain the condition of infrastructure under concession, principally by the motorway concession operating companies to cover the expense of major road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels and hydraulic infrastructure. Provisions are calculated on the basis of maintenance expense plans spanning several years, which are updated annually. These expenses are reassessed on the basis of appropriate indices (mainly the TP01, TP02 and TP09 indices). Provisions are also taken whenever recognised signs of defects are encountered on identified infrastructure. These provisions are recognised at their present value. The effect of discounting provisions is recognised under “other financial expense”.

Provisions for after-sales service cover Group entities’ commitments under statutory warranties relating to completed projects, in particular 10-year warranties on building projects in France. They are estimated statistically on the basis of expenses incurred in previous years or individually on the basis of specifically identified events.

Provisions for losses on completion of contracts and construction project liabilities are made mainly when end-of-contract projections, based on the most likely estimated outcome, indicate a loss, and when work needs to be carried out in respect of completed projects under completion warranties.

Provisions for disputes connected with operations mainly relate to disputes with customers, subcontractors, joint contractors or suppliers. Restructuring provisions include the cost of plans and measures for which there is a commitment whenever these have been announced before the period end.

Provisions for other current liabilities mainly comprise provisions for late-delivery penalties, for individual dismissals and for other risks related to operations.

3.29 Bonds and other financial debt (current and non-current)

3.29.1 Bond loans, other loans and borrowings

These are recognised at amortised cost using the effective interest method. The effective interest rate is determined after taking account of redemption premiums and issuance expenses. Under this method, the interest expense is measured actuarially and reported under the cost of gross financial debt.

The benefit of a loan at a significantly below-market rate of interest, which is in particular the case for project finance granted by public-sector organisations, is treated as a government grant and recognised as a reduction of the debt and the related investments, in accordance with IAS 20. Financial instruments that comprise both a liability component and an equity component, such as bonds convertible into shares, are recognised in accordance with IAS 32. The carrying amount of the compound instrument is apportioned between its liability component and its equity component, the equity component being defined as the difference between the fair value of the compound instrument and the fair value of the liability component. The liability component corresponds to the fair value of a liability with similar characteristics but without an equity component. The value attributed to the separately recognised equity component is not altered during the term of the instrument. The liability component is measured using the amortised cost method over its estimated term. Issuance costs are allocated proportionately between the liability and equity components.

The part at less than one year of borrowings is included in “current borrowings”.

3.29.2 Fair value of derivative financial instruments (assets and liabilities)

The Group uses derivative financial instruments to hedge its exposure to market risks (mainly interest rates and foreign currency exchange rates). Most interest rate and foreign currency exchange rate derivatives used by VINCI are designated as hedging instruments. Hedge accounting is applicable in particular if the conditions provided for in IAS 39 are satisfied:

- at the time of setting up the hedge, there is a formal designation and documentation of the hedging relationship;
- the effectiveness of the hedging relationship must be demonstrated from the outset and at each balance sheet date, prospectively and retrospectively.

The fair value of derivative financial instruments designated as hedges of which the maturity is greater than one year is reported in the balance sheet under “other non-current financial assets” or “other loans and borrowings (non-current)”. The fair value of other derivative instruments not designated as hedges and the part at less than one year of instruments designated as non-current hedges are reported under “other current financial assets” or “current financial liabilities”.

Financial instruments designated as hedging instruments

Derivative financial instruments designated as hedging instruments are systematically recognised in the balance sheet at fair value (see Note A.3.1.6 “Measurement of financial instruments at fair value”). Nevertheless, their recognition varies depending on whether they are designated as:

- a fair value hedge of an asset or a liability or of an unrecognised firm commitment;
- a cash flow hedge; or
- a hedge of a net investment in a foreign entity.

Fair value hedge

A fair value hedge enables the exposure to the risk of a change in the fair value of a financial asset, a financial liability or unrecognised firm commitment to be hedged.

Changes in the fair value of the hedging instrument are recognised in profit or loss for the period. The change in value of the hedged item attributable to the hedged risk is recognised symmetrically in profit or loss for the period (and adjusted to the carrying amount of the hedged item). Except for the ineffective portion of the hedge, these two revaluations offset each other within the same line items in the income statement.

Cash flow hedge

A cash flow hedge allows exposure to variability in future cash flows associated with an existing asset or liability, or a highly probable forecast transaction, to be hedged.

Changes in the fair value of the derivative financial instrument are recognised in equity for the effective portion and in profit or loss for the period for the ineffective portion. Cumulative gains or losses in equity are taken to profit or loss under the same line item as the hedged item – i.e. under operating income and expenses for cash flows from operations and under financial income and expense otherwise – when the hedged cash flow affects profit or loss.

If the hedging relationship is interrupted because it is no longer considered effective, the cumulative gains or losses in respect of the derivative instrument are retained in equity and recognised symmetrically with the cash flow hedged. If the future cash flow is no longer expected, the gains and losses previously recognised in equity are taken to profit or loss.

Hedge of a net investment in a foreign entity

A hedge of a net investment denominated in a foreign currency hedges the exchange rate risk relating to the net investment in a consolidated foreign subsidiary. In a similar way as for cash flow hedges, the effective portion of the changes in the value of the hedging instrument is recorded in equity under currency translation reserves and the portion considered as ineffective is recognised in profit or loss. The change in the value of the hedging instrument recognised in “translation differences” is reversed through profit or loss when the foreign entity in which the initial investment was made is disposed of.

Derivative financial instruments not designated as hedging instruments

Derivative financial instruments that are not designated as hedging instruments are reported in the balance sheet at fair value and changes in their fair value are recognised in profit or loss.

3.29.3 Put options granted to minority shareholders

Put options (options to sell) granted to the minority shareholders of certain Group subsidiaries are recognised under financial liabilities for the present value of the exercise price of the option and as a corresponding reduction of consolidated equity (non-controlling interest and equity attributable to equity holders of the parent for the surplus, if any).

3.30 Off-balance sheet commitments

The Group's off-balance sheet commitments are monitored through specific annual and half-year reports.

Off-balance sheet commitments are reported in the appropriate Notes, as dictated by the activity to which they relate.

B. Business combinations

1. Business combinations in the period

VINCI made no material acquisitions in 2011.

2. Business combinations in previous periods

On 14 April 2010, Qatari Diar contributed 100% of the Cegelec Group's assets and liabilities to VINCI, in exchange for 31.5 million VINCI shares, comprising 21 million new shares and 10.5 million treasury shares.

In accordance with IFRS 3 Revised, VINCI has assessed the fair value of the assets and liabilities, and contingent liabilities acquired, and determined the related deferred tax effects. The values of the identifiable assets and liabilities and contingent liabilities of Cegelec as at 14 April 2010 are now definitive.

Provisional goodwill in Cegelec, amounting to €1,994.6 million, has been allocated to the VINCI Energies' cash-generating units by country and corresponds to the future supplementary economic benefits that VINCI considers it can generate following this acquisition.

Regarding the other acquisitions in 2010 (Faceo by VINCI Energies and the Tarmac Group quarries by Eurovia), the values given to the identifiable assets acquired and liabilities assumed at the date of acquiring control have become definitive and no material adjustments were made in 2011. The definitive goodwill allocated to Faceo and the Tarmac Group quarries amounts to €478.2 million and €28.7 million respectively.

C. Information by operating segment

Based on the Group's organisational structure, segment information is presented by business line. In the second half of 2011, the Group conducted an internal reorganisation of the VINCI Autoroutes business line, which has led to a change in the information communicated to the Group's Executive Committee.

The Group is organised in two businesses (Concessions and Contracting), each consisting of business lines, as shown below:

Concessions:

- VINCI Autoroutes: motorway concessions in France (ASF, Escota, Cofiroute, Arcour).
- VINCI Concessions: VINCI Park, VINCI Airports, stadiums, other infrastructure and public facilities.

Contracting:

- VINCI Energies: electrical works and engineering, information and communication technology, heating, ventilation and air conditioning engineering, insulation and facilities management.
- Eurovia: building and maintenance of roads, motorways and railways, urban infrastructure, environmental work, production of materials, demolition, recycling and signage.
- VINCI Construction: design and construction of buildings and civil engineering infrastructure, hydraulic works, foundations, soil treatment and specialised civil engineering.

1. Revenue

1.1 Breakdown of revenue by business line

(in € millions)	2011	2010	Change
Concessions	5,296.7	5,097.1	3.9%
VINCI Autoroutes	4,409.0	4,258.7	3.5%
VINCI Concessions	887.6	838.4	5.9%
Contracting	31,495.2	28,150.4	11.9%
VINCI Energies	8,666.5	7,102.0	22.0%
Eurovia	8,721.6	7,930.2	10.0%
VINCI Construction	14,107.2	13,118.2	7.5%
Eliminations and miscellaneous	164.0	128.4	27.8%
Revenue^(*)	36,955.9	33,375.8	10.7%
Concession subsidiaries' revenue derived from works carried out by non-Group companies	690.2	627.0	10.1%
Total revenue	37,646.1	34,002.8	10.7%

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

1.2 Breakdown of revenue by geographical area

(in € millions)	2011	%	2010	%
France	23,561.8	63.8%	20,921.8	62.7%
United Kingdom	2,070.7	5.6%	1,863.6	5.6%
Germany	2,100.8	5.7%	1,843.7	5.5%
Central and Eastern Europe ^(*)	2,489.6	6.7%	2,283.4	6.8%
Benelux	1,570.0	4.2%	1,470.2	4.4%
Other European countries	1,079.3	2.9%	1,087.3	3.3%
Europe^(**)	32,872.1	88.9%	29,470.0	88.3%
of which, European Union	32,294.0	87.4%	29,039.9	87.0%
North America	891.1	2.4%	943.7	2.8%
Africa	1,709.7	4.6%	1,698.2	5.1%
Asia Pacific	1,089.9	2.9%	910.8	2.7%
Latin America	393.1	1.1%	353.2	1.1%
Revenue^(***)	36,955.9	100.0%	33,375.8	100.0%
Concession subsidiaries' revenue derived from works carried out by non-Group companies	690.2		627.0	
Total revenue	37,646.1		34,002.8	

(*) Albania, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Poland, Romania, Russia, Serbia-Montenegro, Slovakia, Slovenia and Ukraine.

(**) Including the eurozone for €28,087 million at 31 December 2011 and €25,222 million at 31 December 2010.

(***) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

Revenue arising outside France amounted to €13,394.1 million in 2011, up 7.5% from 2010. It accounted for 36.2% of revenue excluding concession subsidiaries' revenue derived from works carried out by non-Group companies (37.3% in 2010).

2. Other information by business line

The data below is for each business line separately and is stated before elimination, at their own level, of transactions with other business lines.

2011

	Concessions			Contracting				Holding companies & other activities	Eliminations	Total
(in € millions)	VINCI Autoroutes	VINCI Concessions	Total	VINCI Energies	Eurovia	VINCI Construction	Total			
Income statement										
Revenue ^(*)	4,409.0	887.6	5,296.7	8,666.5	8,721.6	14,107.2	31,495.2	698.1	(534.1)	36,955.9
Concession subsidiaries' works revenue	978.9	101.7	1,080.6						(390.4) ^(**)	690.2
Total revenue	5,388.0	989.3	6,377.3	8,666.5	8,721.6	14,107.2	31,495.2	698.1	(924.5)	37,646.1
Operating income from ordinary activities	2,018.2	130.5	2,148.7	482.7	322.2	630.4	1,435.3	76.0		3,659.9
% of revenue ^(*)	45.8%	14.7%	40.6%	5.6%	3.7%	4.5%	4.6%			9.9%
Operating income	2,015.1	105.7	2,120.8	459.1	308.8	643.7	1,411.7	68.5		3,601.0
% of revenue ^(*)	45.7%	11.9%	40.0%	5.3%	3.5%	4.6%	4.5%			9.7%
Cash flow statement										
Cash flows (used in)/from operations before tax and financing costs	3,058.0	308.0	3,366.0	507.9	524.3	847.7	1,879.9	120.3		5,366.2
% of revenue ^(*)	69.4%	34.7%	63.5%	5.9%	6.0%	6.0%	6.0%			14.5%
of which, net depreciation and amortisation	1,063.0	108.4	1,171.4	82.1	249.1	301.9	633.1	6.2		1,810.7
of which, net provisions	6.6	71.2	77.8	(6.0)	(12.8)	16.7	(2.1)	(8.0)		67.7
Operating investments (net of disposals)	(26.0)	(29.8)	(55.8)	(88.4)	(194.3)	(334.1)	(616.8)	4.5		(668.0)
Operating cash flow	1,687.8	187.2	1,875.0	257.4	220.2	678.9	1,156.5	238.0		3,269.5
Growth investments (concessions and PPPs)	(1,017.3)	(91.2)	(1,108.5)	(3.1)		(23.7)	(26.8)			(1,135.4)
Free cash flow (after investments)	670.5	95.9	766.4	254.3	220.2	655.2	1,129.7	238.0		2,134.2
Balance sheet										
Capital employed	23,035.9	2,176.0	25,211.9	1,931.8	1,116.7	(467.7)	2,580.9	206.6		27,999.4
of which, investments in companies accounted for under the equity method	13.2	106.4	119.7	4.6	132.3	480.7	617.6	11.4		748.6
Net financial surplus (debt)	(17,157.0)	(1,738.5)	(18,895.4)	530.7	90.1	2,293.3	2,914.1	3,391.8		(12,589.6)

(*) Excluding concession subsidiaries' works revenue.

(**) Intragroup revenue of the Contracting business derived from works carried out for the Group's concession operating companies.

2010^(*)

	Concessions			Contracting				Holding companies & other activities	Eliminations	Total
(in € millions)	VINCI Autoroutes	VINCI Concessions	Total	VINCI Energies	Eurovia	VINCI Construction	Total			
Income statement										
Revenue ^(**)	4,258.7	838.4	5,097.1	7,102.0	7,930.2	13,118.2	28,150.4	603.3	(475.0)	33,375.8
Concession subsidiaries' works revenue	823.5	89.3	912.9						(285.9) ^(***)	627.0
Total revenue	5,082.2	927.7	6,009.9	7,102.0	7,930.2	13,118.2	28,150.4	603.3	(760.8)	34,002.8
Operating income from ordinary activities	1,922.7	170.6	2,093.3	386.7	285.5	584.4	1,256.6	84.0		3,433.9
% of revenue ^(**)	45.1%	20.4%	41.1%	5.4%	3.6%	4.5%	4.5%			10.3%
Operating income	1,916.6	167.9	2,084.5	366.7	278.6	619.4	1,264.7	80.0		3,429.1
% of revenue ^(**)	45.0%	20.0%	40.9%	5.2%	3.5%	4.7%	4.5%			10.3%
Cash flow statement										
Cash flows (used in)/from operations before tax and financing costs	2,928.9	267.7	3,196.6	415.8	470.5	879.9	1,766.2	89.1		5,052.0
% of revenue ^(**)	68.8%	31.9%	62.7%	5.9%	5.9%	6.7%	6.3%			15.1%
of which, net depreciation and amortisation	1,025.8	103.7	1,129.4	74.6	233.0	287.6	595.2	6.0		1,730.7
of which, net provisions	25.3	53.1	78.3	1.3	4.1	81.9	87.3	(30.6)		135.0
Operating investments (net of disposals)	(12.9)	(29.4)	(42.4)	(63.7)	(187.4)	(301.9)	(553.0)	(0.1)		(595.4)
Operating cash flow	1,597.1	162.0	1,759.0	412.9	254.2	255.5	922.7	108.2		2,789.8
Growth investments (concessions and PPPs)	(758.7)	(92.8)	(851.5)	(0.1)		(19.6)	(19.7)			(871.1)
Free cash flow (after investments)	838.3	69.2	907.5	412.8	254.2	235.9	903.0	108.2		1,918.7
Balance sheet										
Capital employed	22,954.1	2,166.9	25,121.0	1,852.7	1,160.1	(433.1)	2,579.7	65.4		27,766.1
of which, investments in companies accounted for under the equity method	10.4	108.6	119.0	2.5	136.3	451.2	589.9	4.6		713.5
Net financial surplus (debt)	(15,876.4)	(1,633.9)	(17,510.3)	606.4	204.3	2,144.5	2,955.3	1,495.3		(13,059.7)

(*) The 2010 data is presented in accordance with the new legal organisation of the VINCI Autoroutes business line implemented in 2011 (see Note C. "Information by operating segment").

(**) Excluding concession subsidiaries' works revenue.

(***) Intragroup revenue of the Contracting business derived from works carried out for the Group's concession operating companies.

Reconciliation between capital employed and the financial statements

The definition of capital employed is non-current assets less working capital requirement (including current provisions) (see Note E.21 "Working capital requirement and current provisions") and less tax payable.

<i>(in € millions)</i>	Note	31/12/2011	31/12/2010
Capital employed - Assets			
Concession intangible assets		23,921.5	23,771.6
- Deferred tax on ASF goodwill		(1,847.2)	(1,931.3)
Goodwill, gross		6,342.6	6,174.2
Other intangible assets		374.8	354.9
Property, plant and equipment		4,399.1	4,411.5
Investment property		48.0	40.9
Investments in companies accounted for under the equity method		748.6	713.5
Other non-current financial assets		1,267.6	869.5
- Collateralised loans and receivables (at more than one year)	16	(2.1)	
- Derivative non-current financial instruments (assets)	16	(436.4)	(186.1)
Inventories and work in progress		1,004.1	843.8
Trade receivables		10,222.0	8,816.3
Other current operating assets		4,131.3	3,435.4
Other current non-operating assets		46.3	57.8
Current tax assets		70.4	76.1
Total capital employed - Assets		50,290.5	47,448.1
Capital employed - Liabilities			
Current provisions		(3,484.1)	(3,235.0)
Trade payables		(7,625.0)	(6,692.2)
Other current operating liabilities		(10,381.5)	(9,075.0)
Other current non-operating liabilities		(567.8)	(496.7)
Current tax liabilities		(232.6)	(183.1)
Total capital employed - liabilities		(22,291.1)	(19,682.0)
Total capital employed		27,999.4	27,766.1

3. Breakdown of the Concessions business data

2011

(in € millions)	VINCI Autoroutes ^(*)	Of which		VINCI	of which,	Total
		ASF & Escota	Cofiroute	Concessions	VINCI Park	
Income statement						
Revenue^(**)	4,409.0	3,169.9	1,201.9	887.6	599.1	5,296.7
Concession subsidiaries' works revenue	978.9	845.5	129.4	101.7	37.0	1,080.6
Total revenue	5,388.0	4,015.5	1,331.3	989.3	636.1	6,377.3
Operating income from ordinary activities	2,018.2	1,393.8	608.1	130.5	107.3	2,148.7
% of revenue ^(**)	45.8%	44.0%	50.6%	14.7%	17.9%	40.6%
Operating income	2,015.1	1,392.8	605.9	105.7	107.0	2,120.8
% of revenue ^(**)	45.7%	43.9%	50.4%	11.9%	17.9%	40.0%
Cash flow statement						
Cash flows (used in)/from operations before tax and financing costs	3,058.0	2,185.4	848.0	308.0	200.9	3,366.0
% of revenue ^(**)	69.4%	68.9%	70.6%	34.7%	33.5%	63.5%
of which, net depreciation and amortisation	1,063.0	809.8	246.4	108.4	74.9	1,171.4
of which, net provisions	6.6	5.3	1.4	71.2	20.5	77.8
Operating investments (net of disposals)	(26.0)	(19.4)	(2.2)	(29.8)	(22.8)	(55.8)
Operating cash flow	1,687.8	1,204.3	557.6	187.2	113.5	1,875.0
Growth investments (concessions and PPPs)	(1,017.3)	(841.2)	(172.1)	(91.2)	(49.1)	(1,108.5)
Free cash flow (after investments)	670.5	363.1	385.5	95.9	64.3	766.4
Balance sheet						
Capital employed	23,035.9	17,052.5	5,314.8	2,176.0	1,252.0	25,211.9
of which, investments in companies accounted for under the equity method	13.2	13.2		106.4	41.5	119.7
Net financial surplus (debt)	(17,157.0)	(11,315.7)	(2,959.9)	(1,738.5)	(772.1)	(18,895.4)

(*) Motorway concessions in France (ASF/Escota, Cofiroute, Arcour).

(**) Excluding concession subsidiaries' works revenue.

2010 ^(*)

<i>(in € millions)</i>	VINCI Autoroutes ^(**)	<i>Of which</i>		VINCI Concessions	<i>of which, VINCI Park</i>	Total
		ASF & Escota	Cofiroute			
Income statement						
Revenue ^(***)	4,258.7	3,074.1	1,149.8	838.4	596.0	5,097.1
Concession subsidiaries' works revenue	823.5	676.2	142.4	89.3	32.2	912.9
Total revenue	5,082.2	3,750.3	1,292.2	927.7	628.2	6,009.9
Operating income from ordinary activities	1,922.7	1,318.2	590.8	170.6	110.9	2,093.3
% of revenue ^(***)	45.1%	42.9%	51.4%	20.4%	18.6%	41.1%
Operating income	1,916.6	1,313.7	589.2	167.9	113.5	2,084.5
% of revenue ^(***)	45.0%	42.7%	51.2%	20.0%	19.0%	40.9%
Cash flow statement						
Cash flows (used in)/from operations before tax and financing costs	2,928.9	2,102.1	806.8	267.7	177.5	3,196.6
% of revenue ^(***)	68.8%	68.4%	70.2%	31.9%	29.8%	62.7%
<i>of which, net depreciation and amortisation</i>	1,025.8	798.3	221.1	103.7	72.9	1,129.4
<i>of which, net provisions</i>	25.3	15.3	9.9	53.1	1.0	78.3
Operating investments (net of disposals)	(12.9)	(11.5)	(1.4)	(29.4)	(24.4)	(42.4)
Operating cash flow	1,597.1	1,197.5	455.4	162.0	107.0	1,759.0
Growth investments (concessions and PPPs)	(758.7)	(655.0)	(98.5)	(92.8)	(32.9)	(851.5)
Free cash flow (after investments)	838.3	542.6	357.0	69.2	74.2	907.5
Balance sheet						
Capital employed	22,954.1	16,796.1	5,472.3	2,166.9	1,227.3	25,121.0
<i>of which, investments in companies accounted for under the equity method</i>	10.4	10.4	(0.0)	108.6	40.1	119.0
Net financial surplus (debt)	(15,876.4)	(10,294.9)	(3,045.3)	(1,633.9)	(787.4)	(17,510.3)

(*) The 2010 data is presented in accordance with the new legal organisation of the VINCI Autoroutes business line implemented in 2011 (see Note C. "Information by operating segment").

(**) Motorway concessions in France (ASF/Escota, Cofiroute, Arcour).

(***) Excluding concession subsidiaries' works revenue.

4. Geographical split of capital employed

<i>(in € millions)</i>	France	Germany	United Kingdom	Central and Eastern Europe ^(*)	Benelux	Other European countries	Total Europe	North America	Africa	Asia Pacific	Latin America	Total
31/12/2011												
Capital employed	25,769.1	78.3	206.2	53.4	817.9	654.6	27,579.4	361.3	64.8	(95.4)	89.4	27,999.4
31/12/2010												
Capital employed	25,572.8	114.3	216.4	(97.9)	762.6	586.6	27,154.8	329.3	238.4	(31.5)	75.1	27,766.1

(*) Albania, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Poland, Romania, Russia, Serbia-Montenegro, Slovakia, Slovenia and Ukraine.

Capital employed at 31 December 2011 in the eurozone was €27,092 million, of which 95.1% was in France. Capital employed in Greece amounted to €301 million at 31 December 2011.

D. Notes to the income statement

5. Operating income

(in € millions)	2011	2010
Revenue^(*)	36,955.9	33,375.8
Concession subsidiaries' revenue derived from works carried out by non-Group companies	690.2	627.0
Total revenue	37,646.1	34,002.8
Revenue from ancillary activities	205.0	166.1
Purchases consumed	(9,258.0)	(8,047.2)
External services	(4,843.9)	(4,234.7)
Temporary employees	(946.6)	(874.1)
Subcontracting and concession operating companies' construction costs	(7,468.3)	(7,069.3)
Taxes and levies	(1,009.2)	(911.6)
Employment costs	(8,754.2)	(7,885.6)
Other operating income and expenses	49.7	51.6
Depreciation and amortisation	(1,810.7)	(1,730.7)
Net provision expense	(150.0)	(33.4)
Operating expenses	(34,191.2)	(30,735.1)
Operating income from ordinary activities	3,659.9	3,433.9
% of revenue ^(*)	9.9%	10.3%
Share-based payment expense (IFRS 2)	(101.4)	(71.2)
Goodwill impairment expense	(8.0)	(1.8)
Profit/(loss) of companies accounted for under the equity method	50.5	68.2
Operating income	3,601.0	3,429.1
% of revenue ^(*)	9.7%	10.3%

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

Operating income from ordinary activities measures the operating performance of the Group's subsidiaries before taking account of expenses related to share-based payments (IFRS 2), goodwill impairment losses and the share of the profit or loss of companies accounted for under the equity method.

5.1 Other operating income and expenses

(in € millions)	2011	2010
Net gains or losses on disposal of property, plant and equipment and intangible assets	24.0	27.8
Share in operating profit or loss of joint operations	29.2	30.0
Other	(3.5)	(6.3)
Total	49.7	51.6

5.2 Depreciation and amortisation

Net depreciation and amortisation breaks down as follows:

(in € millions)	2011	2010
Concession intangible assets	(971.8)	(943.1)
Intangible assets	(38.9)	(35.2)
Property, plant and equipment	(795.9)	(748.9)
Investment property	(4.1)	(3.5)
Depreciation and amortisation	(1,810.7)	(1,730.7)

6. Financial income and expense

Financial income and expense breaks down as follows by accounting category of financial assets and liabilities:

	31/12/2011		
(in € millions)	Cost of net financial debt	Other financial income and expense	Equity
Liabilities at amortised cost	(745.3)		
Assets and liabilities at fair value through profit or loss (fair value option)	95.1		
Derivatives designated as hedges: assets and liabilities	7.4 (*)		(346.2)
Derivatives at fair value through profit or loss (trading): assets and liabilities	(3.8)		
Loans and receivables		(28.4)	
Available-for-sale financial assets		37.9	(19.9)
Foreign exchange gains and losses		(4.6)	
Effect of discounting to present value		(47.3)	
Borrowing costs capitalised or in inventory		60.9	
Provisions and miscellaneous		6.7	
Total financial income and expense	(646.6)	25.2	(366.1)

(*) Details of results of hedging derivatives are shown in the table on page 205.

	31/12/2010		
(in € millions)	Cost of net financial debt	Other financial income and expense	Equity
Liabilities at amortised cost	(705.2)		
Assets and liabilities at fair value through profit or loss (fair value option)	75.1		
Derivatives designated as hedges: assets and liabilities	(4.3) (*)		(128.2)
Derivatives at fair value through profit or loss (trading): assets and liabilities	(1.5)		
Loans and receivables		(1.2)	
Available-for-sale financial assets		13.6	5.9
Foreign exchange gains and losses		(2.5)	
Effect of discounting to present value		(74.3)	
Borrowing costs capitalised or in inventory		77.2	
Provisions and miscellaneous		(58.0)	
Total financial income and expense	(635.9)	(45.2)	(122.3)

(*) Details of results of hedging derivatives are shown in the table on page 205.

The cost of net financial debt amounted to €646.6 million at 31 December 2011 compared with €635.9 million at 31 December 2010, an increase of €10.7 million, resulting mainly from a moderate rise in interest rates.

Other financial income includes in particular capitalised borrowing costs on concession assets under construction for €60.9 million at 31 December 2011 (including €59.4 million for the ASF Group) compared with €77.2 million at 31 December 2010 (including €40.8 million for the ASF Group and €33.5 million for Cofiroute).

Other financial expense includes the effects of discounting assets and liabilities at more than one year to present value for €47.3 million at 31 December 2011, compared with €74.3 million at 31 December 2010.

The effect of discounting to present value relates mainly to provisions for retirement benefit obligations for €41.4 million at 31 December 2011 (€45 million at 31 December 2010) and to provisions for the obligation to maintain the condition of concession assets, for €6.6 million at 31 December 2011 (€26.8 million at 31 December 2010).

Gains and losses on derivative financial instruments allocated to financial debt (and designated as hedges) break down as follows:

<i>(in € millions)</i>	31/12/2011	31/12/2010
Net interest on derivatives designated as fair value hedges	69.7	76.5
Change in value of derivatives designated as fair value hedges	248.4	47.2
Change in value of the adjustment to fair value hedged financial debt	(249.4)	(47.7)
Reserve recycled through profit or loss in respect of cash flow hedges	(59.9)	(78.4)
<i>of which, changes in fair value of derivative instruments hedging cash flows</i>	<i>(11.6)</i>	<i>(6.3)</i>
Ineffectiveness of cash flow hedges	(1.3)	(1.9)
Gains and losses on derivative instruments allocated to net financial debt	7.4	(4.3)

7. Income tax expense

7.1 Breakdown of net tax expense

<i>(in € millions)</i>	31/12/2011	31/12/2010
Current tax	(1,146.8)	(938.3)
Deferred tax	163.2	90.9
<i>of which, temporary differences</i>	<i>160.2</i>	<i>98.0</i>
<i>of which, tax losses and tax credits</i>	<i>3.0</i>	<i>(7.0)</i>
Total	(983.6)	(847.4)

The net tax expense for the period comprises:

- a tax expense recognised by the French subsidiaries for €873.2 million (€732.2 million in 2010), including €173.9 million in Cofiroute (€164.9 million in 2010) and €660.7 million in VINCI SA, the lead company in the tax consolidation group that comprises 980 French subsidiaries (€520.2 million in 2010);
- a tax expense of €110.4 million (€115.2 million in 2010) for foreign subsidiaries.

7.2 Effective tax rate

The effective tax rate was 33.6% in 2011 compared with 31.6% in 2010.

This increase was mainly due to the application in 2011 of a 5% surcharge on the tax due by French companies with revenue of more than €250 million.

The effective rate for 2011 is lower than the theoretical tax rate in force in France (36.1% taking account of the 5% exceptional surcharge), mainly because of taxation at lower rates of some foreign subsidiaries. The difference between the tax calculated using the standard tax rate in force in France and the amount of tax effectively recognised in the period can be analysed as follows:

<i>(in € millions)</i>	31/12/2011	31/12/2010
Income before tax, profit or loss of companies accounted for under the equity method and discontinued operations (halted, sold)	2,929.2	2,679.8
Theoretical tax rate in France	36.10%	34.43%
Theoretical tax expense expected	(1,057.4)	(922.6)
Goodwill impairment expense	(1.8)	(0.8)
Impact of taxes due on income taxed at lower rate in France	7.2	6.1
Impact of tax loss carryforwards and other unrecognised or previously capped temporary differences	(3.0)	8.9
Difference in tax rates on foreign profit or loss	90.7	53.8
Permanent differences and miscellaneous	(19.3)	7.2
Tax expense recognised	(983.6)	(847.4)
Effective tax rate (excluding Group's share in companies accounted for under the equity method)	33.6%	31.6%
Effective tax rate excluding impact of share-based payments, goodwill impairment losses and profit or loss of companies accounted for under the equity method	32.4%	30.8%

The permanent differences shown in the effective tax rate reconciliation include the effects related to the fact that some components of the share-based payment expense are not tax-deductible. Such non-deductible items amounted to €5.8 million at 31 December 2011 (€3.5 million at 31 December 2010).

7.3 Breakdown of deferred tax assets and liabilities

(in € millions)	31/12/2011	Changes			31/12/2010
		Profit or loss	Equity	Other	
Deferred tax assets					
Tax loss carryforwards and tax credits	272.5	16.2		(11.3)	267.6
Retirement benefit obligations	212.2	5.1		26.0	181.1
Temporary differences on provisions	365.6	13.6	0.1	16.2	335.7
Fair value adjustment on financial instruments	132.7	6.5	38.2	1.3	86.6
Finance leases	23.9	(3.1)		2.9	24.1
Other	319.0	(3.2)	0.3	16.6	305.3
Netting of deferred tax assets and liabilities by tax jurisdiction	(839.4)			(95.2)	(744.1)
Total	486.5	35.2	38.6	(43.5)	456.3
Deferred tax liabilities					
Remeasurement of assets ^(*)	(2,626.1)	169.2		(5.5)	(2,789.9)
Finance leases	(30.0)	4.8			(34.8)
Fair value adjustment on financial instruments	(12.6)	(5.5)	(7.6)	2.3	(1.8)
Other	(337.5)	(37.4)	7.3	(34.7)	(272.7)
Netting of deferred tax assets and liabilities by tax jurisdiction	839.4			95.2	744.1
Total	(2,166.9)	131.1	(0.3)	57.4	(2,355.1)
Net deferred tax asset or liability before impairment losses	(1,680.4)	166.2	38.2	13.9	(1,898.8)
Capping	(307.4)	(3.0)		7.0	(311.4)
Net deferred tax	(1,987.8)	163.2	38.2	20.9	(2,210.2)

(*) Including measurement at fair value of the assets and liabilities of ASF at date of first consolidation: -€1,847.2 million at 31 December 2011.

7.4 Unrecognised deferred taxes

Deferred tax assets unrecognised due to their recovery not being probable were €307.4 million at 31 December 2011 (€311.4 million at 31 December 2010).

8. Earnings per share

Basic earnings per share are calculated on the basis of the weighted average number of shares outstanding during the period, less the weighted average number of treasury shares.

Diluted earnings per share are calculated on the basis of the weighted average number of shares that would have been outstanding had all potentially dilutive instruments (in particular share subscription or purchase options and performance shares) been converted into shares. Earnings are also adjusted as necessary for changes in income and expenses resulting from the conversion into shares of all potentially dilutive instruments.

The dilution resulting from the exercise of share subscription and purchase options and from performance shares is determined using the method defined in IAS 33. In accordance with this standard, plans of which the stock market price is greater than the average price during the period are excluded from the diluted earnings per share calculation.

The tables below show the reconciliation between basic and diluted earnings per share:

2011	Net income (in € millions)	Average number of shares	Earnings per share (in euros)
Total shares		560,976,818	
Treasury shares		(19,891,150)	
Basic earnings per share	1,904.3	541,085,668	3.52
Subscription options		3,044,270	
Share purchase options		1,695	
Group Savings Scheme		345,942	
Performance shares		2,184,725	
Diluted earnings per share	1,904.3	546,662,300	3.48

2010	Net income (in € millions)	Average number of shares	Earnings per share (in euros)
Total shares		542,122,459	
Treasury shares		(12,178,127)	
Basic earnings per share	1,775.9	529,944,332	3.35
Subscription options		4,808,278	
Share purchase options		341,467	
Group Savings Scheme		288,131	
Performance shares		1,965,432	
Diluted earnings per share	1,775.9	537,347,640	3.30

E. Notes to the balance sheet

9. Concession intangible assets

(in € millions)	Motorways ^(*)	Car parks	Other infrastructure	Total concessions	Other concessions	Total
Gross						
01/01/2010	26,341.0	1,158.4	818.0	28,317.4	8.7	28,326.1
Acquisitions in the period ^(**)	897.8	23.3	44.4	965.5		965.5
Disposals and retirements in the period	(2.5)	(53.0)	(1.7)	(57.2)	(2.2)	(59.5)
Currency translation differences		3.1	9.6	12.7		12.7
Other movements	(1.3)	0.1	(0.2)	(1.4)	(2.5)	(3.9)
	27,235.0	1,131.8	870.1	29,237.0	4.0	29,240.9
Grants received	(147.0)			(147.0)		(147.0)
31/12/2010	27,088.0	1,131.8	870.1	29,090.0	4.0	29,094.0
Acquisitions in the period ^(**)	1,036.3	28.7	62.5	1,127.5		1,127.5
Disposals and retirements in the period	(1.1)	(4.3)	(0.1)	(5.5)		(5.5)
Currency translation differences		1.8	5.6	7.4		7.4
Other movements	196.8	2.5	(117.3)	82.0		82.0
	28,319.9	1,160.6	820.8	30,301.3	4.0	30,305.3
Grants received	(13.3)		(21.4)	(34.8)		(34.8)
31/12/2011	28,306.6	1,160.6	799.4	30,266.6	4.0	30,270.5
Amortisation and impairment losses						
01/01/2010	(3,623.6)	(531.2)	(233.6)	(4,388.5)	(5.4)	(4,393.9)
Amortisation in the period	(888.6)	(36.6)	(27.1)	(952.3)	(0.2)	(952.5)
Impairment losses		(2.5)		(2.5)		(2.5)
Reversals of impairment losses		2.0		2.0		2.0
Disposals and retirements in the period	1.8	25.4	1.3	28.6	2.2	30.8
Currency translation differences		(1.0)	(3.2)	(4.1)		(4.1)
Other movements	(0.9)	(1.5)		(2.4)	0.2	(2.1)
31/12/2010	(4,511.3)	(545.4)	(262.5)	(5,319.2)	(3.1)	(5,322.3)
Amortisation in the period	(916.4)	(36.0)	(30.6)	(982.9)	(0.2)	(983.1)
Impairment losses		(3.0)	(46.0)	(49.0)		(49.0)
Reversals of impairment losses		5.0		5.0		5.0
Disposals and retirements in the period	0.1	4.2	0.1	4.4		4.4
Currency translation differences		(0.6)	(2.3)	(2.9)		(2.9)
Other movements	(51.5)	(1.5)	51.9	(1.2)		(1.2)
31/12/2011	(5,479.1)	(577.2)	(289.5)	(6,345.8)	(3.3)	(6,349.1)
Net						
01/01/2010	22,717.4	627.1	584.4	23,928.9	3.3	23,932.2
31/12/2010	22,576.7	586.5	607.6	23,770.8	0.8	23,771.6
31/12/2011	22,827.5	583.4	509.9	23,920.8	0.7	23,921.5

(*) VINCI Autoroutes.

(**) Including capitalised borrowing costs.

The investments for the period, excluding capitalised borrowing costs, amounted to €1,067 million (€889.1 million in 2010). They include the investments by Cofiroute for €127.3 million (€142.4 million in 2010), and by the ASF Group for €845.5 million (€676.2 million in 2010). Borrowing costs included in the cost of concession assets in 2011 before their entry into service amounted to €60.5 million (including €59.4 million for the ASF Group).

Due to the deterioration in traffic levels and revenue of Gefyra (concession company operating the Rion–Antirion toll bridge in Greece), an impairment loss of €45.8 million has been recognised against that company's assets.

Concession intangible assets include assets under construction for €2,095.8 million at 31 December 2011 (€2,338.7 million at 31 December 2010), of which €1,510.4 million for ASF, €459.8 million for Escota and €82.3 million for Cofiroute. The reduction of assets under construction was due to the opening on 9 January 2011 of the second section of the A86 Duplex by Cofiroute.

The main features of concession contracts and PPPs reported using the intangible asset model or the bifurcated model are described in Note F. "Notes on the main features of concession contracts and PPPs". The main commitments related to these contracts are mentioned in Note F.25.2 "Commitments made under concession contracts – intangible asset model".

10. Goodwill

Changes in the period were as follows:

<i>(in € millions)</i>	31/12/2011	31/12/2010
Net at the beginning of the period	6,103.1	3,598.6
Goodwill recognised during the period	75.4	2,468.9 ^(*)
Impairment losses	(8.0)	(1.8)
Currency translation differences	10.4	38.4
Entities no longer consolidated	(0.0)	(1.7)
Other movements	82.9	0.8
Net at the end of the period	6,263.8	6,103.1

^(*) Goodwill recognised following the acquisitions of Cegelec and Faceo (see Note B.2. "Business combinations in previous periods").

Goodwill recognised during the period has been measured on the basis of the share in the fair value of the identifiable assets and liabilities in the companies acquired. They mainly relate to the acquisitions of BEA Technische Dienste Lausitz GmbH (VINCI Energies) for €18.4 million, Structures Ile-de-France (VINCI Construction France) for €10.7 million and Zetas Zemin Technology Turkey (Soletanche Freyssinet) for €10.7 million.

The line "other movements" includes adjustments made to the goodwill in companies acquired in 2010, including Cegelec (€31.2 million) and Faceo (€34.6 million).

The main items of goodwill at 31 December 2011 were as follows:

<i>(in € millions)</i>	31/12/2011		31/12/2010
	Gross	Impairment losses	Net
ASF & Escota	1,934.7		1,934.7
Energies France	1,785.2		1,741.7
VINCI Facilities	563.0		528.5
VINCI Park (formerly Sogeparc and Finec)	343.3		343.3
Entrepose Contracting	200.9		200.9
Soletanche Bachy	170.7		170.7
Energies Germany	174.1		158.8
Nuvia	135.9		131.9
Energies Benelux	136.3		130.9
ETF-Eurovia Travaux Ferroviaires	107.6		107.6
Energies Switzerland	105.7		98.6
Taylor Woodrow Construction UK	91.5		88.8
Other goodwill items individually less than €50 million ^(*)	593.7	(78.8)	466.7
Total	6,342.6	(78.8)	6,263.8

^(*) Net amount for individual entities, in each of the two periods.

11. Other intangible assets

<i>(in € millions)</i>	Software	Patents, licences and other	Total
Gross			
01/01/2010	258.7	204.6	463.2
Acquisitions as part of business combinations	23.6	317.0 ^(*)	340.6
Other acquisitions in the period	14.6	21.2	35.8
Disposals and retirements during the period	(4.3)	(1.9)	(6.2)
Currency translation differences	0.6	3.1	3.7
Other movements	13.0	(119.0)	(106.0)
31/12/2010	306.1	425.0	731.1
Acquisitions as part of business combinations	7.2	19.1	26.3
Other acquisitions in the period	20.5	33.4	53.9
Disposals and retirements during the period	(6.8)	(2.8)	(9.6)
Currency translation differences	(0.1)	0.3	0.2
Other movements	(15.5)	1.5	(14.0)
31/12/2011	311.3	476.6	787.9
Amortisation and impairment losses			
01/01/2010	(203.0)	(92.0)	(294.9)
Cumulative amortisation recognised as part of business combinations	(13.4)	(13.1)	(26.5)
Amortisation in the period	(25.1)	(10.0)	(35.2)
Impairment losses		(0.3)	(0.3)
Reversals of impairment losses		0.8	0.8
Disposals and retirements during the period	4.0	1.5	5.5
Currency translation differences	(0.5)	(0.6)	(1.1)
Other movements	(21.3)	(3.3)	(24.6)
31/12/2010	(259.3)	(117.0)	(376.3)
Cumulative amortisation recognised as part of business combinations	(6.5)	(6.1)	(12.6)
Amortisation in the period	(28.2)	(10.7)	(38.9)
Impairment losses	(0.7)	(2.1)	(2.8)
Reversals of impairment losses		1.6	1.6
Disposals and retirements during the period	6.6	1.9	8.6
Currency translation differences	0.3	0.4	0.6
Other movements	24.8	(18.0)	6.8
31/12/2011	(263.0)	(150.1)	(413.0)
Net			
01/01/2010	55.7	112.6	168.3
31/12/2010	46.8	308.0	354.9
31/12/2011	48.3	326.5	374.8

^(*) Including €170 million allocated to the Cegelec brand.

12. Property, plant and equipment

(in € millions)	Concession operating fixed assets	Land	Constructions	Plant, equipment and fixtures	Total
Gross					
01/01/2010	2,932.9	463.7	1,037.9	5,092.8	9,527.3
Acquisitions as part of business combinations		366.0 ^(*)	77.6	355.9	799.5
Other acquisitions in the period	185.1	21.4	156.4	483.5	846.5
Disposals and retirements during the period	(50.0)	(17.1)	(34.2)	(348.3)	(449.7)
Currency translation differences	0.2	7.1	9.0	84.5	100.8
Other movements	11.1	3.0	(52.2)	48.0	9.9
31/12/2010	3,079.3	844.1	1,194.5	5,716.4	10,834.3
Acquisitions as part of business combinations	2.0	3.1	39.2	177.8	222.0
Other acquisitions in the period	216.1	20.9	161.7	555.9	954.7
Disposals and retirements during the period	(51.0)	(6.0)	(19.3)	(441.6)	(517.9)
Currency translation differences	0.1	(11.4)	(2.7)	(13.7)	(27.7)
Other movements	(110.2)	0.6	(123.9)	70.3	(163.2)
31/12/2011	3,136.2	851.3	1,249.5	6,065.2	11,302.2
Depreciation and impairment losses					
01/01/2010	(1,578.3)	(86.1)	(435.0)	(3,437.4)	(5,536.8)
Cumulative depreciation recognised as part of business combinations		(98.8)	(36.3)	(240.7)	(375.7)
Other depreciation in the period	(155.3)	(12.0)	(48.1)	(534.6)	(750.0)
Impairment losses	(0.5)	(2.9)	(2.2)	(56.8)	(62.5)
Reversals of impairment losses		3.2	1.5	4.7	9.4
Disposals and retirements during the period	40.6	2.5	15.3	312.9	371.3
Currency translation differences	(0.1)	(1.5)	(3.7)	(53.0)	(58.4)
Other movements		(0.2)	(7.1)	(13.0)	(20.2)
31/12/2010	(1,693.5)	(195.8)	(515.6)	(4,017.9)	(6,422.8)
Cumulative depreciation recognised as part of business combinations	(1.3)	(0.1)	(16.6)	(116.9)	(134.9)
Other depreciation in the period	(165.7)	(19.5)	(50.0)	(562.5)	(797.6)
Impairment losses	(0.8)	(3.4)	(3.2)	(8.7)	(16.0)
Reversals of impairment losses	0.1	2.9	1.7	7.6	12.2
Disposals and retirements during the period	47.2	4.7	9.0	367.7	428.7
Currency translation differences	(0.0)	1.9	1.2	8.0	11.0
Other movements	0.1	(23.0)	12.2	27.1	16.3
31/12/2011	(1,813.9)	(232.3)	(561.3)	(4,295.6)	(6,903.1)
Net					
01/01/2010	1,354.6	377.6	602.9	1,655.4	3,990.5
31/12/2010	1,385.7	648.3	678.9	1,698.5	4,411.5
31/12/2011	1,322.3	619.0	688.2	1,769.6	4,399.1

(*) Mainly related to the acquisition in 2010 of Tarmac group quarry deposits.

Property, plant and equipment includes assets under construction not yet in service for €387.1 million at 31 December 2011 (€484.2 million at 31 December 2010).

At 31 December 2011, assets acquired under finance leases amounted to €133.3 million (€145.3 million at 31 December 2010). They are mainly related to property used in operations. The debts relating to these assets are shown in Note E.22.1 "Detail of long-term financial debt".

13. Impairment tests on goodwill and other non-financial assets

In accordance with IAS 36 "Impairment of Assets", goodwill and other non-financial assets were tested for impairment at 31 December 2011.

Cash-generating units (CGUs) are identified in line with operational reporting. The value in use of CGUs is determined by discounting the forecasted operating cash flows before tax (operating income plus depreciation and amortisation plus non-current provisions less operating investments less change in operating WCR), at the rates below.

In the case of concessions, forecasted cash flows are determined across the length of contracts by applying a variable discount rate, determined for each period depending on the debt to equity ratio of the entity in question.

For the other CGUs, forecasted cash flows are generally determined on the basis of the latest three-year forecasts available. For periods beyond the three-year period, cash flows are extrapolated until the fifth year, generally using a growth rate based on management's assessment of the outlook for the entity under consideration.

Beyond the fifth year, the terminal value is determined by capitalising cash flows to infinity.

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13.1 Impairment tests on goodwill

Goodwill was tested for impairment using the following assumptions:

(in € millions)	Carrying amount of goodwill 31/12/2011	Parameters of the model applied to cash flow forecasts				Impairment losses recognised in the period	
		Growth rate (Years Y+1 to Y+5)	Growth rate (terminal value)	Pre-tax discount rate		2011	2010
				31/12/2011	31/12/2010		
ASF Group	1,934.7	(*)	(*)	9.73%	9.68%		
Energies France	1,785.2	3.3%	1.0%	8.25%	8.13%		
VINCI Facilities	563.0	3.0%	1.0%	8.25%	8.13%		
VINCI Park	343.3	(*)	(*)	9.12%	9.89%		
Entrepose Contracting(**)	200.9	1.0%	1.0%	8.75%	8.63%		
Soletanche Bachy	170.7	2.3%	1.5%	8.75%	8.63%		
Energies Germany	174.1	3.0%	1.0%	7.87%	8.13%		
Other goodwill	1,092.0	0% to 8%	0% to 5%	6.10% to 31.39%	6.11% to 17.21%	(8.0)	(1.8)
Total	6,263.8					(8.0)	(1.8)

(*) For concessions, cash flow projections are determined over the length of concession contracts using an average revenue growth rate of 1.8% for the ASF Group (taking account of the end of the Escota concession in 2028; the growth rate for the period that is common to the ASF and Escota concessions is 3%) and 3% overall for VINCI Park.

(**) The market capitalisation of Entrepose Contracting attributable to the owners of the parent was €276 million at 31 December 2011.

The tests performed at 31 December 2011 led to the recognition of impairment losses of €8 million (€1.8 million at 31 December 2010).

Sensitivity of the value in use of cash-generating units to the assumptions made

The following table shows the sensitivity of the enterprise value to the assumptions made for the main goodwill items:

Sensitivity to interest rates

(in € millions)	Discount rate for cash flows		Growth rate to infinity for cash flows	
	0.50%	-0.50%	0.50%	-0.50%
ASF Group	(944.0)	1,009.2	(*)	(*)
Energies France	(185.8)	213.4	167.6	(146.0)
VINCI Facilities	(34.7)	39.9	31.4	(27.3)
VINCI Park	(145.1)	188.5	(*)	(*)
Entrepose Contracting	(19.1)	21.7	16.8	(14.7)
Soletanche Bachy	(73.6)	84.4	66.2	(57.6)
Energies Germany	(39.2)	45.4	36.1	(31.2)

(*) Forecasts of cash flows are determined over the periods of the concession contracts.

At 31 December 2011, an increase (or decrease) of 50 basis points in the assumptions adopted would not lead to material impairment losses in the Group's consolidated financial statements.

Sensitivity to cash flows

(in € millions)	Change in forecast pre-tax operating cash flows	
	5.0%	-5.0%
ASF Group	974.2	(974.0)
Energies France	146.3	(146.3)
VINCI Facilities	26.8	(26.8)
VINCI Park	108.3	(108.0)
Entrepose Contracting	16.3	(16.3)
Soletanche Bachy	59.4	(59.4)
Energies Germany	29.4	(29.4)

At 31 December 2011, a 5% increase or decrease in forecast operating cash flows would not lead to material impairment losses in the Group's consolidated financial statements.

13.2 Impairment of other non-financial assets

In 2011, the Group recognised net impairment losses on other non-financial assets for €46.3 million, mainly taken in respect of the assets of Gefyra in Greece (see Note E.9 "Concession intangible assets").

14. Investment property

At 31 December 2011, the estimated fair value of investment property was €69.7 million and the carrying amount was €48 million (€40.9 million at 31 December 2010).

15. Investments in companies accounted for under the equity method

15.1 Movements during the period

(in € millions)	31/12/2011	31/12/2010
Value of shares at start of the period	713.5	640.3
of which, Contracting	589.9	532.5
of which, Concessions	119.0	107.6
Increase of share capital of companies accounted for under the equity method	25.9	27.2
Group share of profit or loss for the period	50.5	68.2
of which, Contracting	68.9	70.0
of which, Concessions	(17.2)	(1.3)
Dividends paid	(57.7)	(54.2)
Changes in consolidation scope and translation differences	10.0	11.2
Net change in fair value of financial instruments	(189.4)	(59.9)
Reclassifications ^(*)	195.9	80.7
Value of shares at end of period	748.6	713.5
of which, Contracting	617.6	589.9
of which, Concessions	119.7	119.0

(*) Reclassifications corresponding to the attributable portion of equity-accounted shareholdings in companies with negative net assets, mainly taken to other non-current provisions (see Note E.20.2 "Other non-current provisions").

The net changes in the fair value of financial instruments mainly relate to interest rate hedging transactions on concession and public-private partnership projects.

15.2 Financial information on companies accounted for under the equity method

The book value of the portion attributable to the Group of VINCI's shareholdings in companies accounted for under the equity method breaks down as follows by business and business line:

(in € millions)	31/12/2011	31/12/2010
Concessions	119.7	119.0
of which VINCI Autoroutes	13.2	10.4
of which VINCI Concessions	106.4	108.6
Contracting	617.6	589.9
of which VINCI Energies	4.6	2.5
of which Eurovia	132.3	136.3
of which VINCI Construction	480.7	451.2
VINCI Immobilier	11.4	4.6
Investments in companies accounted for under the equity method	748.6	713.5

The main financial data on the companies accounted for under the equity method are as follows (Group share):

(in € millions)	31/12/2011			31/12/2010		
	Concessions	Contracting and VINCI Immobilier	Total	Concessions	Contracting and VINCI Immobilier	Total
Income statement						
Revenue	502.0	1,670.6	2,172.6	191.2	1,573.1	1,764.3
Operating income	75.6	134.7	210.3	56.6	125.4	182.1
Net income	(17.2)	67.6	50.5	(1.3)	69.6	68.2
Balance sheet						
Non-current assets	2,118.6	1,485.6	3,604.2	1,498.8	1,259.3	2,758.1
Current assets	544.4	1,051.4	1,595.8	232.3	963.6	1,195.8
Equity	197.5	(609.5)	(412.0)	19.3	(564.6)	(545.4)
Non-current liabilities	(2,141.5)	(918.3)	(3,059.8)	(1,264.3)	(633.0)	(1,897.4)
Current liabilities	(719.1)	(1,009.0)	(1,728.1)	(486.0)	(1,025.2)	(1,511.2)
Net financial debt	(1,994.1)	(516.6)	(2,510.8)	(1,121.8)	(508.9)	(1,630.7)

Non-current assets include in particular concession fixed assets for concession operating companies, and financial receivables for public-private partnership projects.

The main features of concession and PPP contracts are given in Note F.27 "Concession and PPP contracts of companies accounted for under the equity method". The list of companies accounted for under the equity method is given in Note J "List of the main consolidated companies at 31 December 2011".

15.3 Commitments made in respect of companies accounted for under the equity method

Investment commitments given by the companies

(in € millions)	31/12/2011			31/12/2010		
	Concessions	Contracting	Total	Concessions	Contracting	Total
Investment commitments (Group share)	2,439.7	84.3	2,524.0	789.0	272.5	1,061.5

The increase in investment commitments made by companies accounted for under the equity method (on the basis of the Group's share) relates mainly to LISEA (high-speed rail line between Tours and Bordeaux) for €1,637.8million and NWCC (Moscow–St Petersburg motorway) for €324.6million.

Commitments made by the Group to provide funding

(in € millions)	31/12/2011	31/12/2010
Commitments made by the Group to provide funding (capital and/or subordinated debt)	527.8	467.9

These commitments relate mainly to project companies in the Concessions business, including LISEA for €248.1million.

Collateral security

Collateral security has been given by VINCI or VINCI Concessions with regard to project companies in the Concessions business in the form of pledges of shares. The carrying amount of the shares pledged was €34.4 million at 31 December 2011 and related mainly to the SMTPC and Prado Sud project companies, for €18.5 million and €8.6 million respectively.

15.4 Related party transactions

The financial statements include certain commercial transactions between the Group and companies accounted for under the equity method. The main transactions are as follows:

<i>(in € millions)</i>	31/12/2011	31/12/2010
Revenue	917.9	586.3
Trade receivables	266.8	124.4
Purchases	88.4	56.6
Trade payables	53.0	23.5

16. Other non-current financial assets

<i>(in € millions)</i>	31/12/2011	31/12/2010
Available-for-sale financial assets	306.1	316.9
Loans and receivables at amortised cost	525.1	366.5
<i>of which, financial assets under PPPs</i>	182.2	117.9
Fair value of derivative financial instruments (non-current assets) ^(*)	436.4	186.1
Other non-current financial assets	1,267.6	869.5

(*) See Note E.23 "Financial risk management".

Available-for-sale financial assets comprise listed shareholdings for €182.7 million (including shares in ADP for €173.5 million representing a 3.3% shareholding) and unlisted shareholdings for €123.4 million, in subsidiaries that do not meet VINCI's minimum financial criteria for consolidation.

Loans and receivables at amortised cost comprise receivables relating to shareholdings (including shareholders' advances to Concessions business or PPP project companies for €138 million) and financial receivables relating to concession and PPP contracts managed by Group subsidiaries for €182.2 million.

The fair value of non-current derivative financial instruments (assets) forms an integral part of net financial debt (see Note E.22 "Net financial debt").

The part at less than one year of other non-current financial assets is included under other current financial assets for €57.7 million.

Available-for-sale assets and loans and receivables at amortised cost break down as follows:

(in € millions)	Available-for-sale financial assets		Loans and receivables at amortised cost			Total
	Shares in subsidiaries and affiliates at fair value	Investments in unlisted subsidiaries and affiliates	Financial assets (PPP)	Collateralised loans and receivables	Other loans and receivables	
01/01/2010	203.2	89.0	84.3	0.4	142.8	519.8
Acquisitions as part of business combinations		12.4			18.2	30.6
Other acquisitions in the period	0.1	20.9	39.2		112.2	172.4
Fair value adjustment recognised in equity	9.0					9.0
Impairment losses	(0.1)	(6.6)			(2.6)	(9.3)
Disposals and retirements in the period	(10.2)	(2.5)	(5.7)	(0.4)	(25.6)	(44.4)
Currency translation differences	0.3	0.4			1.5	2.2
Other movements	(0.0)	0.8	(0.0)		2.2	3.0
31/12/2010	202.3	114.6	117.9		248.6	683.4
Acquisitions as part of business combinations		1.5			(0.0)	1.5
Other acquisitions in the period	0.3	28.4	48.0	0.2	133.4	210.3
Fair value adjustment recognised in equity	(19.9)				(0.0)	(19.9)
Impairment losses	(0.0)	(1.9)			(1.8)	(3.8)
Disposals and retirements in the period	(0.2)	(1.0)	(19.2)	(0.4)	(20.7)	(41.5)
Currency translation differences	0.2	(0.1)	0.7	(0.0)	0.5	1.3
Other movements	(0.0)	(18.0)	34.9	2.3	(19.3)	(0.1)
31/12/2011	182.7	123.4	182.2	2.1	340.7	831.2

Changes in the period in available-for-sale assets mainly arise from the €19.9million decrease in the ADP shares.

The increase in the period of PPP financial receivables for €48million relates mainly to VINCI plc in the United Kingdom for €18.7 million and the Verdun sur Garonne bridge for €10.3 million.

The increase in other loans and receivables relates to the funding of various concession or PPP project companies for €71.6million.

The main concession contracts reported using the financial asset model and the related commitments are described in Note F.26 "Controlled subsidiaries' concession and PPP contracts – financial asset model or bifurcated model".

Loans and receivables measured at amortised cost break down by maturity date as follows:

(in € millions)	31/12/2011	Between 1 and 5 years	After 5 years
Financial assets – PPPs and concessions	182.2	19.8	162.5
Loans and collateralised receivables	2.1		2.1
Other loans and receivables	340.7	216.0	124.7
Loans and receivables at amortised cost	525.1	235.8	289.3

(in € millions)	31/12/2010	Between 1 and 5 years	After 5 years
Financial assets – PPPs and concessions	117.9	65.4	52.5
Other loans and receivables	248.6	159.6	89.0
Loans and receivables at amortised cost	366.5	225.0	141.5

17. Construction contracts (VINCI Energies, Eurovia and VINCI Construction)

17.1 Financial information on construction contracts

Costs incurred plus profits recognised less losses recognised, and intermediate invoicing are determined on a contract-by-contract basis. If for a given contract this amount is positive it is shown on the line "Construction contracts in progress – assets". If negative, it is shown on the line "Construction contracts in progress – liabilities".

(in € millions)	31/12/2011	31/12/2010
Balance sheet data		
Advances and payments on account received	(763.7)	(708.7)
Construction contracts in progress – assets	2,149.1	1,444.4
Construction contracts in progress – liabilities	(2,281.2)	(1,990.6)
Construction contracts in progress, net	(132.1)	(546.2)
Total income and expenses to date recognised on contracts in progress		
Costs incurred plus profits recognised, less losses recognised to date	45,133.3	39,208.8
Less invoices issued	(45,265.5)	(39,754.9)
Construction contracts in progress, net	(132.1)	(546.2)

17.2 Commitments made and received in connection with construction contracts

The Group manages an order book. In accepting orders, it makes commitments to carry out work or render services. In connection with these contracts, the Group makes and receives guarantees (personal sureties).

The amount of the guarantees given below mainly comprises guarantees on contracts for work being performed, issued by financial institutions or insurers. Moreover, Group companies benefit from guarantees issued by financial institutions at the request of the joint contractor or subcontractor (guarantees received).

(in € millions)	31/12/2011		31/12/2010	
	Guarantees given	Guarantees received	Guarantees given	Guarantees received
Performance guarantees and performance bonds	4,552.2	640.2	5,412.8	475.9
Retentions	2,919.6	664.8	2,689.4	524.6
Bid bonds	150.1	0.1	167.1	0.1
Deferred payments to subcontractors and suppliers	1,484.6	380.8	1,218.3	382.4
Total	9,106.5	1,685.9	9,487.6	1,383.0

Whenever events such as late completion or disputes about the execution of a contract make it likely that a liability covered by a guarantee will materialise, a provision is taken in respect of that liability.

In general, any risk of loss in connection with performance of a commitment given by VINCI or its subsidiaries would result in a provision being recognised in the Group's financial statements, under the rules in force. VINCI therefore considers that the off-balance sheet commitments above are unlikely to have a material impact on Group assets.

VINCI also grants after-sales service warranties covering several years in its normal course of business. These warranties, when set up, lead to provisions estimated on a statistical basis having regard to past experience or on an individual basis in the case of any major problems identified. These commitments are therefore not included in the above table.

Moreover, in connection with the construction of the future South Europe Atlantic high-speed rail line between Tours and Bordeaux, the Group has in particular provided a joint and several guarantee and an independent first demand guarantee in favour of LISEA under which the Group guarantees contract performance by the design and construction joint venture (GIE COSEA).

18. Equity

Capital management policy

In 2011, VINCI continued its purchases of own shares under the programme approved by the Shareholders' General Meeting held on 6 May 2010 and the new programme approved by the Shareholders' General Meeting held on 2 May 2011 for a period of 18 months and relating to a maximum amount of purchases of €2 billion at a maximum share price of €60. In all, 15,244,984 shares were bought during the period at an average price of €41.17, for a total of €627.6 million.

Treasury shares (see Note E.18.2 "Treasury shares") are allocated to financing external growth transactions and to covering option and performance share plans.

VINCI's employee savings policy aims to make it easier for Group employees to become shareholders. At 31 December 2011, more than 55% of the Group's employees were VINCI shareholders, through unit funds invested in VINCI shares. The employees form the largest group of shareholders in the Company, together holding 9.83% of its shares.

Neither the Group's consolidated equity nor the parent company's equity is subject to any external constraints in the form of financial covenants.

18.1 Share capital

At 31 December 2011, the parent company's share capital was represented by 565,276,672 ordinary shares of €2.5 nominal value.

The changes in the number of shares during the period were as follows:

	31/12/2011	31/12/2010
Number of shares at the start of the period	552,620,447	520,957,550
Increases in share capital	12,656,225	31,662,897
Number of shares at the end of the period	565,276,672	552,620,447
Number of shares issued and fully paid	565,276,672	552,620,447
Nominal value of one share (in euros)	2.5	2.5
Treasury shares held directly by VINCI	25,021,501	11,360,406
<i>of which, shares allocated to cover share purchase option plans and allocation of performance shares</i>	<i>7,106,098</i>	<i>6,616,939</i>

The changes in capital during 2011 break down as follows:

	Increases (reductions) of share capital (in euros)	Share premiums arising on contributions or mergers (in euros)	Number of shares issued or cancelled	Number of shares representing the share capital	Share capital (in euros)
01/01/2010				520,957,550	1,302,393,875
Group Savings Scheme	15,091,573	187,374,980	6,036,629	526,994,179	1,317,485,448
Exercise of share subscription options	8,955,645	54,594,480	3,582,258	530,576,437	1,326,441,093
Payment of dividends in shares	2,610,025	36,999,714	1,044,010	531,620,447	1,329,051,118
Acquisition of Cegelec by means of contributions	52,500,000	792,067,549	21,000,000	552,620,447	1,381,551,118
31/12/2010				552,620,447	1,381,551,118
Group Savings Scheme	25,210,833	317,288,509	10,084,333	562,704,780	1,406,761,950
Exercise of share subscription options	6,429,730	44,549,294	2,571,892	565,276,672	1,413,191,680
31/12/2011				565,276,672	1,413,191,680

In February 2006, VINCI issued perpetual subordinated bonds for €500 million.

Issued at a price of 98.831%, this loan pays a fixed coupon of 6.25%, payable annually until November 2015. This is only due if VINCI pays a dividend to its shareholders or if the company buys back its own shares. After that date, the interest rate becomes floating and payable quarterly at the Euribor three-month rate plus 3.75%. VINCI may redeem the bonds at par in November 2015 and subsequently at each interest payment date.

These bonds have been accounted for as equity in the Group's consolidated financial statements.

18.2 Treasury shares

Changes in treasury shares were as follows:

	31/12/2011	31/12/2010
Number of shares at the start of the period	11,360,406	21,083,639
Purchases of shares	15,244,984	3,302,055
Disposal of shares on exercise of share purchase options	(111,233)	(655,272)
Allocation of 2007 performance shares to employees	(1,100)	(2,000)
Allocation of 2008 performance shares to employees	(1,150)	(1,582,325)
Allocation of 2009 performance shares to employees	(1,470,406)	
Share exchange in connection with the Cegelec transaction		(10,500,000)
Exchange of shares under exercise of calls Entrepouse Contracting		(285,691)
Number of shares at the end of the period	25,021,501	11,360,406

At 31 December 2011, the total number of treasury shares held was 25,021,501. These were recognised as a deduction from consolidated equity for €1,097.5 million.

A total of 17,915,403 shares have been allocated to financing external growth transactions and 7,106,098 shares to covering option and performance share plans.

18.3 Distributable reserves

Changes in the distributable reserves of VINCI SA were as follows:

<i>(in € millions)</i>	31/12/2011	31/12/2010
Reserves free of corporate income tax liabilities	18,298.8	15,874.8
Distributable reserves	18,298.8	15,874.8

The statutory reserve of VINCI SA stood at €138.2 million at 31 December 2011.

18.4 Amounts recognised directly in equity

<i>(in € millions)</i>	31/12/2011			31/12/2010		
	Attributable to owners of the parent	Attributable to non-controlling interests	Total	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Available-for-sale financial assets						
Reserve at beginning of period	36.8		36.8	30.9		30.9
Changes in fair value in the period	(19.9)	(0.0)	(19.9)	9.0		9.0
Impairment losses recognised in profit or loss						
Changes in fair value recognised in profit or loss on disposal				(3.4)		(3.4)
Change in consolidation scope and miscellaneous	(0.0)			0.3		0.3
Gross reserve before tax effect at balance sheet date (I)	16.9	(0.0)	16.9	36.8		36.8
Cash flow hedge						
Reserve at beginning of period	(427.4)	(16.9)	(444.3)	(299.2)	(11.0)	(310.1)
Changes in fair value of companies accounted for under the equity method	(255.2)	(16.8)	(272.0)	(76.6)	(5.8)	(82.4)
Other changes in fair value in the period	(102.6)	0.4	(102.3)	(57.8)	(0.2)	(57.9)
Fair value items recognised in profit or loss	11.6		11.6	6.3		6.3
Change in consolidation scope and miscellaneous	0.1		0.1	(0.1)	0.1	(0.0)
Gross reserve before tax effect at balance sheet date (II)	(773.5)	(33.3)	(806.9)	(427.4)	(16.9)	(444.3)
<i>of which, gross reserve relating to companies accounted for under the equity method</i>	<i>(445.5)</i>	<i>(31.7)</i>	<i>(477.2)</i>	<i>(190.3)</i>	<i>(14.9)</i>	<i>(205.2)</i>
Total gross reserve before tax effects (I + II)	(756.6)	(33.3)	(789.9)	(390.6)	(16.9)	(407.4)
Associated tax effect	236.8	9.4	246.3	119.9	5.6	125.5
Reserve net of tax	(519.8)	(23.9)	(543.7)	(270.7)	(11.2)	(281.9)

The amount recorded in equity relating to cash flow hedges (a negative €806.9 million) breaks down as follows:

- cash flow hedges related to interest rate risk for €792.1 million (negative), of which €314.9 million (negative) relating to controlled companies;
- cash flow hedges related to exchange rate risk for a negative €14.8 million.

These transactions are described in Note E.23.1.3 "Cash flow hedges".

18.5 Dividends

The dividends paid in respect of 2011 and 2010 break down as follows:

	2011	2010
Dividend per share (in €)		
Interim dividend	0.55	0.52
Final dividend	1.22	1.15
Net total dividend	1.77	1.67
Amount of dividend (in € millions)		
Interim dividend	297.1	283.4
Final dividend	660.9 ^(*)	616.6
amount paid in VINCI shares		
amount paid in cash	660.9	616.6
Net total dividend	958.0	900.0

(*) Estimate based on the number of shares giving rights to dividend at 28 January 2012, i.e. 541,722,314 shares.

VINCI paid the final dividend in respect of 2010 on 9 June 2011.

The Shareholders' Ordinary General Meeting of 12 April 2012 will be asked to approve the full amount of the dividend that will be paid in respect of 2011 (see Note I.31 "Appropriation of 2011 net income").

18.6 Non-controlling interests

At 31 December 2011, non-controlling interests in Cofiroute amounted to €344.3 million (€345.4 million at 31 December 2010) and represented 16.67% of the share capital, those in CFE amounted to €233.9 million (€223.5 million at 31 December 2010) and represented 53.16% of the share capital, and those in Entrepouse Contracting amounted to €21.2 million (€23.1 million at 31 December 2010) and represented 19.69% of the share capital.

19. Share-based payments

19.1 Share subscription and purchase options

The number and weighted average exercise prices of share subscription options and purchase options outstanding at 31 December 2011 were as follows:

	31/12/2011		31/12/2010	
	Options	Average price (in euros)	Options	Average price (in euros)
Options in circulation at start of the period	23,010,679	32.36	23,346,792	28.55
Options granted during the period	1,592,493		4,234,595	
Options exercised	(2,683,125)		(4,237,530)	
Options cancelled	(106,772)		(333,178)	
Options in circulation at end of the period	21,813,275	34.60	23,010,679	32.36
of which exercisable options	12,307,437		14,987,212	

Options exercised in 2011 and remaining to be exercised at 31 December 2011

Share subscription and share purchase option plans	Exercise price (in euros)	Number of options exercised in 2011	Number of options remaining to be exercised at 31/12/2011
VINCI 2002 No. 1	15.59	480,777	656,398
VINCI 2002 No. 2	12.96	343,534	630,745
VINCI 2003	15.04	239,596	582,186
VINCI 2004	20.18	523,950	1,928,845
VINCI 2005	24.20	918,435	965,823
VINCI 2006 No. 1	35.58		1,071,950
VINCI 2006 No. 2	40.32	62,250	3,257,105
VINCI 2009	38.37	3,350	3,766,956
VINCI 2010	36.70		4,159,839
VINCI 2011	43.70		1,579,043
Total subscription plans	33.61^(*)	2,571,892	18,598,890
VINCI 2002	15.59	6,263	
VINCI 2006 No. 2	40.32	104,970	3,214,385
Total purchase plans	40.32^(*)	111,233	3,214,385
Total	34.60^(*)	2,683,125	21,813,275

(*) Calculated on the basis of the number of options remaining to be exercised at 31 December 2011.

Information on the features of the share subscription option plans currently in force

Plan	02/05/2011	09/07/2010	15/09/2009
Price of the underlying share at grant date (in euros)	44.87	35.44	37.43
Exercise price (in euros)	43.70	36.70	38.37
Lifetime of the options from grant date (in years)	7	7	7
Number of options granted	1,592,493	4,234,595	3,865,000
Options cancelled	(13,450)	(74,756)	(98,044)
Number of options after cancellation	1,579,043	4,159,839	3,766,956
Original number of beneficiaries	266	1,735	1,582

Options only definitively vest after a period of three years has elapsed and are conditional on beneficiaries being in the Group's employ until the end of the vesting period.

On 2 May 2011, the Board of Directors granted 1,592,493 share subscription options to 266 employees with effect from 2 May 2011. Final vesting of the options is conditional on a performance index. This index has to show an annual average ROCE for 2011 and 2012 of 6% or more for all the share subscription options granted to be definitively acquired by the beneficiaries. If the index is between 5% and 6%, the number of share subscription options finally granted will be reduced in proportion and no options will be granted if the index is equal to or less than 5%.

Information on the fair value of the share subscription option plans currently in force

The fair value of options has been calculated by an external actuary at the respective grant dates of the options on the basis of the following assumptions:

Plan	02/05/2011	09/07/2010	15/09/2009
Volatility of the VINCI share price ^(*)	26.93%	34.22%	32.91%
Expected return on share	8.29%	7.24%	8.01%
Risk-free rate of return ^(**)	2.62%	1.59%	2.38%
Dividend distribution rate hoped for ^(***)	4.05%	4.99%	4.21%
Fair value of the option (in euros)	7.66	4.43	5.65

(*) Volatility estimated applying a multi-criteria approach based on the mean reversion model.

(**) Five-year eurozone bond rate.

(***) Average return expected by financial analysts over the four years following the grant date adjusted by a theoretical annual growth rate beyond that period.

An expense of €16 million has been recognised in 2011 (regarding the May 2011, July 2010 and September 2009 plans) in respect of share option plans for which vesting is in progress, compared with €10.5 million in 2010 (regarding the July 2010 and September 2009 plans).

19.2 Performance shares

Information on changes in performance share plans currently in force

	31/12/2011	31/12/2010
Number of shares granted subject to performance conditions at start of period	3,235,383	3,132,907
Shares granted	2,139,059	1,726,138
Shares acquired by beneficiaries	(1,470,406)	(1,582,325)
Shares cancelled	(120,377)	(41,337)
Number of shares granted subject to performance conditions not vested at end of period	3,783,659	3,235,383

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Information on the features of the performance share plans currently in force

Plan	Plan granted on 02/05/2011	Plan granted on 09/07/2010	Plan granted on 15/09/2009
Number of beneficiaries	1,782	1,813	1,582
Vesting date of the shares granted	02/05/2013	09/07/2012	15/09/2011
Date of end of period of unavailability of shares granted	02/05/2015	09/07/2014	15/09/2013
Number of shares granted subject to performance conditions	2,139,059	1,726,138	1,545,999
Shares cancelled	(23,200)	(58,338)	(75,593)
Shares acquired by beneficiaries			(1,470,406)
Number of shares granted subject to performance conditions at end of year	2,115,859	1,667,800	

Performance shares only definitively vest after a period of two years has elapsed and are conditional on beneficiaries being in the Group's employ until the end of the vesting period.

On 2 May 2011, VINCI's Board of Directors granted 2,139,059 performance shares to 1,782 employees with effect from 2 May 2011. Final vesting of the shares is conditional on a performance index. This index has to show an annual average ROCE for 2011 and 2012 of 6% or more for all the performance shares granted to be definitively acquired by the beneficiaries. If the index is between 5% and 6%, the number of performance shares finally granted will be reduced in proportion and no shares will be granted if the index is equal to or less than 5%.

Under the 2009 performance shares plan, 1,470,406 shares were definitively granted on 15 September 2011. As the maximum performance index under this plan (an annual average of ROCE 2009 and 2010 equal to or greater than 6%) was reached, all the performance shares initially granted have been definitively acquired by the beneficiaries.

Fair value of the performance share plan

The fair value of the performance shares has been calculated by an external actuary at the respective grant dates of the options on the basis of the following characteristics and assumptions:

	2011 Plan	2010 Plan	2009 Plan
Price of VINCI share on date plan was announced (in euros)	44.87	35.44	37.43
Fair value of performance share at grant date (in euros)	36.90	28.30	31.17
Fair value compared with share price at grant date (in %)	82.25%	79.85%	83.29%
Original maturity (in years) – vesting period	2 years	2 years	2 years
Risk-free interest rate ^(*)	1.81%	0.97%	1.75%

(*) Two-year government bond rate in the eurozone.

An expense of €62.7 million has been recognised in 2011 (regarding the May 2011, July 2010 and September 2009 plans) in respect of performance share plans for which vesting is in progress, compared with €35.2 million in 2010 (regarding the July 2010 and September 2009 plans).

19.3 Group savings schemes

VINCI's Board of Directors defines the conditions for subscribing to the Group Savings Scheme in accordance with the authorisations granted to it by the Shareholders' General Meeting.

In France, VINCI issues new shares reserved for employees three times a year at a subscription price that includes a discount of 10% against the average stock market price over 20 trading days. Subscribers benefit from an employer's contribution with an annual maximum of €3,500 per person. The benefits granted in this way to employees of the Group are recognised in profit or loss and are valued in accordance with IFRS 2 on the basis of the following assumptions:

- length of subscription period: four months;
- length of period during which funds are frozen: five years from the end of the subscription period.

Tranche	2011		
	1st four-month period 2012	3rd four-month period 2011	2nd four-month period 2011
Return on the VINCI share hoped for	7.80%	8.41%	8.36%
Dividend per share			
<i>Dividend payable (interim)</i>	0.55		
<i>Dividend payable (final)</i>			1.15
Subscription price	29.42	38.23	38.91
Share price at date of Board of Directors' Meeting	34.87	43.52	43.11
Historic volatility of VINCI share	34.57%	31.73%	31.87%
Estimated number of shares subscribed to	2,910,617	654,454	630,949
Estimated number of shares issued (subscriptions plus employer's contribution)	3,725,589	839,664	801,305

Tranche	2010		
	1st four-month period 2011	3rd four-month period 2010	2nd four-month period 2010
Return on the VINCI share hoped for	7.44%	7.59%	7.95%
Dividend per share			
<i>Dividend payable (interim)</i>	0.52		
<i>Dividend payable (final)</i>			1.10
Subscription price	33.78	33.03	34.72
Share price at date of Board of Directors' meeting	38.77	35.44	40.17
Historic volatility of VINCI share	37.24%	37.02%	36.07%
Estimated number of shares subscribed to	2,147,198	541,382	619,464
Estimated number of shares issued (subscriptions plus employer's contribution)	2,748,413	725,451	780,524

The estimated number of shares subscribed to at the end of the subscription period is calculated based on a linear regression method applied to historical observations of the plans between 2002 and 2011, taking account of the cost of restrictions on the availability of units in the savings fund.

The opportunity cost of the frozen shares subscribed to is estimated from the point of view of a third party holding a diversified portfolio and prepared to acquire the frozen shares in return for a discount which should correspond to the return demanded by a purchaser on own funds allocated to hedge against market risk over the period in which the shares are frozen (five years). The market risk is assessed on an annual basis applying a value-at-risk approach.

For the Group as a whole, the aggregate expense recognised at 31 December 2011 in respect of employee savings schemes amounted to €19.1 million (€24.9 million at 31 December 2010).

20. Non-current provisions

(in € millions)	Note	31/12/2011	31/12/2010
Provisions for retirement benefit obligations	20.1	750.8	712.5
Other non-current provisions	20.2	784.6	601.6
Total non-current provisions at more than one year		1,535.4	1,314.1

20.1 Provisions for retirement benefit obligations

At 31 December 2011, provisions for retirement benefit obligations amounted to €805.8 million (including €750.8 million at more than one year) compared with €775.1 million at 31 December 2010 (including €712.5 million at more than one year). They comprise provisions for lump sums on retirement and provisions for obligations for supplementary retirement benefits. The part at less than one year of these provisions was €55 million at 31 December 2011 and €62.6 million at 31 December 2010, and is reported under other current payables.

VINCI's retirement benefit obligations under defined benefit plans fall into two categories:

- the obligations borne by VINCI or its subsidiaries, covered by provisions recognised in the consolidated balance sheet:
 - for the French subsidiaries, these are lump sums paid on retirement, supplementary defined benefit retirement plans of which some of the Group's employees and officers are members or other closed defined benefit retirement plans, the beneficiaries of which have retired, such as that of Auxad (formerly Compagnie Générale d'Electricité), and an obligation in respect of VINCI's Vice-Chairman and Senior Director. Some plans are pre-financed through contracts with insurance companies. This mainly relates to obligations covered by two contracts with Cardif/BNP Paribas of which certain Group executives are beneficiaries.
 - for the German subsidiaries, there are several internal plans within the Group, including one so-called "direct promises" plan. Other defined benefit plans, the Fürsorge plan for former employees of G+H Montage and the Eurovia GmbH subsidiaries' plan, were closed in 2001 and 1999 respectively. In addition there are commitments to jubilee bonuses and "ATZ" early retirement plans.
 - for Austrian and Dutch subsidiaries, commitments relate mainly to lump sums paid on retirement and/or jubilee bonuses.

- obligations borne through external pension funds. For the most part these relate to VINCI's UK subsidiaries (VINCI plc, Nuvia UK, Freyssinet UK, Ringway, VINCI Energies UK, VINCI Park UK), the CFE Group in Belgium and Etavis in Switzerland.

The retirement benefit obligations covered by provisions recognised in the balance sheet mainly relate to subsidiaries located in the eurozone (France, Germany and Belgium), the United Kingdom and Switzerland and are calculated on the basis of the following assumptions:

Plan	Eurozone		United Kingdom		Switzerland	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010	31/12/2011	31/12/2010
Discount rate	5.0%	5.0%	5.1%	5.5%	2.6%	2.8%
Inflation rate	2.2%	2.1%	2.5% to 3.4% (*)	3.4%	1.5%	1.9%
Rate of salary increases	0.0% to 4.0%	0.0% to 4.0%	2.7% to 4.5%	2.6% to 4.2%	2.0%	2.0%
Rate of pension increases	2.0% to 2.2%	1.9% to 2.0%	3.4% to 3.8%	3.1% to 5.0%	0.0%	0.8%
Probable average remaining working life of employees per plan	1 to 20 years	1 to 15 years	7 to 13 years	7 to 15 years	9 to 11 years	10 years

(*) Inflation rates: CPI: 2.5%; RPI: 3.4%.

Discount rates have been determined on the basis of the yield on private-sector prime-category bonds (rating AA or above) whose maturities correspond to the plans' expected cash flows. The discount rate finally adopted is a single rate equivalent to the application of the various rates depending on maturities.

The other local actuarial assumptions (economic and demographic assumptions) are set on the basis of the conditions obtaining in each of the countries in question.

The preferred method used to determine the expected return on plan assets is the building block method, which breaks the expected return down to the main asset classes: money market investments, investments in bonds and investments in equities. The target allocation of funds is then applied to calculate a weighted average return on assets. In the specific case of funds invested in an insurance company's "general account" funds, the expected yield has been determined by also taking account of the specific features of each contract, in particular regarding past and forecast net yields.

Plan assets are valued at their fair value at 31 December 2011. The book value at 31 December 2011 is used for assets invested with insurance companies.

Hedging assets break down as follows by asset category:

	31/12/2011				
	United Kingdom	Switzerland	France	Other countries	Weighted average
Breakdown of plan assets					
Shares	22%	30%	28%	3%	24%
Property	2%	19%	4%	0%	6%
Bonds	52%	43%	66%	77%	53%
Monetary securities	14%	1%	2%	0%	8%
Other	11%	8%	0%	19%	9%
Total	100%	100%	100%	100%	100%
Average return adopted in the period	6.1%	4.2%	3.8%	4.3%	5.2%
Plan assets (in € millions)	464.5	181.2	111.7	40.0	797.5
Plan assets (in %)	58%	23%	14%	5%	100%

	31/12/2010				
	United Kingdom	Switzerland	France	Other countries	Weighted average
Breakdown of plan assets					
Shares	19%	28%	14%	3%	20%
Property	2%	21%	6%	0%	6%
Bonds	47%	43%	76%	95%	53%
Monetary securities	27%	2%	4%	0%	17%
Other	6%	5%	0%	2%	5%
Total	100%	100%	100%	100%	100%
Average return adopted in the period	6.0%	4.3%	4.0%	4.3%	5.2%
Plan assets (in € millions)	429.2	164.3	103.0	39.3	735.9
Plan assets (in %)	58%	22%	14%	5%	100%

For the United Kingdom, which constitutes the largest contribution, theoretical expected returns on plan assets are as follows:

Return on financial assets	Shares	Property	Bonds	Monetary securities	Other	Total
31/12/2011	7.0%	3.9%	5.2%	3.9%	6.0%	5.8%
31/12/2010	6.8%	3.1%	5.0%	3.1%	5.1%	6.0%

On the basis of the actuarial assumptions referred to above, the retirement benefit obligations, the provisions recognised in the balance sheet, and the retirement benefit expenses recognised break down as follows:

Reconciliation of obligations and provisions in the balance sheet

	31/12/2011			31/12/2010		
(in € millions)	France	Foreign	Total	France	Foreign	Total
Present value of retirement benefit obligations	(625.0)	(1,140.9)	(1,765.9)	(617.1)	(1,091.0)	(1,708.1)
Fair value of plan assets	111.5	686.0	797.5	103.9	632.0	735.9
Surplus (or deficit)	(513.6)	(454.8)	(968.4)	(513.2)	(458.9)	(972.2)
Provisions recognised in balance sheet	(434.7)	(371.2)	(805.8)	(401.7)	(373.4)	(775.1)
Assets recognised in balance sheet	24.9	24.0	48.9	22.9	20.8	43.7
Items not recognised in balance sheet	103.8	107.7	211.4	134.5	106.4	240.9
<i>of which, actuarial gains and losses</i>	65.4	108.1	173.5	89.8	107.3	197.0
<i>of which, past service cost</i>	38.3	0.1	38.5	44.7		44.7
<i>of which, assets not recognised in balance sheet</i>		(0.5)	(0.5)		(0.9)	(0.9)

Changes in the period

(in € millions)	31/12/2011	31/12/2010
Present value of retirement benefit obligations		
Balance at the beginning of the period	1,708.1	1,390.0
of which, obligations covered by plan assets	959.0	729.3
Current service cost	50.7	44.6
Cost for the period of discounting	78.9	78.7
Benefits paid during the period	(76.3)	(81.1)
Actuarial gains and losses	(24.4)	60.4
Past service cost		(1.5)
Business combinations	3.1	293.8
Settlement of rights and plan curtailments	(4.1)	(18.2)
Effect of exchange rate fluctuations	21.9	43.2
Changes in consolidation scope and miscellaneous	7.9	(101.9)
Balance at the end of the period	1,765.9	1,708.1
of which, obligations covered by plan assets	1,021.7	959.0
Plan assets		
Balance at the beginning of the period	735.9	590.5
Expected return on plan assets	37.5	33.3
Actuarial gains and losses	(9.5)	6.2
Contributions paid to funds	36.9	68.9
Benefits paid during the period	(32.7)	(31.7)
Business combinations	0.2	64.7
Settlement of rights and plan curtailments	(0.3)	(4.0)
Effect of exchange rate fluctuations	18.8	35.9
Changes in consolidation scope and miscellaneous	10.6	(27.9)
Balance at the end of the period	797.5	735.9
Amounts not recognised in balance sheet		
Balance at the beginning of the period	240.9	189.2
New items	(14.9)	54.2
Effect of changes in assumptions	(10.9)	74.9
Effect of experience gains and losses on retirement benefit obligations	(13.5)	(14.5)
Effect of experience gains and losses on plan assets	9.5	(6.2)
Amortisation for the period	(8.6)	(7.4)
Exchange rate and other changes	(6.2)	5.5
Plan curtailments	0.2	(0.7)
Balance at the end of the period	211.4	240.9
of which, actuarial gains and losses	173.5	197.0
of which, past service cost	38.5	44.7
of which, assets not recognised	(0.5)	(0.9)
Actuarial gains and losses as a percentage	9.8%	11.5%

The decrease in actuarial gains and losses in 2011 arises from the decline in the rate of increase of pensions in Switzerland and the decrease in the inflation rates in the United Kingdom and Switzerland.

Historical data on the obligation, fair value of financial assets and effect of experience adjustments

(in € millions)	31/12/2011	31/12/2010	31/12/2009	31/12/2008	31/12/2007
Value of plan assets and liabilities					
Present value of retirement benefit obligations	(1,765.9)	(1,708.1)	(1,390.0)	(1,185.6)	(1,262.3)
Fair value of plan assets	797.5	735.9	590.5	507.5	641.0
Surplus (or deficit)	(968.4)	(972.2)	(799.5)	(678.1)	(621.3)
Experience adjustments					
Effect of experience gains and losses on retirement benefit obligations	(13.5)	(14.5)	10.4	(9.6)	6.6
Percentage of retirement benefit obligations	0.8%	0.8%	-0.7%	0.8%	-0.5%
Effect of experience gains and losses on plan assets	9.5	(6.2)	(22.3)	95.0	8.0
Percentage of plan assets	1.2%	-0.8%	-3.8%	18.7%	1.3%

VINCI estimates the payments to be made in 2012 in respect of retirement benefit obligations at approximately €105 million, comprising €75 million relating to pensions paid to retired employees and approximately €30 million to contributions payable to fund managing bodies.

Expenses recognised in respect of defined benefit plans

(in € millions)	2011	2010
Rights acquired by employees during the period	(50.7)	(44.6)
Discounting of acquired rights to present value	(78.9)	(78.7)
Expected return on plan assets	37.5	33.3
Amortisation of actuarial gains and losses	(6.8)	(5.5)
Amortisation of past service cost – rights not vested	(1.8)	(1.9)
Past service cost – rights vested	0.4	4.7
Other	0.1	9.1
Total	(100.2)	(83.7)

Sensitivity of the 2012 expense to discount rates and the return on assets is as follows:

(in € millions)	0.50%	-0.50%
Discount rate ^(*)	(3.6)	6.9
Rate of return on assets ^(*)	(3.5)	3.5

(*) Before effect of capping the asset.

Expenses recognised in respect of defined contribution plans

In some countries, and more especially in France and Spain, the Group contributes to basic State Pension Plans, for which the expense recognised is the amount of the contributions called by the State bodies. Basic State Pension Plans are considered as being defined contribution plans. Depending on the country, the proportion of these contributions paid that relates to pensions may not be clearly identifiable.

The amounts taken as an expense in the period in respect of defined contribution plans (excluding basic State plans) totalled €440.1 million at 31 December 2011 (€372.6 million at 31 December 2010). These amounts include the contributions paid to the external multi-employer fund (CNPO) in respect of obligations in regard to lump sums paid on retirement to building workers in France.

20.2 Other non-current provisions

Changes in other non-current provisions reported in the balance sheet were as follows in 2011 and 2010:

(in € millions)	Opening	Provisions taken	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Translation differences	Closing
01/01/2010	332.4	227.1	(106.8)	(49.7)	60.6	(20.3)	(0.3)	442.9
Other employee benefits	138.4	18.7	(20.5)	(0.1)	10.5	(1.0)	0.2	146.2
Financial risks	113.6	64.2	(4.6)	(1.6)	80.4			252.0
Other liabilities	428.2	178.3	(148.8)	(19.9)	24.5		1.2	463.6
Discounting of non-current provisions	(6.2)	(0.6)	0.9		(0.4)		(0.0)	(6.3)
Reclassification of the part at less than one year of non-current provisions	(231.1)				2.6	(25.0)	(0.4)	(253.9)
31/12/2010	442.9	260.5	(172.9)	(21.6)	117.6	(26.0)	1.0	601.6
Other employee benefits	146.2	19.0	(28.5)	(0.6)	(3.8)	(0.1)	(0.2)	131.9
Financial risks	252.0	3.8	(10.3)	(0.2)	183.9		(0.0)	429.3
Other liabilities	463.6	178.0	(122.2)	(11.1)	35.0		1.1	544.4
Discounting of non-current provisions	(6.3)		0.6	0.2	(13.3)		(0.4)	(19.2)
Reclassification of the part at less than one year of non-current provisions	(253.9)				4.3	(52.2)	(0.0)	(301.8)
31/12/2011	601.6	200.8	(160.4)	(11.8)	206.2	(52.2)	0.5	784.6

Other employee benefits

Long-service and jubilee bonuses and medical expense cover

The provisions have been calculated using the following actuarial assumptions:

	31/12/2011	31/12/2010
Discount rate	5.0%	2.9% to 5.0%
Inflation rate	2.2%	2.1%
Rate of salary increases	1.8% to 2.1%	1.8% to 3.4%
Rate of change of medical expenses	0.0% to 6.0%	0.0% to 6.0%

At 31 December 2011, provisions for other employee benefits amounted to €131.9million and include provisions in respect of medical expense cover for €42.6million. They have been calculated on the basis of a rate of growth in medical expenses of between 0% and 6%. A change of 1% in this rate would entail a change of €4.1million in the obligation.

Provisions for financial risks

Provisions for financial risks comprise in particular the attributable share of the negative net equity of companies accounted for under the equity method, mainly arising from falls in the fair value of interest-rate hedging instruments (cash flow hedges) in concession project companies.

Provisions for other liabilities

Provisions for other liabilities, not directly linked with the operating cycle, include the provisions for disputes and arbitration, some of which are described in Note H "Note on litigation". These amount to €554.4million at 31 December 2011, including €257.6 million at more than one year, against €228.4million at 31 December 2010.

Employee training rights

The law of 4 May 2004 gives employees of French businesses the right to a minimum of 20 hours of training a year, which can be carried forward and accumulated over a period of six years. Expenditure under this individual right to training is considered as an expense for the period and does not give rise to the recognition of a provision, other than in exceptional cases. The Group's employees had acquired rights to 8.9million hours of such training at 31 December 2011.

21. Working capital requirement and current provisions

21.1 Change in working capital requirement

(in € millions)	31/12/2011	31/12/2010	Change	
			Changes in operating WCR	Other changes ^(*)
Inventories and work in progress (net)	1,004.1	843.8	170.7	(10.5)
Trade receivables	10,222.0	8,816.3	1,279.4	126.3
Other current operating assets	4,131.3	3,435.4	491.4	204.5
Inventories and operating receivables (I)	15,357.5	13,095.6	1,941.5	320.4
Trade payables	(7,625.0)	(6,692.2)	(755.0)	(177.8)
Other current operating liabilities	(10,381.5)	(9,075.0)	(1,140.0)	(166.6)
Trade and other operating payables (II)	(18,006.6)	(15,767.2)	(1,895.0)	(344.4)
Working capital requirement (excluding current provisions) (I + II)	(2,649.1)	(2,671.6)	46.5	(24.0)
Current provisions	(3,484.1)	(3,235.0)	(139.9)	(109.1)
<i>of which, part at less than one year of non-current provisions</i>	<i>(301.8)</i>	<i>(253.9)</i>	<i>(52.2)</i>	<i>4.3</i>
Working capital requirement (including current provisions)	(6,133.2)	(5,906.6)	(93.4)	(133.2)

(*) Mainly translation differences and changes in consolidation scope.

Current operating assets and liabilities break down as follows:

(in € millions)	31/12/2011	Maturity				
		Within 1 year			Between 1 and 5 years	After 5 years
		1 to 3 months	3 to 6 months	6 to 12 months		
Inventories and work in progress (net)	1,004.1	522.1	78.1	121.8	281.7	0.5
Trade receivables	10,222.0	8,433.7	789.9	501.3	488.0	9.3
Other current operating assets	4,131.3	3,186.5	251.4	276.4	388.9	28.1
Inventories and operating receivables (I)	15,357.5	12,142.3	1,119.4	899.5	1,158.5	37.8
Trade payables	(7,625.0)	(6,431.4)	(501.4)	(340.5)	(341.5)	(10.4)
Other current operating liabilities	(10,381.5)	(8,063.7)	(595.2)	(664.1)	(965.2)	(93.3)
Trade and other operating payables (II)	(18,006.6)	(14,495.1)	(1,096.5)	(1,004.6)	(1,306.7)	(103.7)
Working capital requirement connected with operations (I + II)	(2,649.1)	(2,352.8)	22.8	(105.1)	(148.2)	(65.8)

(in € millions)	31/12/2010	Maturity				
		Within 1 year			Between 1 and 5 years	After 5 years
		1 to 3 months	3 to 6 months	6 to 12 months		
Inventories and work in progress (net)	843.8	399.5	92.1	186.6	160.2	5.4
Trade receivables	8,816.3	6,364.5	908.1	1,211.2	322.1	10.4
Other current operating assets	3,435.4	2,425.6	407.4	461.8	128.6	12.0
Inventories and operating receivables (I)	13,095.6	9,189.6	1,407.7	1,859.6	610.9	27.8
Trade payables	(6,692.2)	(5,060.4)	(613.2)	(784.9)	(227.5)	(6.3)
Other current operating liabilities	(9,075.0)	(6,084.8)	(970.0)	(1,498.7)	(442.2)	(79.2)
Trade and other operating payables (II)	(15,767.2)	(11,145.1)	(1,583.3)	(2,283.6)	(669.7)	(85.5)
Working capital requirement connected with operations (I + II)	(2,671.6)	(1,955.5)	(175.6)	(424.0)	(58.8)	(57.7)

21.2 Breakdown of trade receivables

Trade receivables and allowances were as follows:

(in € millions)	31/12/2011	31/12/2010
Trade receivables invoiced	6,315.1	6,171.5
Allowances against trade receivables	(377.9)	(417.3)
Trade receivables, net	5,937.2	5,754.3

At 31 December 2011, trade receivables between six and 12 months past due amounted to €180.3 million (compared with €201 million at 31 December 2010); €26.3 million of allowances have been taken in consequence (€65.8 million at 31 December 2010). Receivables more than one year past due amount to €349.2 million (€285.1 million at 31 December 2010) and provisions of €194.6 million have been taken in consequence (€181.3 million at 31 December 2010).

21.3 Breakdown of current provisions

Changes in current provisions reported in the balance sheet were as follows in 2011 and 2010:

(in € millions)	Opening	Provisions taken	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Translation differences	Closing
01/01/2010	2,658.1	1,126.9	(852.8)	(150.1)	2.6	29.3	8.9	2,823.0
Obligation to maintain the condition of concession assets	544.3	109.2	(88.6)	(0.9)			1.1	565.1
After-sales service	374.7	148.2	(87.5)	(30.2)	7.2		4.6	417.1
Losses on completion and construction project liabilities	775.1	498.4	(440.6)	(58.4)	6.4		10.0	790.9
Disputes	367.6	162.0	(96.1)	(41.0)	54.6		1.8	448.8
Restructuring costs	39.5	33.0	(30.6)	(5.6)	28.5		0.1	64.9
Other current liabilities	511.2	273.9	(193.0)	(45.6)	172.5		4.0	723.0
Discounting of current provisions	(20.6)	(4.2)	6.3	0.2	(10.3)		(0.2)	(28.7)
Reclassification of the part at less than one year of non-current provisions	231.1				(2.6)	25.0	0.4	253.9
31/12/2010	2,823.0	1,220.5	(930.0)	(181.7)	256.4^(*)	25.0	21.8	3,235.0
Obligation to maintain the condition of concession assets	565.1	94.7	(88.4)	(10.8)	0.3		0.4	561.3
After-sales service	417.1	158.6	(120.5)	(14.4)	(3.4)		(0.7)	436.7
Losses on completion and construction project liabilities	790.9	532.5	(420.3)	(35.8)	46.3		0.8	914.4
Disputes	448.8	190.5	(114.8)	(35.4)	22.3		(1.3)	510.2
Restructuring costs	64.9	17.7	(37.0)	(7.7)	(4.6)		(0.1)	33.3
Other current liabilities	723.0	284.4	(218.3)	(28.5)	(0.2)		(0.6)	759.7
Discounting of current provisions	(28.7)	(8.8)	1.4	0.5	2.1		0.3	(33.3)
Reclassification of the part at less than one year of non-current provisions	253.9				(4.3)	52.2		301.8
31/12/2011	3,235.0	1,269.6	(997.8)	(132.2)	58.4	52.2	(1.1)	3,484.1

(*) Including current provisions of €223.5 million for Cegelec.

Current provisions (including the part at less than one year of non-current provisions) are directly connected with the operating cycle and principally relate to the provisions relating to construction contracts and provisions for the obligation to maintain the condition of concession assets.

Such provisions mainly cover the expenses incurred by motorway concession operating companies for road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels and hydraulic infrastructure, and mainly comprised €333 million for the ASF Group at 31 December 2011 (€342.8 million at 31 December 2010) and €193.6 million for Cofiroute (€192.9 million at 31 December 2010).

22. Net financial debt

At 31 December 2011, net financial debt, as defined by the Group, stood at €12.6 billion, down €470.1 million compared with 31 December 2010.

The 2010 data is presented in this note in accordance with the new corporate structure of the VINCI Autoroutes business line implemented in 2011 (see Note C. "Information by operating segment").

Net debt can be broken down as follows:

Analysis by accounting headings	(in € millions)	Note	31/12/2011					31/12/2010				
			Non-current	Ref:	Current ^(*)	Ref:	Total	Non-current	Ref:	Current ^(*)	Ref:	Total
Liabilities at amortised cost	Bonds	22.1	(7,819.8)	(1)	(204.4)	(3)	(8,024.2)	(6,020.5)	(1)	(197.7)	(3)	(6,218.2)
	Other bank loans and other financial debt	22.1	(9,256.6)	(2)	(1,509.4)	(3)	(10,765.9)	(11,387.4)	(2)	(995.5)	(3)	(12,382.9)
	Finance lease debt restated	22.1	(87.3)	(2)	(59.5)	(3)	(146.8)	(100.4)	(2)	(56.1)	(3)	(156.5)
	Long-term financial debt ^(**)		(17,163.7)		(1,773.2)		(18,936.9)	(17,508.3)		(1,249.3)		(18,757.6)
	Commercial paper	22.2.4			(525.3)	(3)	(525.3)				(3)	
	Other current financial liabilities				(45.4)	(3)	(45.4)			(55.6)	(3)	(55.6)
	Bank overdrafts	22.2.2			(858.3)	(3)	(858.3)			(676.8)	(3)	(676.8)
	Financial current accounts, liabilities				(48.8)	(3)	(48.8)			(158.1)	(3)	(158.1)
	I - Gross financial debt		(17,163.7)		(3,250.9)		(20,414.6)	(17,508.3)		(2,139.9)		(19,648.2)
	of which, impact of fair value hedges		(426.1)				(426.1)	(176.7)				(176.7)
of which, effect of recognising ASF's debt at fair value in VINCI's consolidated financial statements ^(***)		(37.3)		(4.6)		(41.9)	(52.0)		(12.6)		(64.6)	
Loans and receivables	Loans and collateralised financial receivables		2.1	(6)	1.9	(8)	4.0		(6)	1.8	(8)	1.8
	Financial current accounts, assets				47.5	(4)	47.5			195.1	(4)	195.1
Assets at fair value through profit or loss (fair value option)	Cash management financial assets	22.2.2			122.1	(4)	122.1			538.2	(4)	538.2
	Cash equivalents	22.2.2			5,237.3	(5)	5,237.3			3,686.4	(5)	3,686.4
	Cash	22.2.2			2,135.1	(5)	2,135.1			2,061.5	(5)	2,061.5
	II - Financial assets		2.1		7,543.8		7,546.0			6,483.0		6,483.0
Derivatives	Derivative financial instruments - liabilities	23	(261.4)	(2)	(194.9)	(3)	(456.3)	(188.4)	(2)	(135.4)	(3)	(323.8)
	Derivative financial instruments - assets	23	436.4	(7)	298.9	(9)	735.4	186.1	(7)	243.2	(9)	429.3
	III - Derivative financial instruments		175.0		104.0		279.0	(2.3)		107.8		105.5
	Net financial debt (I + II + III)		(16,986.5)		4,396.9		(12,589.6)	(17,510.6)		4,451.0		(13,059.7)
	Net financial debt breaks down by business as follows:											
	Concessions		(18,017.0)		(878.5)		(18,895.4)	(16,621.5)		(888.8)		(17,510.3)
	Contracting		(1,882.9)		4,797.0		2,914.1	(1,701.7)		4,657.0		2,955.3
	Holding companies and VINCI Immobilier		2,913.3		478.4		3,391.8	812.6		682.7		1,495.3

(*) The current part includes accrued interest not matured.

(**) Including the part at less than one year.

(***) Following acquisition of control of ASF by VINCI on 9 March 2006.

Reconciliation of net financial debt with balance sheet items:

<i>(in € millions)</i>	Ref:	31/12/2011	31/12/2010
Bonds (non-current)	(1)	(7,819.8)	(6,020.5)
Other loans and borrowings	(2)	(9,605.2)	(11,676.2)
Current borrowings	(3)	(3,445.8)	(2,275.3)
Cash management financial assets	(4)	169.6	733.2
Cash and cash equivalents	(5)	7,372.4	5,747.9
Non-current collateralised loans and receivables	(6)	2.1	
Derivative financial instruments - non-current assets	(7)	436.4	186.1
Current collateralised loans and receivables	(8)	1.9	1.8
Derivative financial instruments - current assets	(9)	298.9	243.2
Net financial debt		(12,589.6)	(13,059.7)

Derivative financial instruments (assets and liabilities) designated as hedges are reported in the balance sheet, classified by maturity and according to their accounting category, under other non-current financial assets or liabilities for the part at more than one year, and other current financial assets or liabilities for the part at less than one year. Derivative financial instruments (assets and liabilities) that are not designated as hedges for accounting purposes are reported as other current financial assets or liabilities, whatever their maturity dates.

22.1 Detail of long-term financial debt

The breakdown of net long-term financial debt (including the part at less than one year) at 31 December 2011 by business was as follows:

	31/12/2011				31/12/2010			
<i>(in € millions)</i>	Concessions	Contracting	Holding companies and VINCI Immobilier	Total	Concessions	Contracting	Holding companies and VINCI Immobilier	Total
Bonds	(7,111.2)	(0.0)	(913.0)	(8,024.2)	(6,217.5)	(0.7)		(6,218.2)
Other bank loans and other financial debt	(9,713.1)	(317.5)	(735.3)	(10,765.9)	(10,372.7)	(260.4)	(1,749.8)	(12,382.9)
Finance lease debt restated	(2.5)	(144.3)		(146.8)	(2.8)	(153.7)		(156.5)
Long-term financial debt	(16,826.8)	(461.8)	(1,648.4)	(18,936.9)	(16,593.0)	(414.8)	(1,749.8)	(18,757.6)

At 31 December 2011, long-term financial debt amounted to €18.9 billion, up €179.3 million from 31 December 2010 (€18.8 billion).

Gross long-term financial debt is stable overall, excluding the impact of the changes in the fair value of hedging instruments, as the repayments of existing debt in the period were offset by the setting up of new financing arrangements. The most material of these were as follows:

ASF:

- Seven-year €100 million credit facilities in July 2011;
- New and supplementary bond issues under the EMTN programme raising the equivalent of €643.9 million nominal:
 - an issue of €500 million on 23 September 2011 at 4% fixed, for seven years;
 - a 21-year private placement of ¥15 billion (€143.9 million) on 20 October 2011;
- Repayment of loans taken out with CNA by ASF and Escota, for a total amount of €637.1 million at an average rate of 5.9%.

VINCI SA:

- Bond issues under the EMTN programme for a nominal amount of €911.7 million:
 - an issue of SFr 200 million (€161.7 million) on 15 December 2011 at 2.125% fixed for six years;
 - €750 million issued on 19 December 2011 at a fixed rate of 4.125% for five years.
- Partial early repayment of €1 billion against the bank loan financing the acquisition of ASF on 27 December 2011 (the balance of the loan, €750 million, was repaid on 27 January 2012).

Details of the main financial debts of concessions and holding companies are given in the tables below.

Concessions

				31/12/2011	31/12/2010			
(in € millions)	Currency	Contractual interest rate	Maturity	Nominal remaining due	Carrying amount	of which, accrued interest not matured	Nominal remaining due	Carrying amount
Bonds				6,508.8	7,111.2	199.8	5,856.7	6,217.5
Cofiroute				2,229.5	2,359.8	62.6	2,227.1	2,311.5
of which:								
October 2001 bond & supplement in August 2005	EUR	5.9%	October 2016	500.0	536.1	6.7	500.0	533.1
April 2003 bond	EUR	5.3%	April 2018	600.0	640.5	21.2	600.0	643.2
2006 bond and supplement in July 2007	EUR	5.0%	May 2021	1,100.0	1,149.7	33.4	1,100.0	1,104.6
ASF & Escota				4,279.3	4,751.4	137.2	3,629.6	3,906.0
of which:								
ASF bond issue 2007	EUR	5.6%	July 2022	1,575.0	1,805.7	43.8	1,575.0	1,736.7
ASF 2009 bond issue and supplement in April 2009	EUR	7.4%	March 2019	969.6	1,070.8	56.1	969.6	1,037.7
ASF 2010 bond issue and supplement in August 2010	EUR	4.1%	April 2020	650.0	717.9	19.3	650.0	668.3
ASF bond issue 2011	EUR	4.0%	September 2018	500.0	507.8	5.5		
Other bank loans and other financial debt				9,546.0	9,713.1	139.1	10,162.8	10,372.7
Cofiroute				1,103.2	1,111.1	9.3	1,104.5	1,109.4
ASF & Escota				5,699.4	5,899.1	128.5	6,227.6	6,477.5
CNA loans				3,323.3	3,463.6	97.4	3,881.5	4,336.2
of which:								
ASF and Escota - CNA 1997 to 2001	EUR	5.9%	June 2011				498.5	517.2
ASF and Escota - CNA 1997 to 2000	EUR	5.8%	October 2012	405.9	410.7	4.7	405.9	410.7
ASF and Escota - CNA 1998 to 2001	EUR	5.9%	March 2013	397.7	420.0	18.0	397.7	423.4
ASF - CNA 1999 to 2002	EUR	4.4%	May 2014	450.0	455.3	12.2	450.0	452.6
ASF - CNA 2000 to 2001	EUR	6.0%	October 2015	382.5	405.7	4.2	382.5	410.2
ASF - CNA 2001	EUR	inflation-linked	July 2016	405.2	413.3	6.9	396.3	403.8
ASF and Escota - CNA 2002	EUR	5.3%	January 2017	532.0	555.7	25.7	532.0	555.4
ASF - CNA 2004 to 2005	EUR	4.5%	March 2018	750.0	803.0	25.7	750.0	806.8
CNA/EIB loans				1,018.9	1,047.6	27.0	1,088.9	832.7
of which, ASF - CNA/EIB 2002	EUR	6.2%	April 2015 to 2017	412.6	431.4	18.8	412.6	431.4
EIB loans				500.0	489.7	3.8	500.0	488.3
Other loans				1.4	2.4		1.4	2.3
Credit facilities				855.8	853.9	0.2	755.8	753.3
of which, ASF Term Loan	EUR	E1M	December 2013	755.8	755.5	0.1	755.8	755.1
Effect of recognising ASF's debt at fair value in VINCI's consolidated financial statements					41.9			64.6
Arcour				600.0	572.3	0.1	600.0	570.7
of which, Arcour 2008	EUR	E1M	up to March 2018	400.0	396.7	0.1	400.0	396.1
ASF Holding				1,080.0	1,079.0	0.1	1,115.0	1,113.6
Syndicated loan December 2006	EUR	E1M	up to December 2013	1,080.0	1,079.0	0.1	1,115.0	1,113.6
VINCI Park				606.3	603.5	0.1	653.9	649.9
of which, loan June 2006	EUR	E1M/E3M	up to June 2026	397.9	396.1		416.7	414.7
Other concessions				457.2	448.0	1.1	461.9	451.6
of which, Gefyra - EIB 2001	EUR	EIB	up to June 2029	317.0	307.8	0.4	329.0	319.1
Finance lease debt restated				2.5	2.5		2.8	2.8
Long-term financial debt				16,057.4	16,826.8	338.9	16,022.4	16,593.0

Holding companies and VINCI Immobilier

	31/12/2011					31/12/2010		
(in € millions)	Currency	Contractual interest rate	Maturity	Capital outstanding	Carrying amount	of which, accrued interest not matured	Capital outstanding	Carrying amount
Bonds				914.5	913.0	1.3		
VINCI SA				914.5	913.0	1.3		
of which December 2011 bond loan	EUR	4.1%	February 2017	750.0	751.6	1.1		
Other bank loans and other financial debt				750.0	735.3	0.3	1,750.0	1,749.8
VINCI SA				750.0	735.3	0.3	1,750.0	1,749.8
ASF acquisition loan November 2005	EUR	E1M	November 2012	750.0	750.0 ^(*)	0.2	1,750.0	1,749.8
Finance lease debt restated								
Long-term financial debt				1,664.5	1,648.4	1.6	1,750.0	1,749.8

(*) Repaid on 27 January 2012.

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22.2 Resources and liquidities

At 31 December 2011, the Group's available resources amounted to €12.8 billion, including €6.1 billion net cash managed (see Note E.22.2.2 "Net cash managed") and €6.7 billion of available, confirmed medium-term bank credit facilities (see Note E.22.2.3 "Revolving credit facilities").

22.2.1 Maturity of debts

The Group's debt and associated interest payments, on the basis of the interest rates at 31 December 2011, break down as follows, by maturity date:

	31/12/2011							
(in € millions)	Carrying amount	Capital and interest payments	Within 3 months	Between 3 and 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Bonds								
Capital	(8,024.2)	(7,423.4)		(3.3)		(3.0)	(512.4)	(6,904.6)
Interest payments		(3,396.4)	(112.8)	(115.5)	(157.6)	(385.6)	(1,155.3)	(1,469.7)
Other bank loans and other financial debt								
Capital	(10,765.9)	(10,613.3)	(24.0)	(93.2)	(1,246.9)	(2,470.2)	(2,607.0)	(4,172.1)
Interest payments		(1,754.8)	(116.9)	(76.2)	(147.3)	(301.8)	(636.7)	(475.8)
Finance lease debt restated								
Capital	(146.8)	(146.3)	(22.0)	(12.5)	(24.6)	(32.9)	(43.0)	(11.4)
Interest payments		(13.7)	(1.7)	(1.3)	(2.2)	(3.1)	(3.3)	(2.0)
Subtotal: long-term borrowing	(18,936.9)	(23,347.9)	(277.4)	(302.0)	(1,578.5)	(3,196.6)	(4,957.8)	(13,035.6)
Commercial paper	(525.3)	(525.3)	(525.3)					
Other current financial liabilities	(45.4)	(45.4)	(45.4)					
Bank overdrafts	(858.3)	(858.3)	(858.3)					
Financial current accounts, liabilities	(48.8)	(48.8)	(48.8)					
I - Financial debt	(20,414.6)	(24,825.6)	(1,755.1)	(302.0)	(1,578.5)	(3,196.6)	(4,957.8)	(13,035.6)
II - Financial assets	7,546.0	of which, €7,491.3 million at less than three months ^(*)						
Derivative financial instruments – liabilities	(456.3)	(538.2)	(10.7)	(37.9)	(28.0)	(81.0)	(214.9)	(165.7)
Derivative financial instruments – assets	735.4	1,042.5	23.8	57.3	32.2	113.0	330.6	485.6
III - Derivative financial instruments	279.0	504.3	13.1	19.4	4.2	32.0	115.6	319.9
Net financial debt (I + II + III)	(12,589.6)							
Trade payables	(7,625.0)	(7,625.0)	(6,431.4)	(501.4)	(340.5)	(136.6)	(204.9)	(10.4)

(*) Consisting mainly of €5,237.3 million of cash equivalents, €2,135.1 million of cash and €71.5 million of cash management assets at less than three months (see Note E.22.2.2 "Net cash managed").

At 31 December 2011, the average maturity of the Group's long-term financial debt was 6.3 years (against 6.6 years at 31 December 2010). The average maturity was 6.7 years in Concession subsidiaries, 3.3 years for holding companies (including VINCI Immobilier and Concession holding companies) and 3.5 years in Contracting.

22.2.2 Net cash managed

Net cash managed, which includes in particular cash management financial assets and commercial paper issued, breaks down as follows:

	31/12/2011			
(in € millions)	Concessions	Contracting	Holding companies and VINCI Immobilier	Total
Cash equivalents	268.9	879.6	4,088.8	5,237.3
Marketable securities and mutual funds (UCITS)	39.6	166.4	580.9	786.9
Negotiable debt securities with an original maturity of less than 3 months ^(*)	229.3	713.2	3,507.9	4,450.4
Cash	153.1	1,584.7	397.2	2,135.1
Bank overdrafts	(11.9)	(774.2)	(72.2)	(858.3)
Net cash and cash equivalents	410.0	1,690.1	4,413.9	6,514.1
Cash management financial assets	61.7	46.9	13.6	122.1
Marketable securities and mutual funds (UCITS) ^(**)	15.8	14.4	12.0	42.3
Negotiable debt securities and bonds with an original maturity of less than 3 months	3.3	25.8	0.1	29.2
Negotiable debt securities with an original maturity of more than 3 months	42.5	6.7	1.4	50.6
Commercial paper issued			(525.3)	(525.3)
Other current financial liabilities	(2.7)	(42.4)	(0.3)	(45.4)
Balance of cash management current accounts	(555.4)	3,226.4	(2,672.3)	(1.3)
Net cash managed	(86.4)	4,921.0	1,229.6	6,064.3

(*) Including term deposits and interest-earning accounts.

(**) Portion of short-term UCITS that do not meet the criteria to be designated as cash equivalents as defined by IAS 7.

	31/12/2010			
(in € millions)	Concessions	Contracting	Holding companies and VINCI Immobilier	Total
Cash equivalents	390.8	805.2	2,490.4	3,686.4
Marketable securities and mutual funds (UCITS)	235.2	206.1	1,010.8	1,452.1
Negotiable debt securities with an original maturity of less than 3 months ^(*)	155.6	599.1	1,479.6	2,234.3
Cash	111.8	1,778.1	171.6	2,061.5
Bank overdrafts	(9.0)	(577.6)	(90.3)	(676.8)
Net cash and cash equivalents	493.6	2,005.8	2,571.8	5,071.1
Cash management financial assets	54.2	118.2	365.8	538.2
Marketable securities and mutual funds (UCITS) ^(**)	12.1	28.0	9.7	49.8
Negotiable debt securities and bonds with an original maturity of less than 3 months	15.4	77.6	0.1	93.1
Negotiable debt securities with an original maturity of more than 3 months	26.7	12.6	356.0	395.3
Commercial paper issued				
Other current financial liabilities	(1.7)	(53.6)	(0.3)	(55.6)
Balance of cash management current accounts	(422.8)	2,709.4	(2,249.7)	36.9
Net cash managed	123.2	4,779.8	687.6	5,590.6

(*) Including term deposit and interest-earning accounts.

(**) Portion of short-term UCITS that do not meet the criteria to be designated as cash equivalents as defined by IAS 7.

The investment vehicles used by the Group are monetary UCITS, negotiable debt securities (certificates of deposit generally with a maturity of less than three months). They are measured and recognised at their fair value.

Forming part of the net cash managed of €6.1 billion at 31 December 2011, investments ("cash equivalents" and "cash management financial assets") are managed taking a limited risk to capital and performance and the associated risks are subject to control.

At the level of the VINCI holding company, at 31 December 2011 these investments amounted to €2 billion (net of commercial paper issued). They arise mainly from the cash surpluses transferred upwards through a cash pooling system from French subsidiaries. VINCI Finance International, a wholly owned subsidiary of VINCI, centralises the cash surpluses of German subsidiaries and held cash investments of €1.5 billion at 31 December 2011. This centralisation enables the management of financial resources to be optimised and the risks relating to the counterparties and investment vehicles used to be better managed.

Other Group subsidiaries' cash investments are managed in a decentralised manner while complying with the guidelines and instructions issued by VINCI, which define in particular the investment vehicles and the counterparties authorised. They amounted to €1.3 billion at 31 December 2011, including €0.3 billion for the Concessions business and €0.9 billion for the Contracting business.

The performance and the risks associated with these investments are monitored regularly, through a report detailing the yield of the various assets on the basis of their fair value and analysing the associated level of risk.

22.2.3 Revolving credit facilities

On 23 June 2011, VINCI SA agreed a €4 billion confirmed syndicated loan facility maturing in June 2016 with two one-year extension options at the lender's discretion. VINCI has also confirmed bilateral bank credit lines maturing in July and August 2012 for €100 million.

ASF has a €2 billion syndicated bank credit line maturing in December 2013 subject to financial covenants (see Note E.22.2.5 "Financial covenants").

In February 2011, Cofiroute agreed a €500 million confirmed club deal bank facility maturing in February 2016.

At 31 December 2011, none of the above credit facilities were being used.

The amounts authorised and used, and the maturities of the credit lines of VINCI and its subsidiaries are as follows:

(in € millions)	Amounts used at 31/12/2011	Amounts authorised at 31/12/2011	Maturity		
			Within 1 year	Between 1 and 5 years	After 5 years
Syndicated loan		4,000		4,000	
Bilateral facilities		100	100		
VINCI		4,100	100	4,000	
ASF: syndicated loan		2,000		2,000	
Cofiroute: syndicated loan		500		500	
Contracting: syndicated and bilateral facilities	107	186	30	156	
Total	107	6,786	130	6,656	

22.2.4 Commercial paper

At 31 December 2011 the Group had a commercial paper programme of €1.5 billion for VINCI SA and one of €0.5 billion for Cofiroute. These two programmes are rated A2 by Standard & Poor's and P2 by Moody's for VINCI SA.

At 31 December 2011, only VINCI SA had made use of its programme, for €525 million.

22.2.5 Financial covenants

Some financing agreements include early repayment clauses applicable in the event of non-compliance with financial ratios, of which the main ones are described below:

(in € millions)	Finance agreements	Authorised amounts	Amounts used	Ratios ⁽¹⁾	Thresholds	Ratios at 31/12/2011
VINCI	Acquisition loan	750.0	750.0 ⁽²⁾	Net financial debt (excl. Concessions) to (Cash flow from operations before tax and financing costs [excl. Concessions] + dividend received [excl. exceptional dividend] of concession operating companies)	< 3.25	(0.9)
ASF Holding	Syndicated term loan	1,080.0	1,080.0	Consolidated net financial debt to consolidated cash flow from operations before tax and financing costs ⁽³⁾	≤ 8.5	5.6
				Dividends to (Net interest + nominal to repay)	≥ 1.15	25.6
	CNA (Caisse Nationale des Autoroutes) loans	4,342.2	4,342.2	Consolidated net financial debt to consolidated Ebitda	≤ 7	5.2
ASF				Consolidated Ebitda to consolidated financing costs	> 2.2	4.7
	Syndicated term loan	755.8	755.8	Consolidated net financial debt ⁽⁴⁾ to consolidated cash flow from operations before tax and financing costs	≤ 7	5.1
	Syndicated credit line 2013	2,000.0		Consolidated cash flow from operations before tax and financing costs to consolidated financing costs	≥ 2.2	4.7
	Amortising loan	397.9	397.9	Net financial debt to cash flow from operations before tax and financing costs	< 7	3.7
VINCI Park				Cash flow from operations before tax and financing costs to net financing costs	> 2.2	6.9
	Amortising loan (tranches 1 & 2)	160.3	160.3	Net financial debt to cash flow from operations before tax and financing costs	< 7	3.7
				Cash flow from operations before tax and financing costs to net financing costs	> 3	6.9

(1) Ebitda = gross operating income defined as the difference between operating income and operating expenses excluding depreciation, amortisation and provisions.

(2) This loan was repaid on 27 January 2012.

(3) (Consolidated net financial debt ASF + consolidated net financial debt ASF Holding) to (ASF consolidated cash flow from operations before tax and financing costs).

(4) Excluding derivatives designated as cash flow hedges.

Some finance agreements, entered into by Group entities, provide that a change in control of the borrower may constitute a case for mandatory early redemption or trigger a demand for early repayment.

The above ratios were all met at 31 December 2011.

22.2.6 Credit ratings

At 31 December 2011, the Group's credit ratings were:

	Agency	Ratings		
		Long term	Outlook	Short term
VINCI SA	Standard & Poor's	BBB+	Stable	A2
	Moody's	Baa1	Stable	P2
ASF	Standard & Poor's	BBB+	Stable	A2
	Moody's	Baa1	Stable	P2
Cofiroute	Standard & Poor's	BBB+	Stable	A2

23. Financial risk management

VINCI has implemented a system to manage and monitor the financial risks to which it is exposed, principally interest rate risk.

In accordance with the rules laid down by the Group's Finance Department, the responsibility for identifying, measuring and hedging financial risks lies with the operational entity in question. On the other hand, derivative financial instruments are generally managed by the Group Finance Department on behalf of the subsidiaries in question.

Treasury committees, in which the Group's Finance Department and the concerned companies participate, regularly analyse the main exposures and decide on management strategies for the entities that have the most material exposure to financial risks (VINCI SA, ASF, Cofiroute, VINCI Park).

In order to manage its exposure to market risks, the Group uses derivative financial instruments, which are recognised in the balance sheet at their fair value.

At the balance sheet date, the fair value of derivative financial instruments breaks down as follows:

		31/12/2011				
(in € millions)	Note	Non-current asset	Current asset ^(*)	Non-current liability	Current liability ^(*)	Net
Interest rate derivatives: fair value hedges	23.1.2	433.3	71.1	(3.6)	(0.6)	500.2
Interest rate derivatives: cash flow hedges	23.1.3		0.1	(237.2)	(8.0)	(245.0)
Interest rate derivatives not designated as hedges	23.1.4		225.8		(183.7)	42.1
Interest rate derivatives		433.3	297.0	(240.8)	(192.2)	297.3
Foreign currency exchange rate derivatives: cash flow hedges	23.3.1		0.1	(0.2)	(0.3)	(0.4)
Foreign currency exchange rate derivatives: hedge of net foreign investment	23.3.1	3.0	0.5	(10.0)	(1.1)	(7.6)
Foreign currency exchange rate derivatives not designated as hedges	23.3.1		1.2		(1.3)	(0.1)
Currency derivatives		3.0	1.8	(10.2)	(2.7)	(8.1)
Other derivatives		0.2	0.1	(10.4)		(10.1)
Total derivative financial instruments		436.4	298.9	(261.4)	(194.9)	279.0

(*) The current part includes accrued interest not matured, amounting to €72 million at 31 December 2011.

		31/12/2010				
(in € millions)	Note	Non-current asset	Current asset ^(*)	Non-current liability	Current liability ^(*)	Net
Interest rate derivatives: fair value hedges	23.1.2	184.9	67.5	(12.6)		239.8
Interest rate derivatives: cash flow hedges	23.1.3	0.8		(154.1)	(5.0)	(158.3)
Interest rate derivatives not designated as hedges	23.1.4		173.9		(128.9)	45.0
Interest rate derivatives		185.7	241.4	(166.7)	(133.9)	126.5
Foreign currency exchange rate derivatives: cash flow hedges	23.3.1		0.3	(0.1)	(0.4)	(0.2)
Foreign currency exchange rate derivatives: hedge of net foreign investment	23.3.1	0.4	0.4	(11.8)		(11.0)
Foreign currency exchange rate derivatives not designated as hedges	23.3.1		0.9		(1.1)	(0.2)
Currency derivatives		0.4	1.6	(11.9)	(1.5)	(11.4)
Other derivatives			0.2	(9.8)		(9.6)
Total derivative financial instruments		186.1	243.2	(188.4)	(135.4)	105.5

(*) The current part includes accrued interest not matured, amounting to €69.2 million at 31 December 2010.

23.1 Interest rate risk

Interest rate risk is managed within the Group, making a distinction between the Concessions business, the Contracting business and holding companies, as their respective financial profiles are not the same.

For concession operating subsidiaries, interest rate risk is managed with two timescales: the long term, aiming to ensure and maintain the concession's economic equilibrium, and the short term, with an objective of optimising the average cost of debt within the budget framework and depending on the situation in financial markets.

Over the long term, the objective is to change over time the breakdown between fixed- and floating-rate debt depending on the debt level (measured by the ratio of net debt to cash flows from operations before tax and financing costs), with a greater proportion at fixed rate when the level of debt is high.

As regards Contracting activities and holding companies, they have a structural net cash surplus because the Contracting subsidiaries' cash surpluses, of which the management is mainly centralised under the cash pooling system, are higher than the holding companies' debt. For these activities, the objective is to ensure that the risks connected with financial assets and financial liabilities are well matched.

To hedge its interest rate risk, the Group uses derivative financial instruments in the form of options or swaps of which the start may be deferred. These derivatives may be designated as hedges for accounting purposes or not, in accordance with the IFRSs.

The table below shows the breakdown at 31 December 2011 of long-term debt between fixed-rate, capped floating-rate or inflation-linked debt, and the part at floating rate before and after taking account of hedging derivative financial instruments:

Breakdown between fixed and floating rate before hedging											
(in € millions)	Fixed rate			Inflation linked			Floating rate			Total	
	Debt	Proportion	Rate	Debt	Proportion	Rate	Debt	Proportion	Rate	Debt	Rate
Concessions	11,082.5	69%	5.28%	608.2	4%	5.35%	4,382.0	27%	1.71%	16,072.7	4.31%
Contracting	275.5	60%	4.49%		0%	0.00%	185.5	40%	2.68%	461.1	3.76%
Holding companies	907.0	55%	3.89%		0%	0.00%	749.8	45%	1.72%	1,656.8	2.91%
Total at 31/12/2011	12,265.0	67%	5.16%	608.2	3%	5.35%	5,317.4	29%	1.75%	18,190.6	4.17%
Total at 31/12/2010	11,344.2	62%	5.37%	598.6	3%	4.76%	6,276.4	34%	1.33%	18,219.2	3.96%

Breakdown between fixed and floating rate after hedging											
(in € millions)	Fixed rate			Capped floating/inflation linked			Floating rate			Total	
	Debt	Proportion	Rate	Debt	Proportion	Rate	Debt	Proportion	Rate	Debt	Rate
Concessions	9,871.0	61%	4.91%	2,783.6	17%	3.27%	3,418.1	21%	2.20%	16,072.7	4.05%
Contracting	305.6	66%	4.33%	25.9	6%	2.04%	129.5	28%	2.82%	461.1	3.78%
Holding companies		0%	0.00%		0%	0.00%	1,656.8	100%	2.80%	1,656.8	2.80%
Total at 31/12/2011	10,176.6	56%	4.89%	2,809.6	15%	3.26%	5,204.4	29%	2.41%	18,190.6	3.93%
Total at 31/12/2010	10,146.6	56%	5.07%	1,854.8	10%	2.61%	6,217.8	34%	1.85%	18,219.2	3.71%

23.1.1 Sensitivity to interest rate risk

VINCI is exposed to the risk of fluctuations in interest rates, given:

- the cash flows connected with net floating-rate debt;
- fixed-rate financial instruments recognised in the balance sheet at fair value through profit or loss;
- derivative financial instruments that are not designated as hedges. These mainly comprise net call option positions of which the maximum loss over the life of the transaction is equal to the premium paid.

On the other hand, fluctuations in the value of derivatives designated as cash flow hedges are recognised directly in equity and have no effect on profit or loss.

The analysis below has been prepared assuming that the amount of the financial debt and derivatives at 31 December 2011 remains constant over one year. The consequence of a variation in interest rates of 50 basis points at the balance sheet date would be an increase or decrease of equity and pre-tax income for the amounts shown below. For the purpose of this analysis, the other variables are assumed to remain constant.

(in € millions)	31/12/2011			
	Income		Equity	
	Impact of sensitivity calculation + 50 bps	Impact of sensitivity calculation - 50 bp	Impact of sensitivity calculation + 50 bps	Impact of sensitivity calculation - 50 bp
Floating-rate debt after hedging (accounting basis)	(40.0)	40.0		
Floating-rate assets after hedging (accounting basis)	23.9	(23.9)		
Derivatives not designated for accounting purposes as hedges	0.2	0.6		
Derivatives designated as cash flow hedges			69.9	(72.6)
Total	(15.9)	16.6	69.9	(72.6)

23.1.2 Fair value hedges

At the balance sheet date, details of the instruments designated as fair value hedges were as follows:

(in € millions)	31/12/2011						
	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years	Notional	Fair value, assets	Fair value, liabilities
Fixed receiver/floating payer interest rate swap^(*)	2.6	2.6	155.0	4,276.7	4,437.0	504.5	(4.2)
							500.2

(*) Including Cross Currency Swaps of which the notional represents €305.6 million maturing in more than five years. The fair value of these derivatives amounts to a negative €2.7 million and breaks down as follows: -€11.3 million interest rate impact; + €8.6 million exchange rate impact.

(in € millions)	31/12/2010					Fair value, assets	Fair value, liabilities	Total
	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years	Notional			
Fixed receiver/floating payer interest rate swap	2.5	2.6	7.7	3,012.0	3,024.8	252.4	(12.6)	239.8

These transactions mainly relate to the fixed-rate bond issues by ASF and Cofiroute.

23.1.3 Cash flow hedges

The Group is exposed to fluctuations in interest rate on its floating-rate debt and may set up floating-rate lender/fixed-rate borrower swaps designated as cash flow hedges to hedge this risk.

Hedging of contractual cash flows

The Group has set up interest-rate swaps that serve to render interest payments on floating-rate debt fixed. Contractual cash flows relating to swaps are paid symmetrically with the hedged interest payment flows. The amount deferred in equity is recognised in profit or loss in the period in which the interest payment cash flow affects profit or loss.

Hedging of highly probable cash flows

The Group has set up deferred start swaps at ASF and VINCI with maturities of up to 2016. These serve to fix the interest payments on future issues of debt considered as highly probable. At 31 December 2011, the portfolio of these swaps was €1,199 million.

At the balance sheet date, details of the instruments designated as cash flow hedges were as follows:

(in € millions)	31/12/2011					Fair value, assets	Fair value, liabilities	Total
	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years	Notional			
Floating receiver/fixed payer interest rate swap	567.6	35.7	520.1	905.3	2,028.6	0.1	(197.1)	(197.0)
Interest rate options (caps, floors and collars)	8.2	216.9	94.3	38.4	357.8		(11.8)	(11.8)
Interest rate derivatives: hedging of contractual cash flows	575.9	252.6	614.4	943.6	2,386.5	0.1	(208.9)	(208.8)
Interest rate derivatives: hedging of highly probable forecast cash flows ^(*)			1,199.0		1,199.0	(0.0)	(36.3)	(36.3)
Total	575.9	252.6	1,813.4	943.6	3,585.5	0.1	(245.1)	(245.0)

(*) Floating receiver/fixed payer interest rate swap.

The following table shows the periods in which the Group expects the cash flows associated with the deferred start swaps in place on 31 December 2011 to occur:

(in € millions)	31/12/2011				
	Expected cash flows				
	Fair value	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows ^(*)	(36.3)	(12.3)	(23.9)		

(*) Deferred start floating/fixed rate swap.

The following table shows the periods in which the Group expects the amounts recorded in equity at 31 December 2011 for the instruments designated as cash flow hedges to have an impact on profit or loss:

(in € millions)	31/12/2011				
	Amount recorded in equity of controlled companies	Amount recycled in profit or loss			
		Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate derivatives designated for accounting purposes as hedges of contractual cash flows	(179.2)	(31.5)	(25.1)	(75.5)	(47.1)
Interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows	(135.7)	(28.9)	(28.8)	(69.3)	(8.7)
Total interest rate derivatives designated for accounting purposes as cash flow hedges	(314.9)	(60.5)	(53.9)	(144.7)	(55.8)

At 31 December 2010, details of the instruments designated as cash flow hedges were as follows:

(in € millions)	31/12/2010					Fair value, assets	Fair value, liabilities	Total
	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years	Notional			
Floating receiver/fixed payer interest rate swap	212.2	318.3	161.0	993.9	1,685.3	3.6	(135.0)	(131.4)
Interest rate options (caps, floors and collars)	7.8	8.2	254.4	95.2	365.6	(2.8)	(5.5)	(8.3)
Interest rate derivatives: hedging of contractual cash flows	219.9	326.5	415.5	1,089.1	2,050.9	0.8	(140.5)	(139.7)
Interest rate derivatives: hedging of highly probable forecast cash flows^(*)				293.7	293.7		(18.6)	(18.6)
Total	219.9	326.5	415.5	1,382.8	2,344.6	0.8	(159.1)	(158.3)

(*) Floating receiver/fixed payer interest rate swap.

The following table shows the periods in which the Group expects the cash flows associated with the deferred start swaps in place on 31 December 2010 to occur:

(in € millions)	31/12/2010				
	Expected cash flows				
	Fair value	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows^(*)	(18.6)	(18.6)			

(*) Deferred start floating/fixed rate swap.

23.1.4 Description of non-hedging transactions

(in € millions)	31/12/2011					Fair value, assets	Fair value, liabilities	Total
	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years	Notional			
Interest rate swaps	1,539.6	16.1	380.0	0.9	1,936.6	225.4	(183.7)	41.7
Interest rate options (caps, floors and collars)	655.5	1,350.0	130.0		2,135.5	0.4		0.4
Interest rate derivatives not designated as hedges for accounting purposes	2,195.1	1,366.1	510.0	0.9	4,072.1	225.8	(183.7)	42.1

(in € millions)	31/12/2010					Fair value, assets	Fair value, liabilities	Total
	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years	Notional			
Interest rate swaps	143.8	42.7	3.8	1,610.5	1,800.8	172.6	(129.0)	43.6
Interest rate options (caps, floors and collars)	118.6	655.5	380.0		1,154.1	1.3	0.1	1.4
Interest rate derivatives not designated as hedges for accounting purposes	262.4	698.2	383.8	1,610.5	2,954.9	173.9	(128.9)	45.0

These transactions are mainly swaps or options with short maturities and mirror swaps (symmetrical positions that generate no risk of fluctuation of fair value in the income statement).

23.2 Equity risk

At 31 December 2011, VINCI owned 3.3% of ADP. This shareholding is classified under available-for-sale financial assets. On the basis of the stock market price of the ADP shares at 31 December 2011 (see Note E.16 "Other non-current financial assets"), the consequence of an increase or decrease of 10% in the stock market price would have no significant impact on the Group's equity or profit or loss.

At 31 December 2011, the Group held 25,021,501 VINCI shares (representing 4.4% of the share capital) acquired at average price of €43.86. An increase or decrease of the stock market price of the treasury shares would have no impact on the Group's consolidated profit or loss or equity.

Regarding assets to cover retirement benefit obligations, a breakdown by asset type is given in Note E.20.1 "Provisions for retirement benefit obligations".

23.3 Foreign currency exchange rate risk

23.3.1 Detail of foreign currency exchange rate derivatives

Transactions to hedge currency risk designed to cover commercial or financial transactions break down as follows:

(in € millions)	31/12/2011				Notional	Fair value, assets	Fair value, liabilities	Total
	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years				
Cross currency swap	3.8	5.0	0.3		9.1	0.1	(0.3)	(0.1)
Forward foreign exchange transactions	17.4	0.9			18.3		(0.3)	(0.3)
Foreign currency exchange rate derivatives: cash flow hedges	21.2	5.9	0.3		27.4	0.2	(0.5)	(0.4)
Cross currency swap	52.3	35.3	78.1		165.7	3.4	(11.0)	(7.7)
Forward foreign exchange transactions	26.3				26.3	0.1		0.1
Foreign currency exchange rate derivatives: hedge of net foreign investment	78.6	35.3	78.1		192.0	3.4	(11.0)	(7.6)
Cross currency swap	42.8		1.3		44.2	1.2	(0.4)	0.8
Forward foreign exchange transactions	15.9	9.0			24.9		(0.9)	(0.9)
Foreign currency derivatives not designated as hedges for accounting purposes	58.8	9.0	1.3		69.1	1.2	(1.3)	(0.1)
Total foreign currency exchange rate derivative instruments^(*)	158.6	50.2	79.8		288.6	4.8	(12.9)	(8.1)

(*) See comment to Note E.23.1.2 "Fair value hedges".

(in € millions)	31/12/2010				Notional	Fair value, assets	Fair value, liabilities	Total
	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years				
Cross currency swap	1.6	2.5			4.1		(0.1)	(0.1)
Forward foreign exchange transactions	25.9	1.3	0.1		27.3	0.3	(0.4)	(0.1)
Foreign currency exchange rate derivatives: cash flow hedges	27.5	3.8	0.1		31.3	0.3	(0.5)	(0.2)
Cross currency swap			21.4		21.4	0.4	(11.8)	(11.4)
Forward foreign exchange transactions	46.3				46.3	0.4		0.4
Foreign currency exchange rate derivatives: hedge of net foreign investment	46.3		21.4		67.7	0.8	(11.8)	(11.0)
Cross currency swap	97.8	45.5	60.3	17.2	220.8	0.6	(1.0)	(0.5)
Forward foreign exchange transactions	10.7				10.7	0.3	(0.1)	0.2
Foreign currency derivatives not designated as hedges for accounting purposes	108.5	45.5	60.3	17.2	231.5	0.9	(1.1)	(0.2)
Total foreign currency exchange rate derivative instruments	182.2	49.2	81.8	17.2	330.5	2.0	(13.4)	(11.4)

23.3.2 Breakdown of long-term debt by currency

Debt breaks down as follows by currency:

(in € millions)	31/12/2011		31/12/2010	
Euro	18,505.9	97.7%	18,638.6	99.4%
Swiss franc	169.3	0.9%	8.8	0.0%
Yen	140.7	0.7%		
US dollar	27.3	0.1%	33.1	0.2%
Sterling	32.9	0.2%	20.7	0.1%
Other currencies	60.9	0.3%	56.4	0.3%
Total long-term borrowings	18,936.9	100.0%	18,757.6	100.0%

Generally, the Group's activities in foreign countries are financed by loans in the local currency.

Debts in foreign currency of subsidiaries of which the operating currency is the euro (mainly VINCI and ASF) have been hedged at their time of issue and do not generate any exposure to exchange rate risk.

23.3.3 Nature of the Group's risk exposure

Seventy-six per cent of VINCI's business is in the eurozone. The Group's exposure to currency risk is therefore limited. Transactions outside the eurozone are generally made in the local currency for permanent establishments and, to a great extent, in euros and dollars, in the case of major export projects.

VINCI may find itself exposed to currency risk whenever, in isolated cases, the parent company provides finance to certain foreign subsidiaries, and on cash flows intended to be paid to the parent company. This exposure is generally covered by cross currency swaps or forward exchange transactions.

VINCI's foreign currency risk management policy consists in hedging the transactional risk connected with subsidiaries' ordinary operations.

However, VINCI does not systematically hedge the currency risk connected with its foreign investments (translation exposure).

23.3.4 Analysis of foreign currency exchange rate risk

The principal foreign exchange risk exposure was as follows at 31 December 2011:

(in € millions)		31/12/2011			
Currency	USD (US dollar)	AUD (Australian dollar)	PGK (Papua New Guinea kina)	UAH (Ukrainian hryvnia)	
Closing rate	1.294	1.272	2.763	10.319	
Exposure	148	55	(56)	(32)	
Hedging	(54)	(6)			
Net position	94	49	(56)	(32)	

There remains a residual exposure on some assets that have not been designated as hedges. A 10% appreciation of foreign currencies against the euro would have a pre-tax negative impact on the financial statements of €5.1 million.

23.4 Commodity risks

Most of the Group's revenue arises either from contracts that include price revision clauses or under short-term contracts. The risks of an increase of commodity prices are therefore generally limited.

For major contracts with no price revision clauses, the commodity risks are analysed on a case-by-case basis and managed in particular by negotiating firm price agreements with suppliers and/or through cash-and-carry deals and/or hedging derivatives based on commodity indexes.

For its small contracts in France, of which the average length is less than three months and which do not include price revision clauses, Eurovia has set up a policy to manage bitumen price risks by putting in place short-maturity hedging derivatives (swaps of less than three months on average).

VINCI uses little unprocessed raw material, other than the aggregates produced and used by Eurovia. In 2011, approximately 36% of Eurovia's aggregates came from Group quarries.

23.5 Credit and counterparty risk

VINCI is exposed to credit risk in the event of default by its customers and to counterparty risk in respect of its investments of cash (credit balances at banks, negotiable debt securities, term deposits, marketable securities, etc), subscription to derivatives, commitments received (sureties and guarantees received), unused authorised credit facilities, and financial receivables.

The Group has set up procedures to manage and limit credit risk and counterparty risk.

Trade receivables

Approximately 35% of consolidated revenue is generated with public sector, or quasi-public sector, customers. Moreover, VINCI considers that the concentration of credit risk connected with trade receivables is limited because of the large number of customers and the fact that they are widely scattered across France and other countries. No customer accounts for more than 10% of VINCI's revenue. In foreign countries and in developing countries, the risk of non-payment is generally covered by appropriate insurance policies (Coface, documentary credit, etc.). Trade receivables are broken down in Note E.21.2 "Breakdown of trade receivables".

Financial instruments (cash investments and derivatives)

Financial instruments (cash investments and derivatives) are set up with financial institutions that meet the Group's credit rating criteria. The Group has also set up a system of counterparty limits to manage its counterparty risk. Maximum risk amounts by counterparty are defined taking account of their credit ratings as published by Standard & Poor's and Moody's. The limits are regularly monitored and updated on the basis of a consolidated quarterly reporting system.

The Group Finance Department also distributes instructions to the subsidiaries laying down the authorised limits by counterparty and the list of authorised UCITS.

24. Book and fair value of financial instruments by accounting category

The following table shows the carrying amount and the fair value of financial assets and liabilities in the balance sheet by accounting category as defined in IAS 39:

31/12/2011		Accounting categories ⁽¹⁾						Fair value			
Balance sheet headings and classes of instrument	Financial instruments through profit or loss	Derivatives designated as hedges	Assets measured at fair value (fair value option)	Available-for-sale financial assets	Loans and receivables	Liabilities at amortised cost	Total net book value of the class	Level 1: quoted prices and cash	Level 2: internal model using observable factors	Level 3: internal model using non-observable factors	Fair value of the class
Investments in listed subsidiaries and affiliates				182.7			182.7	182.7			182.7
Investments in unlisted subsidiaries and affiliates				123.4			123.4			123.4	123.4
Loans and financial receivables					522.9		522.9		522.9		522.9
I - Non-current financial assets⁽²⁾				306.1	522.9		829.0	182.7	522.9	123.4	829.0
II - Derivative financial instruments – assets	227.0	508.4					735.4		735.4		735.4
III - Trade receivables					13,875.8		13,875.8		13,875.8		13,875.8
Loans and collateralised financial receivables					4.0		4.0		4.0		4.0
Cash management financial assets			122.1				122.1	42.3	79.8		122.1
Financial current accounts, assets			47.5				47.5	47.5			47.5
Cash equivalents			5,237.3				5,237.3	786.9	4,450.4 ⁽³⁾		5,237.3
Cash			2,135.1				2,135.1	2,135.1			2,135.1
IV - Current financial assets			7,542.0		4.0		7,546.0	3,011.7	4,534.3		7,546.0
Total assets	227.0	508.4	7,542.0	306.1	14,402.8		22,986.2	3,194.4	19,668.4	123.4	22,986.2
Bonds						(8,024.2)	(8,024.2)	(7,459.8)	(437.6)		(7,897.4)
Other bank loans and other financial debt						(10,765.9)	(10,765.9)	(3,173.3) ⁽⁴⁾	(8,152.1)		(11,325.4)
Finance lease debt restated						(146.8)	(146.8)		(146.8)		(146.8)
V - Long-term financial debt						(18,936.9)	(18,936.9)	(10,633.1)	(8,736.5)		(19,369.6)
VI - Derivative financial instruments – liabilities	(185.0)	(271.3)					(456.3)		(456.3)		(456.3)
VII - Trade payables						(7,625.0)	(7,625.0)		(7,625.0)		(7,625.0)
Other current financial liabilities						(570.6)	(570.6)		(570.6)		(570.6)
Financial current accounts, liabilities						(48.8)	(48.8)	(48.8)			(48.8)
Bank overdrafts						(858.3)	(858.3)	(858.3)			(858.3)
VI - Current financial liabilities						(1,477.7)	(1,477.7)	(907.1)	(570.6)		(1,477.7)
Total liabilities	(185.0)	(271.3)				(28,039.6)	(28,495.9)	(11,540.2)	(17,388.4)		(28,928.6)
Total	42.0	237.0	7,542.0	306.1	14,402.8	(28,039.6)	(5,509.7)	(8,345.8)	2,279.9	123.4	(5,942.4)

(1) The Group has no held-to-maturity financial assets.

(2) See Note E.16 "Other non-current financial assets".

(3) Mainly comprising certificates of deposit, commercial paper, term deposits and short-term notes issued by banks ("bons de caisse").

(4) Listed price of loans issued by CNA.

31/12/2010	Accounting categories ⁽¹⁾							Fair value			
Balance sheet headings and classes of instrument	Financial instruments through profit or loss	Derivatives designated as hedges	Assets measured at fair value (fair value option)	Available-for-sale financial assets	Loans and receivables	Liabilities at amortised cost	Total net book value of the class	Level 1: quoted prices and cash	Level 2: internal model using observable factors	Level 3: internal model using non-observable factors	Fair value of the class
Investments in listed subsidiaries and affiliates				202.3			202.3	202.3			202.3
Investments in unlisted subsidiaries and affiliates				114.6			114.6			114.6	114.6
Loans and financial receivables					366.5		366.5		366.5		366.5
I - Non-current financial assets ⁽²⁾				316.9	366.5		683.4	202.3	366.5	114.6	683.4
II - Derivative financial instruments – assets	174.8	254.6					429.4		429.4		429.4
III - Trade receivables					11,921.0		11,921.0		11,921.0		11,921.0
Loans and collateralised financial receivables					1.8		1.8		1.8		1.8
Cash management financial assets			538.2				538.2	49.8	488.4		538.2
Financial current accounts, assets			195.1				195.1		195.0		195.0
Cash equivalents			3,686.4				3,686.4	1,452.1	2,234.3 ⁽³⁾		3,686.4
Cash			2,061.5				2,061.5	2,061.5			2,061.5
IV - Current financial assets			6,481.2		1.8		6,483.0	3,563.4	2,919.5		6,482.9
Total assets	174.8	254.6	6,481.2	316.9	12,289.3		19,516.8	3,765.7	15,636.4	114.6	19,516.7
Bonds						(6,218.2)	(6,218.2)	(6,198.3)	(293.8)		(6,492.1)
Other bank loans and other financial debt						(12,382.9)	(12,382.9)	(3,792.8) ⁽⁴⁾	(9,074.1)		(12,866.9)
Finance lease debt restated						(156.5)	(156.5)		(156.5)		(156.5)
V - Long-term financial debt						(18,757.6)	(18,757.6)	(9,991.1)	(9,524.4)		(19,515.5)
VI - Derivative financial instruments – liabilities	(130.0)	(193.8)					(323.8)		(323.8)		(323.8)
VII - Trade payables						(6,692.2)	(6,692.2)		(6,692.2)		(6,692.2)
Other current financial liabilities						(55.6)	(55.6)		(55.6)		(55.6)
Financial current accounts, liabilities						(158.1)	(158.1)		(158.1)		(158.1)
Bank overdrafts						(676.8)	(676.8)		(676.8)		(676.8)
VIII - Current financial liabilities						(890.5)	(890.5)		(890.5)		(890.5)
Total liabilities	(130.0)	(193.8)				(26,340.4)	(26,664.2)	(9,991.1)	(17,430.9)		(27,422.0)
Total	44.8	60.8	6,481.2	316.9	12,289.3	(26,340.4)	(7,147.4)	(6,225.4)	(1,794.5)	114.6	(7,905.3)

(1) The Group has no held-to-maturity financial assets.

(2) See Note E.16 "Other non-current financial assets".

(3) Mainly comprising certificates of deposit, commercial paper, term deposits and short-term notes issued by banks ("bons de caisse").

(4) Listed price of loans issued by CNA.

The method of measuring the fair value of financial assets and liabilities was not altered in 2011.

F. Notes on the main features of concession contracts and PPPs

25. Controlled subsidiaries' concession contracts – intangible asset model

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25.1 Main features of concession contracts

The main features of contracts for concessions operated by controlled subsidiaries and accounted for using the intangible asset model are as follows:

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Accounting model
Motorway and road infrastructure (including bridges and tunnels)						
ASF Group						
ASF (2,714 km of which 22 km at project stage and 53 km under construction)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor	Users	Nil	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value	End of contract in 2033	Intangible asset
Escota (459 km toll motorways in France)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor	Users	Nil	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value	End of contract in 2027	Intangible asset
Cofiroute						
Intercity toll motorway network in France (1,100 km toll motorways)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor	Users	Nil	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value	End of contract in 2031	Intangible asset
A86 Duplex (11 km toll tunnel)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor	Users	Grant to compensate for additional costs associated with new safety standards for tunnels	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value	End of contract in 2086	Intangible asset
Other concessions						
Arcour (A 19) (101 km toll motorways in France)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor	Users	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2070	Intangible asset
Gefyra Toll bridge in the Gulf of Corinth, between Rion and Antirion (Greece)	Pricing law as defined in the concession contract. Price increases linked to price index and subject to agreement by grantor	Users	Grant for construction paid by grantor	Infrastructure returned to grantor at end of concession for no consideration	End of contract estimated to be in 2039	Intangible asset

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Accounting model
Car parks						
VINCI Park 348,680 parking spaces in 162 towns under 352 concession contracts in France and other European countries	Indexed maximum prices generally set in contracts	Users	If applicable, grants for equipment or operating grants and/or guaranteed revenue, paid by grantor	Nil	26 years (weighted average remaining period of concession contracts)	Intangible asset and/or financial asset
Airports						
Société concessionnaire Aéroports du Grand Ouest	Regulated air tariffs. Unregulated non-air revenue	Users, airline companies	Investment grant agreed under the concession contract for the construction of the new Notre Dame des Landes airport	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2065	Intangible asset
SCA (Cambodia) Phnom Penh, Siem Reap and Sihanoukville airports	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor	Users, airline companies	Nil	Infrastructure returned to grantor at end of concession for no consideration	End of contract estimated to be in 2040	Intangible asset
Stadiums						
Consortium Stade de France	Nil	Organiser of events and/or final customer + miscellaneous revenue	Investment grant + compensation for absence of resident club	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2025	Intangible asset

25.2 Commitments made under concession contracts – intangible asset model

Contractual investment, renewal or financing obligations

(in € millions)	31/12/2011	31/12/2010
ASF/Escota	2,429.5	3,199.3
Cofiroute	906.4	686.7
VINCI Park	64.4	91.4
Société Concessionnaire Aéroports du Grand Ouest	350.4	
Other	24.9	39.8
Total	3,775.6	4,017.3

Contractual capital investment obligations for ASF and Escota relate in particular to the construction of the Lyon–Balbigny section of the A89, a relief section on the A9 near Montpellier, and to the green motorway package.

Cofiroute's contractual capital investment obligations comprise the green motorway package and the investments provided for under the 2011-2014 master plan.

The above amounts do not include obligations relating to maintenance expenditure on infrastructure under concessions.

The investments by motorway concession companies (ASF, Escota, Cofiroute and Arcour) are financed by issuing bonds on the markets, taking out new loans from the European Investment Bank (EIB) or drawing on their available credit facilities.

Collateral security connected with the financing of concessions

Some concession operating companies have given collateral security to guarantee the financing of their investments in concession infrastructure. These break down as follows:

(in € millions)	Start date	End date	Amount
Arcour	2008	2045	600.0
VINCI Park ^(*)	2006	2026	403.6
Gefyra (Rion-Antirion bridge)	2001	2029	316.7
Other concession operating companies			103.6

(*) Including shares in subsidiaries pledged to guarantee a bank loan of €500 million taken out at the end of June 2006.

This finance is without recourse against VINCI SA.

26. Controlled subsidiaries' concession and PPP contracts – financial asset model and bifurcated model

26.1 Main features of concession and PPP contracts – financial asset model and/or bifurcated model

The main features of concession or public-private partnership contracts operated by controlled subsidiaries and accounted for using the financial asset and/or bifurcated model are shown below:

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	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Accounting model
Car parks						
Car rental firm business complex Nice-Côte d'Azur airport (France)	Scheduled construction payments by grantor + rent paid by car rental companies as set in concession contract	Grantor and car rental companies	Investment grant and operating grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2040	Financial asset
Stadiums						
Stade du Mans (Le Mans Stadium, France)	Pricing schedule approved by the grantor	Ticket + resident club receipts + miscellaneous revenue	Investment grant and operating grant	Infrastructure returned to grantor at the end of the contract for no consideration	End of contract in 2043	Bifurcated: intangible asset and financial asset
Other						
Lucitea Public lighting in Rouen (France)	Scheduled construction payments from grantor	City of Rouen	Nil	Infrastructure returned to grantor at the end of the contract for no consideration	End of contract in 2027	Financial asset

26.2 Commitments made under concession and PPP contracts – financial asset and bifurcated models

Contractual investment, renewal and financing obligations

Under their concession and PPP contracts, Group subsidiaries have undertaken in some cases to carry out investments.

These commitments, which at 31 December 2010 mainly comprised contractual investment obligations entered into by concession operating companies (€15 million related to the car rental firm business complex at Nice-Côte d'Azur airport) and financing commitments by the shareholder (€9.2 million), expired in 2011.

Public-private partnership project companies receive a guarantee of payment from the concession grantor in return for their investments.

Collateral security connected with the financing of PPPs

Some companies have given collateral security to guarantee the financing of their investments relating to infrastructure under concession. These break down as follows:

(in € millions)	Start date	End date	Amount
Car rental firm business complex, Nice-Côte d'Azur airport	2008	2036	36.8

27. Concession and PPP contracts of companies accounted for under the equity method

27.1 Main features of concession and PPP contracts

The main features of concession or public-private partnership contracts operated by companies accounted for under the equity method are shown below:

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Accounting model
Motorway and road infrastructure (including bridges and tunnels)						
A-Modell "A4 Horselberg" (45 km, Germany)	Inflation-linked price increases based on the 2007 tolls level (excluding increases decided by the grantor)	Heavy vehicle users through the tolls levied by the grantor	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2037	Intangible asset
A-Modell "A5 Malsch / Offenburg" (60 km to be renovated, including 41.5 km to widen to 2x3 lanes) (Germany)	Inflation-linked price increases based on the 2009 tolls level (excluding increases decided by the grantor)	Heavy vehicle users through the tolls levied by the grantor	Nil	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2039	Intangible asset
Granvia (R1 Expressway) (Slovakia)	Annual fee paid by the grantor (with no traffic level risk)	Grantor	Nil	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2041	Financial asset
Moscow–St Petersburg motorway (43.3 km, Russia)	Inflation-linked price increases based on the tolls level at 1 January (excluding increases decided by the grantor)	Users	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2040	Bifurcated model (financial asset and intangible asset)
A9 "Sixlane" (46.5 km, Germany)	Annual fee paid by the grantor (with no traffic level risk)	Grantor	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2031	Financial asset
Railway infrastructure						
South Europe Atlantic high-speed railway line High-speed rail link between Tours and Bordeaux (303 km) (France)	Inflation-linked price increases on the base of the level of tolls in July 2009	Pricing Law defined in the concession contract (on the basis of train kilometre and slot kilometre)	Investment grant paid by the concession grantor and the local authorities	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2061	Bifurcated model (financial asset and intangible asset)
Liefkenshoek Tunnel 16.2 km underground rail link in the port of Antwerp (Belgium)	Scheduled construction payments paid by the grantor	Grantor	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2050	Financial asset
Stadiums						
Stade Bordeaux Atlantique (France)	Rent paid by the grantor and ancillary revenue (including naming agreement)	Grantor, private partners	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2045	Bifurcated model (financial asset and intangible asset)
Nice Eco Stadium (France)	Rent paid by the grantor and ancillary revenue (including naming agreement)	Grantor, private partners	Investment grant	Infrastructure returned to grantor at end of concession for no consideration	End of contract in 2040	Bifurcated model (financial asset and intangible asset)

27.2 Commitments made under concession and PPP contracts of companies accounted for under the equity method

The commitments made under concession and PPP contracts of companies accounted for under the equity method are included in Note E.15.3 "Commitments made in respect of companies accounted for under the equity method".

G. Other notes

28. Related party transactions

Related party transactions are:

- remuneration and similar benefits paid to members of the governing and management bodies;
- transactions with companies in which VINCI exercises significant influence or joint control.

Transactions with related parties are undertaken at market prices.

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28.1 Remuneration and similar benefits paid to members of the governing and management bodies

The remuneration of the Group's company officers is determined by the Board of Directors following proposals from the Remuneration Committee.

The table below shows the remuneration and similar benefits, on a full-year basis, granted by VINCI SA and the companies that it controls to persons who, at the balance sheet date are (or, during the period, have been), members of the Group's governing bodies and Executive Committee. The corresponding amounts have been recognised and expensed in 2010 and 2011 as follows:

(in € thousands)	Members of governing bodies and the Executive Committee	
	2011	2010
Remuneration	10,398.8	9,871.7
Employer's social charges	5,056.5	4,849.0
Post-employment benefits	1,845.5	1,581.6
Termination benefits		
Share-based payments ^(*)	5,969.6	3,587.6
Directors' fees	999.6	890.4

^(*) This amount is determined in accordance with IFRS 2 and as described in Note E.19 "Share-based payment".

The variable portion relating to 2011 is an estimate, for which a provision has been taken in the period.

The aggregate amount of retirement benefit obligations (contractual lump sums payable on retirement and any supplementary defined benefit plans) in favour of members of the Group's governing bodies and Executive Committee amounted to €37,339,000 at 31 December 2011 (€32,280,000 at 31 December 2010).

28.2 Other related parties

The information on companies accounted for under the equity method is given in Note E.15.2 "Financial information on companies accounted for under the equity method".

Qatari Diar Real Estate Investment Company (QD) owns 5.6% of VINCI. VINCI Construction Grands Projets and QD jointly own Qatari Diar VINCI Construction (QDVC), which is accounted for under the equity method. This company's corporate object is the development of construction activities in Qatar and international markets. In 2011, its revenue was €225 million.

Group companies can also carry out work for principals in which QD may have a shareholding.

Lastly, the Group has normal business relations with companies in which members of the VINCI Board of Directors are senior executives or directors.

29. Contractual obligations and other off-balance sheet commitments

Contractual obligations and other commitments made and received break down as follows:

29.1 Contractual obligations

(in € millions)	31/12/2011	31/12/2010
Operating leases	983.5	971.4
Purchase and capital expenditure obligations ^(*)	170.9	178.5

(*) Excluding capital investment obligations under concession contracts (see Note F. "Notes on the main features of concession contracts and PPPs").

Operating lease commitments amounted to €983.5 million at 31 December 2011 (€971.4 million at 31 December 2010). Of this, €626.1 million was for property (€629 million at 31 December 2010), €300 million for movable items (€281.6 million at 31 December 2010) and €57.4 million for quarrying rights (€60.8 million at 31 December 2010).

The purchase and capital expenditure obligations mentioned above relate mainly to VINCI Immobilier and Eurovia.

The breakdown by maturity of contractual obligations is as follows:

(in € millions)	Total	Payments due by period		
		Within 1 year	Between 1 and 5 years	After 5 years
Operating leases	983.5	320.5	495.0	168.1
Purchase and capital expenditure obligations ^(*)	170.9	156.2	7.1	7.6

(*) Excluding investment obligations related to concession and PPP contracts.

29.2 Other commitments made and received

(in € millions)	31/12/2011	31/12/2010
Collateral securities	102.9	85.7
Joint and several guarantees covering unconsolidated partnerships ^(*)	56.2	81.7
Other commitments made (received) ^(**)	502.0	185.9

(*) Group's share of a total commitment of €123.6 million at 31 December 2011 (€163.7 million at 31 December 2010).

(**) Excluding concession contracts (see Note F. "Notes on the main features of concession and PPP contracts").

Collateral securities (mortgages and collateral for finance)

In addition to commitments in connection with the concession contracts, collateral security may be given. They mainly relate to Soletanche Bachy following the purchase of equipment under leases and Eurovia following mortgage guarantees on assets in Poland.

Joint and several guarantees covering unconsolidated partnerships (SNCs, Economic Interest Groupings, etc.)

Part of VINCI's business in the Construction and Roads business lines is conducted through unincorporated joint venture partnerships (SEPs), in line with industry practice. In partnerships, partners are legally jointly and severally liable for that entity's debts to non-Group companies, without limit. In this context, the Group may set up crossed counter guarantees with its partners.

Whenever the Group is aware of a particular risk relating to a joint venture partnership's activity, a provision is taken in the consolidated financial statements.

The amount shown under off-balance sheet commitments in respect of joint and several guarantees is the Group's share of the liabilities of the partnerships in question less equity and financial debt (loans or current account advances) due to partners.

Given in particular the quality of its partners, the Group considers that the risk of its guarantee being invoked in respect of these commitments is negligible.

The commitments made and received by the Group in connection with concession contracts, construction contracts and items connected with unrecognised retirement benefit obligations are shown in the following notes:

- E.15.3 "Commitments made in respect of companies accounted for under the equity method";
- E.17.2 "Commitments made and received in connection with construction contracts";
- E.20.1 "Provisions for retirement benefit obligations";
- F.25.2 "Commitments made under concession contracts – intangible asset model";
- F.26.2 "Commitments made under concession and PPP contracts – financial asset and bifurcated models".

30. Statutory Auditors' fees

As recommended by the AMF, this table includes only fully consolidated companies.

(in € millions)	Deloitte & Associés network				KPMG network			
	2011	%	2010	%	2011	%	2010	%
Audit								
Statutory audit	8.5	84%	7.5	75%	8.8	93%	7.9	84%
VINCI SA	0.4	4%	0.3	3%	0.4	4%	0.3	4%
Fully consolidated subsidiaries	8.1	80%	7.2	72%	8.4	89%	7.6	80%
Directly linked services and work	1.5	15%	2.3	23%	0.5	5%	1.4	15%
VINCI SA	0.4	4%	0.9	9%	0.2	2%	0.7	7%
Fully consolidated subsidiaries	1.1	10%	1.5	15%	0.3	3%	0.7	8%
Subtotal, audit	10.0	98%	9.8	99%	9.3	98%	9.3	98%
Other services								
Legal, tax and employment	0.2	2%	0.1	1%	0.2	2%	0.2	2%
Other		0%		0%		0%		0%
Subtotal, other services	0.2	2%	0.1	1%	0.2	2%	0.2	2%
Total	10.2	100%	9.9	100%	9.5	100%	9.5	100%

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H. Note on litigation

The companies comprising the VINCI Group are sometimes involved in litigation arising from their activities. The related risks are assessed by VINCI and the subsidiaries involved on the basis of their knowledge of the cases, and provisions are taken in consequence.

The main disputes in progress at the date of this document were as follows:

- VINCI's subsidiary CBC built a hotel in Bratislava (Slovakia) for Intertour, part of whose equity it held. This transaction was financed through promissory notes issued by Intertour and discounted on a non-recourse basis by CBC with a French bank, which had counter-guarantees from foreign financial institutions. Following the payment default by Intertour, VTB Bank France sued CBC claiming damages of €24 million on the basis of alleged responsibility in connection with the invalidity of the guarantees issued by the foreign financial institutions in this French bank's favour. This suit was rejected by the Paris Commercial Court in a ruling dated 13 March 2009. VTB Bank France has filed an appeal against this decision. Given the current state of affairs, the Group does not expect this dispute to have a material impact on its financial situation.
- On 12 February 2010, the Conseil Régional d'Ile-de-France – the regional authority for the Greater Paris Region – applied to the Paris Court of First Instance (Tribunal de Grande Instance) for a ruling against 15 enterprises, of which several are members of the VINCI Group, and 11 natural persons, some of whom are or have been VINCI Group employees, ordering them to pay €358 million plus interest from 7 July 1997 to the Conseil Régional d'Ile-de-France. In March 2011, the pre-trial judge (*Juge de la Mise en Etat*) ordered the Ile de France regional authority to clarify and split its application into as many sub-files as there were tenders, which has not yet been done, and at the beginning of December 2011 set a timetable for the examination of the various procedural issues relating to the admissibility of the application. This application by the regional authority was further to a judgement by the Paris Appeal Court on 27 February 2007 against various natural persons finding them guilty of operating a cartel as well as to the decision on 9 May 2007 by the competition authority (the Conseil de la Concurrence^(*)) and the ruling of the Paris Court of Appeal of 3 July 2008 imposing penalties on the enterprises for anti-competitive practices between 1991 and 1996 in connection with the programme to renovate secondary educational establishments in the Ile-de-France region. At 31 December 2011, the Group has treated this risk as a contingent liability that it is not in a position to measure.
- King County (headquarters in Seattle) is in dispute with a consortium in which VINCI Construction Grands Projets has a 60% share in connection with the construction of a tunnel called Brightwater Central. As a result of geological difficulties encountered on the site, which resulted in delays and extra costs, the consortium sought application of the contract whereas King County considers that the construction consortium had defaulted on its obligations, which the consortium disputes. The parties have launched a mediation procedure while the consortium has followed the contractual dispute resolution procedure. King County has, however, decided to take the case before the Seattle Court. The construction consortium is claiming compensation of \$100 million, while King County is claiming an amount of the order of \$130 million from the consortium. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

(*) Now known as the Autorité de la Concurrence.

- In March 2010, the Seine-Maritime *département* petitioned the Rouen Administrative Court to order Eurovia Haute-Normandie to pay €70.7 million, corresponding to the value of tenders awarded in 1988, 1993 and 1998 which the *département* is asking the Court to declare null and void on the grounds of anti-competitive practices preceding their award. This action follows a finding issued by the Rouen Court of Appeal on 14 December 2009, confirming a finding of the Rouen Criminal Court of 11 September 2008 that had ordered the companies to compensate the material damages suffered by the *département* for an amount of €4.9 million. These decisions were themselves consecutive on a decision of the Competition Authority (Conseil de la Concurrence^(*)) of 15 December 2005 imposing sanctions on six companies, including Eurovia Haute-Normandie, for anti-competitive practices committed between 1991 and 1998 with respect to tenders for the supply and application of bitumen coatings, which was confirmed on appeal by the Paris Court of Appeal on 30 January 2007. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

- SNCF filed a suit with the Paris Administrative Court (Tribunal Administratif de Paris) on 14 March 2011 against eight construction companies, including several Group subsidiaries, seeking payment of compensation of €59.4 million in principal for damages it claims to have incurred on conclusion, in 1993, of contracts relating to the construction of civil engineering structures at the Magenta and Saint Lazare Condorcet railway stations. This application follows a ruling made by the competition authorities (the Conseil de la Concurrence^(*)) on 21 March 2006. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

- Under a priority question on the constitution, the Constitutional Council ruled, on 11 February 2011, that the Act of 11 December 1996 (approving the Stade de France concession) was unconstitutional. The French government, as concession grantor, has to examine the consequences of this situation. At present, the Stade de France is operated by a company, Consortium Stade de France, in which the Group has a 66.6% holding.

- Mr Antoine Zacharias, former Chairman of VINCI, was summoned to appear before the Nanterre Criminal Court to answer charges of abuse of corporate assets, following a complaint filed by an individual VINCI shareholder. The Nanterre Criminal Court acquitted Mr Zacharias of these charges in a ruling dated 26 March 2010. On appeal by the French Director of Public Prosecutions (Ministère Public), the Versailles Appeal Court issued a ruling on 19 May 2011 finding against Mr Zacharias, guilty of abuse of right. Mr Zacharias has entered an appeal with the Court of Cassation against this ruling. VINCI has petitioned the Commercial Court of Nanterre in order to protect its rights whilst awaiting the decision of the Court of Cassation.

The main disputes that ended in 2011 were the following:

- On 23 May 2004, part of the shell structure (superstructures) of Roissy airport's 2E terminal collapsed. The passageway shells (superstructures) of this terminal had been built by a consortium of several companies that have become subsidiaries of VINCI. The cost of reconstruction work was assumed by the insurance company that insured this building for the principal. Following the filing of the court-appointed experts' report, the parties involved and their insurers decided to make an out-of-court settlement in respect of the indirect financial consequences of the incident, which will therefore not have an unfavourable impact on the Group's financial situation.

- The enforcement committee of the French stock market regulator, the Autorité des Marchés Financiers, notified VINCI on 23 February 2009 of a decision to impose a sanction of €800,000 for non-compliance with an obligation to refrain from making transactions in connection with its share buy-back programme, relating to the period from 20 January to 3 February 2005. On 23 February 2010, the Paris Appeal Court confirmed the decision of the Autorité des Marchés Financiers. VINCI appealed to the final court of appeal (the Court of Cassation) against this decision, but this appeal was rejected by that Court in a ruling dated 29 March 2011.

To the Company's knowledge, there are no other disputes or matters submitted to arbitration (including any proceedings known to the Company, pending or with which it is threatened) likely to have, or having had in the last 12 months, a material effect on the business, financial performance, net assets or financial situation of the Company or Group.

(*) Now known as the *Autorité de la Concurrence*.

I. Post-balance sheet events

31. Appropriation of 2011 net income

The Board of Directors finalised the consolidated financial statements for the year ended 31 December 2011 on 7 February 2012. These financial statements will only become definitive when approved by the Shareholders' General Meeting. A Resolution will be put to the Shareholders Ordinary General Meeting for the payment of a dividend of €1.77 per share in respect of the year, which, taking account of the interim dividend already paid in December 2011 (€0.55 per share), means that the final dividend will be €1.22 per share.

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32. Other post-balance sheet events

32.1 Finance arranged after 31 December 2011

In January 2012, VINCI made several bond issues under its EMTN programme, raising a total of more than €500 million. In addition, at the end of January, VINCI repaid the ASF acquisition loan (€750 million at 31 December 2011).

32.2 Business combinations at 31 December 2011

In January, Eurovia acquired NAPC, a road construction, earthworks and civil engineering company in Chennai, India. NAPC generated revenue of about €100 million in 2011.

Eurovia also signed an agreement to acquire Carmacks, a group of companies based in Alberta, Canada. Carmacks, which builds road infrastructure and carries out maintenance under long-term contracts, generated revenue in the order of C\$200 million in 2011 (about €150 million).

These two acquisitions give Eurovia a foothold in two rapidly growing economies where transport infrastructure projects are expected.

J. List of the main consolidated companies at 31 December 2011

Controlled companies

CC: controlled companies

	31 December 2011		31 December 2010	
	Consolidation method	VINCI's percentage holding	Consolidation method	VINCI's percentage holding
1. CONCESSIONS				
VINCI Autoroutes				
Autoroutes du Sud de la France (ASF)	CC	100.00	CC	100.00
Escota	CC	99.29	CC	99.29
Openly (Operator of the Lyon northern bypass)	CC	100.00	CC	100.00
Cofiroute	CC	83.33	CC	83.33
Cofiroute Corporation (USA)	CC	83.33	CC	83.33
Cofiroute UK (UK)	CC	83.33	CC	83.33
Arcour (A19)	CC	100.00	CC	100.00
VINCI Concessions				
Motorway and road infrastructure (including bridges and tunnels)				
Gefyra (Rion-Antirion bridge – Greece)	CC	57.45	CC	57.45
Stadiums				
Consortium Stade de France	CC	66.67	CC	66.67
Le Mans Stadium	CC	100.00	CC	100.00
VINCI Airports				
Société concessionnaire de l'aéroport de Pochentong – SCA (Cambodia)	CC	70.00	CC	70.00
SEAGI - Grenoble airport	CC	99.00	CC	99.00
SEACA - Chambéry airport	CC	99.00	CC	99.00
SEACFA - Clermont-Ferrand airport	CC	99.00	CC	99.00
SEAQC - Quimper-Cornouaille airport	CC	99.00	CC	99.00
SCAGO - Grand Ouest airport in the west of France	CC	85.00		
Parkazur (Car rental firm business complex at Nice-Côte d'Azur airport)	CC	100.00	CC	100.00
VINCI Park				
VINCI Park France	CC	100.00	CC	100.00
VINCI Park Services	CC	100.00	CC	100.00
VINCI Park CGST	CC	100.00	CC	100.00
Sepadef (Société d'exploitation des parcs de la Défense)	CC	100.00	CC	100.00
VINCI Park Belgium	CC	100.00	CC	100.00
VINCI Park Services Canada	CC	100.00	CC	100.00
VINCI Park España	CC	100.00	CC	100.00
VINCI Park Services Ltd (UK)	CC	100.00	CC	100.00
VINCI Park Services Luxembourg	CC	100.00	CC	100.00
VINCI Park Deutschland GmbH	CC	100.00	CC	100.00
VINCI Park Services Russie	CC	100.00	CC	100.00
Meteor Parking Ltd (UK)	CC	100.00	CC	100.00
Others & holding companies				
Lucitea (public lighting in Rouen, France)	CC	100.00	CC	100.00
VINCI Concessions SA	CC	100.00	CC	100.00
2. CONTRACTING				
VINCI Energies				
VINCI Energies France				
Santerne	CC	100.00	CC	100.00
Entreprise Demousselle	CC	100.00	CC	100.00
Mangin Egly Entreprises	CC	100.00	CC	100.00
Imhoff	CC	100.00	CC	100.00
Tunzini Toulouse	CC	100.00	CC	100.00

	31 December 2011		31 December 2010	
	Consolidation method	VINCI's percentage holding	Consolidation method	VINCI's percentage holding
Graniou Azur	CC	100.00	CC	100.00
Santerne Centre-Est Télécommunications	CC	100.00	CC	100.00
L'Entreprise Électrique	CC	100.00	CC	100.00
GT Le Mans	CC	100.00	CC	100.00
Barillec	CC	99.99	CC	99.99
Masselin Énergie	CC	99.95	CC	99.95
Saga Entreprise	CC	100.00	CC	100.00
IDF Thermic	CC	100.00	CC	100.00
Tunzini	CC	100.00	CC	100.00
Lefort Francheteau	CC	100.00	CC	100.00
SDEL Tertiaire	CC	100.00	CC	100.00
Phibor Entreprises	CC	100.00	CC	100.00
Santerne IDF	CC	100.00	CC	100.00
GTIE Télécoms	CC	100.00	CC	100.00
Interact Systèmes Île-de-France	CC	100.00	CC	100.00
Graniou Île-de-France	CC	100.00	CC	100.00
GTIE Infi	CC	100.00	CC	100.00
SDEL Infi	CC	100.00	CC	100.00
Tunzini Protection Incendie	CC	100.00	CC	100.00
Protec Feu	CC	100.00	CC	100.00
Entreprise d'Électricité et d'Équipement	CC	100.00	CC	100.00
SDEL Contrôle Commande	CC	100.00	CC	100.00
SDEL Elexa	CC	100.00	CC	100.00
VE GSMR	CC	100.00	CC	100.00
Cegelec France				
Cegelec Centre Est	CC	100.00	CC	100.00
Cegelec La Réunion	CC	100.00	CC	100.00
Cegelec Nord & Est	CC	100.00	CC	100.00
Cegelec Nouvelle-Calédonie	CC	100.00	CC	100.00
Cegelec Ouest	CC	100.00	CC	100.00
Cegelec Paris	CC	100.00	CC	100.00
Cegelec Polynésie	CC	100.00	CC	100.00
Cegelec Sud-Est	CC	100.00	CC	100.00
Cegelec Sud-Ouest	CC	100.00	CC	100.00
Cegelec GSS (Global Systems & Services)				
Cegelec SAS	CC	100.00	CC	100.00
Cegelec Guyane	CC	100.00	CC	100.00
Cegelec Space SA	CC	100.00	CC	100.00
Cegelec Algérie SPA DZ	CC	100.00	CC	100.00
Cegelec Qatar	CC	100.00	CC	100.00
Cegelec AS (Czech Republic)	CC	100.00	CC	100.00
Jetec Ingenierie	CC	100.00	CC	100.00
VINCI Energies and Cegelec International				
VINCI Energies España and its subsidiaries (Spark Iberica - Tecuni)	CC	100.00	CC	100.00
Sotécnica (Portugal)	CC	80.00	CC	80.00
VINCI Energies UK	CC	100.00	CC	100.00
Emil Lundgren (Sweden)	CC	100.00	CC	100.00
VINCI Energies Nederland and its subsidiaries (Netherlands)	CC	100.00	CC	100.00
VINCI Energies Deutschland and its subsidiaries (Controlmatic, G+H Isolierung, Calanbau, NK Networks)	CC	100.00	CC	100.00
Atem (Poland)	CC	100.00	CC	100.00
Tiab (Romania)	CC	89.48	CC	88.61
Elektrotrans (Czech Republic)	CC	100.00	CC	79.60
ProCS (Slovakia)	CC	77.50	CC	77.50
VINCI Energies Switzerland and its subsidiaries	CC	100.00	CC	100.00
Cegelec Deutschland GmbH and its subsidiaries	CC	100.00	CC	100.00
Cegelec Österreich Service GmbH	CC	100.00	CC	100.00
Comsip Al A' Ali w.l.l. (Bahrain)	CC	49.00	CC	49.00
Cegelec SA (Belgium)	CC	100.00	CC	100.00
Cegelec Ltda. (Brazil)	CC	100.00	CC	100.00

	31 December 2011		31 December 2010	
	Consolidation method	VINCI's percentage holding	Consolidation method	VINCI's percentage holding
Ensysta China	CC	100.00	CC	100.00
PT Cegelec PMA (Indonesia)	CC	100.00	CC	100.00
Cegelec (Morocco)	CC	98.70	CC	98.76
Cegelec BV Netherlands	CC	100.00	CC	100.00
Cegelec Sp.Zo.o (Poland)	CC	99.98	CC	100.00
VINCI Facilities				
Energilec	CC	100.00	CC	100.00
Opteor IDF Tertiaire	CC	100.00	CC	100.00
Energie sécurité	CC	100.00	CC	100.00
SKE Support Services GmbH (Germany)	CC	100.00	CC	100.00
Bauunternehmung Ehrenfels GmbH	CC	100.00	CC	100.00
G+H Kuhlager und Industriebau	CC	100.00	CC	100.00
SKE Technical Services GmbH	CC	100.00	CC	100.00
G+H Innenausbau	CC	100.00	CC	100.00
SKE Facility Management GmbH	CC	100.00	CC	100.00
STINGL GmbH	CC	100.00	CC	100.00
Faceo FM	CC	100.00	CC	100.00
Faceo Deutschland	CC	100.00	CC	100.00
Faceo Belgium	CC	100.00	CC	100.00
Faceo FM UK	CC	100.00	CC	100.00
Eurovia				
Eurovia France				
Eurovia	CC	100.00	CC	100.00
Eurovia Management	CC	100.00	CC	100.00
Eurovia Stone	CC	100.00	CC	100.00
EJL Nord	CC	100.00	CC	100.00
Eurovia Picardie	CC	100.00	CC	100.00
Eurovia Pas-de-Calais	CC	100.00	CC	100.00
Eurovia Île-de-France	CC	100.00	CC	100.00
EJL Île-de-France	CC	100.00	CC	100.00
Valentin	CC	100.00	CC	100.00
Eurovia Haute-Normandie	CC	100.00	CC	100.00
Matériaux Routiers Franciliens	CC	100.00	CC	100.00
Eurovia Centre-Loire	CC	100.00	CC	100.00
Eurovia Bretagne	CC	100.00	CC	100.00
Eurovia Atlantique	CC	100.00	CC	100.00
Eurovia Basse-Normandie	CC	100.00	CC	100.00
Carrières de Luché	CC	100.00	CC	100.00
Carrières de Chailloué	CC	100.00	CC	100.00
Eurovia Poitou-Charentes-Limousin	CC	100.00	CC	100.00
Eurovia Aquitaine	CC	100.00	CC	100.00
Eurovia Midi-Pyrénées	CC	100.00	CC	100.00
Carrières Kléber Moreau	CC	89.97	CC	89.97
Eurovia Méditerranée	CC	100.00	CC	100.00
Durance Granulats	CC	55.00	CC	55.00
Eurovia Dala	CC	100.00	CC	100.00
Eurovia Alpes	CC	100.00	CC	100.00
Eurovia Lorraine	CC	100.00	CC	100.00
Eurovia Alsace-Franche-Comté	CC	100.00	CC	100.00
Eurovia Bourgogne	CC	100.00	CC	100.00
Eurovia Champagne Ardenne	CC	100.00	CC	100.00
TRMC France	CC	100.00	CC	100.00
Eurovia International				
Eurovia Teerbau (Germany)	CC	100.00	CC	100.00
Eurovia VBU (Germany)	CC	100.00	CC	100.00
Eurovia Beton GmbH (Germany)	CC	100.00	CC	100.00
Eurovia Industrie GmbH (Germany)	CC	100.00	CC	100.00

	31 December 2011		31 December 2010	
	Consolidation method	VINCI's percentage holding	Consolidation method	VINCI's percentage holding
Elbekies (Germany)	CC	100.00	CC	100.00
Ringway Infrastructure Services Ltd (UK)	CC	100.00	CC	100.00
Eurovia Infrastructure Limited (United Kingdom)	CC	100.00	CC	100.00
Eurovia CS (Czech Republic)	CC	100.00	CC	100.00
Eurovia Kamenolomy CZ (Czech Republic)	CC	100.00	CC	100.00
Eurovia SK (Slovakia)	CC	99.19	CC	98.15
Hubbard Construction (USA)	CC	100.00	CC	100.00
Blythe Construction (USA)	CC	100.00	CC	100.00
Construction DJL (Canada)	CC	100.00	CC	100.00
Blacktop (Canada)	CC	100.00	CC	100.00
Bitumix (Chile)	CC	50.10	CC	50.10
Eurovia Polska (Poland)	CC	100.00	CC	100.00
Eurovia Kruszywa (Poland)	CC	100.00	CC	100.00
Eurovia Belgium (Belgium)	CC	100.00	CC	100.00
Caraib Moter (Martinique)	CC	74.50	CC	74.50
Carrières Unies de Porphyre SA (CUP) (Belgium)	CC	100.00	CC	100.00
Viarom Construct SRL (Romania)	CC	96.36	CC	96.36
Granvia Construction s.r.o (Slovakia)	CC	100.00	CC	100.00
Probisa Vias y Obras (Spain)	CC	100.00	CC	100.00
J.L.Polynésie (Polynesia)	CC	82.99	CC	82.99
Eurovia Other activities				
Eurovia Beton	CC	100.00	CC	100.00
Signature Industrie	CC	65.00	CC	65.00
Européenne De Travaux Ferroviaires	CC	100.00	CC	100.00
ETF-Eurovia Travaux Ferroviaires	CC	100.00	CC	100.00
Signature SAS	CC	65.00	CC	65.00
VINCI Construction				
VINCI Construction France	CC	100.00	CC	100.00
Sicra Île-de-France	CC	100.00	CC	100.00
Bateg	CC	100.00	CC	100.00
Campenon Bernard Construction	CC	100.00	CC	100.00
Société d'ingénierie et de réalisation de construction	CC	100.00	CC	100.00
GTM Bâtiment	CC	100.00	CC	100.00
Dumez Île-de-France	CC	100.00	CC	100.00
Petit	CC	100.00	CC	100.00
Lainé Delau	CC	100.00	CC	100.00
Sogea Nord-Ouest	CC	100.00	CC	100.00
Sogea Nord-Ouest TP	CC	100.00	CC	100.00
Sogea Atlantique BTP	CC	100.00	CC	100.00
Bourdarios	CC	100.00	CC	100.00
Sogea Caroni	CC	100.00	CC	100.00
Sogea Picardie	CC	100.00	CC	100.00
Les Travaux du Midi	CC	100.00	CC	100.00
Campenon Bernard Sud Est	CC	100.00	CC	100.00
Sogea Sud	CC	100.00	CC	100.00
GTM Sud	CC	100.00	CC	100.00
Dumez Méditerranée	CC	100.00	CC	100.00
Chantiers Modernes BTP	CC	100.00	CC	100.00
Sobea Environnement	CC	100.00	CC	100.00
Botte Fondations	CC	100.00	CC	100.00
EMCC	CC	100.00	CC	100.00
VINCI Environnement	CC	100.00	CC	100.00
Sogea Sud-Ouest Hydraulique	CC	100.00	CC	100.00
Sogea Travaux Publics et Industries en Île-de-France	CC	100.00	CC	100.00
Dumez Sud	CC	100.00	CC	100.00
GTM TP Île-de-France	CC	100.00	CC	100.00
Sogea Centre	CC	100.00	CC	100.00

	31 December 2011		31 December 2010	
	Consolidation method	VINCI's percentage holding	Consolidation method	VINCI's percentage holding
Compagnie d'Entreprises CFE (Belgium)	CC	46.84	CC	46.84
BPC, Amart, Nizet Entreprises, Van Wellen, CLE, Engema, BPI, Vanderhoydonck CFE Polska, CFE Hungary, Cli Sa	CC	46.84	CC	46.84
CFE Nederland	CC	46.84	CC	46.84
Sogea-Satom				
Sogea-Satom and its subsidiaries (various African countries)	CC	100.00	CC	100.00
Overseas France subsidiaries				
SBTPC (Reunion Island)	CC	100.00	CC	100.00
Sogea Mayotte	CC	100.00	CC	100.00
Sogea Réunion	CC	100.00	CC	100.00
GTM Guadeloupe	CC	100.00	CC	100.00
Dumez-GTM Calédonie (New Caledonia)	CC	100.00	CC	100.00
Nofrayane (French Guiana)	CC	100.00	CC	100.00
Soletanche Freyssinet	CC	100.00	CC	100.00
Freyssinet France	CC	100.00	CC	100.00
The Reinforced Earth Cy (RECO) (USA)	CC	100.00	CC	100.00
Freyssinet Korea	CC	100.00	CC	100.00
Freyssinet Australia	CC	100.00	CC	100.00
Freyssinet International et Cie	CC	100.00	CC	100.00
Menard	CC	100.00	CC	100.00
Nuvia Ltd (UK)	CC	100.00	CC	100.00
Terre Armée Internationale	CC	100.00	CC	100.00
Soletanche Bachy France	CC	100.00	CC	100.00
CSM Bessac SAS (France)	CC	100.00	CC	100.00
Soletanche Bachy Pieux SAS (France)	CC	100.00	CC	100.00
Nicholson Construction Company Inc (USA)	CC	100.00	CC	100.00
Bachy Soletanche Ltd (UK)	CC	100.00	CC	100.00
Bachy Soletanche Group Ltd (Hong Kong)	CC	100.00	CC	100.00
Cimesa (Mexico)	CC	80.00	CC	80.00
Soletanche Bachy Chile	CC	98.85	CC	95.00
Bachy Soletanche Singapore Pte Ltd	CC	100.00	CC	100.00
VINCI plc (UK)	CC	100.00	CC	100.00
VINCI Construction UK	CC	100.00	CC	100.00
VINCI Investment Ltd	CC	100.00	CC	100.00
Taylor Woodrow Construction	CC	100.00	CC	100.00
VINCI Construction Grands Projets	CC	100.00	CC	100.00
Entrepose Contracting	CC	80.31	CC	79.96
Spiecapag	CC	80.31	CC	79.96
Geocœan	CC	80.31	CC	79.96
Entrepose Services	CC	80.31	CC	79.96
Entrepose Projets	CC	80.31	CC	79.96
Central European subsidiaries				
Warbud (Poland)	CC	99.74	CC	99.74
SMP CZ (Czech Republic)	CC	100.00	CC	100.00
Prumstav (Czech Republic)	CC	100.00	CC	100.00
VINCI Construction Terrassement	CC	100.00	CC	100.00
Dodin Campenon Bernard	CC	100.00	CC	100.00
VINCI Immobilier				
VINCI Immobilier	CC	100.00	CC	100.00

Companies accounted for under the equity method

EM: equity method

	31 December 2011		31 December 2010	
	Consolidation method	VINCI's percentage holding	Consolidation method	VINCI's percentage holding
1. CONCESSIONS				
VINCI Autoroutes				
Transjamaican Highway Ltd	EM	12.59	EM	34.00
VINCI Concessions				
Motorway and road infrastructure (including bridges and tunnels)				
Aegan Motorway (Maliakos-Kleidi motorway, Greece)	EM	13.75	EM	13.75
Olympia Odos (Elefsina-Corinth-Patras-Tsakona motorway, Greece)	EM	29.90	EM	29.90
Coentunnel (tunnel in the Netherlands)	EM	27.60	EM	27.60
Granvia (Slovakia)	EM	50.00	EM	50.00
Via Solutions Thüringen (Germany)	EM	50.00	EM	50.00
Via Gateway Thüringen (Germany)	EM	50.00		
Via Solutions Südwest (Germany)	EM	50.00	EM	50.00
SMTPC (Prado-Carénage Tunnel)	EM	33.29	EM	33.29
Tunnel du Prado Sud	EM	58.51	EM	58.51
Strait Crossing Development Inc (Confederation Bridge - Canada)	EM	18.80	EM	18.80
MRDC Operations Corporation (Canada)	EM	25.00	EM	25.00
Severn River Crossing (bridges over the River Severn - UK)	EM	35.00	EM	35.00
Morgan VINCI Ltd (Newport bypass, UK)	EM	50.00	EM	50.00
Lusoponte (bridges on the Tagus - Portugal)	EM	37.27	EM	37.27
NWCC - North West Concession Company (Moscow-St Petersburg motorway)	EM	38.75	EM	38.75
Railway infrastructure				
Locorail (Liefkenshoek railway concessions - Belgium)	EM	36.71	EM	36.71
Synerail	EM	30.00	EM	30.00
Rhôneexpress	EM	35.20	EM	35.20
LISEA	EM	33.40		
Stadiums				
Nice Eco Stadium (France)	EM	50.00		
Stade Bordeaux Atlantique (France)	EM	50.00		
VINCI Airports				
SEARD - Rennes and Dinard airport	EM	49.00	EM	49.00
VINCI Park				
LAZ Parking (USA)	EM	50.00	EM	50.00
2. CONTRACTING				
VINCI Energies				
VINCI Energies France				
Générale d'Infographie	EM	49.99	EM	49.99
Cegelec GSS (Global Systems & Services)				
Miradoux	EM	51.00	EM	51.00
VINCI Energies and Cegelec International				
PMS	EM	33.30	EM	25.00

	31 December 2011		31 December 2010	
	Consolidation method	VINCI's percentage holding	Consolidation method	VINCI's percentage holding
Eurovia				
Eurovia France				
Carrières Roy	EM	50.00	EM	50.00
GBA (Granulats de Bourgogne Auvergne)	EM	30.00	EM	30.00
GDFC (Granulats de Franche-Comté)	EM	40.00	EM	40.00
Eurovia International				
South West Highways (UK)	EM	50.00	EM	50.00
Ringway Jacobs Ltd (UK)	EM	50.00	EM	50.00
Bremanger Quarry (Norway)	EM	23.00	EM	23.00
Signature Vertical Holding	EM	35.00	EM	35.00
VINCI Construction				
VINCI Construction France				
Sport Partenariat	EM	40.00	EM	40.00
Compagnie d'Entreprises CFE (Belgium)				
Dredging Environmental and Marine Engineering (DEME)	EM	23.42	EM	23.42
Soletanche Freyssinet				
Freyssinet SA (Spain)	EM	50.00	EM	50.00
Grupo Rodio Kronsa (Spain)	EM	50.00	EM	50.00
VINCI Construction Grands Projets				
QDVC (Qatar)	EM	49.00	EM	49.00

Report of the Statutory Auditors on the consolidated financial statements

For the year ended 31 December 2011

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To the Shareholders

In accordance with our appointment as Statutory Auditors by your Shareholders' General Meeting, we hereby report to you for the year ended 31 December 2011 on:

- the audit of the accompanying consolidated financial statements of VINCI SA;
- the justification of our assessments; and
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements, based on our audit.

1. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit in such a way as to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit consists in examining, by sampling or other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also consists in assessing the accounting principles used, significant estimates made and the overall presentation of the financial statements. We believe that the information that we have collected provides a sufficient and appropriate basis for our opinion.

In our opinion, the consolidated financial statements for the period give a true and fair view of the financial position, the assets and liabilities, and the results of the group formed by the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.

2. Justification of our assessments

As required by Article L.823-9 of the French Commercial Code relating to the justification of our assessments, we inform you of the following:

- As stated in Note A-3.1, the VINCI Group uses estimates prepared on the basis of information available at the time of preparing its consolidated financial statements, in a context of financial crisis in the eurozone, where the medium-term outlook for business is difficult to assess due to the impacts on financial market volatility, access to financing and economic growth. These estimates relate in particular to:
 - construction contracts: the VINCI Group recognises income from its long-term contracts using the percentage of completion method on the basis of the best available estimates of the final outcome of contracts, as stated in Note A.3.4. We have assessed the assumptions used by the Company in making these estimates and reviewed the calculations made;
 - impairment tests on non-financial assets: the VINCI Group performs impairment tests at least annually on goodwill, and also assesses whether there is any indication that long-term assets may be impaired, in accordance with the methodology described in Notes A.3.18 and E.13 to the consolidated financial statements. We have examined how these impairment tests are performed and the cash flow forecasts and assumptions used.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole and have therefore contributed to the formation of our opinion, given in the first part of this report.

3. Specific verification

We have also verified in accordance with the professional standards applicable in France and as required by law, the information in the Report of the Board of Directors.

We have no comments to make as to its fair presentation and its conformity with the consolidated financial statements.

Paris-La Défense and Neuilly sur Seine, 10 February 2012
The Statutory Auditors

KPMG Audit
Department of KPMG SA

Deloitte & Associés

Patrick-Hubert Petit

Alain Pons

Mansour Belhiba

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Statutory Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report also includes information relating to the specific verification of information given in the Group management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Parent company financial statements

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Income statement

(in € millions)	Notes	2011	2010
Revenue and other income			
Revenue		12.7	9.0
Reversals of provisions and transfers of expenses		8.4	2.4
Other operating income		95.5	85.9
		116.6	97.3
Operating expenses			
Other purchases and external charges		(59.4)	(60.7)
Taxes and levies		(2.9)	(2.8)
Wages, salaries and social benefit charges		(29.8)	(25.9)
Depreciation and amortisation		(7.5)	(5.6)
Provision charges		(1.6)	(13.1)
Other operating expenses		(1.0)	(0.8)
		(102.3)	(108.9)
Share in profit or loss of joint operations		(0.1)	
Operating income		14.2	(11.6)
Financial income			
Income from investments in subsidiaries and affiliates		3,005.8	1,801.0
Income from other marketable securities and fixed asset receivables		37.7	25.9
Other interest and similar income		153.0	90.3
Net income from disposals of marketable securities and treasury shares		13.4	10.2
Foreign exchange gains		3.2	9.4
Reversals of provisions and transfers of expenses		179.6	299.9
		3,392.8	2,236.6
Financial expense			
Expenses related to investments in subsidiaries and affiliates			
Interest paid and similar expenses		(127.7)	(82.9)
Net expense on disposal of marketable securities and treasury shares		(90.3)	(237.4)
Foreign exchange losses		(2.6)	(9.8)
Depreciation, amortisation and provisions		(329.6)	(104.3)
		(550.2)	(434.5)
Net financial income/(expense)	13	2,842.6	1,802.1
Income from ordinary activities		2,856.8	1,790.5
Exceptional income			
- relating to operational transactions			
- relating to capital transactions		3,826.6	137.4
Reversals of provisions and transfers of expenses		17.9	22.1
		3,844.5	159.5
Exceptional expenses			
- relating to operational transactions		(0.4)	(3.0)
- relating to capital transactions		(3,822.9)	(189.2)
Depreciation, amortisation and provisions		(0.1)	(10.2)
		(3,823.5)	(202.3)
Net exceptional income/(expense)	14	21.0	(42.9)
Income tax expense	15	119.7	101.1
Net income for the period		2,997.5	1,848.8

Balance sheet

Assets

<i>(in € millions)</i>	Notes	2011	2010
Intangible assets	1	1.5	1.3
Property, plant and equipment	1	23.1	27.8
Financial assets	2	21,519.8	18,783.6
Treasury shares	3	584.3	190.4
Deferred expenses	4	26.6	5.9
Total non-current assets		22,155.3	19,008.9
Trade receivables and related accounts		84.1	52.9
Other receivables		128.8	155.4
Treasury shares	3	260.2	253.2
Other marketable securities	8	623.1	2,040.6
Cash management current accounts of related companies	8	1,182.2	684.8
Cash	8	1,905.4	598.8
Deferred expenses	10	0.2	0.5
Total current assets		4,184.0	3,786.3
Translation differences, assets		3.9	0.5
Total assets		26,343.2	22,795.6

Equity and liabilities

<i>(in € millions)</i>	Notes	2011	2010
Capital	5	1,413.2	1,381.6
Premiums on share issues, mergers, asset contributions	5	7,285.8	6,923.9
Statutory reserve		138.2	135.5
Other reserves		45.8	45.8
Retained earnings		8,284.0	7,337.9
Net income for the period		2,997.5	1,848.8
Interim dividend(s)		(297.1)	(281.7)
Tax-regulated provisions			
Equity	5	19,867.2	17,391.8
Other equity	6	500.0	500.0
Provisions	7	162.0	144.2
Financial debt	8	5,408.7	4,637.6
Other payables		404.7	120.3
Deferred income	10	0.3	0.7
Total liabilities		5,813.7	4,758.6
Translation differences, liabilities		0.4	1.1
Total equity and liabilities		26,343.2	22,795.6

Cash flow statement

(in € millions)	2011	2010
Operating activities		
Gross operating income	17.7	5.1
Financial and exceptional items	3,087.2	1,854.9
Taxes	125.4	106.9
Cash flows from operations before tax and financing costs	3,230.3	1,966.9
Net change in working capital requirement	(24.1)	(152.1)
Total (I)	3,206.2	1,814.7
Investing activities		
Operating investments	(1.5)	(0.7)
Disposal of non-current assets	8.0	1.1
Net operating investments	6.5	0.4
Acquisition of investments and securities	(1,802.7)	(2,910.9)
Proceeds from disposal of securities		83.0
Net financial investments	(1,802.7)	(2,827.9)
Change in other non-current financial assets and treasury shares	(347.7)	304.9
Total (II)	(2,143.9)	(2,522.7)
Financing activities		
Increases in share capital	393.5	1,155.8
Increase in other equity		
Dividends paid	(618.4)	(589.9)
Interim dividend(s)	(297.1)	(281.7)
Total (III)	(522.0)	284.2
Cash flows for the period (I + II + III)	540.3	(423.9)
Net financial surplus/(debt) at 1 January	(310.0)	113.9
Net financial surplus/(debt) at 31 December	230.3	(310.0)

Notes to the financial statements

A. Key events in the period

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1. Changes in investments in subsidiaries and affiliates

In 2011, VINCI brought together all its shareholdings in French motorway concession operating companies in a single holding company, VINCI Autoroutes.

This consisted in VINCI contributing its shareholding in its subsidiary ASF Holding to VINCI Autoroutes. This contribution was made at book value (€7.9 billion). At the same time, VINCI Concessions contributed its shareholdings in the French motorway concession operating companies to VINCI Autoroutes.

On completion of these contributions, VINCI held 46.31% of the shares representing the share capital of VINCI Autoroutes while VINCI Concessions held 53.69%.

VINCI also increased the share capital of its subsidiary VINCI Finance International by €1.8 billion and acquired 5% of LISEA's shares.

2. Treasury shares

Under its share buy-back programme, VINCI purchased 15,244,984 shares in 2011, for €627.6 million, at an average price of €41.17 per share.

The gross carrying amount of treasury shares at 31 December 2011 was €1,097.5 million (€552.2 million at 31 December 2010).

The carrying amount of VINCI treasury shares has been adjusted on the basis of the average stock market price in December, resulting in recognition of an impairment loss allowance of €144.4 million in the period.

3. Financing activities

VINCI made two issues of bonds in the period, in November 2011 for SFr 200 million (€161.7 million) over six years, and in December 2011 for €750 million over five years.

At the same time, VINCI made a partial repayment of €1 billion of the syndicated bank loan set up in 2006 in connection with the financing of the acquisition of ASF.

Lastly, VINCI agreed a €4 billion, five-year syndicated bank credit facility to replace its credit lines maturing in 2011 and 2012.

B. Accounting policies and methods

The financial statements at 31 December 2011 have been prepared in accordance with the rules applicable in France.

However, in a departure from the French General Accounting Plan and in order to improve the clarity of its financial statements, VINCI reports changes in provisions relating to income and expense items on the same line of the income statement, as determined by their nature, which may be operating, financial, exceptional or tax.

1. Intangible assets

Other than in special cases, software, recorded under "concessions, patents and licences", is amortised over two or three years on a straight-line basis.

2. Property, plant and equipment

Property, plant and equipment is recognised at acquisition cost, including acquisition and installation costs.

Depreciation is calculated on a straight-line basis over an asset's estimated useful life:

Constructions	10 to 40 years
Other property, plant and equipment	3 to 10 years

The Company applies CNC Opinion 2004-06, issued by the Conseil National de la Comptabilité, on the definition, recognition and measurement of assets.

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3. Investments in subsidiaries and affiliates

Investments in subsidiaries and affiliates are measured at their cost of acquisition. In accordance with CRC Regulation 2004-06, issued by the Comité de la Réglementation Comptable, on the definition and recognition of assets, VINCI includes the associated acquisition expenses in the cost of shares. If this cost is greater than the asset's value in use, an impairment allowance is taken equal to the difference, as an exceptional item.

Value in use is determined on the basis of the portion of the equity represented by the shares. This portion is adjusted if necessary to take account of the cash flow prospects for the companies in question.

Capital gains or losses on disposal of shareholdings are recorded under exceptional income and expense.

4. Trade receivables and related accounts

Trade receivables are measured at their nominal value. An impairment allowance is recognised if there is a possibility of non-recovery of these receivables.

5. Receivables and payables denominated in foreign currency

Receivables and payables denominated in foreign currency are measured at the closing rate or at their hedged rate. Any gains or losses arising on this translation are recorded in the balance sheet as translation differences. Provisions are taken in respect of any unrealised losses unless specific rules are laid down in the accounting regulations.

6. Marketable securities

Marketable securities are recognised at their acquisition cost and an impairment loss is recorded whenever the cost is higher than the latest net realisable value at the period end.

7. Financial instruments

Loans (bonds, bank and intra-group borrowing) are recorded under liabilities at their nominal value. The associated issuance costs are recorded under deferred expenses, redemption premiums under assets, and issuance premiums under deferred income. These three items are amortised over the length of the loan.

Loans and advances are recognised at nominal value. In the event of a risk of non-recovery, an impairment allowance is recognised.

Forward financial instruments and derivative financial instruments are measured at the period end. A provision is recognised in the income statement for any unrealised losses only if the instruments are not designated as hedges.

8. Treasury shares

Treasury shares allocated to share purchase option and performance share plans are recognised under marketable securities.

In accordance with CRC Regulation 2008-15, issued by the Comité de la Réglementation Comptable, a provision is taken as a financial expense during the period in which the beneficiaries' rights vest, whenever an expense becomes probable.

Treasury shares not allocated to plans are recorded under other non-current financial assets at their acquisition cost.

An impairment allowance is recognised as a financial expense if the average stock market price of these shares during the last month of the period is lower than their unit cost. However, shares intended for cancellation are not written down.

Whenever plans are hedged by call options, the premiums paid are recorded under marketable securities when the options hedge share purchase option plans or performance share plans, and under other non-current financial assets when these options hedge share subscription option plans.

In both cases, a provision is recognised whenever an expense becomes probable.

Income and expense relating to treasury shares (provisions and gains or losses on disposal) are recognised under financial income/(expense).

9. Retirement benefit obligations

Provisions are recorded in the balance sheet in respect of the Company's obligations to pay supplementary pensions to certain employees or company officers, for the part relating to beneficiaries who are retired. An off-balance sheet commitment is recorded for the portion relating to beneficiaries who have not yet retired.

Retirement benefit obligations (lump sums paid on retirement and supplementary retirement benefit plans) are measured using the prospective actuarial method (the projected unit credit method) on the basis of external assessments made at each period end, for each existing plan.

Actuarial gains and losses that exceed 10% of commitments or of the market value of the corresponding investments are amortised over the average residual working life of employees in service who are members of the plan.

10. Other provisions

Other provisions are intended to cover the risks arising from past or present events that are probable at the balance sheet date. They are estimates as regards their amount and expected period of use.

11. Income tax

Under the group tax regime agreement between VINCI and those subsidiaries that are members of the tax group, tax savings made by the tax group connected with the tax losses of some subsidiaries are recognised by the parent company as income for the period.

Provisions for tax taken and reversed are recorded here.

C. Notes to the balance sheet

1. Intangible assets and property, plant and equipment

Gross values

<i>(in € millions)</i>	2010	Acquisitions	Disposals	2011
Intangible assets	6.4	1.0		7.4
(Concessions, patents and licences)				
Total intangible assets	6.4	1.0		7.4
Property, plant and equipment				
Land	9.7		(0.9)	8.8
Constructions	30.9		(3.8)	27.1
Plant and machinery				
Other property, plant and equipment and assets under construction	22.5	0.4	(0.3)	22.6
Total property, plant and equipment	63.2	0.4	(5.0)	58.6

Property, plant and equipment is mainly used for the Company's operations or those of its subsidiaries. However, some properties are rented to third parties.

Depreciation, amortisation and impairment

(in € millions)	2010	Expense	Reversals	2011
Intangible assets	5.0	0.8		5.8
(Concessions, patents and licences)				
Total intangible assets	5.0	0.8		5.8
Property, plant and equipment				
Land				
Constructions	20.5	2.4	(2.5)	20.4
Plant and machinery				
Other property, plant and equipment	14.8	1.2	(0.9)	15.1
Total property, plant and equipment	35.3	3.6	(3.4)	35.5

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2. Financial assets

Gross values

(in € millions)	2010	Acquisitions	Disposals	Contributions	2011
Investments in subsidiaries and affiliates	17,836.4	9,719.6		(7,916.9)	19,639.1
Receivables connected with investments in subsidiaries and affiliates	1,003.3	924.3			1,927.6
Other fixed asset securities	4.6				4.6
Other non-current financial assets	9.8		(0.3)		9.5
Total	18,854.1	10,643.9	(0.3)	(7,916.9)	21,580.8

The main changes in the portfolio of shareholdings during the period are described in Note A.1 "Changes in investments in subsidiaries and affiliates" in the "Key events in the period" section.

Impairment allowances

(in € millions)	2010	Expense	Reversals	2011
Investments in subsidiaries and affiliates	57.8		(9.2)	48.6
Receivables connected with investments in subsidiaries and affiliates	5.5		(0.4)	5.1
Other fixed asset securities	4.4			4.4
Other non-current financial assets	2.8			2.8
Total	70.5		(9.6)	60.9

3. Treasury shares

Transactions under the 2010–2011 and 2011–2012 share buy-back programmes:

Gross values

	Position at 31/12/2010		Increases: buy-backs		Decreases: disposals and transfers		Reclassifications: transfers between accounts		Position at 31/12/2011	
	Unit value in €	Value in €m	Unit value in €	Value in €m	Unit value in €	Value in €m	Unit value in €	Value in €m	Unit value in €	Value in €m
Cash transactions on VINCI shares										
Shares bought back to use in payment or exchange	44.61	211.6	41.17	627.6			43.55	(90.3)	41.8	748.9
Shares bought back to be cancelled										
Subtotal directly held treasury shares		211.6		627.6				(90.3)		748.9
Liquidity account										
Subtotal non-current financial assets		211.6		627.6				(90.3)		748.9
Shares intended to be transferred to the beneficiaries of share purchase option and performance share plans	51.48	340.6			52.01	(82.4)	43.55	90.3	49.05	348.5
Subtotal current assets		340.6				(82.4)		90.3		348.5
Total		552.2		627.6		(82.4)				1,097.5
Transactions on VINCI share derivatives										
Premiums on call options on VINCI shares										
Total										

During 2011, VINCI acquired 15,244,984 shares on the market for a total of €627.6 million, an average price of €41.17 per share. Transaction costs on these buy-backs amounted to €188,281.

In 2011, 1,583,889 treasury shares were used as follows:

- 1,472,656 shares were definitively allocated on 15 September 2011 to the beneficiaries of the performance share plan decided by the Board of Directors on 15 September 2009. These grants of shares generated an expense of €76.9 million covered by a release for the same amount of provisions taken in this respect in 2009 and 2010;
- 111,233 shares were transferred to the beneficiaries of call options exercised, for an aggregate amount of €4.3 million, representing an average exercise price of €38.93.

During the same period, 2,073,048 shares, for an amount of €90.3 million, were reallocated to covering performance share plans.

Impairment allowances

(in € millions)	2010	Expense	Reversals	2011
Treasury shares (recorded under non-current assets)	21.2	151.7	(8.3)	164.6
Treasury shares (recorded under current assets)	87.4	61.9	(60.9)	88.4
Total	108.6	213.6	(69.2)	253.0

In 2011, the fall in the stock market price of the VINCI share resulted in a net supplementary allowance of €144.4 million (the average stock market price was €32.62 in December 2011 against €40.13 in December 2010).

Number of shares

	Position at 31/12/2010	Increases: buy-backs	Decreases: disposals and transfers	Reclassifications: transfers between accounts	Position at 31/12/2011
Cash transactions on VINCI shares					
Shares bought back to use in payment or exchange	4,743,467	15,244,984		(2,073,048)	17,915,403
Shares bought back to be cancelled					
Subtotal directly held treasury shares	4,743,467	15,244,984		(2,073,048)	17,915,403
Liquidity account	-				
Subtotal non-current financial assets	4,743,467	15,244,984		(2,073,048)	17,915,403
Shares intended to be transferred to the beneficiaries of share purchase option and performance share plans	6,616,939		(1,583,889)	2,073,048	7,106,098
Subtotal current assets	6,616,939		(1,583,889)	2,073,048	7,106,098
Total	11,360,406	15,244,984	(1,583,889)		25,021,501
Transactions on VINCI share derivatives					
Premiums on call options on VINCI shares					
Total					

At 31 December 2011, VINCI held 25,021,501 treasury shares directly, for a total of €1,097.5 million (representing 4.43% of the share capital); 7,106,098 shares (€348.5 million) were allocated to covering share purchase option and performance share plans, while the balance of 17,915,403 shares (€748.9 million) corresponds to shares intended to be either contributed under an exchange in external growth transactions or sold.

4. Deferred expenses

(in € millions)	2010	New deferrals	Amortisation	2011
	5.9	24.4	(3.7)	26.6

The increase of deferred expenses in 2011 was due to the issuance costs and redemption premiums incurred for €24.4 million in respect of the new loans and credit facilities obtained in the period (see Note A.3 "Financing activities" in the "Key events in the period" section). Deferred expenses at 31 December 2011 also include the balance of expenses and redemption premiums of the €500 million perpetual subordinated loan issued in 2006 (€3.7 million).

5. Equity

<i>(in € millions)</i>	Capital	Share premium	Other reserves and regulated provisions	Profit or loss	Total
Equity at 31/12/2010	1,381.6	6,923.9	7,237.5	1,848.8	17,391.8
Appropriation of 2010 net income and payment of dividends			1,230.4	(1,848.8)	(618.4)
Interim dividend in respect of 2011			(297.1)		(297.1)
Increases in share capital	31.6	361.9			393.5
Reduction of share capital by cancellation of shares					
Other appropriations					
Net income for 2011				2,997.5	2,997.5
Tax-regulated provisions					
Equity at 31/12/2011	1,413.2	7,285.8	8,170.8	2,997.5	19,867.2

At 31 December 2011, VINCI's share capital amounted to €1,413.2 million, represented by 565,276,672 shares of €2.5 nominal, all conferring the same rights.

The share capital increases in the period, amounting to €393.5 million, are the result of subscriptions to the Group Savings Scheme for €342.5 million, and the exercise of subscription options for a total of €51.0 million.

The dividends paid in 2011 amounted to €915.5 million, corresponding to the final dividend in respect of 2010 for €618.4 million (€1.15 per share) and the interim dividend in respect of 2011 for €297.1 million (€0.55 per share).

VINCI has reserves (share premiums, merger and contribution premiums, reserves other than the statutory reserve) of an amount greater than the amount of all the treasury shares it owned directly or indirectly at 31 December 2011.

Issues of shares during the period break down as follows:

<i>(in € millions)</i>	Number of shares	Capital	Share premiums and other reserves	Total
Employees' subscriptions to the Group Savings Scheme	10,084,333	25.2	317.3	342.5
Exercise of share subscription option plans	2,571,892	6.4	44.5	51.0
Total	12,656,225	31.6	361.8	393.5

6. Other equity

On 13 February 2006, VINCI issued perpetual subordinated bonds for €500 million.

Issued at a price of 98.831%, this loan pays a fixed optional coupon of 6.25%, payable annually until November 2015. This is only due if VINCI pays a dividend to its shareholders or if the Company buys back its own shares during the reference period. After November 2015, the interest rate becomes variable and payable quarterly at the Euribor three-month rate plus 3.75%. VINCI may redeem the bonds at par in November 2015 and subsequently at each interest payment date.

7. Provisions

<i>(in € millions)</i>	2010	Expense	Reversals		2011
			Provisions used	No longer needed	
Retirement and other employee benefit obligations	34.5	1.3	(2.0)	(3.1)	30.7
Liabilities in respect of subsidiaries	9.5			(5.9)	3.6
Other provisions	100.2	83.8	(37.7)	(18.5)	127.7
Total	144.2	85.1	(39.7)	(27.5)	162.0

The provisions for retirement and similar benefit obligations relate solely to beneficiaries who have retired.

Retirement benefit obligations are calculated on the basis of the following actuarial assumptions:

	31/12/2011	31/12/2010
Discount rate	5.0%	5.0%
Inflation rate	2.2%	2.1%
Rate of salary increases	3.2%	3.1%
Rate of pension increases	2.0% to 2.2%	1.9% to 2.0%
Probable average remaining working life of employees	1 to 14 years	1 to 15 years

Other provisions relate in particular to VINCI's obligation to deliver shares under the performance share plans decided by the Board of Directors, dated 9 July 2010 and 2 May 2011. Provisions have been taken in this respect at the end of 2011 for €44.3 million and €30.9 million respectively taking account of the probability, at 31 December 2011, that these shares will be definitively granted.

8. Net financial (surplus)/debt

(in € millions)	2011	2010
Bonds	914.5	
Borrowings from financial institutions	750.0	1,750.0
Accrued interest on bonds	5.5	4.3
Long-term financial debt	1,670.0	1,754.3
Borrowings from financial institutions and bank overdrafts	3.8	34.8
Other borrowings and financial debt	549.9	60.0
Cash management current accounts of related companies	3,184.9	2,788.5
Short-term financial debt	3,738.6	2,883.3
Total financial debt	5,408.6	4,637.6
Receivables connected to investments in subsidiaries and affiliates and loans	(1,923.0)	(998.3)
Liquidity contract UCITS	(5.1)	(5.1)
Marketable securities	(623.2)	(2,040.6)
Cash management current accounts of related companies	(1,182.2)	(684.8)
Cash	(1,905.4)	(598.8)
Short-term cash	(3,715.9)	(3,329.3)
Net financial (surplus)/debt	(230.3)	310.0

VINCI's net financial position moved from net financial debt of €310.0 million at 31 December 2010 to a net financial surplus of €230.3 million at 31 December 2011, a difference of €540.3 million.

Two issues of bonds were made in the period, for a total of €911.7 million, comprising SFr 200 million (€161.7 million) over six years in November 2011 and €750 million over five years in December 2011.

The line item "borrowings from financial institutions" comprises €750 million remaining outstanding on the syndicated loan of an initial amount of €3 billion taken out in 2006 with a bank pool in connection with the financing of the acquisition of ASF. In 2011, this loan was partially repaid for €1 billion.

The cash management current accounts of related companies, shown under assets and liabilities, represent the balance of movements of cash between the subsidiaries and the holding company under the Group's centralised cash management system.

Marketable securities mainly comprise certificates of deposit and monetary UCITS with maturities of usually less than three months of which the carrying amount is close to their net asset value.

9. Market value of derivatives

VINCI uses derivatives to hedge its exposure to market risks in respect of its financial debt. VINCI also uses these instruments to cover its subsidiaries' hedging needs.

At 31 December 2011, the market value of these financial instruments broke down as follows:

<i>(in € millions)</i>	Market value	Notional
Interest rate instruments		
- Interest rate swaps	5.1	911.7
- Interest rate options (caps, floors and collars)	(0.1)	720.5
Currency instruments		
- Forward purchases	0.8	24.2
- Currency swaps	2.8	161.7
Other hedging instruments		

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10. Receivables and payables

Receivables at 31 December 2011

<i>(in € millions)</i>	Gross	Of which	
		Within 1 year	After 1 year
Non-current assets			
Receivables connected with investments in subsidiaries and affiliates	1,927.6	1,036.6	891.0
Loans and other non-current financial assets	1.4	1.4	
	1,929.0	1,038.0	891.0
Current assets			
Trade receivables and related accounts	85.3	85.3	
Other receivables	207.6	207.6	
Cash management current accounts of related companies	1,182.2	1,182.2	
Deferred expenses	0.2	0.2	
	1,475.3	1,475.3	
Total	3,404.3	2,513.3	891.0

Allowances against receivables

Allowances against current assets changed as follows during the period:

<i>(in € millions)</i>	2010	Expense	Reversals	2011
Trade receivables	0.9	0.3		1.2
Other receivables	79.0			79.0
Total	79.9	0.3		80.2

Liabilities at 31 December 2011

(in € millions)	Gross	Of which		
		Within 1 year	Between 1 and 5 years	After 5 years
Financial debt				
Bonds	920.0			920.0
Amounts owed to financial institutions	753.8	753.8		
Other borrowings and financial debt	549.9	549.9		
Cash management current accounts of related companies	3,184.9	3,184.9		
	5,408.6	4,488.6		920.0
Other payables				
Trade payables and related accounts	14.7	14.7		
Tax, employment and social benefit liabilities	11.9	11.9		
Liabilities related to non-current assets and related accounts	300.3	300.3		
Other payables	77.8	77.8		
Deferred income	0.3	0.3		
	405.0	405.0		
Total	5,813.7	4,893.6		920.0

In accordance with France's LME Act on Modernising the Economy, and Article L.441-6-1 of the French Commercial Code, the following table shows VINCI's debt to its suppliers by maturity:

Maturity of trade payables at 31 December

(in € millions)	2011	2010
Within 30 days	0.4	14.5
Between 30 and 60 days	1.1	0.2
Total	1.5	14.7

11. Accrued expenses, by balance sheet item

(in € millions)	2011	2010
Financial debt		
Accrued interest on bonds	5.5	4.3
Accrued interest on amounts owed to financial institutions	0.4	1.2
Other liabilities		
Trade payables and related accounts	13.0	13.3
Income tax	0.8	0.7
Other tax, employment and social benefit payables	6.1	5.9
Liabilities related to non-current assets and related accounts		
Other payables	3.9	5.6

12. Accrued income, by balance sheet item

(in € millions)	2011	2010
Financial assets		
Receivables connected with investments in subsidiaries and affiliates	1.7	1.6
Other non-current financial assets		
Receivables		
Trade receivables and related accounts	78.8	49.4
Other	2.9	2.5
Marketable securities	0.1	14.0
Cash	4.0	0.4

D. Notes to the income statement

13. Net financial income/(expense)

<i>(in € millions)</i>	2011	2010
Income from subsidiaries and affiliates	3,005.8	1,801.0
Net financial expense	(5.6)	(16.4)
Foreign exchange gains and losses	0.6	(0.5)
Provisions and other	(158.2)	18.0
Net financial income/(expense)	2,842.6	1,802.1

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Income from investments in subsidiaries and affiliates corresponds to the dividends received from subsidiaries.

Net financial expense decreased in 2011, falling from €16.4 million in 2010 to €5.6 million in 2011 as a result of the decrease in average net financial debt.

In 2011, the line item "provisions and other" mainly comprises the net impairment allowance against the VINCI treasury shares (see Note A.2 "Treasury shares" in the "Key events in the period" section).

14. Net exceptional income/(expense)

<i>(in € millions)</i>	2011	2010
Gain/(loss) on capital transactions		
- Disposals of property, plant and equipment, and intangible assets		0.7
- Disposals/contributions of shares and securities	3.7	(52.5)
Income/(expense) relating to operations	(0.4)	(3.0)
Exceptional provisions	17.8	11.9
Net exceptional income/(expense)	21.0	(42.9)

15. Income tax expense

The line item "income tax expense" records income and expense connected with the group tax regime of which VINCI is the lead company.

Net tax income amounted to €119.7 million in 2011, compared with €101.1 million in 2010.

Tax income in respect of 2011 received from subsidiaries that are members of the tax group amounted to €668.8 million in 2011 (€633.7 million in 2010). The tax expense due by VINCI was €535.9 million in 2011 (€528 million in 2010).

16. Related companies

16.1 Balance sheet

Balance sheet items at 31 December 2011 relating to related companies break down as follows:

(in € millions)

Assets	
Non-current assets	
Investments in subsidiaries and affiliates	19,637.8
Receivables connected with investments in subsidiaries and affiliates	892.3
Current assets	
Trade receivables and related accounts	81.0
Other receivables	131.5
Cash management current accounts of related companies	1,182.2
Equity and liabilities	
Other borrowings and financial debt	24.9
Other liabilities related to investments in subsidiaries and affiliates	
Cash management current accounts of related companies	3,184.8
Trade and other operating payables	
Liabilities related to non-current assets and related accounts	300.3
Trade payables and related accounts	0.8
Other payables	72.0

16.2 Income statement

The transactions with related companies recorded in 2011 break down as follows:

(in € millions)

Income	
Financial income	
Cash management current accounts	39.7
Loans to subsidiaries	21.5
Dividends (including results of joint ventures)	3,004.6
Other	67.8
Expenses	
Financial expense	
Cash management current accounts	36.7

17. Off-balance sheet commitments

(in € millions)	2011	2010
Sureties and guarantees	705.6	1,179.3
Retirement benefit obligations	17.3	15.7
Joint and several guarantees in partnerships	32.4	11.0
Investment commitments		
Total	755.2	1,205.9

The line item "sureties and guarantees" mainly relates to the guarantees given by VINCI on behalf of certain of its subsidiaries in favour of financial institutions or directly to those subsidiaries' customers.

Retirement benefit obligations comprise lump sums payable on retirement to VINCI personnel and obligations for a supplementary retirement benefit in favour of certain employees or company officers in service.

18. Remuneration and employees

Remuneration of executives

Remuneration, including social benefit charges, recognised in respect of members of Group corporate management bodies, for the share borne by VINCI in 2011, breaks down as follows:

<i>(in € thousands)</i>	Members of the Executive Committee	Directors who are not members of the Executive Committee
Remuneration	6,687.3	330.0
Directors' fees		822.5

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Retirement benefit obligations towards members of corporate governing bodies, corresponding to the rights acquired as at 31 December 2011, break down as follows:

<i>(in € thousands)</i>	Members of the Executive Committee	Directors who are not members of the Executive Committee
Retirement benefit obligations	13,670.5	6,738.5

The members of the corporate governing bodies are also entitled to share subscription and purchase option plans and to performance share plans.

Average numbers employed

The average number of people employed by the Company increased from 164 in 2010 (including 123 engineers and managers) to 189 in 2011 (including 142 engineers and managers). In addition, 14 employees on average were seconded to VINCI in 2011, compared with 16 in 2010 (including 10 engineers and managers in 2011, compared with 13 in 2010).

Employee training rights

In application of CNC Opinion 2004 F relating to the recognition of the individual entitlement to training, VINCI has taken no provisions for these rights in the financial statements for the period ended 31 December 2011.

A total of 2,696 hours training were acquired in 2011 by VINCI employees under this entitlement. The total rights acquired at 31 December 2011 were 12,447 hours (10,798 hours at 31 December 2010). In 2011, 9,842 hours of training remained unused by the beneficiaries.

E. Post balance sheet events

1. Appropriation of 2011 income

The Board of Directors finalised the financial statements for the year ended 31 December 2011 on 7 February 2012. These financial statements will only become definitive when approved by the Shareholders' General Meeting. A Resolution will be put to the Shareholders' Ordinary General Meeting for the payment of a dividend of €1.77 per share in respect of the period, which, taking account of the interim dividend already paid in December 2010 (€0.55 per share) means that the final dividend will be €1.22 per share, an amount of the order of €660.9 million on the basis of the shares giving a right to dividend at 28 January 2012.

2. Finance arranged after 31 December 2011

In January 2012, VINCI made several bond issues under its EMTN programme, raising a total of more than €500 million. In addition, at the end of January, VINCI repaid the balance of the bank loan financing the acquisition of ASF (€750 million at 31 December 2011).

F. Subsidiaries and affiliates at 31 December 2011

The information in the following table reflects only the individual financial statements of the subsidiaries.

		Reserves and retained earnings before net income allocation	Share of capital held (%)	Carrying amount of shares held		Loans and advances made by VINCI	Sureties and guarantees given by VINCI	Revenue excl. tax in the last financial year	Net income in the last financial year	Dividends received by VINCI
(in € thousands)	Capital			Gross	Net					
A – Detailed information by entity										
1 - Subsidiaries										
(At least 50% owned by VINCI)										
a- French entities										
Cegelec Entreprise	1,292,449	83,112	100.00%	1,292,634	1,292,634			18,124	11,839	
Eurovia	366,400	61,907	100.00%	1,034,160	1,034,160	247,891			167,130	329,760
Ornem	12,000	(3,529)	100.00%	24,462	8,528				64	
S N E L	2,622	2,503	99.98%	2,742	2,742				1,267	
GECOM	20,000	4,812	100.00%	19,998	19,998				27,737	54,000
VINCI Assurances	38		99.44%	38	38			9,344	866	
VINCI Concessions	4,306,926	2,228,900	100.00%	6,535,932	6,535,932	592,239			726,872	815,177
VINCI Construction	148,806	171,454	100.00%	963,265	963,265			5,441	306,802	364,762
VINCI Energies	99,511	190,709	99.18%	305,348	305,348			336,342	186,023	235,022
VINCI Immobilier	39,600	18,063	100.00%	111,398	111,398			785	11,982	62,992
b- Foreign entities										
VINCI Finance International	3,338,700	47,274	100.00%	3,338,700	3,338,700				44,910	
Ste Conces Pochentong	17,003	64,514	70.00%	12,901	12,901	6,207		65,296	17,907	6,086
2 – Affiliates										
(10% to 50% owned by VINCI)										
a- French entities										
VINCI Autoroutes	7,705,533	3,913,527	46.31%	5,902,284	5,902,284			396	913,608	419,948
b- Foreign entities										
B – Information not broken down by entity										
1- Subsidiaries not included in paragraph A (at least 50% owned by VINCI)										
a- French subsidiaries (in aggregate)				43,189	28,801					
b- Foreign subsidiaries (in aggregate)				2,022						
2- Shareholdings not included in paragraph A (between 10% and 50% owned by VINCI)										
a- French companies (in aggregate)				1,708	102					
b- Foreign companies (in aggregate)				1,725						

N.B. revenue and net income of foreign subsidiaries and shareholdings are translated at the closing rates. Information about shareholdings representing less than 1% of VINCI's share capital is aggregated, in accordance with Article R 123-197-2 of the French Commercial Code.

Five-year financial summary

	2007	2008	2009	2010	2011
I – Share capital at the end of the period					
a – Share capital (in € thousands)	1,214,942.0	1,240,406.2	1,302,393.9	1,381,551.1	1,413,191.7
b – Number of ordinary shares in issue ⁽¹⁾	485,976,788	496,162,480	520,957,550	552,620,447	565,276,672
c – Maximum number of shares to be issued through conversion of bonds					
II – Operations and net income for the period (in € thousands)					
a – Revenue excluding taxes	24,832.8	23,876.3	8,540.0	8,999.7	12,656.7
b – Income before tax, employee profit sharing, amortisation and provisions	4,309,269.6	1,126,831.3	170,099.4	1,556,936.2	3,011,046.9
c – Income tax ⁽²⁾	(229,401.4)	(241,471.4)	(45,061.7)	(101,137.6)	(119,676.9)
d – Income after tax, employee profit sharing, amortisation and provisions	4,513,174.9	(98,782.4)	1,640,865.1	1,848,790.3	2,997,454.0
e – Earnings for the period distributed	714,001.4	770,293.1	849,927.3	900,050.5	958,848.5 ⁽³⁾⁽⁴⁾
III – Results per share (in euros)⁽⁵⁾					
a – Income after tax and employee profit sharing and before amortisation and provisions	9.3	2.8	0.4	3.0	5.5
b – Income after tax, employee profit sharing, amortisation and provisions	9.3	(0.2)	3.1	3.3	5.3
c – Net dividend paid per share	1.52	1.62	1.62	1.67	1.77 ⁽⁴⁾
IV – Employees					
a – Average numbers employed during the period	219	178	158	164	189
b – Gross payroll cost for the period (in € thousands)	19,089.3	24,966.3	13,712.1	16,175.5	18,561.8
c – Social security costs and other social benefit expenses (in € thousands)	7,881.6	8,277.1	7,965.9	7,143.3	8,168.6

(1) There were no preferential shares in issue in the period under consideration; moreover, the nominal value of the share was divided by two in May 2007, resulting in a doubling of the number of shares during the period.

(2) Taxes recovered from subsidiaries under tax consolidation arrangements, less VINCI's own tax charge.

(3) Calculated on the basis of the number of shares that have given a right to the interim dividend and/or give a right to dividends at 28 January 2012.

(4) Proposal to the Shareholders' General Meeting on 12 April 2012.

(5) Calculated on the basis of shares outstanding at 31 December.

Report of the Statutory Auditors on the parent company financial statements

For the year ended 31 December 2011

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To the shareholders

In accordance with our appointment as Statutory Auditors by your Shareholders' General Meeting, we hereby report to you for the year ended 31 December 2011 on:

- the audit of the accompanying financial statements of VINCI SA;
- the justification of our assessments; and
- the specific verifications and information required by law.

The financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements, based on our audit.

1. Opinion on the parent company financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit in such a way as to obtain reasonable assurance that the financial statements are free of material misstatement. An audit consists in examining, by sampling or other selection methods, evidence supporting the amounts and disclosures in the annual financial statements. An audit also consists in assessing the accounting principles used, significant estimates made and the overall presentation of the financial statements. We believe that the information that we have collected provides a sufficient and appropriate basis for our opinion.

In our opinion, the financial statements referred to above give a true and fair view of your Company's financial position, its assets and liabilities at 31 December 2011 and the results of its operations for the year then ended in accordance with accounting principles generally accepted in France.

2. Justification of our assessments

As required by Article L.823-9 of the French Commercial Code relating to the justification of our assessments, we inform you of the following:

- As disclosed in Note B.3 to the financial statements presenting the accounting rules and methods relating to shares in subsidiaries and affiliates, your Company provides for impairment of investments in subsidiaries and affiliates whenever the cost of acquisition of the shares exceeds their value in use. We have assessed the assumptions underlying these estimates and verified the Company's calculations.

These assessments were made as part of our audit of the annual financial statements taken as a whole and have therefore contributed to the formation of our opinion, given in the first part of this report.

3. Specific verifications and information

We have also carried out, in accordance with the professional standards applicable in France, the specific verifications required by law.

We have no comments to make as to the fair presentation and consistency with the annual financial statements of the information given in the report of the Board of Directors and in the documents addressed to the shareholders, with respect to the financial position and the annual financial statements.

Regarding the information provided in application of Article L.225-102-1 of the French Commercial Code on the remuneration and benefits paid to company officers and on the commitments made to them, we have verified that the information is consistent with the financial statements or data having served to prepare those financial statements, and if applicable, with the information collected by your Company from the companies it controls or that control it. On the basis of this work, we attest the exactness and fair presentation of this information.

In accordance with French law, we have ascertained that the appropriate disclosures have been provided in the Board of Directors' report with regard to the acquisition of shareholdings and controlling interests, the identity of shareholders and holders of voting rights.

Paris-La Défense and Neuilly sur Seine, 10 February 2012
The Statutory Auditors

KPMG Audit
Department of KPMG S.A.

Deloitte & Associés

Patrick-Hubert Petit

Alain Pons

Mansour Belhiba

This is a free translation into English of the Statutory Auditors' report on the financial statements issued in French and is provided solely for the convenience of English-speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements. This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Persons responsible for the registration document

1. Statement by the person responsible for the registration document

"I declare, having taken all due care, that to the best of my knowledge, the information presented in this registration document gives a true and fair view and that there are no omissions likely to affect materially the meaning of the said information.

"I confirm that, to the best of my knowledge, the financial statements have been prepared in compliance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all consolidated entities. I also confirm that the Report of the Board of Directors that starts on page 98 presents a true and fair view of business developments, the results and the financial position of the Company and all consolidated entities, as well as a description of the principal risks and uncertainties that they face.

"I have received a letter from the Statutory Auditors reporting on the completion of their audit work and stating that they have verified the information relating to the financial position and financial statements included in the present document as well as the overall presentation of this document. "The Statutory Auditors' reports on the historical financial information provided in the registration document are included on pages 261 and 280 of this document. These reports contain no observations with respect to the 2011 financial year. In 2010 (pages 270 and 289 of the 2010 registration document filed with the AMF on 23 March 2011), the Statutory Auditors' report on the consolidated financial statements contained an observation on the changes of accounting method made. In 2009 (pages 257 and 277 of the 2009 registration document filed with the AMF on 26 March 2010), the Statutory Auditors' reports contained no observations."

Xavier Huillard, Chairman and Chief Executive Officer

2. Statutory Auditors

Names of the Statutory Auditors

Statutory Auditors

KPMG SA

A member of KPMG International
Immeuble Le Palatin, 3 cours du Triangle
92939 Paris-La Défense, France
(Patrick-Hubert Petit)

First appointed: 10 May 2007

Current appointment expires at the close of the Shareholders' General Meeting to approve the 2012 financial statements.

Deloitte & Associés

185 avenue Charles de Gaulle, 92200 Neuilly sur Seine, France
(Alain Pons and Mansour Belhiba)

First appointed: 30 May 2001

Current appointment expires at the close of the Shareholders' General Meeting to approve the 2012 financial statements.

Deputy Statutory Auditors

Philippe Mathis

Immeuble Le Palatin, 3 cours du Triangle
92939 Paris-La Défense, France

First appointed: 10 May 2007

Current appointment expires at the close of the Shareholders' General Meeting to approve the 2012 financial statements.

BEAS SARL

7-9 villa Houssay, 92200 Neuilly sur Seine, France

First appointed: 30 May 2001

Current appointment expires at the close of the Shareholders' General Meeting to approve the 2012 financial statements.

The Company's Statutory Auditors are registered with the official statutory auditors' representative body (Compagnie Nationale des Commissaires aux Comptes) and are subject to the authority of the French High Council for Statutory Audit (Haut Conseil du Commissariat aux Comptes).

3. Persons responsible for financial information

Christian Labeyrie, Executive Vice-President, Chief Financial Officer and member of the Executive Committee (+33 1 47 16 35 23).

Pierre Duprat, Director of Corporate Communications and member of the Executive Committee (+33 1 47 16 44 06).

Franck Mougin, Vice-President, Human Resources and Corporate Social Responsibility and member of the Executive Committee (+33 1 47 16 37 58).

Patrick Richard, General Counsel, Secretary to the Board of Directors and member of the Executive Committee (+33 1 47 16 38 83).

4. Other information referred to in this document

The following information referred to in this registration document is deemed to have been provided thereby:

- the 2009 IFRS consolidated financial statements, the associated report of the Statutory Auditors and sections 9 and 10 of the table of correspondence shown on pages 170-257 and 279-280 of the 2009 registration document filed with the AMF on 26 March 2010 under number D.10-0177;
- the 2010 IFRS consolidated financial statements, the associated report of the Statutory Auditors and sections 9 and 10 of the table of correspondence shown on pages 179-270 and 291-292 of the 2010 registration document filed with the AMF on 23 March 2011 under number D.11-0169.

5. Documents available for public consultation

All the documents defined in Article L.451-1-2 of the French Monetary and Financial Code (Code Monétaire et Financier) and Article 221-3 of the General Regulation of the AMF are available on the Company's website (www.vinci.com).

VINCI's Articles of Association may be consulted at the Company's registered office: 1 cours Ferdinand de Lesseps, 92500 Rueil Malmaison, France (+33 1 47 16 38 83).

Registration document table of correspondence

The table below gives references to the information to be included in the annual report filed as a registration document.

Items listed in Appendix 1 to European Regulation 809/2004
Registration document

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