



## Infrastructure seminar CDC IXIS Securities

23 January 2004

Christian Labeyrie, CFO

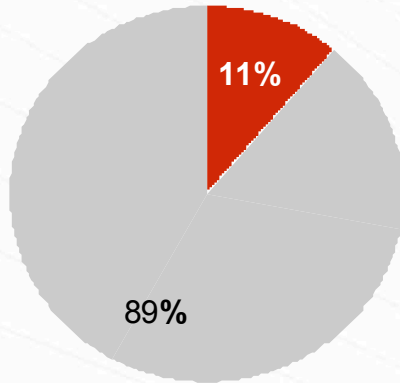
Dario d'Annunzio, Chairman of VINCI Concessions

David Azéma, CEO of VINCI Concessions

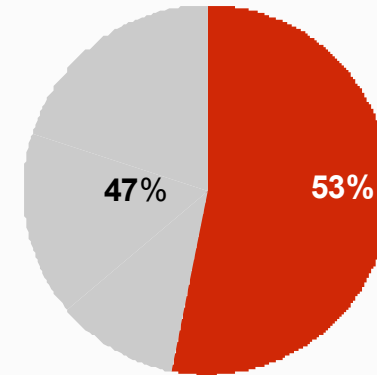
- An excellent combination of complementary skills in construction and concessions
- An established strategy that has stood the test of time
- A model that has been emulated by other companies in France and other European countries

- Fundamentals of the combination of skills:
    - Entrepreneurial culture
    - Commercial synergies based on a dense network of local companies (e.g. building and civil engineering → car parks)
    - Recognised expertise (design capability, cost and schedule control, project management know-how, operator know-how)
    - Complementary business cycles: concessions generate recurring and growing revenue
- ➔ Value creation: Cofiroute, VINCI Park, infrastructure concessions, etc.

# VINCI: balance between concessions and construction

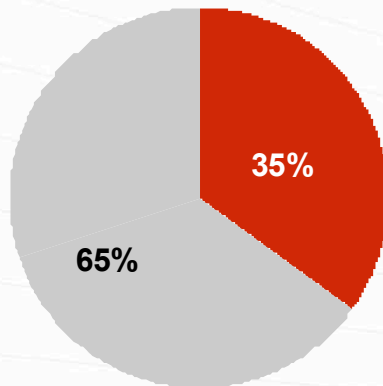


**2002 net sales**  
**€17.6 billion**

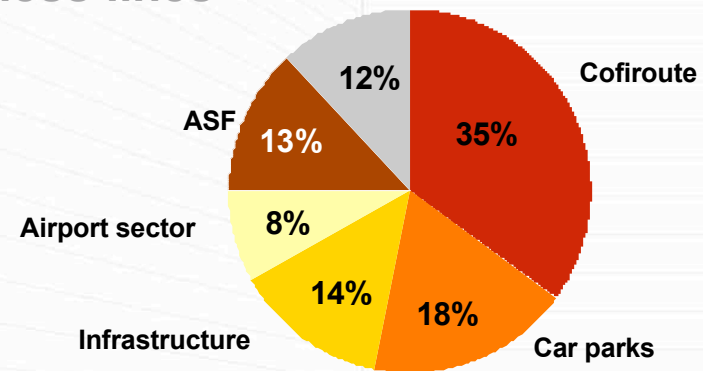


**2002 operating income**  
**€1.1 billion**

 **Concessions**  
 **Other business lines**

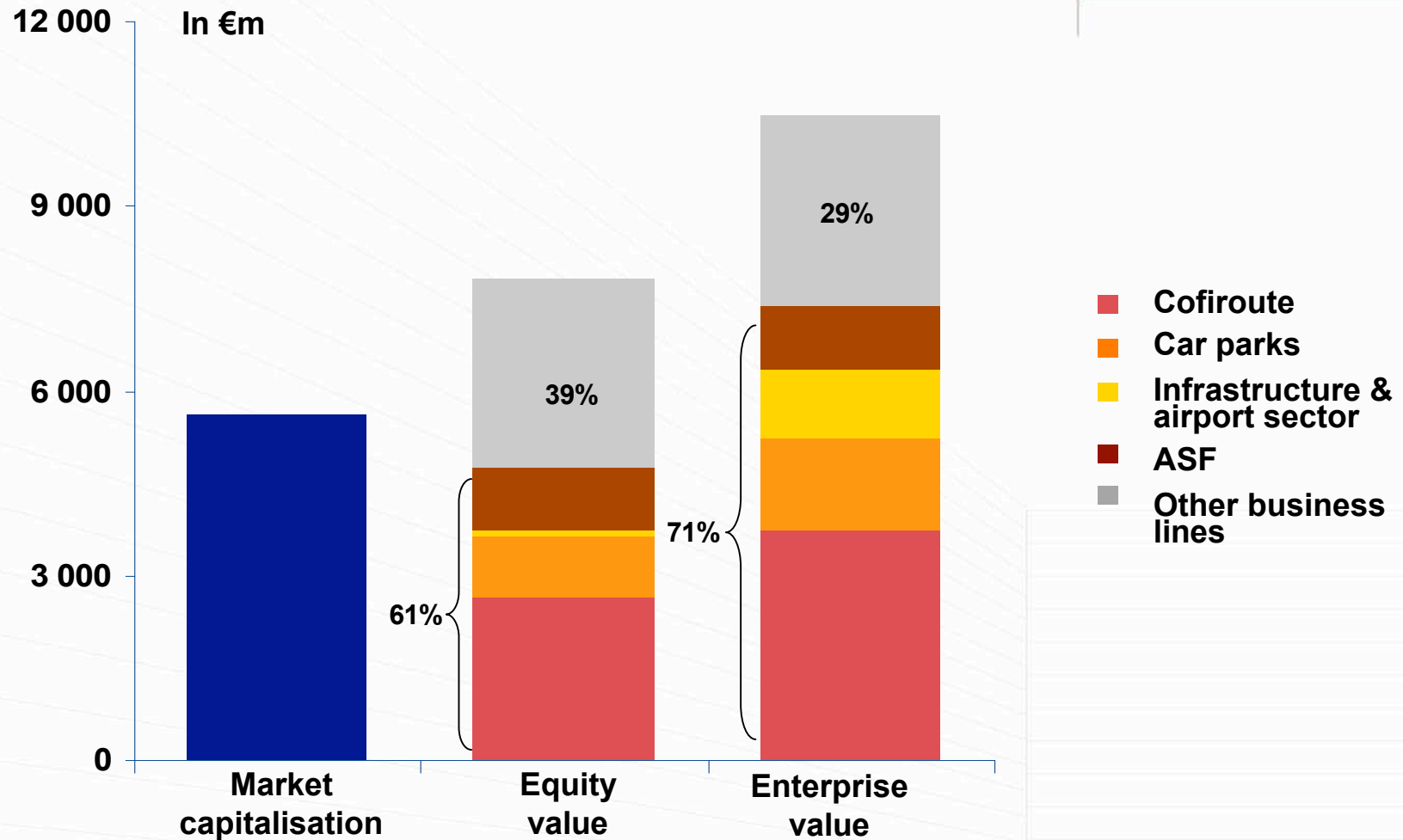


**2002 net income**  
**€478 million**



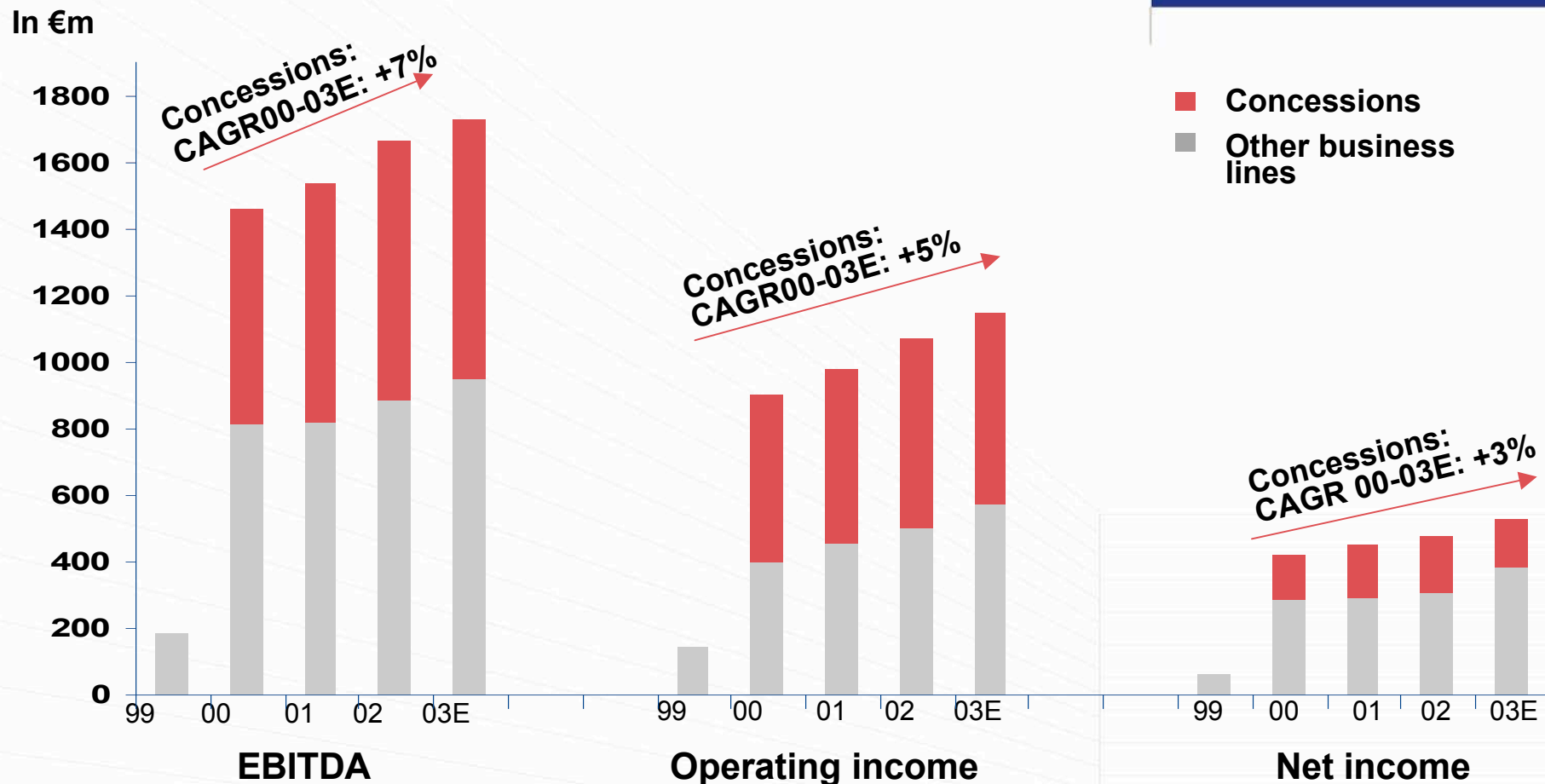
**2002 capital employed**  
**€7.7 billion**

# Concessions: a key asset for VINCI



(\*) Source: analyst studies of VINCI published in 2003

# VINCI Concessions: a long-term growth strategy



Change over first half 2003:

- Net sales: +3% (+4% excluding airport services)
- Operating income: +2% (+5% excluding airport services)
- Operating margin: 28% (38% excluding airport services)
- Net income: +23% (+24% excluding airport services)

# Bridge over the Tagus, Portugal

- Construction: 1994 to 1998
- Concession: until 2030
- €830m in construction
- Value: €260m at 100% (recent transaction), i.e. €81m for VINCI (31%)
- Initial investment for VINCI: €33m



- A growth model that draws on the strengths of a construction company
- Strong presence in France and other European countries
- Diversified portfolio in the transport sector
- VINCI considers concessions as a business in its own right



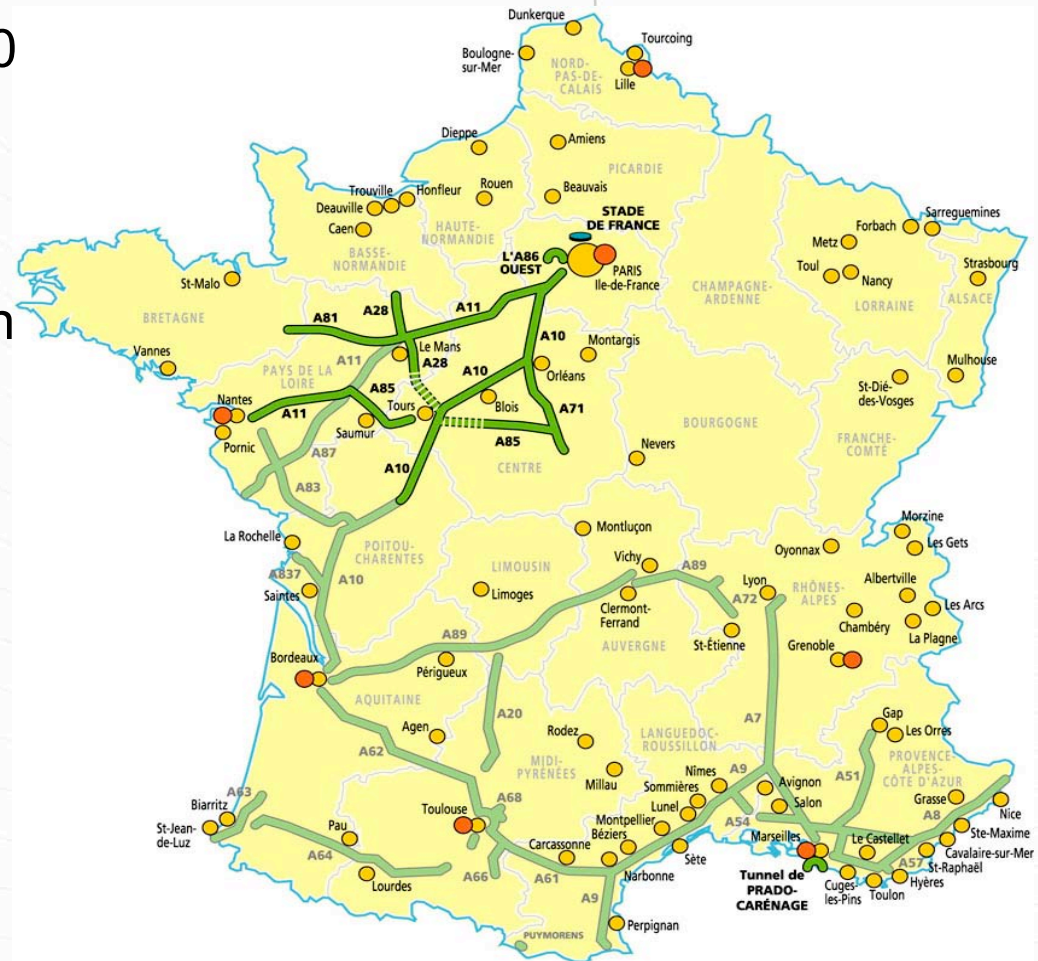
# VINCI Concessions in France: a dominant player in motorways and car parks



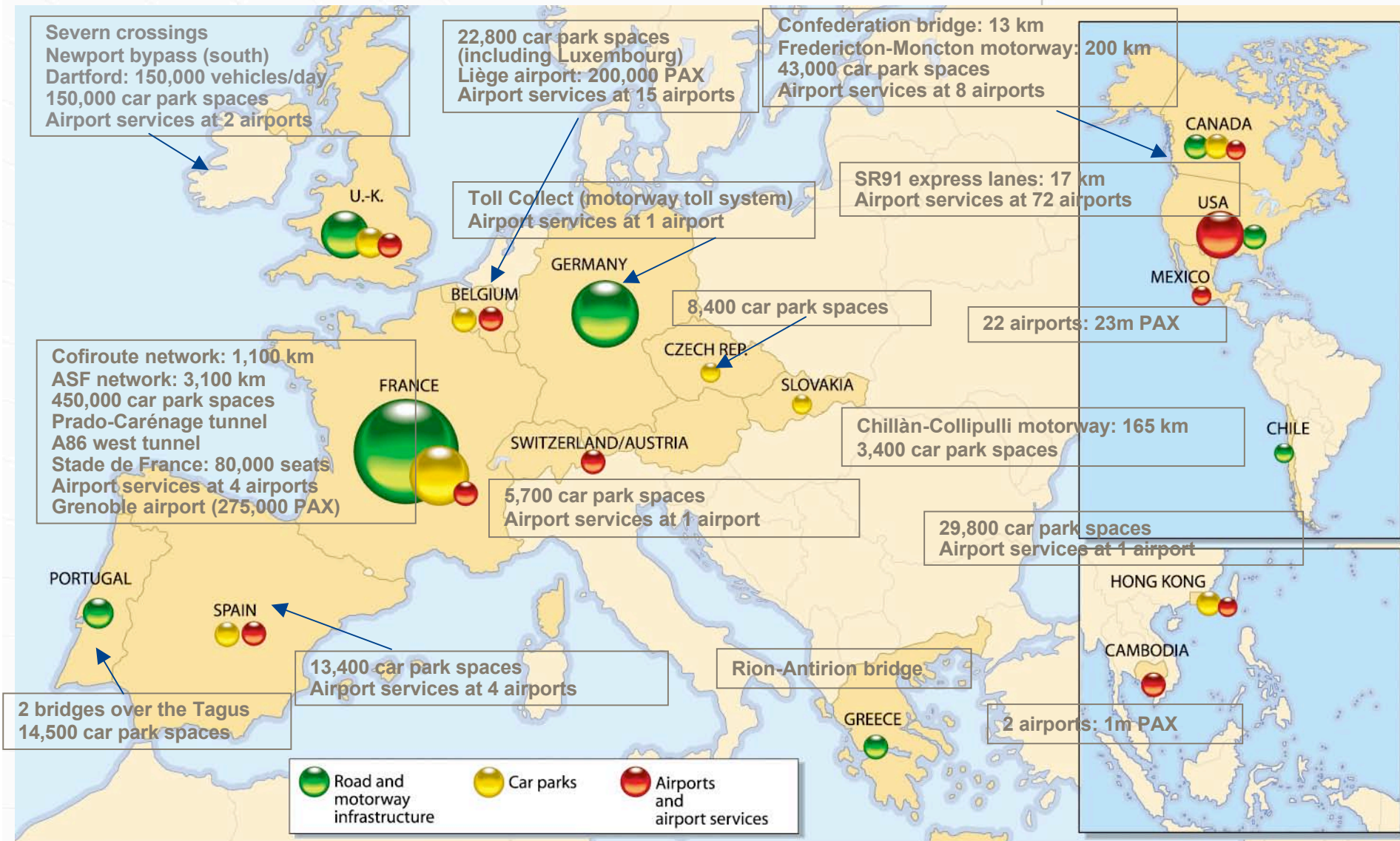
## Successful entry into airport sector

- No. 1 in car parks: 463,000 spaces managed (31/12/03)
- No. 4 in motorways: 1,100 km under concession (Cofiroute)
- 20% holding in ASF, leading French motorway company (3,100 km under concession)

-  Cofiroute network (65%)
-  ASF network (20%)
-  VINCI Park car parks
-  Airports



# VINCI Concessions: strong operations in Europe, targeted presence in the rest of the world



# VINCI: a diversified, logical portfolio with good growth prospects



## Car parks

1960



- Over 800,000 spaces

## Motorways

1970



- 65% Cofiroute (1,100 km)
- 20% ASF (3,100 km)
- 3 motorways outside France (380 km)

## Infrastructure

1980



- 7 bridges and tunnels
- Stade de France
- A86 west tunnel

## Airports

2000



- 25 airports under concession
- 1 airport under management
- Airport services in over 120 airports

- Growth in phase with changes in modes of passenger and freight transport



# Concessions: a business in its own right



**Motorway widening**



**Champs Elysées car park**



**Airports in Cambodia**



**VINCI Park brand**



**Cofiroute**



**Car parks**

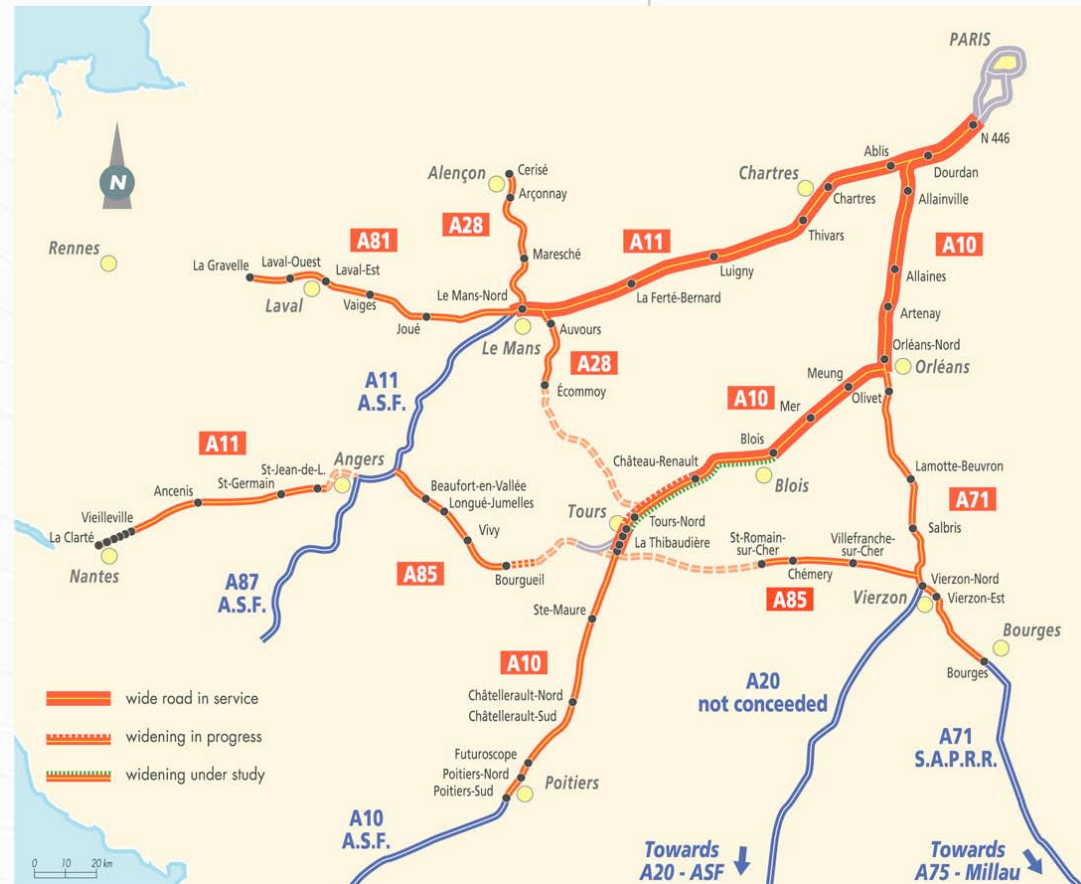


**Infrastructure**



**Airports**

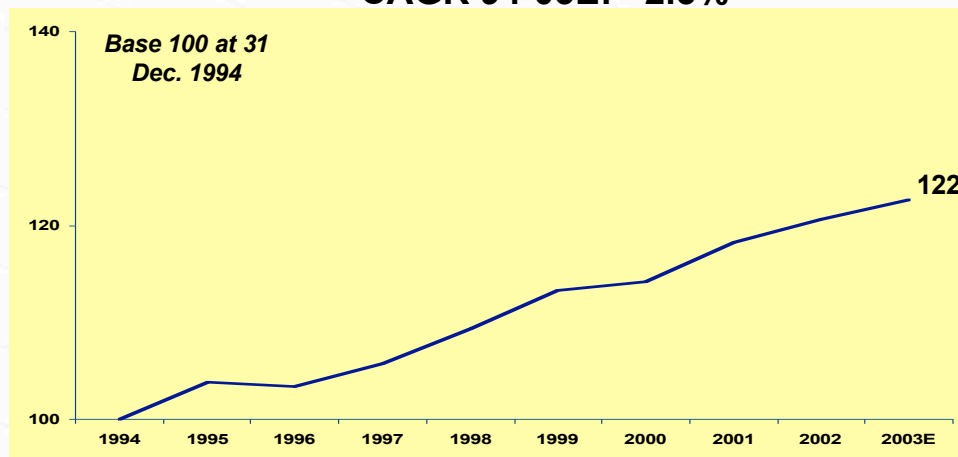
- 1970: creation of Cofiroute
- 1980: 700 km under concession, of which 508 km built
- Today: 1,100 km under concession, of which 900 km built
- Number of lane-km: 4,400 km at 31 Dec. 2003



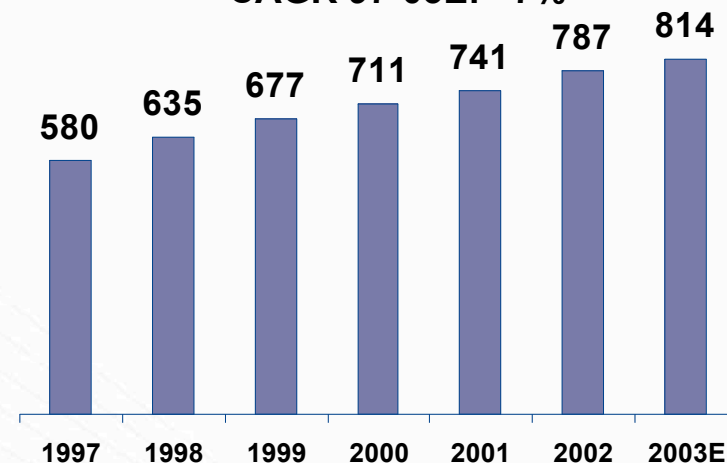
# Cofiroute: a very good track record



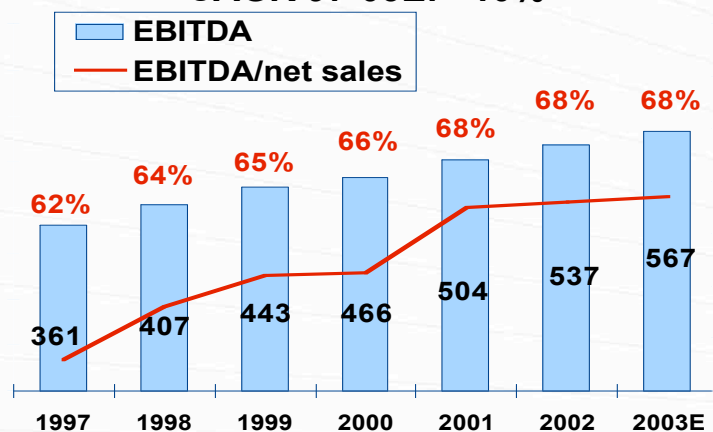
**Traffic growth:**  
CAGR 94-03E: +2.5%



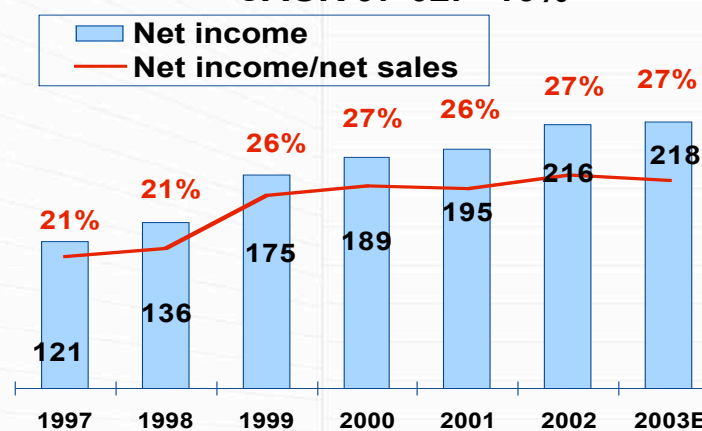
**Net sales from toll operations:**  
CAGR 97-03E: +7%



**EBITDA:**  
CAGR 97-03E: +10%



**Net income:**  
CAGR 97-02: +16%



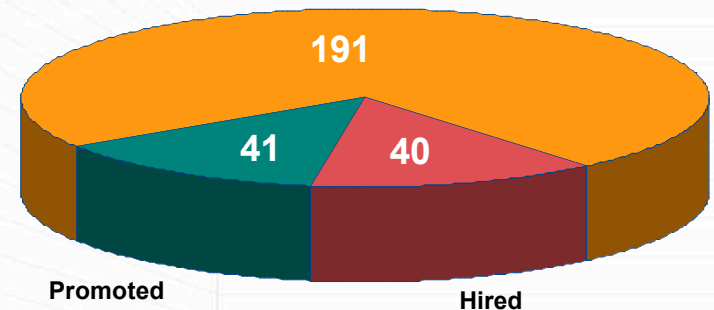
# Cofiroute: a dynamic, responsive company focused on the future



- A young, multidisciplinary management team (men and women)
- Constant human resources investment
  - 50,000 hours of training/year, representing 4.4% of total payroll
- Accelerated replacement of people and attitudes
  - 30% of supervisory staff replaced in 2003
- Continuous broadening of human resources consensus
  - 3 major agreements signed in 2003



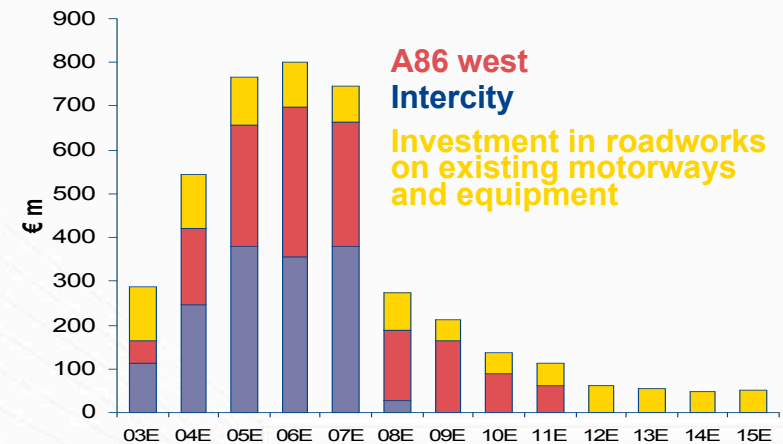
"Long-standing" supervisory staff





- Ambitious network extension programme
  - 170 km under construction
  - €3 billion investment by 2011
  - 32 km opened in December 2003 (A85)
- First urban section in 2007
- Network linked in 2008
- An innovative company
  - Aida (on-board signalling and vehicle tracker)
  - Diva (CCTV detection of stationary vehicles)
  - Average speed checks (Allainville 2003)
  - IVHW (inter-vehicle hazard warning)
  - SR91 in California (electronic tagging, variable toll)
  - Toll Collect

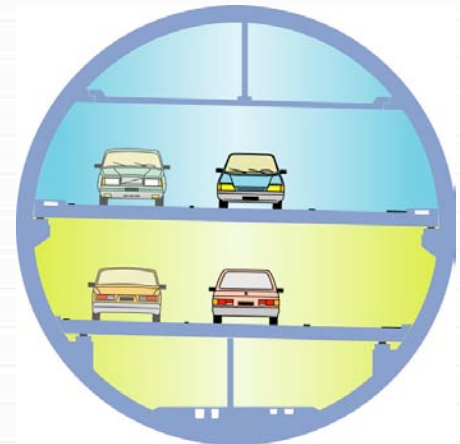
Projected capex programme



Road opening schedule :

- 12/05 : Tours–Montabon (42 km)
- 08/06 : Ecommoy–Montabon (15 km)
- 10/06 : Langeais northern bypass (18 km)
- 10/07 : Angers northern bypass (18 km)
- 10/07 : A86–VL1 (4.5 km)
- 11/07 : Saint Romain–Esvres (45 km)
- 02/08 : Esvres–Druye (18 km)

# A86: an innovative, ambitious solution in an urban environment



# A86: a vector for growth when intercity concessions reach maturity

## ■ Estimated capital investment

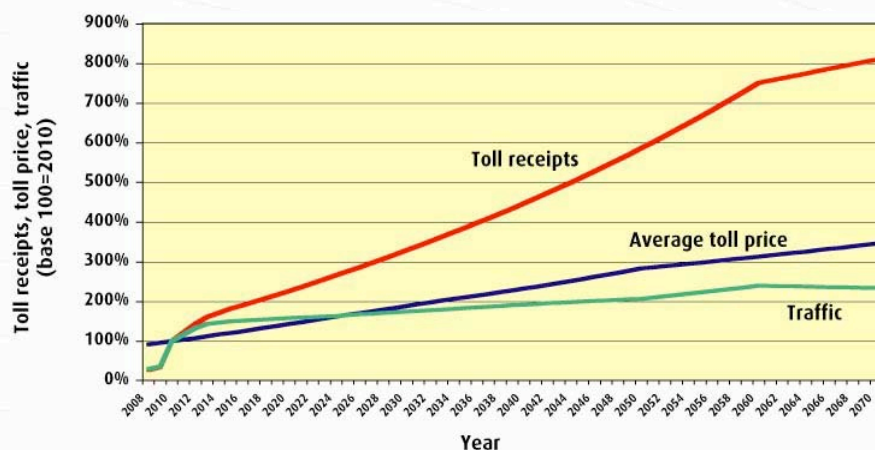
In € bn	Total est.	To end 2003
East 1 tunnel	0.9	0.4
East 2 tunnel	0.5	0.06
West tunnel	0.4	0.04
<b>Total</b>	<b>1.8</b>	<b>0.5</b>

## ■ Scheduled opening dates

East 1 tunnel	2007
East 2 tunnel	2009
West tunnel	2011

## ■ Projected toll receipts

- Growth in toll receipts, traffic and toll prices (contract)



## ■ Projected data for 2020:

- Net sales > €110m
- EBITDA/Net sales > 75%

## ■ Concession until 2070



**Cofiroute**



**Car parks**



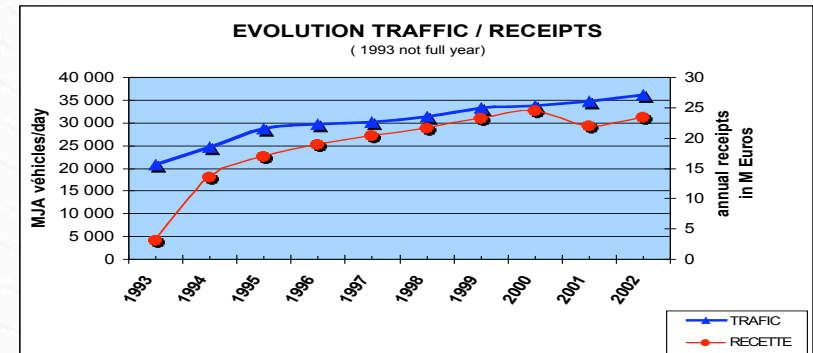
**Infrastructure**



**Airports**



- A benchmark for tunnel safety in Europe
- Traffic
  - 120 million vehicles since its opening in 1993
  - 14 million in 2003, i.e. up 5.6% over 2002
  - Change:



- Financial performance
  - Total investment: €176m, of which equity: €9m
  - Concession period: 32 years, i.e. until 2025
  - Main financial indicators:
    - 2002 net sales: €24m
    - 2002 operating income: 50%
    - First profit expected in 2004
  - Possible IPO

- Technical performance
  - Modular seating for 80,000 people
  - Construction period: 30 months
  - Opened 6 months before the football World Cup in June 1998
- A model contract
  - Risk shared by state and concession holder: a win/win situation
    - Payments to the state (fees and taxes) practically cover the compensation for having no resident club
- Development of new know-how
  - Sports events, shows, conferences and seminars, museum
  - Over 1.2 million visitors a year
- Good financial results (at 100%)
  - 2002 net sales: €79m
  - 2002 operating income: 18%
  - 2002 net income: 8%



## ■ Technical prowess

- The biggest infrastructure site currently under construction in Europe: about €800m
- Seismic constraints, sea floor at a depth of 65 metres
- On schedule and within budget

## ■ Excellent financing

- Equity: €69m, of which VINCI 53%, Greek partners 47%
- Greek government subsidy: €335m
- EIB loan: €362m

## ■ A promising operation:

- Traffic expected: 11,000 passengers/day (ferry traffic) from the first year of operation (2005)
- Break-even in 2005
- Dividends from 2012



**Cofiroute**



**Car parks**



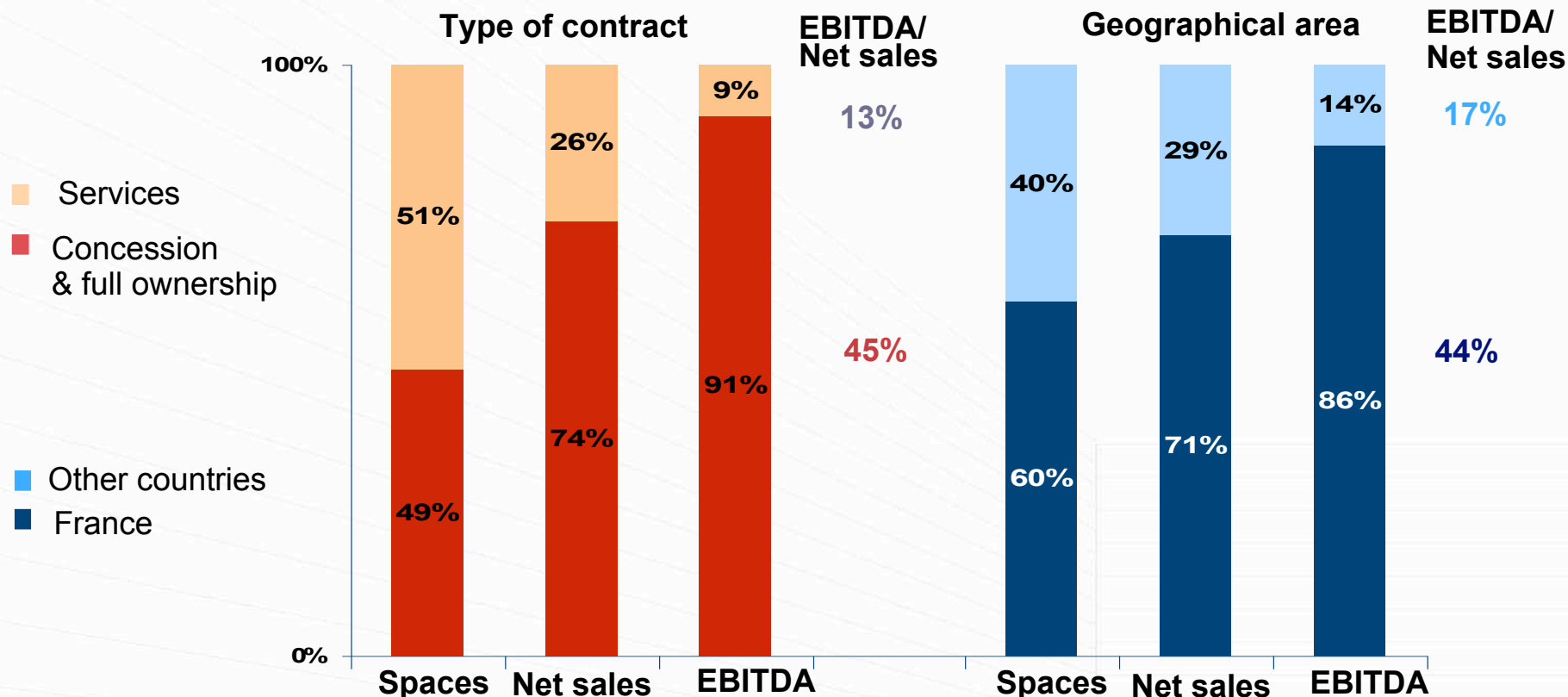
**Infrastructure**



**Airports**



# VINCI Park: Leading car park operator in Europe



- Over 800,000 spaces at 31 Dec. 2003
- 2002 net sales: €484m
- 2002 EBITDA: 36% of net sales (€176m)
- Net income before goodwill: 13% (€63m)

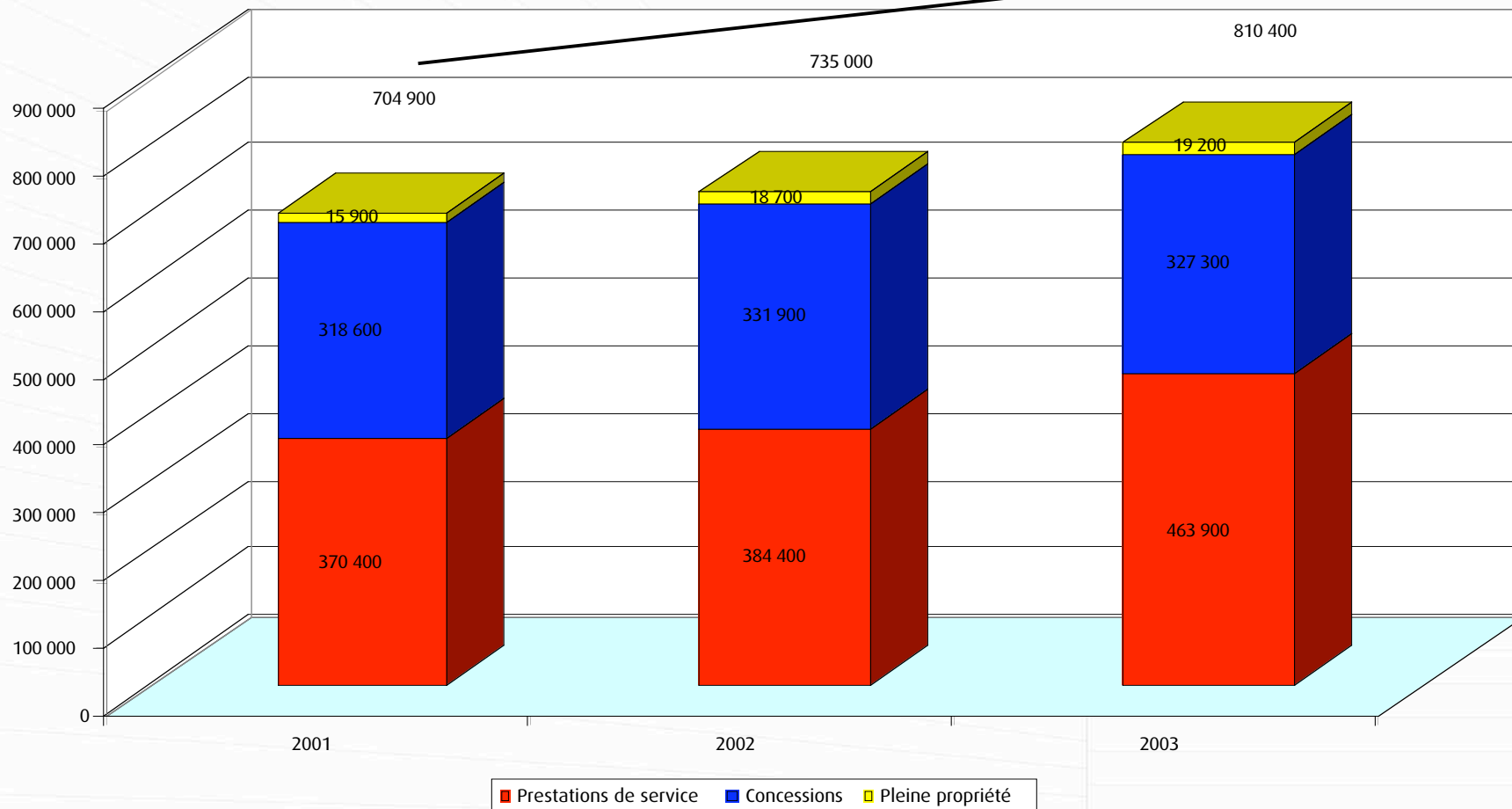
- Average residual concession period: 30 years
- High number of contracts: 1,200 car parks managed

# VINCI Park: continuous growth of portfolio of spaces managed



+15% in 2 years

VINCI Park : évolution du nombre de places gérées

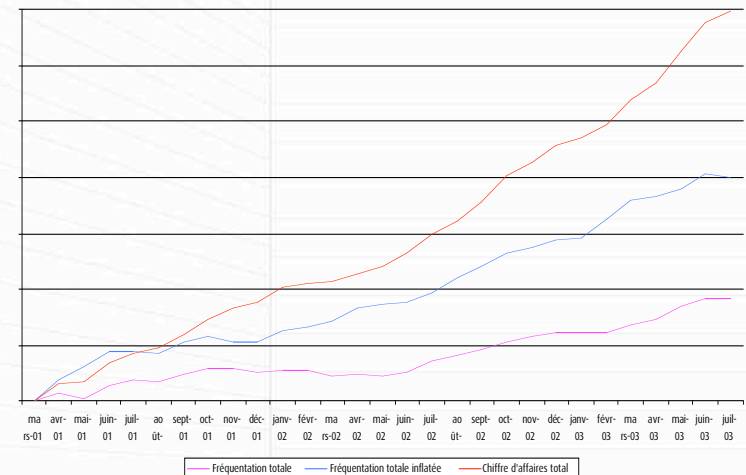


- Homogeneous signage now entirely deployed
- VINCI Park charter
- Steady modernisation programme
- Free services
- Management approach: “VINCI Park and you”

➔ Outstanding brand awareness

- The Paris example:  
growth in usage and net  
sales based on a constant  
sample of 80 car parks

Evolution de la fréquentation et du chiffre d'affaires total à Paris  
(périmètre constant)





**Cofiroute**



**Car parks**



**Infrastructure**



**Airports**

- Apply the VINCI business model to a new sector, with focus on:
  - Entrepreneurial dynamism
  - Customer service culture
  - Rigorous management



- Develop new expertise in airport management
- Become a key player in ground services, principally cargo management

			Residual period (years)	% held
<b>AIRPORT MANAGEMENT</b>				
Central and northern Mexico	13 airports - 10 million PAX/year		47	6 (1)
Southern Mexico	9 airports - 12 million PAX/year		46	4 (2)
Cambodia	2 airports - 1 million PAX/year		23	70
ADPM partnership				34 (3)
•Liège	1 airport - 287,000 tonnes/year		37	
•Beijing	1 airport - 27 million PAX/year		47	
•Africa (Madagascar, Guinea, Cameroon)	4 airports - 1 million PAX/year			
Grenoble (France)	1 airport - 275,000 PAX/year		5	50
TBI (UK, Ireland, Sweden, USA and Bolivia)	8 airports - 14 million PAX/year			15

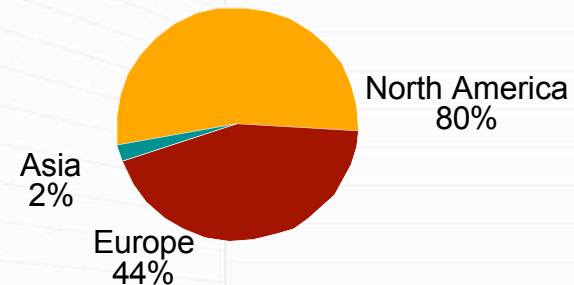
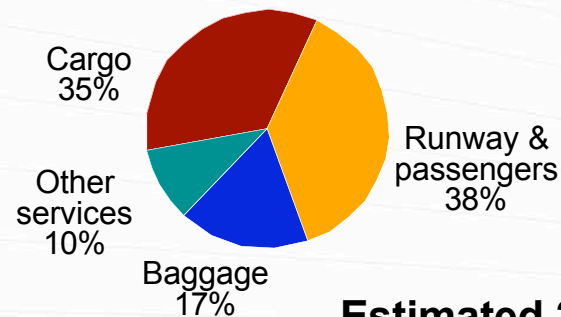
## Total investment of about €230m

- (1) Final holding: VINCI has a 37% interest in the “strategic partner” that owns 15% of the airports
- (2) Final holding: VINCI has a 25% interest in the “strategic partner” that owns 15% of the airports
- (3) Holding in ADP Management, “strategic partner” of airports including Liège and Beijing

# Become a key player in ground services, principally cargo management



- World leader in cargo assistance:
  - Operations in 43 airports, partner to more than 100 airlines and 80 freight forwarders
  - A complete range of services including storage and handling, comprehensive cargo solutions (road haulage, reception, delivery); rental of freight pallets and containers
  - 1.8 million tonnes of cargo a year
- A major player in ground services (France, USA):
  - Over 300 customers (airlines, airports)
  - An offering that covers all ground services: runway assistance, passenger services, equipment maintenance, refuelling, etc.
  - 1 million aircraft movements and 50 million baggage movements a year



**Estimated 2003 net sales: €465m**

- Focus on cargo handling
  - Strongest growth
  - Limited exposure to geopolitical risks
  - Higher margins due to barriers to entry (control of storage sites)
  
- Our major customers are now French
  - In 2001: biggest customer = American Airlines, accounting for 20% of net sales
  - In 2003: major customers =
    - Air France (12% net sales)
    - ADP (11% net sales)
    - American Airlines (8% net sales)





- ASF: consequences of 18 December 2003 interministerial committee decision
- A19: prequalified
- A41: study under way
- Car parks: new growth opportunities when French government ban on competition ends in June 2004 (“arrêté Gallot”)
- Provincial airports

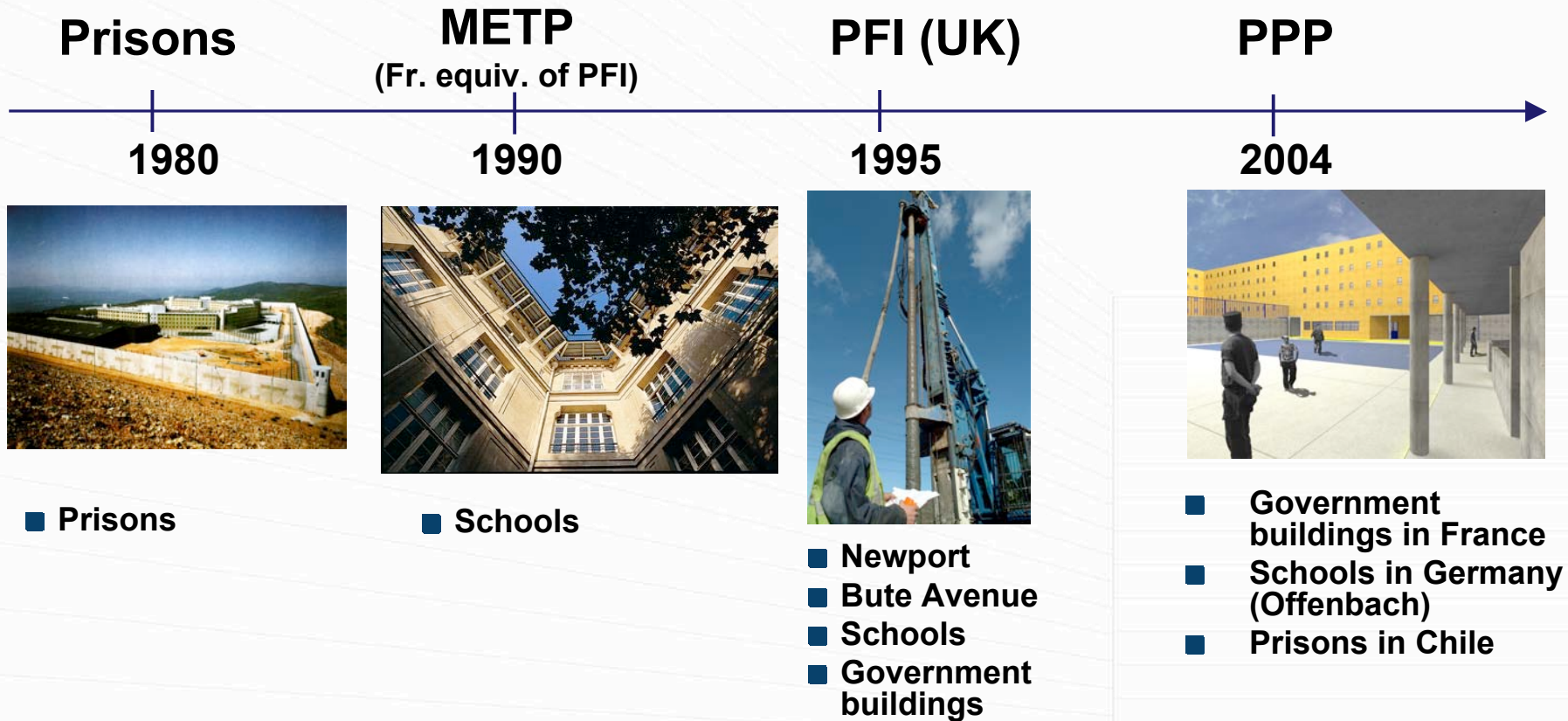
- New concessions (greenfield):
  - Some 15 projects being studied
  - Prequalified on 5 projects
    - Greece
    - Ireland
    - Romania
- Car parks: continued growth in Europe and North America by combining concessions and services
- Airports: close monitoring of privatisation and concession projects
- Cargo handling: strengthen our on-site storage network (2 transactions under way)

- Put service and sales at the heart of our operations
- Develop new products and services, in synergy, for the French market
- Broaden this approach within the context of the industrial agreement with ASF
- Anticipate market changes
  - Toll Collect
  - Galiléo

# Take full advantage of PPP opportunities in France and other European countries



- By drawing on
  - VINCI group know-how
  - A proven and varied track record





- Car parks: withdrawal from non-core activities in Hong Kong
- Southern Mexico
- ADPM
- TBI

# And successfully open the Rion-Antirion bridge

and Newport bypass





## Infrastructure seminar CDC Ixis

23 January 2004

Christian Labeyrie, CFO

Dario d'Annunzio, Chairman of VINCI Concessions

David Azéma, CEO of VINCI Concessions

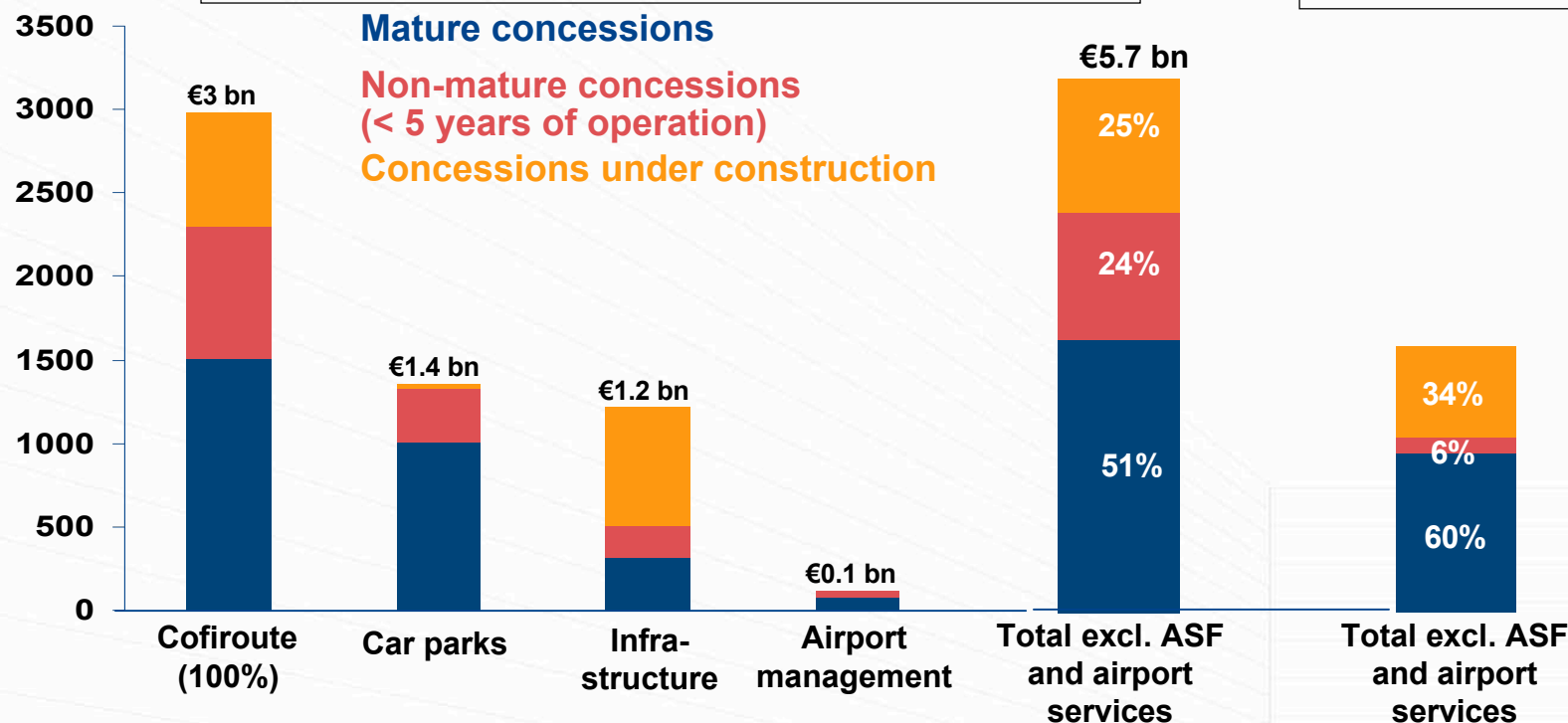


# Breakdown of capital employed and debt based on concession maturity



## Capital employed

## Debt



- 49% of capital employed (€2.8 billion) in non-mature concessions, and 40% of debt (€1.1 billion)
- Concessions in service generate over 10% ROCE (after tax) on average