

Financial analysts meeting

29 June 2004

General presentation

Henri Stouff
Chairman and CEO

Cofiroute: history and network

- 1970: creation of Cofiroute
- Current shareholding structure:
 - VINCI (65.34%)
 - Eiffage (16.99%)
 - Colas (16.67%)
 - Banks (1%)
- Intercity network:
 - 1,091 km under concession
 - 928 km in operation
 - 163 km under construction
 - End of intercity concession in 2030
- A86 tunnels:
 - Rueil–Versailles: 10 km
 - Rueil–A12: 7.5 km
 - End of concession: 70 years after commissioning



An intercity network that will soon be completely interlinked



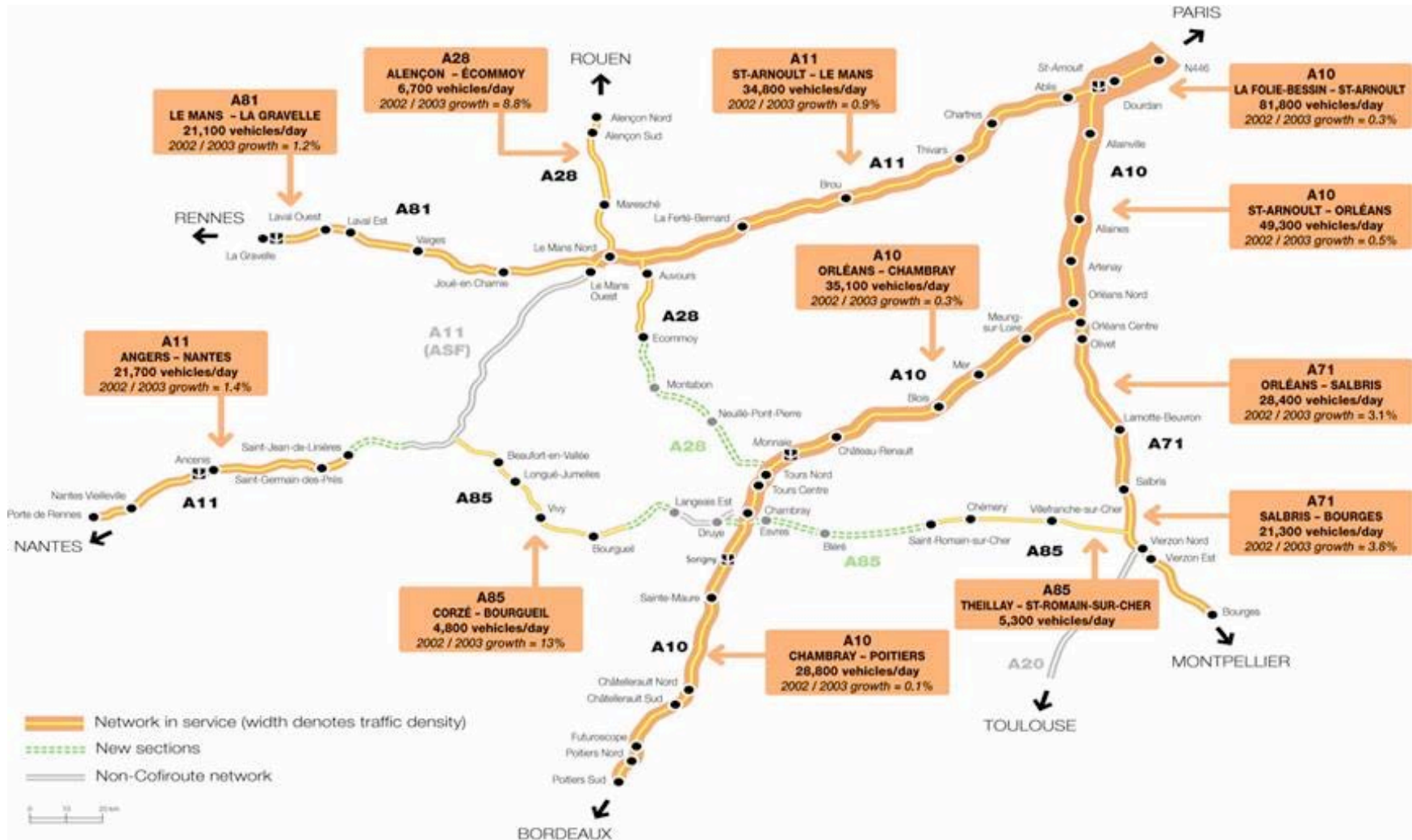
Réseau Cofiroute *Network*

-  en service
in service
-  en construction
under construction

Autres réseaux *Other networks*

-  autoroutes concédées
highway concessions
-  autoroutes concédées
en construction
*highway concessions
under construction*
-  autoroutes non concédées
non-concession highways
-  réseau secondaire
secondary network
-  autoroutes prévues
au schéma directeur
*planned highways
in overall directive*

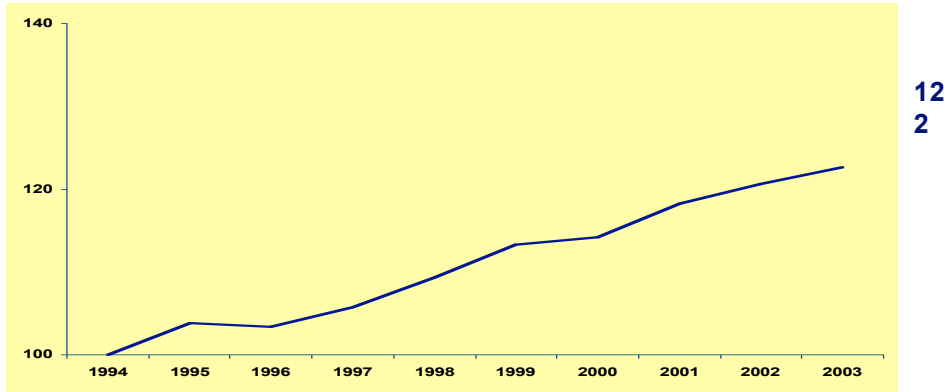
A network with high-density traffic



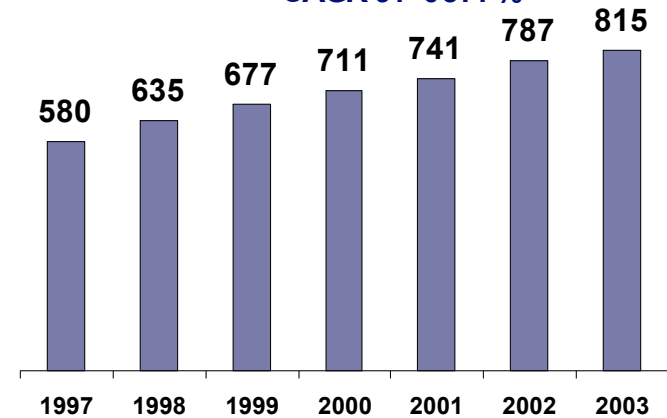
A very good track record

Base 100 at
31 Dec. 1994

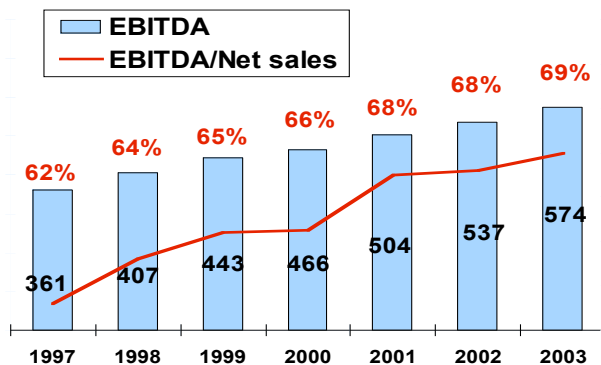
Traffic:
CAGR 94-03: 2.5%



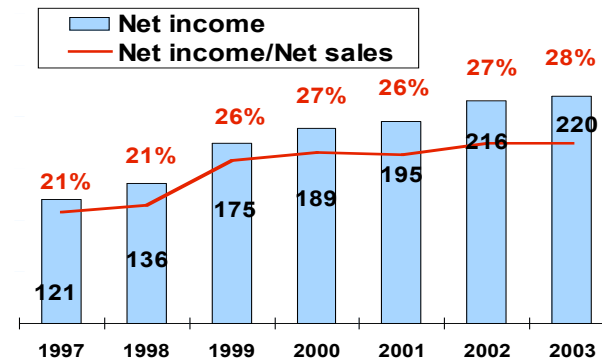
Net sales from tolls:
CAGR 97-03: 7%



EBITDA:
CAGR 97-03: 10%



Net income:
CAGR 97-03: 15%



- Initial capital: €61 million
- Shareholders' equity at 31 Dec. 2003: €1,125 million

2004 highlights

- Signature of amendment 11 and 2004–2008 master plan
- Opening of Villefranche–Saint Romain section of A85 (Dec. 2003)
- Start of roadworks on intercity network sections still to be built
- Agreement on technical conditions for completing the A86 East – Start of work on the A86 East 2 – Finalisation of amendment 1
- New Toll Collect agreement

**Amendment 11
and 2004–2008 master plan:
a new stage in relations between
the French government and Cofiroute**

***Odile Georges-Picot
Executive Vice-President
Concessions and Development***

Historical overview

- 1970: Signature of initial concession contract (intercity network)
 - End of concession: 2012
 - 300 km of sections to be built (A10, A11)
- 1995: Signature of amendment 8, which includes the A86 concession
 - End of intercity concession: 2030 – Network totals 1,074 km
 - Tax protection (article 32)
 - Duration of A86 urban concession: 50 years (after complete commissioning)
- 1999: Signature of specific A86 concession contract
 - Duration of concession increased to 70 years
- 2003: Agreement on VAT
- 2004: Signature of amendment 11 and 2004–2008 master plan
 - Signature on 4 May 2004 by minister in charge and Cofiroute chairman
 - Decree approving the amendment is being finalised

Aim of amendment 11 and 2004–2008 master plan



- Limit the concession contract to the intercity network
- Complete drawing conclusions on the change of VAT regime and new vehicle classification
- Set conditions for completion of the sections still to be built (A85, A28, Angers northern bypass, Langeais northern bypass) and complementary investment
- Confirm favourable clauses of intercity contract
- Set toll increases from 2004 to 2030
- Define Cofiroute's operating rights and obligations

Amendment 11: main provisions (1/5)

- New sections

- Scheduling, technical conditions and costs set:

- Investment of €1.4 billion between 2004 and 2008 (*in current €*)

- Firm commissioning dates:

A28 Ecommoy–Tours	58 km	April 2006
A85 Langeais northern bypass	25 km	September 2007
A85 St-Romain–Esvres	45 km	January 2008
A85 Esvres–Druyes	17 km	April 2008
A11 Angers northern bypass	18 km	August 2008
	163	
	km	

Amendment 11: main provisions (2/5)

- Additional investment:
 - €500 million between 2004 and 2008 (*in current €*)
 - 660 refuges that meet the standards for people with restricted mobility
 - 934 HGV parking spaces in motorway rest areas, including 2 secure vehicle parks
 - 200 km of additional fencing
 - 70 additional or renovated variable message signs

Amendment 11: main provisions (3/5)

- Operating obligations specified:
 - Operating quality targets set jointly with the government
 - Upgraded indicators defined in the master plan
 - No penalties
 - Better coordination with the government
 - Exchange of information with government departments (traffic, safety, etc.)

Amendment 11: main provisions (4/5)

- Financial conditions now defined through time:
 - The pricing structure is defined through to 2030

Within the 2004–2008 master plan:

- 2004 90%i, i.e. 1.61%
- 2005 to 2008 85%i

From then to 2030:

- 2009 85%i
- 2010 to 2030 70%i

i = n-1 inflation excluding tobacco products

Amendment 11: main provisions (5/5)

- Financial conditions now defined through time:
 - Tax protection maintained (article 32)
 - Break-even criteria maintained
 - Clear rules governing failure to meet our commitments: penalties of €5,000 to €50,000 a day depending on shortfall
 - Repayment (in the form of roadworks) of possible financial benefit in the event of delayed investment

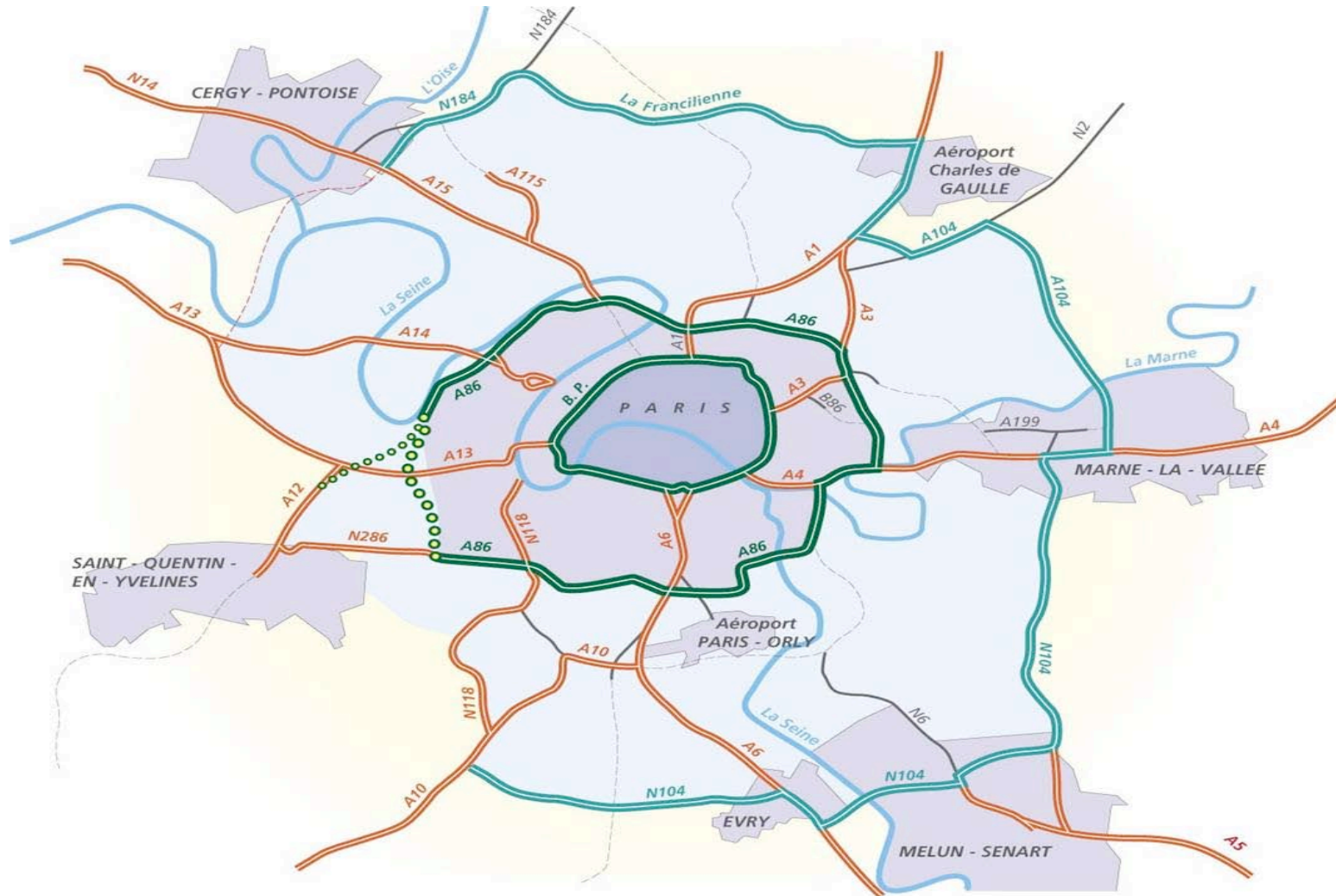
Amendment 11: a win-win agreement

- Contractual stability and visibility
 - Investment
 - Toll prices
- Key strengths of the contract retained
 - Pricing flexibility
 - Tax protection (article 32)
 - Break-even
- Final settlement of disputes with the government
- Introduction of partnership approach to relations with the government
 - Dialogue, information and action structured
 - Targets set for contractual obligations

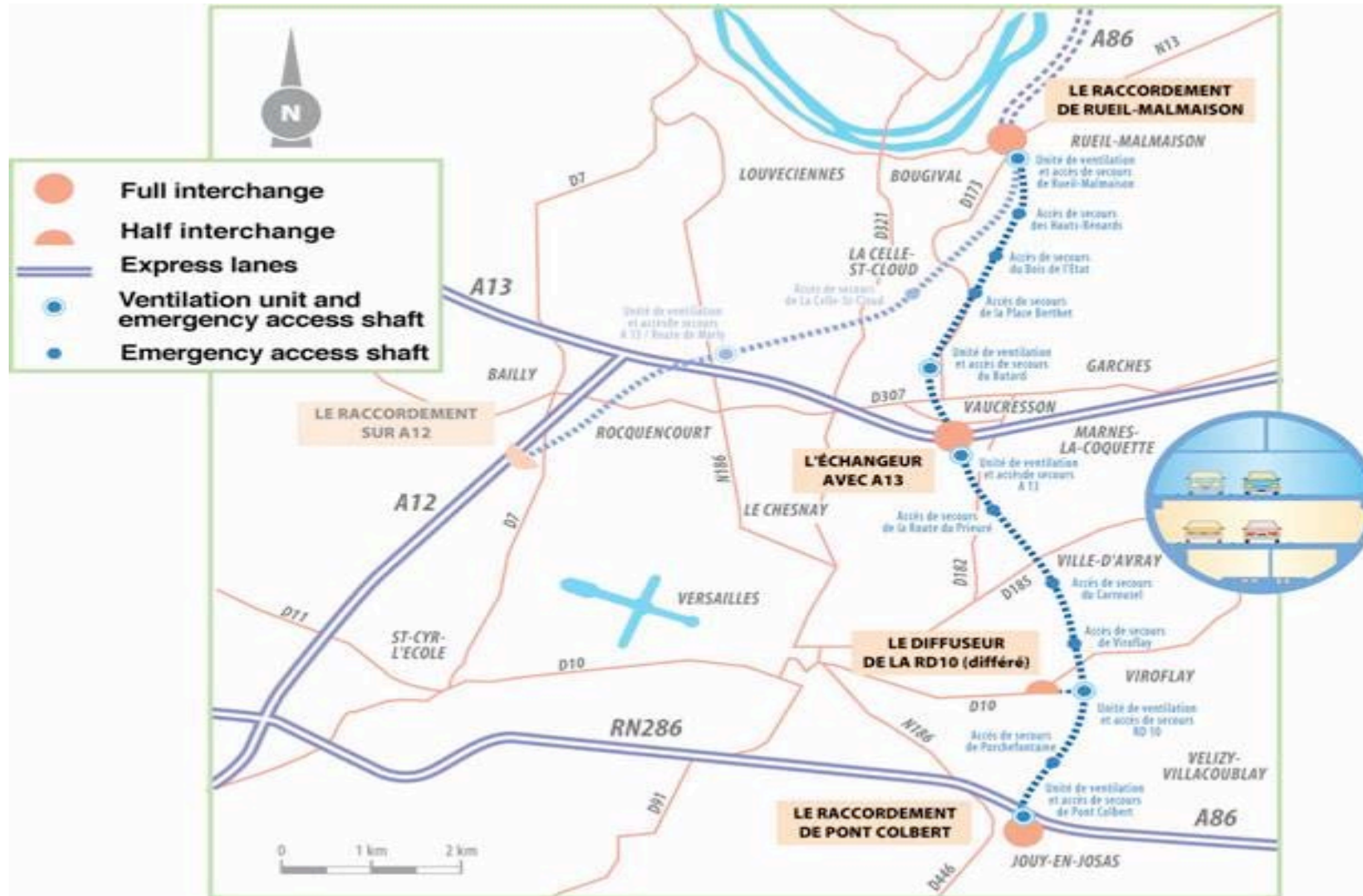
Completion of the A86

Henri Stouff
Chairman and CEO

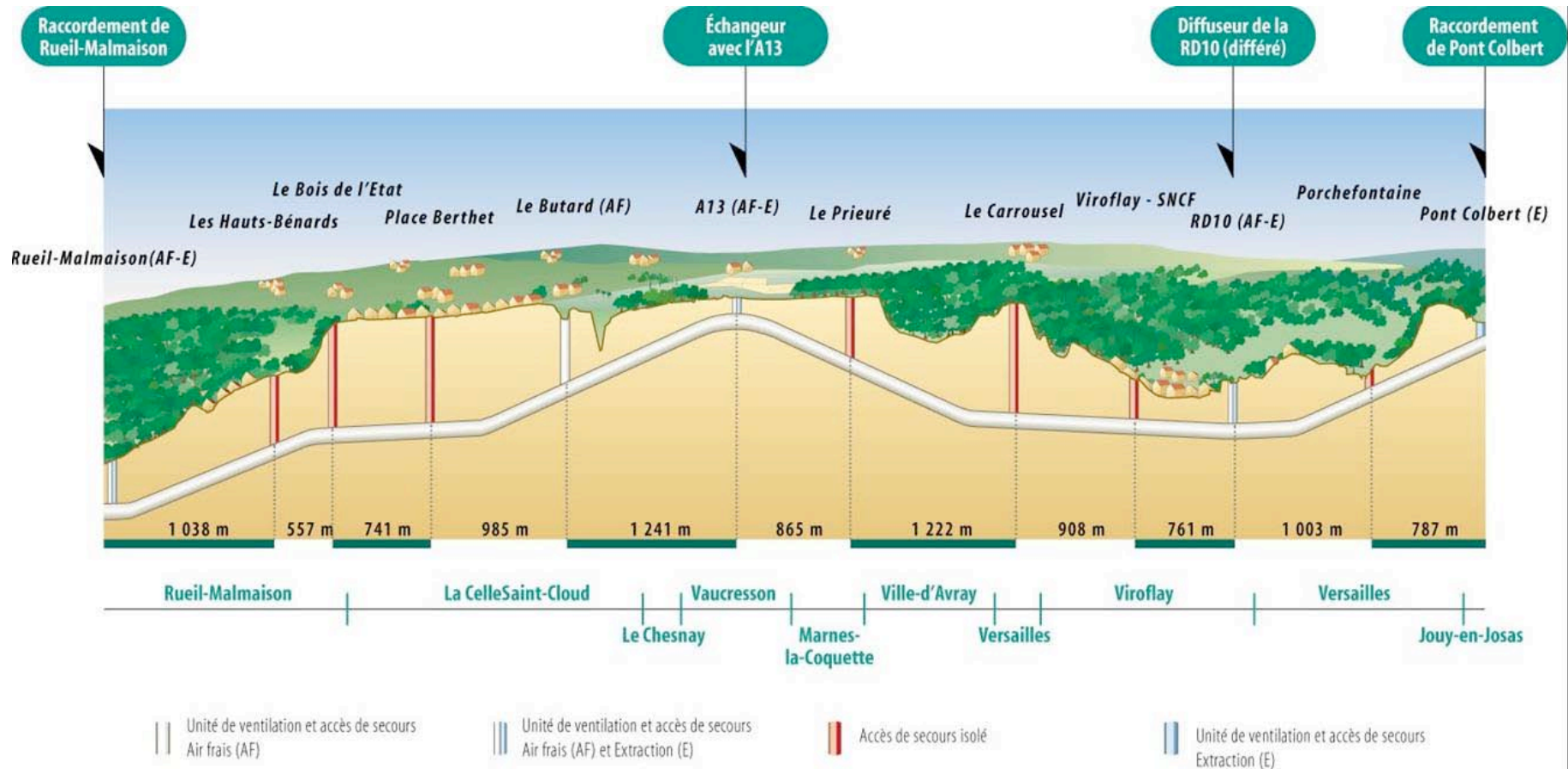
A86: an appropriate solution for the final link of the super-ring road



A86: an appropriate solution for the final link of the super-ring road



A86: an appropriate solution for the final link of the super-ring road



A86: a vector for growth when the intercity concession ends



Planned investment

<i>In € billions*</i>	Total	km
East tunnel	1.4	10.0
West tunnel	0.4	7.5
Total	1.8	17.5

First opening dates

East 1 tunnel (<i>Rueil-A13</i>)	End-2007
East 2 tunnel (<i>A13 – Pt colbert</i>)	End-2009
West tunnel (<i>Rueil-A12</i>)	Discussions under way

Currently under construction

East 1 tunnel Excavation completed in October 2003

East 2 tunnel Work started on 2 April 2004

Projected data for 2020:

- Net sales > €130 million*
- Around 9% of Cofiroute's total revenue
- EBITDA/Net sales > 72%

End of concession 70 years after opening of final tunnel

* Before tax and in current euros

Financial data

Patrick Paris
Chief Financial Officer

Outlook and financial challenges

2003 key figures



	Actual 2002 (€ millions)	Actual 2003 (€ millions)	Variation (%)	Variation (€ millions)
Net sales*	801	829	+4	+28
Of which toll receipts	787	815	+4	+28
EBITDA	537	574	+7	+37
EBITDA/Net sales*	67%	69%		
EBIT	422	473	+12	+51
EBIT/Net sales*	53%	57%		
Net income	216	220	+2	+4
Cash flow from operations	318	327	+3	+9
Investment**	220	276	+25	+56
Dividends paid	111	128	+15	+17
Equity ***	1,025	1,125	+10	+100
Net debt	1,636	1,699	+4	+63
Gearing	160%	151%		

* Includes toll revenue and sub-concession and telecoms fees for Cofiroute SA

** Excludes financial assets

*** Shareholders' equity takes into consideration investment subsidies and regulated provisions

2004 outlook

Continued growth in revenue

2003 toll receipts	€815m
Increase in traffic on constant network	1.9%
Impact of new sections	0.4%
Impact of toll increase (base 1.61% for category 1)	<u>2.0%</u>
	4.3%
Projected 2004 toll receipts	€850m

2004 outlook

Traffic at end-May 2004:

A good start to the year, boosted by several long weekends

Traffic on constant network (in millions of km covered)

	2004	2003	Var. 04/03
Light vehicles			
Since 1 January	2,863	2,718	+5.3%
Heavy vehicles			
Since 1 January	592	581	+1.8%
Total			
Since 1 January	3,455	3,299	+4.7%

2004–2008 outlook: investment programme

In millions of current €	2004	2005	2006	2007	2008	TOTAL
New intercity sections	191	396	350	390	84	1 411
Network improvements (ICAS)	87	62	65	43	43	299
Equipment replacement (IEAS)	48	37	37	38	38	199
Total complementary investment	135	99	102	81	81	498
A86 tunnels	175	276	245	175	85	956
TOTAL INVESTMENT	500	770	697	646	250	2 864

2004–2008 outlook: new intercity sections

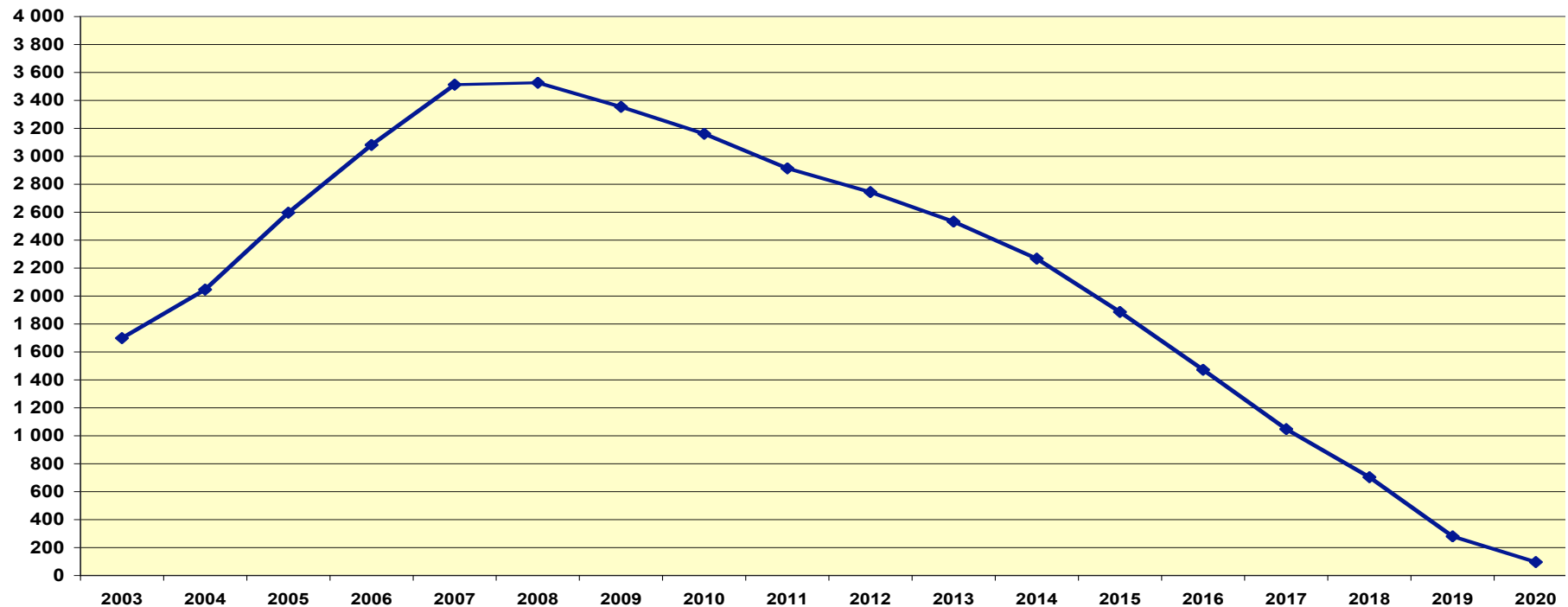


Section	km	Opening	In millions of current € 2004–2008
A28 Ecommoy–Tours	58	April 2006	287
A85 Langeais northern bypass	25	September 2007	175
A85 Saint Romain–Esvres	45	January 2008	352
A85 Esvres–Druyes	17	April 2008	204
A11 Angers northern bypass	18	August 2008	393
	163		1,411

Projected net debt

- Increase in debt related to investment programme (2003–2007)
- Strong decrease from 2008

In millions of current €

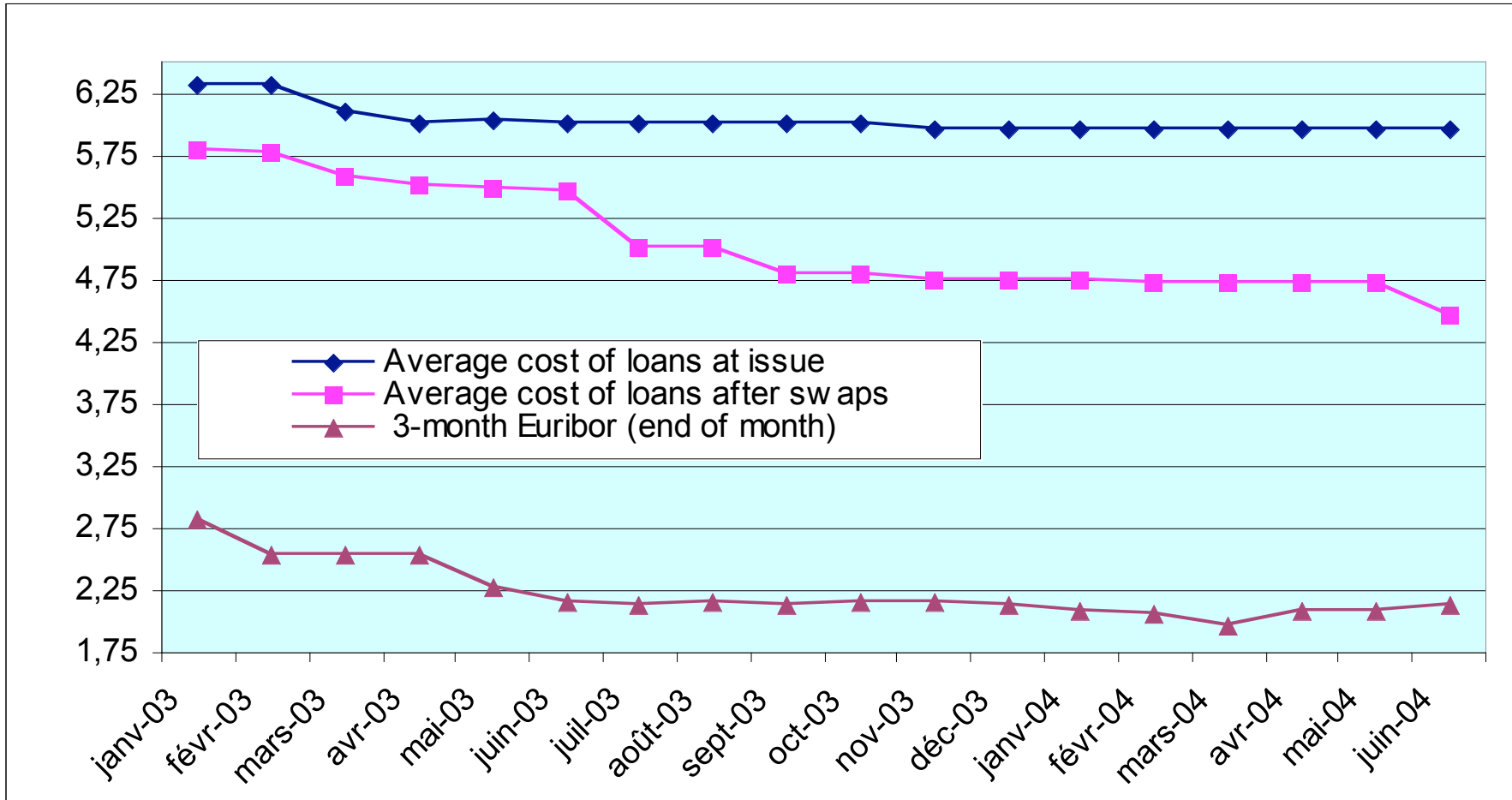


Active debt management

- Increase in variable component of debt in 2003/2004
 - 60% at fixed rate (or hedged), 40% at variable rate at 31 December 2004
- Reduction in cost of debt:
 - average cost reduced from 5.87% end-2002 to 4.47% in June 2004
 - average duration of debt = 8.4 years
- Standard & Poor's rating: A+, stable outlook

Outlook and financial challenges

Change in average cost of loans



Financial strategy

- Diversify sources of financing
 - Bond issues, bank credits, EIB loans, etc.

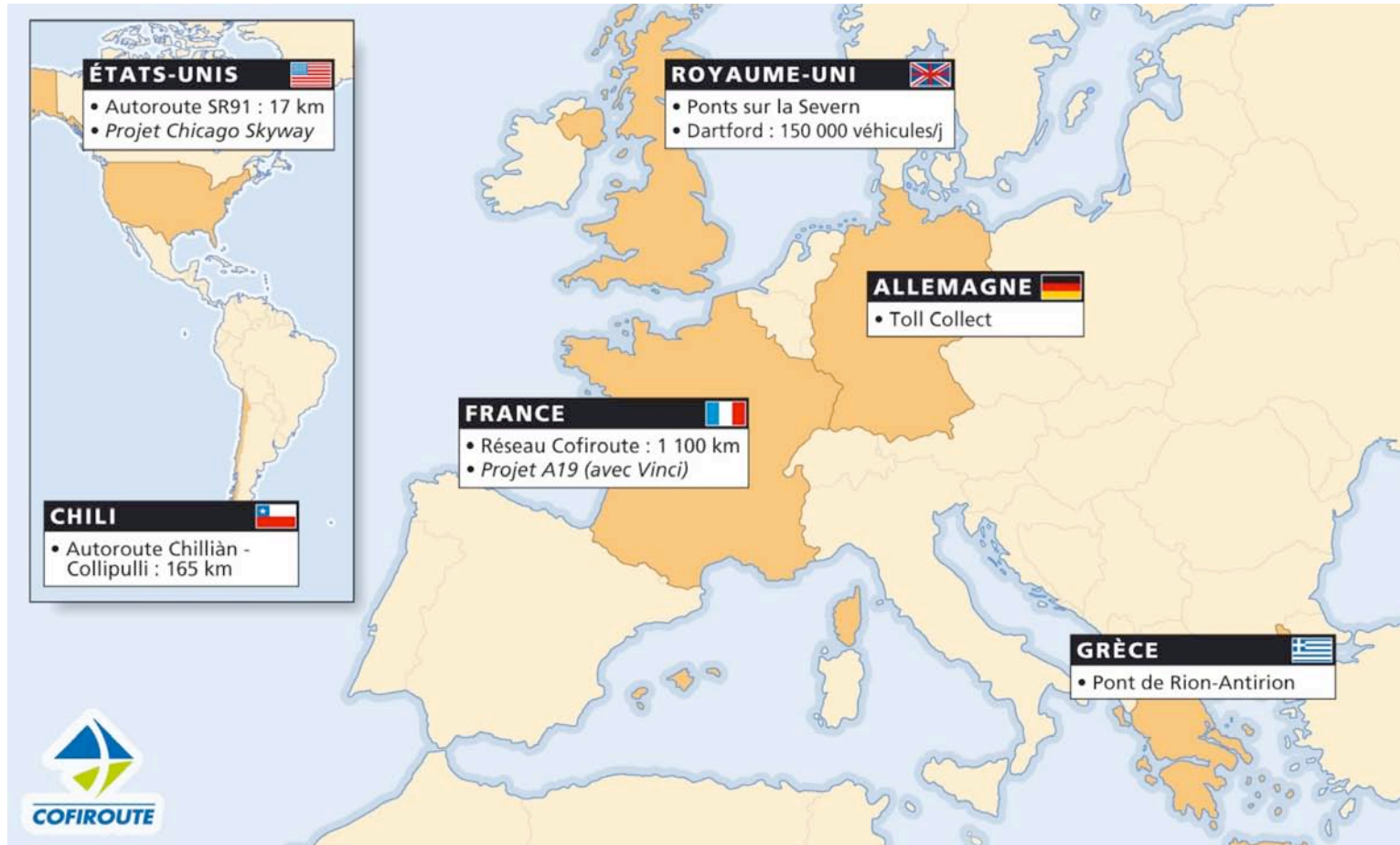
- Adapt debt profile to needs
 - Avoid carrying costs
 - Take advantage of low-interest European financing
 - Take advantage of interest rate curve

- Continue dynamic management of interest rates while maintaining an adequate level of protection
 - Seize opportunities for lower interest rates
 - Set up hedging instruments to protect against increases in interest rates

Growth

Henri Stouff
Chairman and CEO

Operations focused on Europe and the Americas



- Traffic managed: about 220,000 vehicles/day
- Net sales managed: €25 million

Growth strategy

- Explore, identify and develop business opportunities in France and elsewhere in the following areas:
 - Toll road infrastructure operation without acquiring a stake in the concession companies
 - Supply of toll and traffic management equipment
 - Consultancy contracts for transport infrastructure operation

Growth strategy

- Focus on Europe and the North American continent
- Select projects carefully
- Synergies with shareholders

Conclusion

- Two successful concession contracts
- An image that is becoming firmly established with the concession-awarding authority, network customers and local authorities
- A sound financial situation
- The prospect of operating:
 - an intercity network, which will be completely interlinked in 2008, for 26 years;
 - the A86 link from 2010 for 70 years
- Room for improvement in operations' performance

Appendixes

Toll increases by vehicle category

- Definition of vehicle categories

- Cat. 1: light vehicles, height ≤ 2 metres and $MAW^* \leq 3.5$ tonnes
- Cat. 2: intermediate vehicles, height $> 2m$ and $\leq 3m$, and $MAW^* \leq 3.5t$
- Cat. 3: heavy vehicles & coaches, 2 axles, height $\geq 3m$ or $MAW^* \geq 3.5t$
- Cat. 4: heavy vehicles & coaches, 3 or more axles, height $\geq 3m$ or $MAW^* \geq 3.5t$

- Example: 2004 toll increase by category

- Cat. 1: 1.6%
- Cat. 2: 1.6% - possibility of increasing to 1.56 x cat.1
- Cat. 3: 2.6% - possibility of increasing to 2.50 x cat.1
- Cat. 4: 2.6% - possibility of increasing to 3.16 x cat.1

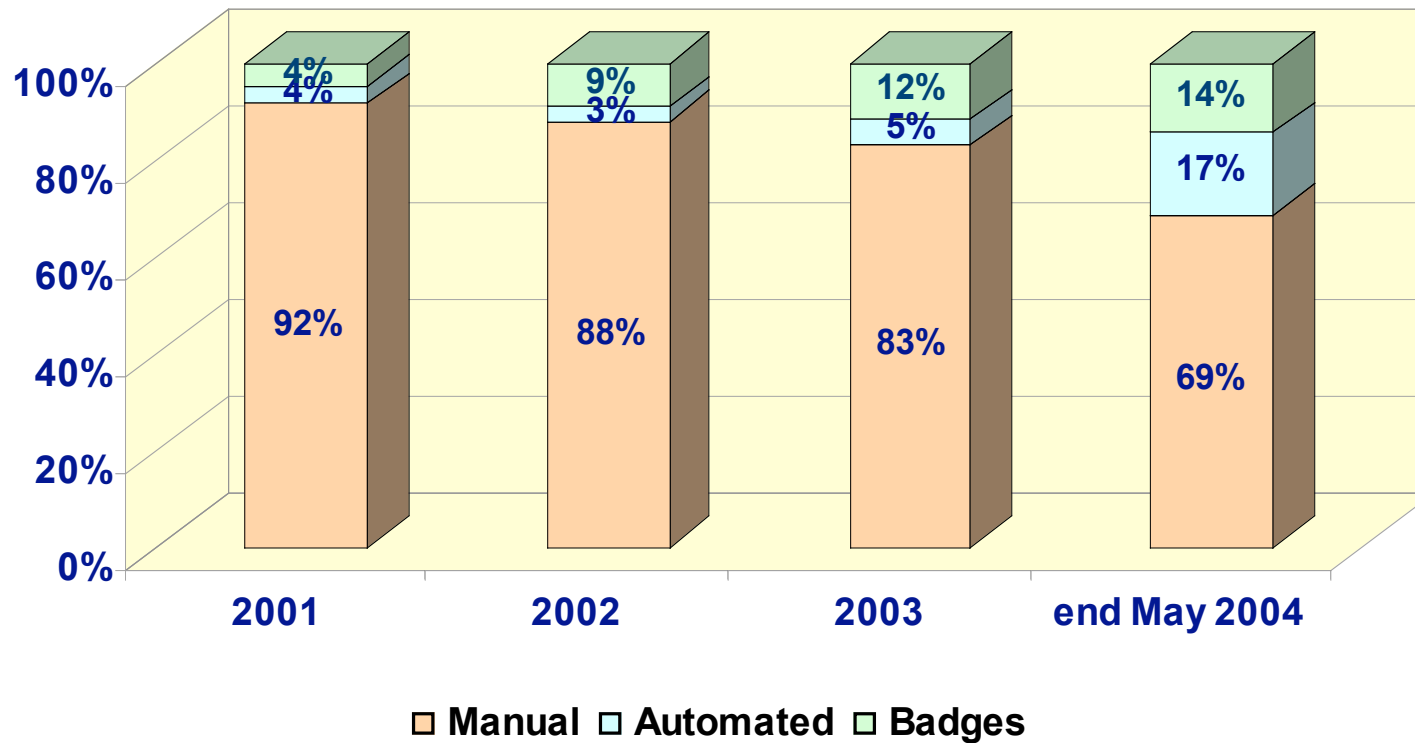
(*) maximum authorised weight

- ICAS: Investissement Complémentaire sur Autoroutes en Service (complementary investment on existing motorways)
- Examples:
 - Road widening
 - Interchanges & junctions
 - Bridges, tunnels, water-related engineering structures
 - Stations, rest areas, operations centres excluding equipment
 - Refuges
 - Vehicle parks
 - Wastewater treatment plant
 - Fencing

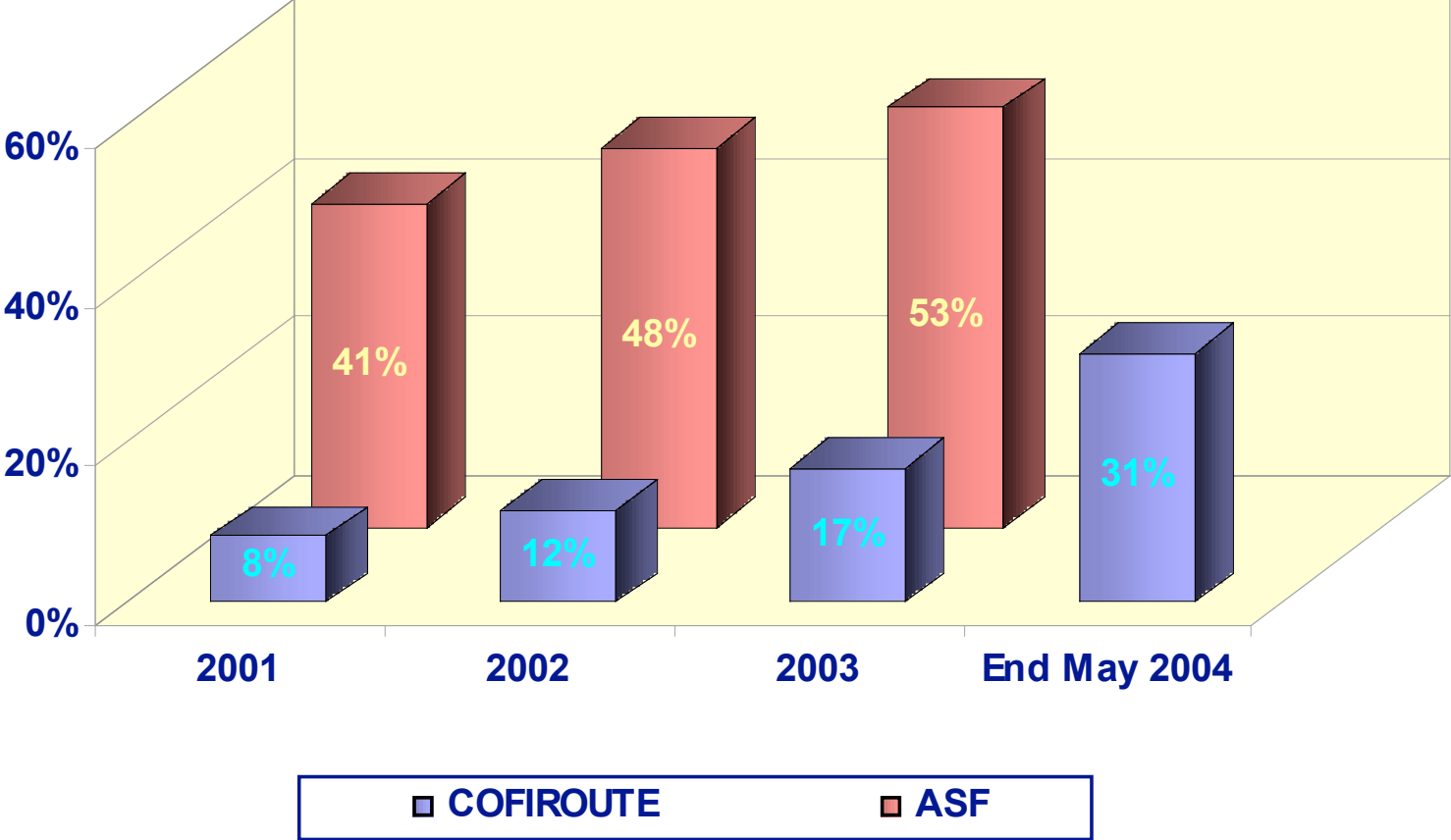
- IEAS: Investissement d'Exploitation sur Autoroutes en Service (operations investment on existing motorways)
- Examples:
 - Operations equipment (toll equipment, winter maintenance equipment, upkeep of plants and shrubs, etc.)
 - Operations vehicles (salt spreaders, security vehicles, etc.)
 - Furniture, fittings and fixtures
 - Office equipment
 - Management systems (subscribers, toll operation, winter maintenance, personnel scheduling, etc.)

Strong growth in automated toll collection

Significant margin for further development



Automation status



Toll Collect: an innovative project

Following a tender issued by Germany's federal government (*Bund*), on 20 September 2002, the consortium comprising DaimlerChrysler Services (DCS), Deutsche Telekom (DT) and Cofiroute won the contract to develop, install and operate for 12 years a remote toll payment system for heavy vehicles (12 tonnes or more) using the German motorway network.

- Partners in the consortium and in the operating company:
 - DCS 45%
 - DT 45%
 - Cofiroute 10%

- Financing at 30 June 2004:
 - Capital: €470 million, of which Cofiroute 10%
 - Financing: €1,200 million, with guarantees from DCS and DT only

Toll Collect: a new toll technology to equip old motorways



- Principle:
 - A toll of €0.124/km for HGV > 12 tonnes (about 1.4 million HGV a year)
 - A toll covering the 12,000 km of federal motorways
 - An automated system (vehicle tracking by GPS, data transmission by GSM)
 - A manual journey reservation system through 3,600 points of sale, a call centre or the Internet
- Financial conditions:
 - Tolls collected by the government: €3 billion per year in average
 - Cumulated sales for Toll Collect for 12 years: €7 billion

Toll Collect: contract changes in 2004



- Signature of amendment 2 to the contract with the *Bund* on 23 April 2004
 - System with reduced functionality to be commissioned on 1 January 2005
 - System with full functionality to be commissioned on 1 January 2006
 - Automatic update of toll price
 - Automatic update of map

- Agreement between the partners to limit Cofiroute's commitment to €70 million, of which €47 million paid at 30 June 2004