



Rueil-Malmaison, 14 December 2005

## Press Release

### **With the acquisition of ASF, VINCI becomes the world's leading integrated concession/construction group**

- An ambitious industrial and social project
- Upholding ASF's commitments to the French State, its customers and employees
- The price of 50 euros per share will be raised to 51 euros per share on confirmation of the Lyon Balbigny section of Autoroute A 89 being included in ASF's concession base
- A maximum investment of 9.1 billion euros paid in cash

Under the procedure implemented by the French State to dispose of its interest in motorway companies, it has decided to sell its 50.4% share in the equity of ASF (Autoroute du Sud de la France) to VINCI.

#### **Creation of the world's leading integrated concessions/construction group**

By integrating the necessary expertise for financing, designing, building and operating structures, the concept of an integrated concession-construction group has enabled VINCI, within its existing format, to build complex structures, such as the Vasco de Gama Bridge over the Tagus River in Lisbon (Portugal), the Rion-Antirion Bridge over the Gulf of Corinth (Greece), and the Stade de France stadium in Saint-Denis (France).

By now combining the strength of the world's leading construction group, which already has a significant portfolio of concession operations, with that of Europe's second largest motorway operator, this operation gives rise to a French entity that is the world's leading transport infrastructure concession/construction group, in a rapidly growing market.

With sales of 25 billion euros and 138,000 employees worldwide (of which 82,000 in France), the new entity will have an unparalleled portfolio of concession operations.

It will operate in a context in which limited availability of public funds and huge infrastructure needs is leading state contracting authorities to resort increasingly to Public-Private Partnerships, both in France and across Europe.

In France, the project will capitalise on the complementary nature of the expertise of both the ASF networks and VINCI, to improve the service offering and develop innovation for the benefit of customers.

#### **A project that will uphold ASF's commitments to the French State, its customers and its employees.**

As a member of the new Group, ASF will uphold all its commitments to the French State, its customers and employees.

The transfer of ownership of ASF's shares will have no effect on toll prices, which will continue to be set by the State in compliance with concession contracts and within the context of the company's pluriannual contracts.

Furthermore, in compliance with the terms of ASF and Escota's concession contracts, all works will still be open to competition through a tender process.

Lastly, ASF and Escota will retain separate legal status within the new Group, and will continue to operate the concessions for their respective networks.

### **The social project**

In social terms, VINCI has undertaken under this project to include ASF and Escota's existing employment conditions in its employment policy.

The Group's growth and increased scale open up new prospects to ASF and Escota employees, notably in terms of career opportunities. Further, starting in 2006, they will be entitled to subscribe to the group savings plan open to all VINCI employees.

### **Financial aspects**

The operation involves two stages:

- Acquisition of the 50.4% of ASF's equity sold by the French State, raising VINCI's holding to 73.4%;
- A standing market offer (*garantie de cours*), under the same conditions, for all minority shareholders (26.6%).

#### Price

The acquisition will be paid for in cash at 50 euros per share, that is a amount of 8.9 billion euros for the remaining 77% of the equity, given that VINCI already owns 23%. This price will be raised to 51 euros a share on confirmation of the Lyon Balbigny section of Autoroute A 89 being included in ASF's concession base (i.e. a total of 9.1 billion euros for the remaining 77% of the equity).

#### Finance

The operation will be financed from the following sources:

- 2.6 billion euros from existing resources (available cash and medium-term credit lines),
- 4.2 billion euros from a 7-year acquisition loan,
- 2.3 billion euros from a 20-month bridge loan.

An issue of new shares for cash, in which VINCI shareholders will have preferential subscription rights, will be made within a maximum period of 18 months depending on market conditions. The amount of this capital increase will be no more than 30% of the total amount of the operation.

#### A value-creating transaction

The planned finance for the transaction will enable the Group to maintain a healthy balance sheet and a solid investment grade rating thereby ensuring it retains complete latitude for its growth. Also, the transaction will have an accretive effect on EPS (before goodwill) starting in 2006.

## **Dates**

The disposal of the State's majority shareholding is subject to approval from anti-trust authorities.

It will be followed by an offer for the remaining 26.6% of ASF's equity in the form of a standing market offer (*garantie de cours*).

It is expected that the operation will be finalised in the first half of 2006.

## **Meetings**

- Press conference: 14 December at 5.00 pm, Pavillon Ledoyen.
- Analysts' meeting: 14 December at 6.30 pm, Pavillon Ledoyen.

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