EUROVIA INTRODUCED ITS NEW ORGANISATIONAL STRUCTURE and streamlined its resources in a major endeavour in 2001, consolidating its position as European leader in roadworks.

During the first half of the year the French subsidiaries were reorganised around the Eurovia brand, providing public and private sector customers with a clear, fully consistent image of the company. Eurovia now has at least one agency per district to provide local service, and is now the leading roadworks brand in France. The fast-paced restructuring operation enabled us to maximise, as of the first year, the synergies generated by the combination of the Eurovia and Entreprise Jean Lefebvre companies within the broader framework of the Vinci - GTM Group merger.

The company’s modernisation was also driven by a new information system based on an SAP software package adapted to the roadworks sector. It was first deployed in Normandy, which served as a test case for France as a whole. The technology was then extended to all our French agencies on 1 January 2002. The primary purpose of the project, called Khépra, is to focus the company’s management on worksite operations: each worksite is managed in real time, with the site manager streamlining the utilization of human and material resources and thereby improving the productivity of the works activity. Eurovia is pioneering this highly innovative implementation of an integrated management software package in roadworks and, more broadly, in civil engineering as a whole.

Additional highlights of a year in which our company consolidated its international positions were the acquisition of SAV in the Czech Republic, the organisation of technology transfers within the Group, the signing of major contracts in the United States, the creation of the European Eurovia Béton company and the renovation of the ring roads in Mexico City, Berlin, Prague and Madrid. All this provides Eurovia with a sound basis from which to expand in its areas of operations - Europe and North and South America - through organic and external growth focused on enhancing the company’s industrial potential and accelerating its development in recycled materials. Our strategy is well-defined: to achieve leadership in each of our markets. Our ambition is clear: to operate in compliance with the fundamental values of quality, safety and sustainable development which guide us in everything we do.

Roads are a major vector of trade and communication. They constitute both a symbol of freedom and the infrastructure of our daily lives and they will always be needed. The outlook for our company in the world is thus particularly promising and Eurovia’s 38,000 employees are already hard at work inventing the road of tomorrow.

Roger MARTIN
Chief Executive Officer
Profile

Three business lines

ROADWORKS
Specialising in the production and laying of road and industrial surfacings (hot mix, concrete pavements, asphalt, resins), Eurovia designs, builds and maintains roads, develops urban infrastructure and contributes to the installation and expansion of industrial and commercial facilities.

INDUSTRIAL PRODUCTION OF ROAD MATERIALS
Eurovia is the leading producer of road aggregates in France and the leading producer of recycled materials (derived from blast furnace slag, construction and civil engineering waste, industrial by-products and household waste bottom ash) in Europe. Its mastery of production processes in its quarries, binder plants and mix plants gives it full control of the supply and quality of the materials used in its roadworks operations.

ENVIROMENT
The three main elements of the Group’s environment-related services are the construction of solid and liquid waste storage sites, the development of products and techniques to help reduce noise pollution and the manufacture and installation of temporary and permanent safety infrastructure.

<table>
<thead>
<tr>
<th>RECYCLING OF INDUSTRIAL BY-PRODUCTS (in millions of tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household waste bottom ash</td>
</tr>
<tr>
<td>Building and civil engineering waste</td>
</tr>
<tr>
<td>Slag, schist and other by-products</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INDUSTRIAL PRODUCTION (in thousands of tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate</td>
</tr>
<tr>
<td>Hot mix</td>
</tr>
<tr>
<td>Binder</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
A world leader in roadworks

Europe
Albania (Albavia),
Belgium (Boucher, Hydrocar, Grizaco),
Czech Republic (SSZ),
France,
Germany (Teerbau, Eurovia VBU, VBU Abbruch + Erdbau, Eurovia Beton),
Lithuania (Sauskelis),
Poland (SPRD, Beskidzie Drogi),
Portugal (Probisa Portugal, Probiqalp),
Slovakia (CSK, Slov-via),
Spain (Probisa),
Switzerland (Asphaltex, CTW),
United Kingdom (Ringway).

World
Argentina (Probiar),
Canada (OIL),
Chile (Bitumix),
Gabon (Socoba-EDTPL),
Martinique (Caralib, Moter Martinique),
Mexico (Bitunova),
New Caledonia (J-L Pacifique),
Polynesia (J-L Polynésie),
United States (Hubbard, Blythe).

38,000 employees
330 agencies
45,000 worksites in 18 countries
207 quarries
95 binder plants
400 coating plants
90 recycling facilities
2001 Highlights

DEVELOPMENT AND ACQUISITIONS

JANUARY | Creation of Eurovia Béton
The TSS company becomes Eurovia Béton. This is a major step towards the creation of a single company covering Europe as a whole and specialising in concrete pavements, extruded concrete safety and drainage infrastructure, metal safety barriers and traffic signing.

JUNE | Through its subsidiary SSZ, Eurovia acquires Czech roadworks company SAV
SAV, a regional company located in the southern Moravian industrial city of Zlín, has annual sales of 5 million € and operates a coating plant. This acquisition supplements the existing operations of Eurovia’s subsidiary SSZ in Moravia and bolsters Eurovia’s position as the leading roadworks company in the Czech Republic.

JUNE | Birth of Eurovia Paysage
Specialising in urban development and landscaping as well as the construction of luxury swimming pools, Eurovia Paysage operates primarily in the west of France. This specialised subsidiary supplements the company’s existing expertise in quality of life development.

AUGUST | Eurovia steps up its operations in the Midi-Pyrénées region
The acquisition of the Rescanières company gives Eurovia a foothold in the Ariège region where it had previously had no commercial operations.

CONTRACTS AND COMPLETIONS

MARCH | Eurovia wins a major motorway contract (A89)
Eurovia wins the pavement contract for the Egletans-Ussel Ouest section of the A89 Motorway in the Corrèze region. The 17.8 million euro contract covers construction of 23.6 km of pavements with two lanes in each direction. The work is completed within an extremely short period of time, between April and December 2001.

APRIL | First motorway project for an Albanian company
Albavia is building the main highway between the capital and the Adriatic coast, the “Superstrada Vora-Sukth”. This is the first motorway project carried out by an Albanian company.

MAY | Historic demolition in Cologne
VBU Abbruch und Erdbau demolishes a 77 m long, 67 m high twenty-storey building in Cologne. The building, with its enormous fresco, had acquired great notoriety in Germany.

JULY | Two major contracts are signed in the United States
Hubbard and Blythe win two contracts in the United States having a combined value of 141 million €. Blythe signs an 83 million € roadworks contract with the State of South Carolina to widen and reinforce a 9 km section

INNOVATION AND EXPERTISE

JUNE | Eurovia wins an Award at the World Road Congress (IRF)
Eurovia receives an award for creating a new, innovative process, the triple surface dressing. The only French company nominated for an award at this world event, Eurovia had developed a cost-effective, high-strength process which won immediate worldwide recognition.

JULY | Eurovia becomes a partner in the Road of the Future®
As the only roadworks company involved in the project, Eurovia signs the Road of the Future® Partnership Charter, a project in which a roadway will be constructed in the outskirts of Saint-Brieuc (Brittany-France) to showcase new French road technology.
activities. Rescanièr es is made up of two companies: SA Rescanièr es and SARL Rescanièr es Routes et Travaux, each of which generates net sales of 3 million € annually. Rescanièr es SA operates a gravel pit and a quarry producing 100,000 tons/year each, a mix plant supplying 40,000 tons/year, and a gravel-emulsion plant with an annual capacity of 20,000 tons. SARL Rescanièr es Routes et Travaux is a works company with customers primarily in the public sector.

**SEPTEMBER** | Finalisation of the Eurovia - EJL merger
EjL’s entire roads business line, comprising the shares of its subsidiaries and its equity investments in France and abroad as well as its real estate holdings and industrial property (brands and patents), is contributed to Eurovia. The operation is ratified by an Extraordinary General Shareholders’ Meeting held on 31 October.

**NOVEMBER** | Tender offer for the minority shares of SSZ
On 23 November, Eurovia issues a tender offer for the 38% of the Czech SSZ company still held by minority shareholders. When the operation is completed on 18 January 2002, Eurovia has acquired 1,276,150 shares for 8.9 million €, bringing its stake in SSZ to 92.06%.

of the I-385 interstate highway starting in the centre of Greenville. Hubbard is awarded a 58 million € design-build contract in Orlando, Florida, to renovate a 23 km section of I-4.

**DECEMBER** | Eurovia takes part in the construction of the TGV Est rail line
The first contract awarded as part of the construction of the TGV Est line goes to Eurovia. The 1.5 million € contract covers construction of two storage areas on an 11 hectare site to hold 1.6 million tons of aggregate for use as base course and ballast. Once this preparatory phase has been completed, Eurovia teams will be working directly on the right of way, stripping the overburden, laying a geotextile and then spreading the aggregate.

**DECEMBER** | Eurovia signs the contract to build the tram in Clermont-Ferrand
Eurovia will be responsible for building the pavement support for the tram over a 14-km section as well as for drainage and installation of a multitubular network for the power supply. The 31 million € project will get under way in early 2003 and is scheduled for completion in 2005.

**OCTOBER** | New equipment for the automatic laying of waterproofing membranes
This highly innovative equipment, the first of its kind in France and in Europe, is made available under an operating contract signed by Eurovia and waterproofing products manufacturer Soprema. The machine is self-propelled and in a single pass it heats the substrate and unrolls, welds and tapes the 1 metre wide membranes which are supplied in rolls of up to 200 m length, thereby achieving very high laying speeds.
## 2001 Key figures

### SUMMARY TABLE
*(in millions of euros)*

<table>
<thead>
<tr>
<th></th>
<th>12/31/01</th>
<th>12/31/00</th>
<th>12/31/00 restated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pre-tax net sales</strong></td>
<td>5,493.7</td>
<td>5,365.7</td>
<td>5,365.7</td>
</tr>
<tr>
<td>of which generated outside France</td>
<td>2,255.8</td>
<td>2,199.6</td>
<td>2,199.6</td>
</tr>
<tr>
<td><strong>Gross operating surplus</strong></td>
<td>368.1</td>
<td>297.9</td>
<td>297.9</td>
</tr>
<tr>
<td>as a % of net sales</td>
<td>6.7%</td>
<td>5.6%</td>
<td>5.6%</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>172.8</td>
<td>155.7</td>
<td>155.7</td>
</tr>
<tr>
<td>as a % of net sales</td>
<td>3.1%</td>
<td>2.9%</td>
<td>2.9%</td>
</tr>
<tr>
<td><strong>Income before taxes and goodwill amortisation</strong></td>
<td>176.9</td>
<td>171.8</td>
<td>139.9</td>
</tr>
<tr>
<td>as a % of net sales</td>
<td>3.2%</td>
<td>3.2%</td>
<td>2.6%</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>87.6</td>
<td>63.3</td>
<td>31.4</td>
</tr>
<tr>
<td>as a % of net sales</td>
<td>1.6%</td>
<td>1.2%</td>
<td>0.6%</td>
</tr>
<tr>
<td><strong>Operating cash flow</strong></td>
<td>273.5</td>
<td>248.2</td>
<td>230.4</td>
</tr>
<tr>
<td>as a % of net sales</td>
<td>5.0%</td>
<td>4.6%</td>
<td>4.3%</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td>174.0</td>
<td>225.2</td>
<td>225.2</td>
</tr>
<tr>
<td>Of which capital expenditure</td>
<td>157.2</td>
<td>213.4</td>
<td>213.4</td>
</tr>
<tr>
<td><strong>Shareholders’ equity</strong></td>
<td>702.8</td>
<td>790.8</td>
<td>673.7</td>
</tr>
<tr>
<td><strong>Average number of employees</strong></td>
<td>38,084</td>
<td>38,307</td>
<td>38,307</td>
</tr>
</tbody>
</table>
EUROVIA IS MANAGED BY A HOLDING COMPANY (Eurovia SA) which handles shareholder relations, sets out the company’s organisational framework and procedures, appoints top management, takes decisions on capital expenditure and provides financing. It defines strategy and provides oversight and guidance for the company. Its subsidiary, Eurovia Management, provides expertise, is responsible for financial, legal, equipment, technical, commercial and communications oversight and consolidates the operating subsidiaries. The national, regional and local subsidiaries bid on contracts and perform and deliver projects within an autonomous commercial and operational framework.

Front row, left to right: Jean-Louis MARCHAND, Roger MARTIN, Daniel BERREBI
Back row, left to right: Jean-Claude TEXIER, Daniel ROFFET, Guy VACHER

Executive Committee

Roger MARTIN
> CEO
Jean-Louis MARCHAND
> Co-chief operating officer
Daniel BERREBI
> Co-chief operating officer, France
Guy VACHER
> Executive vice-president, France
Daniel ROFFET
> Executive vice-president, International
Jean-Claude TEXIER
> CFO
General Management

André VIDAL
> Technical Services Manager

Olivier LAVERRIERE
> Administrative Manager

Michel GILI
> Human Resources Manager

Jacques ROYER
> Manager, Ile-de-France Division

Michel LOMBERTY
> Manager, North Division

Henri ALBERT
> Manager, Normandy Division

Philippe BERTHOUX
> Manager, West Division

Jacques BOULLENGER
> Manager, Centre Division

Jean-Yves GUILLARD
> Manager, South-West Division

André BOUANICH
> Manager, Mediterranean Division

Patrick SULLIOT
> Manager, Auvergne Rhône-Alpes Division

Christian ANTOINE
> Manager, East Division

Bernd LANGE
> Manager, Germany

Eric CROSS
> Manager, United Kingdom

Gonzalo F. LOPEZ
> Manager, Spain

Philippe MURAT
> Manager, Canada

Jean-Marc ALLARD
> Manager, United States

Borijov KACENA
> Manager, Czech Republic

A new information system

Launched in May 1999 and operational since 1 January 2002, the Khépra project implements a new information system integrating all functions throughout the company, with a special focus on operational worksite management.

In adopting the integrated management (ERP) software package SAP R/3, Eurovia gave priority to a single, transparent, reliable and immediately usable information system which can provide real-time management of activity and thus improve the company’s overall competitiveness. At the heart of the system, operational worksite management uses a single IT system to support value-based worksite planning, budget optimisation, expenditure confirmation, resource adaptation, adjustment of receipts, and an ongoing comparison between budget forecast and actual figures. The project introduces not just an information system but an in-depth management transformation which enhances each of the company’s functions.
TOWARDS A HARMONISED AND PROFITABLE QUALITY PROGRAM

The focus of Eurovia’s business activities is on quality, the goal being to improve customer satisfaction and efficiency of internal organisation. Each international subsidiary autonomously develops its own quality programme. For example, in November 2001 Slov-via obtained ISO certifications for its works activity and for its production and sale of aggregate, hot mix and concrete. In France, priority has gone to maintaining existing certifications and to developing a harmonised approach in line with the new ISO 9001 version 2000 standard, which provides for separate certification of each Division. The company’s management system has now been organised in accordance with a “process-oriented approach” enabling management staff to better meet improvement objectives tracked by indicators. Finally, IT tools are being developed on the Intranet to facilitate analysis (assessing customer satisfaction, managing non-compliance, etc.). Eurovia’s goal is to obtain certifications under the new ISO standard for its works activities and its Technical and Promotion Department by the end of 2002.

A PROACTIVE HEALTH AND SAFETY POLICY

The quest for better worksite safety at Eurovia takes the form of a number of concrete initiatives aimed at fostering safer working methods and developing a risk-prevention culture. Health and Safety policy was implemented in 2001 in a variety of actions such as the appointment of Safety Advisers in all agencies and industrial facilities; the performance of 267 Safety audits designed to determine the “safety profiles” of Eurovia facilities and ensure compliance with applicable regulations; the launch of an annual risk-awareness campaign carried out on the ground by the network of Quality-Safety-Environment Officers (the campaign’s 2002 theme is traffic accidents, the number-one cause of work-related fatalities) and the organisation of an in-house Safety Challenge programme. In the United Kingdom, Ringway - which won the 2000 Bronze Safety Award presented by the Royal Society for the Prevention of Accidents - reaffirmed a strong policy in this field, publishing a new manual setting out guidelines and good practices.

CONTROLLED ENVIRONMENTAL IMPACT

Environmental protection and the development of practices aimed at limiting the environmental impact of the company’s activities are a Eurovia priority shared by all of its people. The focus in 2001 was on activities which included improving worksite arrangements, on-site sorting and recycling of waste generated, use of worksite techniques which generate less noise and rehabilitation of hazardous sites. In Quebec, the Mont-Bruno quarry was re-developed to take account of the urbanisation of its surroundings. A new crusher connected to buckets moving on rails was introduced to limit truck traffic on the site. In addition, operators are working with outside experts to monitor the impact and limit the frequency and power of blasting operations.

Eurovia’s development is driven by synergies among its people. The company is attentive to making the most of its human asset which is focused on three main priority goals: quality, safety, and environmental protection.
Hiring and training

Every year, Eurovia hires more than 100 young engineering and vocational school graduates worldwide. In 2001, 204 management staff, 611 foremen and 1,894 workers were hired. Eurovia offers its employees personalised orientation, starting with an apprenticeship in the field which includes immediate operational responsibilities. Training to acquire further skills is offered by the GIRF (Groupement de l’Industrie Routière pour la Formation) in-house training entity.

In the United States, Hubbard and Blythe train about ten young engineers just beginning their careers in a two-year program which familiarises them with all aspects of the company - techniques, design office, marketing, etc. In 2001, 11,260 Eurovia employees worldwide received such additional training.

Finally, the people that make up the company represent a pool of competencies which is supported by the Master and Sponsor programme recognising an employee’s ability to transmit knowledge, enterprising spirit and quality of teamwork.
The Dourdan research centre in France works for the ongoing improvement of road surfacings. It is supported for the development of national products by the Pinto (Spain), Bottrop (Germany), Prague (Czech Republic) and Montreal (Canada) laboratories.

**NEW, MORE ENVIRONMENTALLY FRIENDLY PRODUCTS**

Eurovia’s main research focus is on developing products which protect the environment. Several patents were filed in 2001, including one for a method of inhibiting aluminium corrosion in household waste bottom ash which provides complete control of the process employed to recycle a material now used in lower base courses. The Recycan process, for which a patent has also been filed, converts the material excavated from drainage trenches into a self-compacting product for use on worksites, thereby eliminating the need for transport, landfill disposal, procurement of quarried materials and conventional backfilling machinery. Finally, in 2001, Eurovia launched Viaplast, a dual-layer complex material which is revolutionising the waterproofing of concrete road structures by introducing a self-bonding sheet which can be laid at high speed.

**IMPROVING USER SAFETY AND COMFORT**

Eurovia pays special attention to improving the skid resistance of its surfacings, a crucial factor in preventing road accidents because it determines roadholding in curves and braking distance. Viagrip (called Roadgrip on the British market), a surface dressing with excellent skid resistance, is designed to improve safety in accident-prone areas. It is made of a bitumen-epoxy binder and a particularly hard aggregate which is highly resistant to abrasion and polishing.

**DEVELOPING LASER GUIDANCE SYSTEMS FOR MACHINERY**

Eurovia is continuing the automation of its worksites, including small ones, with a view to optimising their quality and efficiency. Special attention is paid to compaction homogeneity control. As part of a European CIRC research project, Eurovia took part in the design of a system to support GPS-based roller operation. The signature in April 2001 of a memorandum of understanding between the CIRC project partners signalled the start-up of this system, called CIRCOM.

**FOSTERING SKILLS TRANSFER**

Skills transfers among Eurovia subsidiaries contributed to the enhancement of the technical capabilities of works agencies. French technical teams worked in Slovakia to adapt the flagship Salviacim and Microvia products to local specifications in terms of both materials and laying techniques. 20,000 m² of Salviacim were laid as part of the development of the loading platform at the Industry Park Volkswagen plant.

Europeanisation of the product range also involves product approval procedures: for example, Gripfibre will soon be recognised on the Polish market and British road marking products developed by Ringway are now undergoing certification in France.
Displaying hot mixes

The Dourdan Research centre has developed an original expert witness methodology as a fast, low cost, effective way to identify anomalies in a variety of materials such as hot mixes, concretes and aggregates. In this technique, a sample is impregnated with a very fluid fluorescent resin in a strong vacuum and then, after sawing and polishing, examined in UV light either directly or under a microscope. The technique makes it possible to display and even to quantify, by digital imaging, such things as hot mix voids content, aggregate porosity, materials homogeneity, membrane distribution, cracks, etc. This fluorescent resin inspection technique has already been used to explain anomalies observed in the laboratory and on construction sites. The method received a Grand Prize at the Vinci Innovation Awards in 2001.

INNOVATION

1 - France
In the framework of the A380 launch at Toulouse-Blagnac Airport, an experimental hydraulic concrete pavement with reconstitution of soils of different types.

2 - United Kingdom
Installing a skid-resistant surfacing in London’s Park Lane.

3 - France
Laying the new dual-layer ViaPlast waterproofing complex in the car parks at the new Roissy-Charles de Gaulle Airport international terminal.

PROJECTS

1. Technical support for pavement construction in the El Azhar Tunnels in Cairo (Egypt).

2. Development of a new road marking which can be applied hot or cold by Ringway Roadmarking (United Kingdom).

3. Development in Spain of Probiclean, a thermo-adhesive emulsion for tack coats.

4. Experimental use of Dilaplast-R and Igas Profilé-R to treat hot mix joints (France).
To help foster sustainable development, Eurovia designs roadworks products and techniques that save materials and energy.

**Utilisation of Industrial and Domestic By-products and Waste**

Household waste incineration bottom ash, blast furnace slag, coal slate, purification plant sludge incineration ash, moulding sands, concretes and hot mix surfacings are now an alternative source of materials for use in road construction. Eurovia is the leading producer of recycled materials in Europe and it promotes the utilization of industrial and domestic by-products with the aim of saving natural aggregate resources and limiting volumes disposed of in waste storage sites. In 2001, the company made particularly significant progress in recycling the residue from thermal processes. First trials will be carried out in 2002.

**Laying Thin and Very Thin Hot Mixes**

To save natural resources, Eurovia also developed in-situ techniques, such as on-site thermo-regeneration of hot mixes and treatment of soils, which are currently employed in the construction of base courses. In addition, researchers have developed a new generation of thin and ultra-thin (between 10 and 25 mm) wearing courses which use smaller volumes of natural aggregate together with polymer-modified bituminous binders or pure bitumen binders with added organic fibres which maintain their excellent mechanical performance. These road products are environmentally friendly and offer high technical added value.

**Development of Cold Techniques**

Cold techniques save energy and release less CO₂ into the atmosphere. Emulsions, physical mixtures of two liquid constituents, make bitumen workable without heating. They can be used in surface dressings, cold-laid mixes, tack coats and cold mixes. Eurovia is also participating in the European SCORE research project focused on cold recycling. Gripfibre, Eurovia’s patented flagship product, is a second-generation cold mix used in wearing courses; the addition of synthetic fibres confers skid resistance and durability properties previously thought to be impossible to achieve in a cold technique. In coming years, warm mixes - with a temperature some 20° lower than that of conventional hot mixes - could also lend themselves to promising developments.

**Utilisation of Foamed Bitumen**

Foamed bitumen is produced by injecting a very small quantity of water with a foaming agent into a selected hot bitumen. The water evaporates instantly, generating a foam which is immediately mixed with either natural aggregate to form Grave-mousse® or household waste incineration bottom ash to form Scormousse®. Scormousse, which saves natural materials and bitumen and recycles household waste, is an environmentally sustainable material.
Recycled woodwool cement

The development of recycled woodwool cement, an ingenious instance of road-rail continuity, was prompted by two separate circumstances. First, the railway sleepers supporting the rails are made of oak and beech species which require chemical treatment against mould and insect attack. They therefore constitute hazardous waste which has to be incinerated or disposed of in Class 1 waste disposal facilities. Meanwhile, noise barriers along roads and railway lines are made of porous concrete in which rock aggregate is replaced with wood aggregate to enhance the complex material's absorbency. Traditionally, the wood used for this purpose came from coniferous species and required treatment to resist mould and insects. The combination of these two sets of circumstances prompted Eurovia to do research aimed at utilizing waste sleepers as a base material for woodwool cement. The research resulted in the development of recycled woodwool cement (B.B.R.).
The French market grew for the third consecutive year in 2001, enabling Eurovia’s teams to generate sales of 3.2 billion euros, up 2.3%.

**ROADWORKS**

As an active player in regional development, Eurovia completed several new motorway projects (A84, A85, A89) as well as several maintenance projects (A68, A13) this year. Eurovia is involved in all types of urban development work - streets, pavements for segregated right-of-way transport systems, pedestrian zones and sports facilities. Its projects this year included development of the Garonne quays in Bordeaux, landscaping in Le Croisic, renovation of the walkways at Epaou Abbey in Le Mans and work on the TEOR metro-bus system in Rouen and the Lamentin athletics stadium in Martinique.

Eurovia also participates in the development of other transport infrastructure in its work on airports (Wallis Airport in the South Pacific, maintenance at Fort-de-France Airport in Martinique, construction of a parallel taxiway at Strasbourg-Entzheim Airport), ports (Saint-Pierre and Marie Galante platforms in Martinique, agri-food terminal in the Port of Nantes-Saint-Nazaire) and railway stations (lengthening of the TGV platform at Lille Europe station, roads for the new TGV Méditerranée stations).

As is the case every year, 30% of net sales were accounted for by private-sector customers - developers, industries, retail businesses - which Eurovia supports in their expansion. The construction of a test track at Citroën’s Aulnay-sous-Bois plant, the construction of the roads at the new Louis Vuitton workshop in the Manche region and the establishment of a new industrial zone in Forbach are just a few examples of the growth of this business in 2001.

**INDUSTRIAL PRODUCTION**

The production of materials in France - supplementing the works activity - is a business in its own right, generating net sales of 500 million euros. With a volume of 42 million tons Eurovia is the country’s largest road aggregate producer as well as its second largest hot mix producer and second largest binder producer. Eurovia’s works agencies are supplied from its 415 industrial units located throughout the country.

**ENVIRONMENT**

Eurovia’s environment offering covers three main areas of activity: noise abatement (involving the laying of low-noise surfacings and the construction of noise barriers), waste storage facility construction and waterproofing and safety-related infrastructure development.

Projects representative of this booming business sector include the extension and upgrading to standards of the infiltration basins at Bâle-Mulhouse Airport, the construction of a wastewater collector as part of the Île-de-France Clean River program, the development of the waste storage site at La Glacière and the installation of a noise barrier along the RN10 highway in Rambouillet.

Finally, through its subsidiary Cardem, Eurovia performs demolition and dismantling work - for example, safety work at the AZF buildings in Toulouse and demolition and asbestos removal at the Gérard Philippe building in Gennevilliers - which makes use of the expertise of its German subsidiary, the European leader in this specialised field.
New work on airports

In 2001, Eurovia had an opportunity to employ innovative products and processes in projects it carried out at several airports. For example, the refurbishment of handling equipment storage areas at Roissy-Charles-de-Gaulle made use of Alvéocim, a thin joint-free surfacing which can be laid without heavy equipment and which can be easily cut to the dimensions of the structure to be covered. As part of the extension of the EADS-Sogerma aircraft parking area at Mérignac, the pavement was surfaced with Maxphalte Fuelsafe, a new polymer-modified bitumen sold by Shell which increases hot mix resistance to hydrocarbons (and, in addition, entails no health risks). Finally, Eurovia Béton laid an experimental slab made of “stiff PEP” concrete on a 12,000 m² runway for Toulouse Blagnac Airport and Airbus Industrie. This runway will be used to test the impact of the new Airbus A 380 on pavements.

Projects

- Renovation of the Promenade des Anglais in Nice.
- Restoration of the Roland-Garros stadium which hosts international tennis championships.
- Start of construction of a two-lane highway with engineering structures and two roundabouts in Mont Dore (Territory of New Caledonia).
- The signing of a construction contract with the Baudelet company in Balinghem for a 17-cell household waste storage facility (Class 2 controlled landfill).
Europe

On markets which were by no means uniform - buoyant in the United Kingdom, Spain and Eastern Europe, mixed in Germany and Belgium - Eurovia’s sales grew to 1.6 billion euros, up 10.5%.

ROAD AND RAIL WORKS
The works activity in Europe included refurbishment and new construction of motorway sections. A few examples of works carried out during the year were the lengthening of the Madrid-La Coruna motorway by 42 km, the construction of the “Superstrada Vora-Sukth” motorway between Tirana and Durrës in Albania, the upgrading of National Highway 17 between Warsaw and Lublin in Poland, the resurfacing of the E314 motorway in Belgium and the construction in the Czech Republic of the D8 motorway linking Prague and Dresden. The year also saw urban development in a number of Europe’s major cities with, for example, the renovation of Saint George Square at Prague Castle and Sparta Stadium in Prague and the renovation of Park Lane, one of the city’s major tourist thoroughfares, in London. In segregated right-of-way transport systems, Provisa developed a green lane in Granada called the “Via del aceite”. Finally, Eurovia teams carried out work at the airports in Dortmund, Frankfurt and Glasgow and on the embankment of the port of Taliarte in the Canary Islands.

A major proportion of the business activity in this geographic zone is accounted for by the construction of large industrial and commercial sites. Slovakia is a case in point, where a variety of development projects were carried out (roads in the delivery area, green spaces, customer parking) at the Carrefour hypermarket in Kosice. In Poland, the roads at the Castorama store in Sosnowiec and the Auchan hypermarket in Zory were also built by Eurovia teams.

Major railway works, a speciality of SSZ, Eurovia’s Czech subsidiary, were carried out in 2001, including renovation of a large railway section linking Berlin, Prague and Vienna and the Liberec tram system in Northern Bohemia.

INDUSTRIAL PRODUCTION
Production of road materials proceeded briskly in all European countries, with a clear trend toward more environmentally-friendly products. In Germany, the proportion of demolition waste materials re-used by Eurovia’s German subsidiaries was particularly high, with a number of coating plants able to handle 50% recycled hot mix. The use of recycled hot mix expanded elsewhere as well, especially in Dorset in the United Kingdom, in Limbourg in Belgium where the recycling rate reached 40%, in Poland and in Slovakia. In Spain, bottom ash was used as trench backfill for the first time in 2001. Lastly, new entities were set up - a coating plant was opened in Albania and an emulsion plant was commissioned in Myslowic in Poland - to boost materials production capacity in Europe.

ENVIRONMENT
As a major noise abatement method to supplement low-noise road surfacings, noise barriers were a focus of activity during the year. The LIADUR noise reduction panel developed by SSZ received the gold medal at the International Construction trade fair in Brno. In Belgium, 2,000 m² of noise abatement panels with tropical wood slat cladding were installed as part of the Kennedy Tunnel project in Brussels.

In Spain, Provisa set up a selective hazardous waste sorting unit in Granada. Several other waste storage sites were also built in the geographic zone, in particular in Slovakia, reflecting emerging environmental concerns in Eastern Europe.
Development of UL-M® licences in the United Kingdom

At the time of its acquisition by Entreprise Jean Lefebvre in 1996, Ringway owned no quarries or coating plants in the United Kingdom. A strategy was thus adopted to transfer French technology to that country, while complying with British standards and setting up a system to ensure widespread dissemination. First the materials had to be adapted to British conditions and then coating plants, which did not belong to Ringway, licensed to produce UL-M hot mix throughout the country. The results were spectacular. In 2001, 2.1 million m² of high-performance innovative hot mix, made by 50 licensed mix plants, were laid in England, Scotland, Wales and Northern Ireland. The development of UL-M licences won a Grand Prize at the Vinci 2001 Innovation Awards.

PROJECTS

- **Repair of the Blasbach Viaduct on the A45 Motorway in Germany.**
- **Pavement surfacing work on the new M-511 and M-501 motorways linking the northern Madrid ring road (M-40) with three of the main suburbs south-west of the capital.**
- **Renovation of Qemal Stafa street, one of the main thoroughfares in Tirana (Albania).**
- **Construction of the Oswiecim by-pass in Poland.**
- **Construction of the interchange between the I-18 and I-59 motorways in Slovakia.**
Despite the relative slow-down in private sector works following the events of September 11, business was stable for the Eurovia Group on the American continent in 2001. Eurovia continues to develop in a zone which accounts for 11% of its net sales.

**WORKS**

The construction and renewal of transport infrastructure (roads, highways, bridges, airports, etc.) accounted for 90% of the operations of Hubbard and Blythe in the United States. Major projects were completed, such as the design-build construction of a new section of Universal Boulevard in Orlando and the widening and renovation of I-95 in West Palm Beach as well as the reconstruction of engineering structures on that highway. Most of the public-sector contracts in the United States have durations of several years.

In Canada, transport infrastructure accounts for 60% of the business conducted by DJL, and includes in particular the reconstruction of Highway 112 in Saint-Hubert and Highway 116 in Rigaud. Ongoing refurbishment and repair of the main runways at Dorval Airport in the centre of Montreal Island, under a program started in 1998, was one of the largest projects of the year.

In Mexico, roads and other transport infrastructure accounted for most of the activity at Bitunova (78%), with the work performed in 2001 entirely devoted to maintenance. This included renovation of the northern ring road in Mexico City. Work was carried out at night since this road carries some of the heaviest traffic in the world.

In Chile, the construction and maintenance of road infrastructure made up 50% of the activity of Bitumix. This included, notably, the laying of 135,000 tons of hot mix on the Santiago-Valparaiso (A68) Concession, the reconstruction of a 14 km section of the Pan-American Highway between Alto Camarones and Puente Chaca, the application of cold mix over a surface of 61,000 m² to maintain the Talca-Chillan Concession and airport maintenance work (runway at Punta Arenas).

**INDUSTRIAL PRODUCTION**

Industrial activity was developed on the American continent in terms of both volume and innovation. In Quebec, the ageing road network is in need of a major pavement overhaul, which will generate large quantities of materials with recycling potential. DJL gained an edge over its competition by proposing a recycled aggregate treated in a mix plant with a composite binder, Recyflex. The mineral skeleton of the product is made up of 100% recycled materials from planed hot mix and/or crushed rigid pavement cement. In addition, the Quebec subsidiary continues to develop on-site treatment of materials, with a special focus on thermo-regeneration.

In Mexico, Bitunova has developed and produced an emulsion at its Atipac facility on the outskirts of Mexico City. The product, called Polinova, is made with modified bitumen and used for tack coats and surface dressings. This emulsion was notably used in the tack coat on the northern ring road in Mexico City. Bitunova also developed a modified binder for coating. These products will be employed by the new coating plant commissioned in 2001.

In Chile, research programs resulted in the development of a modified bitumen incorporating rubber powder obtained from tyres and the development of in-situ recycling using foamed bitumen.
Renovation of the runway at Mazatlan Airport

Bitunova rebuilt the runway at Mazatlan International Airport on the west coast of Mexico. The pavement was structurally sound but there were cracks at the joints with wider openings in the landing area. Bitunova teams installed a geotextile primed with pure bitumen (Miratak). The entire surface was covered with 60 mm of hot mix. The Miratak complex is made up of a non-woven geotextile, a flexible film made of a mixture of pure bitumen and rubber covered with protective paper. It has excellent resistance to the stresses generated by slab movements as well as outstanding waterproofing properties.

INNOVATION

- Construction of an additional access interchange at Disney World in Florida (USA).
- Renovation of urban roads in Mexico City and Toluca (Mexico).
- Start-up of the new mobile primary crusher at the Mont-Bruno quarry (Canada).
- Refurbishment of road and street pavements in Jacksonville, Fla. (USA).
- Widening and reinforcement of I-385 in South Carolina (USA).

PROJECTS

1 - Chile
Construction of the San Pedro aerodrome.

2 - Canada
Renovation of the waterproofing on the Île-aux-Tourtes Bridge using the Etaoplast process in Quebec.

3 - USA
Construction of a new section of 118th Avenue in Tampa, Florida.
Eurovia, the leading European roadworks company, leading producer of road aggregates in France and leading producer of recycled products in Europe, generated net sales of nearly 5.5 billion euros (5,493.7 million euros) in 2001, up 2.4% from 2000.

Approximately 90% of these net sales were generated in Europe. In addition to its strong positions in France, Germany and the United Kingdom, Eurovia has a large network of locations in Spain, Belgium, the Czech Republic and Central Europe in general (Slovakia, Poland, Lithuania, Albania). Eurovia is a European company which also has well-established subsidiaries in North America (U.S., Canada), Central America (Mexico) and South America (Chile).

FRANCE
(3,202 million euros in net sales)

For the third year in a row, the market grew - albeit less spectacularly than in previous years. The industry estimates the growth rate at 2.3%.

This increase occurred primarily in the first half of the year, bolstered by the ongoing momentum of 2000, while growth in the second half was slightly below the figure for the second half of last year.

Against this backdrop, Eurovia’s net sales expanded at an identical rate (+2.3%) despite the merger of the two companies which make up the Group and the effort to eliminate sterile competition by streamlining of their geographic coverage.

This suggests that in 2002 business activity will show a slight decline, on the order of 3%, in major motorway projects - which account for a very small proportion of our overall net sales - and in the private sector which is expected to cut back on its investments. By contrast, the local public-sector market, which represents nearly 60% of the Group’s business activity, is expected to hold steady.

WESTERN EUROPE
(1,264 million euros in net sales)

The German market has again been through a difficult year. This, together with the decision to discontinue a number of activities which were peripheral to our core business, resulted in a deliberate cut-back - amounting to 646 million euros - of 13.5% (but only 7% on a like-with-like basis).

Business in the last months of the year was more buoyant and order intake was slightly up, suggesting a trend toward recovery in 2002.

Business at Ringway in the United Kingdom, which is focused primarily on the market...
for road infrastructure maintenance now being privatised by local authorities, was very buoyant and showed strong growth against the previous year (+19% like-with-like). Business activity is expected to be at least as strong in 2002.

In other countries, highlights were the good performance of the Spanish market which is expected to last through next year and the turnaround of Provisa following the spin-off of our activities in Catalonia; by contrast, conditions are still difficult on the Belgian market (where the Group’s activity accounts for less than 1% of the total).

CENTRAL EUROPE
(388 million euros in net sales)

On a somewhat sluggish Czech roads market, SSZ demonstrated very good responsiveness thanks to its diversified activities, and managed to expand by 7% without reducing its margins. The market outlook is better in coming years.

The tender offer issued at the end of 2001 for the shares still held publicly enabled us to raise our interest in SSZ from 62% to 92%.

In Poland the outlook is less good and the market experienced a further drop this year, which impacted the margins of our companies.

In Slovakia the focus was on the reorganisation, now completed, of CSK which was acquired at the end of last year and was consolidated for the first time in 2001, as well as on the ongoing development of the Slov-via company founded in 1999.

AFRICA AND FRENCH OVERSEAS TERRITORIES
(40 million euros in net sales)

The year was marked by our ongoing pull-out from the African continent with the sale of EJL in Senegal.

Despite a number of cases of labour unrest which disrupted our activities in New Caledonia, the outlook in the Pacific area remains good.

In Martinique, the civil engineering businesses held up well, offsetting more difficult conditions on the roadworks market.

AMERICAS
(600 million euros in net sales)

In Canada, DJL experienced a very good year, with net sales up 6% and earnings up 35%.

The impact of September 11 is not expected to be felt in the Province of Quebec (where DJL operates), which, having postponed its road network upgrade plan for a number of years, can no longer delay implementation.

The year 2002 should be in line with 2001.

In the United States, where Eurovia has operations in Florida and in North and South Carolina, the Hubbard Group’s business activity held steady.

The events of September 11 are expected to affect the private sector (Disney in particular), but a large civil engineering program, a sector in which Hubbard is particularly strong, has been undertaken to stimulate
economic recovery in Florida and this should enable the Group to repeat its performance.

In Mexico the Bitunova company, set up two years ago, has now been included in the scope of consolidation. Bitunova produces emulsions and performs hot mix works in Mexico City and the surrounding area.

In Chile, the reorganisation undertaken at the end of last year has borne fruit and should make it possible to return to break-even in 2002 on a market showing a positive trend.

Overall, the Group’s business activity has increased by 2.4% despite the decline in Germany which was offset by the increase (+10.5%) on the other International markets.

**STRONG INCREASE IN PERFORMANCE**

The market trend is favourable in France and this, together with the effects of the synergies resulting from the merger, the turnaround now underway in Germany, the recovery in Spain and our sustained or improved performance in most of the other countries, enable us to post gross operating surplus of 368 million euros (6.7% of net sales), compared to 298 million euros in 2000, and operating income of 172.8 million euros or 3.1% of net sales, as compared to 155.7 million euros in 2000. This last figure included a restatement relating to provisions for retirement benefits amounting to 22 million euros. Excluding that “exceptional” item, operating income was up by nearly 30%.

Net income stood at 87.6 million euros, compared to 63.3 million euros in 2000, a figure which included 32.1 million euros in Cofiroute income accounted for by the equity method which no longer impacts Group income.

Investments amounted to 174 million euros, of which 17 million were financial investments.

Shareholders’ equity amounted to 703 million euros, working capital stands at 218 million euros, and provisions for liabilities amount to 394 million euros.

**OUTLOOK**

In an uncertain economic environment, and excluding external growth, business activity in 2002 is expected to reach the 2000 level, down slightly from 2001.

The full-year impact of synergies resulting from the merger of the Group’s two companies and the turnaround of entities still experiencing difficulties hold out the promise of an improvement in operating income.

The development of the Group remains focused on the consolidation of its industrial positions, especially in quarries and recycled materials, which help to regulate its results, and on new acquisitions in Northern and Central Europe and in North America.