SUMMARY INTERIM FINANCIAL STATEMENTS

30 JUNE 2006

VINCI

CONTENTS

VINCI's consolidated financial statements presented on the following pages show VINCI's historical data for the first half and full year 2005 and consolidated data that includes Autoroutes du Sud de la France as from 9 March 2006, the date on which VINCI acquired control of ASF, for the first half of 2006.

MANAGEMENT REPORT FOR THE FIRST HALF OF 2006

The consolidated financial statements for the first half of 2006 are marked by the acquisition by VINCI, for a total of €8.9 billion of a further 75.42% shareholding in ASF, bringing its total holding to 91.41% at 30 June 2006; this has since been increased to 98.45% (as at 4 September 2006). This acquisition was partly financed by an increase in share capital completed on 25 April 2006 for €2.5 billion and by the issue of perpetual bonds for €0.5 billion; the balance was financed by an acquisition loan and from the Group's available cash resources.
VINCI's published statutory consolidated financial statements at 30 June 2006 consolidate ASF as from 9 March 2006, which is the date of VINCI's acquiring control of ASF.
In order to enable an analysis to be made on a comparable basis, this management report comments on the data for the first half of 2006 and for 2005, restated to show the effect of consolidating ASF for a full six months.

Furthermore, the airport services operations, which are in the course of being sold, are shown on a separate line in both the statutory and pro forma financial statements, in accordance with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations.

In very busy trading conditions, all VINCI's business lines performed very well in the first half of 2006. Following a further increase in July, the order book for the Construction, Roads, and Energy business lines stood at €18 billion at 31 July 2006, showing a 19% increase over 12 months. New orders are being taken on good terms, providing VINCI with excellent visibility over the year as a whole.

1. REVENUE

VINCI's pro forma consolidated revenue amounted to €11.9 billion for the first half of 2006, up 8.4% against the first half of 2005 restated on the same basis. These figures exclude revenue from the airport services business, which is being sold, and which amounted to €276 million in the first half of 2006 (€224 million in the first half of 2005).
This figure includes revenue of ASF and Escota for six months for €1,210 million (against €1,146 million in the first half of 2005).
Excluding ASF, revenue growth was 8.8%.

In France, pro forma revenue was €8 billion, up 8.1% against the first half of 2005 (or 8.5% excluding ASF and Escota). Business was brisk in all business lines, with the largest increases coming from Eurovia (up 14.6%) and VINCI Concessions (up 12.9% excluding ASF and Escota).
Outside France, revenue was €3.9 billion, up 9.2%, and accounted for 32.5% of total revenue. All business lines reported increased activity, with the exception of VINCI Energies where activity remained stable as a result of the sale of TMS at the beginning of the year.

Revenue by business line

(in € millions)	H1 2006 Pro forma	H1 2005 Pro forma	Change2006 against 2005	
			At actual consolidation and exchange rates	At constant consolidation scape and exchange rates
Concessions and services	2,000	1,876	+6.6%	+6.4%
of which ASF	*1,210*	*1,146*	*+5.6%*	*+5.6%*
Energy	1,740	1,667	+4.4%(*)	+2.8%
Roads	3,122	2,794	+11.7%	+10.2%
Construction	4,928	4,564	+8.0%	+6.1%
Miscellaneous and eliminations	108	72	n/s	n/s
Total	**11,898**	**10,973**	**+8.4%**	**+7.0%**

(*) *+7.9% excluding TMS*

VINCI Concessions: €2,000 million (up 6.6 % actual; up 8.2% excluding ASF and Escota)

Consolidated revenue of ASF and Escota was €1.2 billion for the half year. Toll income increased by nearly 6% to €1,186 million. Traffic increased by 2.2% (of which 0.3% as a result of new sections entering service). On a like-for-like basis, light vehicle traffic increased by 2.1% and heavy vehicle traffic by 0.7%.
Revenue for the half year at Cofiroute was €442 million, including €430 million from tolls, up by 7%. Traffic increased by nearly 5%, comprising an increase in light vehicle traffic (up 3.2% like-for-like), a good level of heavy vehicle traffic (up 2.1% like-for-like) and the positive effect of extensions to the road network (a 1.9% increase).
Revenue at VINCI Park was €256 million, up by nearly 6%. This was the result of a good level of use of parking facilities in France and the increased pace of development in both France and abroad, in particular in Spain and Canada.
The other concessions (bridges and tunnels, airports and the Stade de France stadium) reported revenue of €94 million, up 24%.

VINCI Energies: €1,740 million (up 4.4%)

Excluding the effect of the sale at the beginning of the year of TMS, VINCI Energies' total revenue increased by more than 7% over the six months (and by 12% outside France).
In France, following a start to the year that saw strongly increased revenue, business was stable in the second quarter, with the dynamism of the services and telecommunications infrastructure sectors contrasting with the slackening off seen in the industry sector. For the six months as a whole, revenue was €1.3 billion, up 5.4%.
Outside France, revenue was up very slightly across the period under review, at €440 million (up 1.6%), with the acquisitions of NK Networks in Germany and Sotécnica in Portugal offsetting the effects of the sale of TMS.

Eurovia: €3,122 million (up 11.7%)

After a good start to the year, business in France remained at a high level in the second quarter, standing at €1.9 billion for the full six months, an increase of nearly 15%. This trend reflects how dynamic markets are in all regions and also includes the effects of rises in raw material prices, in particular oil prices.
Outside France, revenue increased by 7.6% to €1.2 billion. The good level of business in the second quarter (up 9%) allowed the time lost at the start of the year due to poor weather conditions, in particular in Central Europe, to be caught up. The good performance in Germany (up 7%), confirming the recovery seen since several months, should also be noted, as should the good economic climate in the USA, where the Eurovia subsidiaries have continued their recovery, and in the Czech Republic.

VINCI Construction: €4,928 million (up 8%)

In France, VINCI Construction's revenue for the half year stood at €2.8 billion, up nearly 6%. After several consecutive quarters of strong increases, the trend remains favourable, with very high levels of activity in all members of the division.
Outside France, revenue was €2.1 billion, up 11.5% over the period. The strong level of activity in operations in Central Europe, and the dynamic performance in major projects, at Freyssinet and in dredging, especially in the Middle East, are all worthy of note.

2. RESULTS[1]

Net profit on an actual basis for the first six months of 2006 was €516.9 million, up 45% against the first six months of 2005 (€356 million). Diluted earnings per share rose 31% to €2.39.
The pro forma net profit attributable to Group shareholders was €518.4 million, an increase of 32% against the pro forma profit for the first half of 2005 (€391.6 million).
Excluding ASF, of which the contribution to net profit increased by 3% to €122 million (€118 million at 30 June 2005), the operating divisions' contribution to net profit increased by 22% from €324 million to €397 million, while that of holding companies, close to break-even, increased by €51 million (from a loss of €51 million in the first half of 2005) after taking account of the impact of the sale of property at Nanterre, close to Paris.

Net profit or loss by business line

a) Actual data (statutory accounts)

(in € millions)	H1 2006 actual	H1 2005 actual	Change
Concessions	247	142	+73.8%
Energy	53	41	+31.7%
Roads	16	12	+31.1%
Construction	159	152	+4.5%
Property	24	5	n/s
Holding companies	18	4	
Total	**517**	**356**	**+45.2%**

1 *Accounting treatment of concession contracts: pending completion of the work being done by the IFRIC, VINCI has retained the accounting policies applied to concession contracts until now in preparing the 2006 interim financial statements.*

b) Pro forma data

(in € millions)	H1 2006 Pro forma	H1 2005 Pro forma	Change
Concessions	266	232	+14.4%
Energy	53	41	+31.7%
Roads	16	12	+31.1%
Construction	159	152	+4.5%
Property	24	5	n/s
Holding companies	-	(50)	
Total	**518**	**392**	**+32.4%**

Pro forma operating profit from ordinary activities for the period, after taking account of the amortisation of goodwill in the ASF contracts, was €1,129 million, a 17.2% increase against the first half of 2005 (€963 million).
After restating for the impact of the amortisation of the ASF contracts, representing an expense of €134 million in the half year, consolidated operating profit from ordinary activities amounted to €1,263 million at 30 June 2006, a 15.1% increase against the first half of 2005 (€1,097 million). The operating margin was 10.6% compared with 10% in the first half of 2005.

Operating profit from ordinary activities - by business line

(in € millions)	H1 2006 Pro forma	% revenue	H1 2005 Pro forma	% revenue	Change H1 2006 against H1 2005
Concessions and services	671	33.6%	616	32.8%	+9%
of which amortisation of ASF and Escota contracts	*(134)*		*(134)*		
Energy	86	4.9%	78	4.7%	+11%
Roads	30	1.0%	27	1.0%	+10%
Construction	224	4.5%	235	5.2%	-5%
Property	42	16.8%	10	4.9%	n/s
Holding company and miscellaneous	76		(3)		
Operating profit from ordinary activities	**1,129**	**9.5%**	**963**	**8.8%**	**+17%**
IFRS 2 expense and miscellaneous	(36)		(27)		
Operating profit	**1,093**	**9.2%**	**936**	**8.5%**	**+17%**

In a context of strong levels of activity, VINCI's business lines returned a fine performance overall:
The contribution made by VINCI Concessions increased by €55 million as a result of a good first half at ASF and Cofiroute and the build-up of operations at the recent concessions.
VINCI Energies and Eurovia improved their contributions. The apparent fall-off of operating profit at VINCI Construction was mainly due to the effect of non-recurrent income booked at the beginning of 2005. When corrected for this effect, VINCI Construction's operating margin improved slightly.
Operating profit from ordinary activities for the holding companies includes the gain on disposal of property at Nanterre, for €53 million.
Operating profit, which takes account in particular of share-based payment expenses (IFRS 2), was €1,093 million (9.2% of revenue), up 16.8% against 2005 (€936 million, 8.5% of revenue).
Cost of net financial debt was €317 million, remaining stable overall compared with the first half of 2005 (€314 million).
The cost of the finance borne by VINCI in connection with the acquisition of the further 75% of ASF, included in the pro forma expense, amounts to €85 million over a full six months.
The main portion of this expense is attributable to VINCI Concessions, for €246 million compared with €245 million in the first half of 2005. Of this (ASF accounted for €164 million) stable overall compared with the first half of 2005 as a result of the almost constant level of average borrowings between these two periods and weak sensitivity to changes in interest rates.
Taking account of the positive impact of recognising ASF's debt at 9 March 2006 at fair value (+ €70 million for a full year) reduces ASF's accounting cost of finance to €160 million for the two six-month periods under consideration.
Cofiroute's financial expenses increased to €56 million (against €51 million at 30 June 2005) due to the increase in its net borrowings, connected with its increased capital expenditure.
Other financial income and expense amounted to net income of €55 million in the first half of 2006 against net income of €31 million at 30 June 2005, which included the negative impact, for €14.2 million, of the disposal of TMS subsidiaries.
This item includes in particular, apart from income related to capitalisation of borrowing costs for €38 million (including Cofiroute for €33 million and ASF for €4 million), the cost of discounting provisions for retirement benefit obligations, for €13 million (against €12 million at 30 June 2005) and gains on disposal of financial assets for €24 million (including SCDI for €19 million).
The tax expense for the first half of 2006 amounted to €260 million, up €55 million compared with 30 June 2005 (€205 million). The effective tax rate was 30%, in line with the Group's effective rate forecast for the full twelve months of 2006.

The Group's share in the results of equity accounted entities amounted to +€7 million for the half year (against +€5 million at 30 June 2005). This mainly comprises the results of our shareholdings in the concessions operating tunnels, the Confederation Bridge and the bridges on the Tagus.
The profit of operations discontinued or disposed of amounted to €3 million, representing the net profit of the airport services operations in the first half of 2006 (against a loss of €3 million in the first half of 2005).

Minority interest relates mainly to the portion of the results of Cofiroute and the Belgian subsidiary CFE attributable to the shares not owned, and of the net profit of ASF attributable to the 1.6% not owned at 30 June 2006.

3. CASH FLOW

Cash flow from operations before tax and financing costs increased by 5% from one period to the next, standing at €1,715 million at 30 June 2006 against €1,634 million at 30 June 2005, on a comparable basis.
Cash flows benefited from the increase in operating divisions' operating profit from ordinary activities (up 7.9%) standing at 14.4% of revenue for the period against 14.9% at 30 June 2005. Excluding the impact of the holding companies, cash flow from operations increased by 6.3%.
The change in working capital requirements, which is traditionally negative in the first part of the year due to the seasonal nature of the business (mainly at Eurovia), was more pronounced than in the first half of 2005, representing an outflow of €564 million (against €305 million at 30 June 2005). This change was mainly due to a more marked deterioration than in the first half of 2005 of the working capital requirements of VINCI Construction (– €234 million against – €6 million) and Eurovia (– €322 million against – €240 million).
After taking account of payments of tax and financial expenses, net cash flows from operations amounted to €435 million, a decrease of €126 million against the first half of 2005.
Purchases of operating assets (property, plant and equipment and intangible assets, net of disposals) amounted to €225 million against €258 million in the first half of 2005, a 13% decrease mainly due to the impact of the sale of property in Nanterre for €86 million.
Gross capital expenditure was up by €56 million, at €354 million (against €298 million in the first half of 2005), in particular at VINCI Construction where it was driven by the increase in investments outside France, in particular in dredging at CFE (up €40 million).

Free cash flow amounted to €+110 million for the first half of 2006 in a light decrease compared to the first half of 2005 (€+303 million).
Growth investments in the concessions also increased strongly as a result of capital investment programmes in progress, especially at Cofiroute. These amounted to €660 million (up €91 million against the first half of 2005 on a pro forma basis), of which €358 million was at Cofiroute and €246 million at ASF.
Net financial investments in the period were nearly €9 billion, mainly relating to the acquisition of 75.4% of ASF at a price of €51 per share.
This transaction was financed from the Group's resources and debt for €5.9 billion, by an increase in share capital for €2.5 billion last April and by the issuance of perpetual subordinated bonds for nearly €500 million.
Cash flows from share capital increases in the first half, amounting to €3.2 billion in total, comprise, in addition to the transactions referred to above, the impact of the exercise of share subscription options and subscriptions to the Group savings plan, which led to share capital increases of €210 million in total (€4.8 million shares issued).
Dividend payments amounted to €299 million in total, of which €249 million was in respect of the 2005 final dividend paid by VINCI, while the balance was mainly the dividends paid by Cofiroute and ASF to minority shareholders.

4. BALANCE SHEET

Consolidated non-current assets at 30 June 2006 amounted to €28.9 billion. A major part of this is the concessions' assets (€25.9 billion) including ASF for more than €19 billion. Overall, consolidated capital employed, including a working capital surplus of €1.1 billion and current provisions for more than €1.4 billion, amounted to €26.4 billion at 30 June 2006, an increase of €17.9 billion against the end of 2005 (€8.5 billion).
The Concessions division accounts for a total of more than 95% of the Group's capital employed.
In parallel, equity at the end of June, including minority interests for €837 million, was €9.2 billion, against €5.3 billion at 31 December 2005.
Net financial debt amounted to €15.7 billion, an increase of €14.1 billion compared with 31 December 2005 (€1.6 billion).
The acquisition of ASF accounts for €13.9 billion of this increase, when its own debt of €8 billion is added to the loan finance and use of the holding company's available cash, together amounting to €5.9 billion.

5. PARENT COMPANY FINANCIAL STATEMENTS

VINCI's individual financial statements show revenue of €10.3 million in the first half of 2006, against €10.7 million in the first half of 2005.
The Company's profit for the first half of 2006 was €467 million against €223 million in the first half of 2005. This improvement takes account in particular of a €386 million increase in net financial income, which includes the dividends paid by subsidiaries.

SUMMARY INTERIM FINANCIAL STATEMENTS

KEY FIGURES

(in € millions)	2006 1st half year	2005 1st half year	2005 Full year
REVENUE	**11,499.5**	**9,826.9**	**21,038.1**
Of which revenue outside France	3,861.8	3,536.8	7,973.6
% of revenue	*33.6%*	*36.0%*	*37.9%*
Operating profit from ordinary activities	1,039.8	628.1	1,560.1
% of revenue	*9,0%*	*6.4%*	*7.4%*
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**516.9**	**356.0**	**871.2**
Earnings per share (in euros)	2.52	2.16	5.08
Diluted earnings per share (in euros)	2.39	1.82	4.46
Dividend per share, excluding tax credit (in euros)	-	-	2.00
Equity including minority interest	9,195.6	3,716.3	5,318.5
Net financial debt	**(15,712.0)**	**(3,115.7)**	**(1,579.0)**
CASH FLOWS (USED IN) / FROM OPERATIONS before tax and financing costs	**1,471.6**	**911.3**	**2,134.1**
Net investments in operating assets	(221.7)	(254.0)	(572.3)
Investments in concession assets	(536.7)	(356.7)	(811.1)
Net financial investments	(8,940.5)	(25.1)	(86.6)

CONSOLIDATED IFRS INCOME STATEMENT

(in € millions)	Notes	2006 1st half year	2005 1st half year	2005 Full year
REVENUE	1-2-3	**11,499.5**	**9,826.9**	**21,038.1**
Revenue from ancillary activities	4	109.2	157.4	182.0
Operating expenses	4	(10,568.9)	(9,356.3)	(19,660.0)
Operating profit from ordinary activities	2-3-4	**1,039.8**	**628.1**	**1,560.1**
Share-based payment expense (IFRS 2)	4-18	(28.1)	(26.0)	(70.1)
Goodwill impairment expense	9-10	(7.6)	(1.1)	(13.2)
OPERATING PROFIT	4	**1,004.1**	**601.0**	**1,476.9**
Cost of gross financial debt		(298.6)	(115.8)	(273.3)
Financial income from cash management investments		67.5	49.7	122.9
Cost of net financial debt	5	**(231.1)**	**(66.1)**	**(150.3)**
Other financial income and expenses	6	52.0	22.3	52.7
Income tax expense	7	(258.0)	(172.0)	(462.5)
Share of profit / (loss) of associates	13	16.9	32.7	87.0
Net profit before profit or loss of discontinued operations (halted or sold) or of operations classified as held for sale		**583.8**	**417.9**	**1,003.9**
Net profit or loss after tax of discontinued operations (halted or sold) or of operations classified as held for sale	24	3.2	(2.9)	(1.0)
NET PROFIT FOR THE PERIOD (including minority interest)		**587.0**	**415.0**	**1,002.8**
Minority interest		(70.1)	(59.0)	(131.6)
NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**516,9**	**356.0**	**871.2**
Earnings per share before profit or loss of discontinued operations (halted or sold) or of operations classified as held for sale				
Earnings per share (in euros)		2.50	2.18	5.09
Diluted earnings per share (in euros)		2.38	1.84	4.46
Earnings per share				
Earnings per share (in euros)	8	2.52	2.16	5.08
Diluted earnings per share (in euros)	8	2.39	1.82	4.46

CONSOLIDATED IFRS BALANCE SHEET

Assets (in € millions)	Notes	30 June 2006	30 June 2005	31 December 2005
Non-current assets				
Intangible assets		115.7	78.7	103.7
Goodwill	9	3,659.2	807.8	813.1
Concession intangible fixed assets	D - 11	24,397.1	5,339.5	5,741.0
Property, plant and equipment	12	2,129.5	2,065.1	2,214.8
Investment property		46.1	38.2	47.2
Investments in associates	13	82.8	1,533.2	1,595.5
Other non-current financial assets	14	255.4	351.3	240.4
Fair value of derivative financial instruments (non-current assets)	21	162.6	333.3	199.6
Deferred tax assets		185.0	176.0	210.5
Total non-current assets		**31,033.4**	**10,723.2**	**11,165.7**
Current assets				
Inventories and work in progress	15	580.2	549.2	540.7
Trade and other operating receivables	15	9,722.4	8,553.2	8,334.3
Other current assets	15	243.0	223.3	218.6
Current tax assets		234.0	109.2	62.5
Other current financial assets		224.8	32.4	39.9
Fair value of derivative financial instruments (current assets)	21	106.9	134.7	47.9
Cash management financial assets	21	708.4	1,696.5	885.6
Cash and cash equivalents	17-21	3,779.9	2,212.7	4,598.7
Total current assets (excluding assets classified as held for sale)		**15,599.6**	**13,511.1**	**14,728.1**
Assets associated with discontinued operations and other assets classified as held for sale	24	**614.5**		
Total current assets		**16,214.2**	**13,511.1**	**14,728.1**
TOTAL ASSETS		**47,247.5**	**24,234.3**	**25,893.9**

CONSOLIDATED IFRS BALANCE SHEET

Equity and liabilities (in € millions)	Notes	30 June 2006	30 June 2005	31 December 2005
Equity				
Share capital		1,187.4	862.0	983.2
Share premium		4,762.0	1,299.4	2,247.5
Treasury shares		(365.5)	(346.4)	(335.8)
Other equity instruments		475.3		
Consolidated reserves		1,749.3	898.1	849.4
Currency translation reserves		15.2	23.5	31.3
Net profit for the period attributable to equity holders of the parent		516.9	356.0	871.2
Net income recognised directly in equity		17.6	(8.9)	(0.0)
Equity attributable to equity holders of the parent		**8,358.1**	**3,083.7**	**4,646.8**
Minority interest		837.5	632.6	671.7
Total equity	18	**9,195.6**	**3,716.3**	**5,318.5**
Non-current liabilities				
Provisions for retirement benefit obligations and other employee benefits	19	790.7	690.7	654.0
Non-current provisions	20	225.0	133.4	143.3
Bonds	21	3,880.0	4,702.4	3,588.3
Other loans and borrowings	21	13,162.4	1,549.9	1,831.8
Fair value of derivative financial instruments (non-current liabilities)	21	10.8	41.7	8.6
Other non-current liabilities		37.2	45.4	32.0
Deferred tax liabilities	D	2,628.0	181.4	210.6
Total non-current liabilities		**20,734.1**	**7,345.0**	**6,468.7**
Current liabilities				
Current provisions	20	1,437.6	1,374.8	1,445.4
Trade payables	15	5,229.0	5,063.7	5,002.3
Fair value of derivative financial instruments (current liabilities)	21	6.2	64.0	3.5
Other current payables	15	6,401.1	5,335.2	5,498.6
Current tax payables		236.2	153.0	253.9
Current borrowings	21	3,423.0	1,182.3	1,903.1
Total current liabilities (excluding liabilities classified as held for sale)		**16,733.2**	**13,173.0**	**14,106.7**
Liabilities associated with discontinued operations and other liabilities classified as held for sale	24	**584.6**		
Total current liabilities		**17,317.8**	**13,173.0**	**14,106.7**
TOTAL EQUITY AND LIABILITIES		**47,247.5**	**24,234.3**	**25,893.9**

CONSOLIDATED IFRS CASH FLOW STATEMENT

(in € millions)		Notes	30 June 2006	30 June 2005	31 December 2005
Net profit for the period (including minority interest)			**587.0**	**415.0**	**1 002.8**
Depreciation and amortisation			588.4	325.1	673.9
Net increase / (decrease) in provisions (*)			(42.6)	8.1	23.6
Share-based payments (IFRS 2) and other restatements			(2.6)	2.8	33.6
Gain or loss on disposals			(89.9)	(20.9)	(68.7)
Change in fair value of foreign currency derivative financial instruments			5.2	8.2	10.0
Share of profit or loss of associates, dividends received from unconsolidated entities and profit or loss of operations classified as held for sale			(26.2)	(36.5)	(90.7)
Capitalised borrowing costs		6	(36.8)	(28.8)	(63.3)
Cost of net financial debt recognised		5	231.1	66.1	150.3
Current and deferred tax expense recognised		7	258.0	172.0	462.5
Cash flows (used in) / from operations before tax and financing costs		2-3	**1,471.6**	**911.3**	**2,134.1**
Changes in working capital requirement and current provisions		15	(618.4)	(357.0)	114.1
Income taxes paid			(438.1)	(249.2)	(481.0)
Net interest paid			(160.2)	(70.9)	(100.9)
Net cash flows (used in) / from operating activities	**I**		**255.0**	**234.2**	**1,666.3**
Purchases of property, plant and equipment, and intangible assets			(350.7)	(293.1)	(700.2)
Proceeds from sales of property, plant and equipment, and intangible assets			129.0	39.1	128.0
Purchases of concession fixed assets (net of grants received)			(536.7)	(356.7)	(811.1)
Purchases of shares in subsidiaries and associates (consolidated and unconsolidated)			(8,967.1)	(85.9)	(191.0)
Proceeds from sales of shares in subsidiaries and associates (consolidated and unconsolidated)			26.6	60.8	104.4
Net effect of changes in scope of consolidation			797.3	7.1	6.5
Dividends received from associates and unconsolidated entities			13.0	67.1	65.6
Other			1.6	7.8	27.3
Net cash flows (used in) / from investing activities	**II**		**(8,887.0)**	**(553.8)**	**(1,370.6)**
Increases in share capital		18	3,219.7	216.9	270.4
Purchases of treasury shares			(39.7)	(369.8)	(369.8)
Minority interest in share capital increases of subsidiaries			0.0	0.0	(0.0)
Sums collected during the period on exercise of share options			10.0	28.7	39.4
Dividends paid					
- to shareholders of VINCI SA			(273.7)	(188.9)	(321.7)
- to minority interests			(25.6)	(22.7)	(68.7)
Proceeds from new long-term borrowings			4,314.9	46.8	743.5
Repayment of borrowings and changes in other current financial debt			492.1	(129.2)	(149.7)
Change in cash management assets			228.9	525.2	1,561.1
Net cash flows (used in) / from financing activities	**III**		**7,926.5**	**107.1**	**1,704.4**
Net cash flows associated with discontinued operations or operations classified as held for sale	**IV**		**9.3**	**7.1**	**10.0**
Change in cash equivalents and net cash	**I + II + III +IV**		**(696.1)**	**(205.4)**	**2,010.1**
Net cash and cash equivalents at beginning of period			**3,993.6**	**1,955.5**	**1,955.5**
Effect of changes in foreign exchange rates			(35.2)	11.6	28.1
Cancellation of effect of net cash of discontinued operations, operations and other assets classified as held for sale			(3.1)	0.0	
Net cash and cash equivalents at end of period			**3,259.3**	**1,761.8**	**3,993.6**

Increase (decrease) of cash management financial assets	(228.9)	(525.2)	(1,561.1)
(Proceeds from) / repayment of loans	(4,806.9)	82.4	(593.8)
Conversion of OCEANE bonds			1,096.5
Other	(8,365.9)	(46.1)	(125.6)
Change in net debt	**(14,133.0)**	**(682.6)**	**854.1**
Net debt at beginning of period	**(1,579.0)**	**(2,433.1)**	**(2,433.1)**
Net debt at end of period	**(15,712.0)**	**(3,115.7)**	**(1,579.0)**

(*) including changes in provisions for retirement benefit obligations and other employee benefits

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 30 JUNE 2006

	Capital and reserves attributable to equity holders of the parent										
(in € millions)	**Share capital**	**Premiums related to capital**	**Treasury shares**	**Other equity instruments**	**Consolidated reserves**	**Currency translation reserves**	**Net profit**	**Net income recognised directly in equity**	**Total**	**Minority interest**	**Total**
Balance at 31 December 2004	**838.1**	**1,231.5**	**(130.3)**		**350.1**	**(5.7)**	**731.6**	**0.6**	**3,015.9**	**598.6**	**3,614.6**
Changes in share capital	23.9	67.9							91.8	0.0	91.8
Changes in treasury shares			(216.1)						(216.1)		(216.1)
Allocation of net income and dividend payments					542.8		(731.6)		(188.9)	(22.7)	(211.5)
Net profit for the period (*a*)							356.0		356.0	59.0	415.0
Financial instruments: changes in fair value (*b*)								(8.5)	(8.5)	(3.1)	(11.6)
including: *Available-for-sale financial assets*								*(1.7)*	*(1.7)*	*(0.5)*	*(2.2)*
Cash flow hedges								*(6.8)*	*(6.8)*	*(2.6)*	*(9.5)*
Currency translation differences						30.2			30.2	1.8	32.0
Changes in equity of associates recognised directly in equity								0.5	0.5		0.5
Share-based payments (IFRS 2)					26.0				26.0		26.0
Changes in consolidation scope					0.9	(1.0)		0.1	0.0	(1.1)	(1.1)
Other					(21.7)			(1.6)	(23.3)		(23.3)
Balance at 30 June 2005	**862.0**	**1,299.4**	**(346.4)**		**898.1**	**23.5**	**356.0**	**(8.9)**	**3,083.7**	**632.6**	**3,716.3**
of which total income and expense recognised in respect of first half of 2005 (a) + (b)							*356.0*	*(8.5)*	*347,5*		
Changes in share capital	121.2	948.1			52.5				1,121.8	(0.1)	1,121.7
Changes in treasury shares			10.6						10.6		10.6
Allocation of net income and dividend payments					(132.8)		0.0		(132.8)	(46.0)	(178.9)
Net profit for the period (a)							515.2		515.2	72.6	587.8
Financial instruments: changes in fair value (b)								3.6	3.6	0.3	3.9
including: *Available-for-sale financial assets*								*1.9*	*1.9*	*0.0*	*1.9*
Cash flow hedges								*1.7*	*1.7*	*0.3*	*2.0*
Currency translation differences						9.5			9.5	2.9	12.5
Changes in equity of associates recognised directly in equity								0.7	0.7		0.7
Share-based payments (IFRS 2)					38.0				38.0		38.0
Changes in consolidation scope					(0.6)	(1.8)		3.7	1.3	9.0	10.3
Other					(5.7)	0.1		1.0	(4.7)	0.4	(4.3)
Balance at 31 December 2005	**983.2**	**2,247.5**	**(335.8)**		**849.4**	**31.3**	**871.2**	**(0.0)**	**4,646.8**	**671.7**	**5,318.5**
of which total income and expense recognised in respect of second half of 2005 (a) + (b)							*515.2*	*3.6*	*518.8*		
Changes in share capital	204.2	2,514.4	(39.7)	490.6	10.5				3,180.0		3,180.0
Changes in treasury shares			10.0		(0.1)				10.0		10.0
Allocation of net income and dividend payments				(23.4)	621.0		(871.2)		(273.7)	(25.6)	(299.3)
Net profit for the period (*a*)							516.9		516.9	70.1	587.0
Financial instruments: changes in fair value (b)								18.9	18.9	0.0	18.9
including: *Available-for-sale financial assets*								*(0.1)*	*(0.1)*		*(0.1)*
Cash flow hedges								*19.0*	*19.0*	*0.0*	*19.0*
Currency translation differences						(15.4)			(15.4)	(1.6)	(17.0)
Changes in equity of associates recognised directly in equity								0.3	0.3		0.3
Share-based payments (IFRS 2)					25.2				25.2	0.1	25.4
Impact of acquisition of control of ASF					262.4				262.4	133.4	395.8
Other changes in consolidation scope					0.1	(0.3)		0.2	(0.0)	(10.5)	(10.5)
Other				8.1	(19.3)	(0.4)		(1.7)	(13.3)	(0.1)	(13.4)
Balance at 30 June 2006	**1,187.4**	**4,762.0**	**(365.5)**	**475.3**	**1,749.3**	**15.2**	**516.9**	**17.6**	**8,358.1**	**837.5**	**9,195.6**
of which total income and expense recognised in respect of first half of 2006 (a) + (b)							*516.9*	*18.9*	*535.8*		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A. KEY EVENTS IN THE FIRST HALF OF 2006

1. ASF (AUTOROUTES DU SUD DE LA FRANCE)

1.1 ACQUISITION BY VINCI OF 50.37% OF ASF

Already a 22.99% shareholder and, through an agreement concluded in June 2004, an industrial partner of ASF, VINCI was chosen by the French Government on 14 December 2005 as the purchaser of the Government's and Autoroutes de France's (ADF) stakes in ASF, representing in total 50.37% of ASF's share capital and voting rights. The transfer of the shares held by the French Government and ADF for a sum of €5,934 million occurred on 9 March 2006, in accordance with the share sale agreement made on 6 March 2006.

1.2 STANDING MARKET OFFER

A public offer to buy the 61,528,365 shares not held directly or indirectly by VINCI, representing 26.64% of ASF's capital was filed with the Autorité des Marchés Financiers (AMF), in the form of a standing market offer to the minority shareholders at the same price as that paid to the Government and ADF (€51 a share). This additional investment amounted to €2,841 million.

At the end of the standing market offer, which took place between 30 March and 28 April 2006, VINCI held 97.48% of ASF's capital and voting rights (225,159,576 shares).

1.3 PUBLIC BUYOUT OFFER FOLLOWED BY COMPULSORY BUYOUT

In accordance with the commitments made at the time of the standing market offer, a proposal for a public buyout offer followed by compulsory buyout (offre publique de retrait suivie d'un retrait obligatoire) for the ASF shares not held by VINCI (6,026,738 shares representing 2.61% of ASF's share capital and voting rights), at an ex-dividend price of €49.80 a share, was filed on 12 May 2006 and approved by the AMF on 16 May 2006.

On 22 May a request was made to the Paris Court of Appeal to rule cancelling the AMF's decision approving the offer. In a ruling on 20 June 2006, the Paris Court of Appeal rejected this application for the postponement of implementation of the contested decision.

On 26 June 2006, the AMF asked Euronext Paris SA to resume the quotation of ASF's shares.

At 30 June 2006, VINCI owned 98.41% of ASF's capital.

2. INCREASE OF SHARE CAPITAL AND ISSUE OF BONDS

2.1 ISSUE OF DEEPLY SUBORDINATED PERPETUAL BONDS AND SHARE CAPITAL INCREASE

To finance the increase in its shareholding in ASF, on 13 February 2006 VINCI issued €500 million of deeply subordinated perpetual bonds, and on 25 April 2006 carried out a share capital increase for €2.5 billion (36.1 million shares at €70.25).

In accordance with the IFRSs, the issue of subordinated perpetual bonds has been accounted for in equity in the 2006 consolidated financial statements.

2.2 ISSUE OF COFIROUTE BONDS

On 24 May 2006, Cofiroute made a €750 million bond issue, maturing on 24 May 2021, intended to contribute to financing its investment programme. The issue price was set at 98.928% of par and the coupon at 5%. This issue was made with a spread of 0.70%, reflecting Cofiroute's A- rating.

3. DISPOSAL OF THE AIRPORT SERVICES ACTIVITIES

At the start of the first quarter of 2006, VINCI decided to withdraw from its airport services business.

VINCI has decided to accept the offer of LBO France at a price of €315 million (enterprise value). Following the signing of a sale contract on 3 August 2006, the sale should become effective in the fourth quarter of 2006.

B. SEASONAL NATURE OF THE BUSINESS

For most of the businesses in the group, and particularly in the roads business, the first half of the financial period is generally marked by lower business volumes than in the second half of the year due to less favourable weather conditions.

Sales levels and results in the first half cannot therefore be extrapolated to the full financial year.

The seasonal nature of business is also reflected in a net use of cash over the first half of the year, due to the low level of cash receipts during this period and the pattern of free cash flows, most of which are generated during the second half of the year.

No correcting adjustments have been made to take account of the impact of seasonal factors on the financial statements for the first half.

Income and expenses for the Group from normal business operations that are of a seasonal, cyclical or occasional nature are accounted for using the same accounting methods as those adopted in the full-year financial statements. They are neither recognised in advance nor deferred in the interim financial statements.

Income and expenses invoiced on an annual basis (e.g. patent fees, licence fees, etc.) are accounted for pro-rata using an estimate for the full year.

Liabilities arising in the first half, including those expected to be extinguished in the second half of the year, have been provided for at the end of the period. In particular, in the case of loss-making contracts, known losses on completion are provided for in full at 30 June.

C. ACCOUNTING POLICIES AND VALUATION METHODS

1. GENERAL PRINCIPLES

In application of European Regulation 1606/2002 of 19 July 2002 on international accounting standards, VINCI's consolidated financial statements have been prepared, as from the period ended 31 December 2005, in accordance with the IFRS standards and interpretations published by the IASB as endorsed by the European Union as at 30 June 2006.

The interim financial statements at 30 June 2006 have been prepared in accordance with IAS 34 Interim Financial Reporting. As these are summary financial statements, they do not include all the information required by the IFRSs for full annual financial statements and should therefore be read in conjunction with the financial statements for the period ended 31 December 2005.

The interim financial statements at 30 June 2006 have been prepared applying the same IFRS standards and interpretations as for the preparation of the consolidated financial statements at 31 December 2005, except for those Standards endorsed by the European Union and effective as from 1 January 2006 that the Group has applied in preparing these interim statements (see Note 1.1). These have had no material impact on the interim financial statements.

The summary interim financial statements were approved by the Board of Directors on 5 September 2006.

1.1 NEW RULES APPLICABLE FROM 1 JANUARY 2006

1.1.1 IAS 19 Employee Benefits – Amendment

The option allowing the full amount of actuarial gains and losses to be recognised in equity, provided by IAS 19 *Employee Benefits (Revised)*, which is applicable as from 1 January 2006, has not been used by the Group. The amortisation of actuarial gains and losses using the corridor method has therefore been retained.

This amendment has had no effect on the consolidated interim financial statements for the period ending 30 June 2006. This method will however be applied at the end of the year for the presentation of complete information on employee benefits.

1.1.2 Assets under contracts covered by IFRIC 4

Under IAS 17 and interpretation IFRIC 4, published in December 2004, certain assets are to be accounted for as being provided under leases. IFRIC 4 *Determining whether an Arrangement contains a Lease* aims to identify the contractual terms of arrangements, which without having the legal form of a lease contract, give clients the right to use a group of assets in return for rent that is included in the overall payments made under the contract.

If it is concluded that an arrangement contains a lease, this is analysed and accounted for according to the criteria of IAS 17 (making the distinction between a finance lease and an operating lease).
Application of this interpretation has had no impact on the Group's summary interim consolidated financial statements for the period ending 30 June 2006.

1.1.3 IAS 39 Amendment – Recognition and Measurement of Financial Instruments

In 2005, the IASB published three amendments to IAS 39:

– *Cash Flow Hedge Accounting of Forecast Intragroup Transactions*
In April 2005, the IASB published an amendment to IAS 39 relating to cash flow hedge accounting of forecast intragroup transactions. The purpose of this amendment is to allow a forecast intragroup transaction in a foreign currency to be shown in the consolidated financial statements, under certain conditions, as an item hedged against foreign currency risk through cash flow hedging.

– *The Fair Value Option*
In June 2005, the IASB published the finalised amendment to IAS 39 relating to the fair value option. IAS 39 (in its December 2003 version) introduced the possibility of applying the fair value option to any financial asset or liability, allowing them to be valued at fair value through profit or loss. The fair value option amendment aims to restrict the use of the option by limiting it to certain specific cases laid down in the Standard.

– *Financial Guarantee Contracts*
In July 2005, the IASB published an amendment to IAS 39 relating to financial guarantees and credit insurance. Financial guarantees that meet the definition of an insurance contract issued by the guarantor are now accounted for by the guarantor in accordance with the measurement principles applicable to insurance contracts, as defined by IFRS 4 *Insurance Contracts*.

These amendments to IAS 39 are applicable for accounting periods starting on or after 1 January 2006. Their application has not had an impact on the Group's summary interim consolidated financial statements for the period ending 30 June 2006

1.2 IASB PROJECTS AND DRAFT IFRSs

VINCI's financial statements at 30 June 2006 do not include the possible impacts of:
– draft IFRIC interpretations on the accounting treatment of concessions contracts;
– standards and interpretations published at 30 June 2006 but of which application is only compulsory for periods starting on or after 1 January 2007.

1.2.1 Draft interpretations relating to concession contracts

In March 2005, the IFRIC published three draft interpretations relating to the accounting treatment of concession contracts (drafts D12, D13, and D14), which are still under discussion:
– the first draft defines the application scope of concession contracts and the criteria for determining the accounting model to apply. The application scope covers public service concession contracts in which the concession grantor is considered to exercise control over the assets operated. The method of remunerating the concession operator is the only criterion adopted, at present, for determining the nature of the assets to be recognised in the balance sheet and the resulting accounting treatment.
– the two other drafts deal with the various accounting models proposed, which depend on the identity of the true debtor and any guarantees given by the concession grantor:
  - the intangible asset model: the asset under concession would be recognised as an intangible asset whenever the concession operator is in substance paid by the users. This asset is considered as being a right to receive tolls from users in consideration for financing and constructing the infrastructure. This treatment would apply to most infrastructure concessions that are today managed by VINCI, in particular the motorway networks of ASF, Escota and Cofiroute, the A19, the Rion-Antirion bridge in Greece, and most of the parking facilities managed under concessions by VINCI Park. Where the concession grantor pays remuneration to the operator, but is in fact only a collector of receipts that depend on the use of the infrastructure, with no guarantee as to the amounts that will be paid to the operator (a simple "pass through" or "shadow toll" agreement), the intangible asset model would be used.
  - the financial asset model: the asset under concession would be recognised as an amortisable interest-bearing financial receivable whenever the concession operator has a contractual right to receive payments from the concession operator independently of how users use the infrastructure. This model would apply to partnership contracts of the "PPP" type (PFI in the UK).
  - on the basis of the discussions in progress, a hybrid model would be applicable whenever only part of the investment is covered by a payment commitment from the grantor, the expense would be recognised as a financial receivable up to the amount guaranteed by the grantor, and as an intangible fixed asset for the balance.

Application of the final IFRIC interpretations relating to concession contracts to be published could alter the accounting treatment currently used in VINCI's consolidated financial statements.

As the draft interpretations are still being discussed, VINCI has recognised its concession contracts at 30 June 2006, in accordance with the accounting rules and methods applied at 31 December 2005 described in paragraph 3 of pages 199 to 205 of the 2005 Annual Report.

1.2.2 Financial Instruments: Disclosures

In August 2005, the IASB published IFRS 7 *Financial Instruments: Disclosures*. This new standard replaces IAS 30 *Disclosures in the Financial Statements of Banks and Similar Financial Institutions* and makes amendments to IAS 32 *Financial Instruments: Disclosure and Presentation*.

IFRS 7 provides for the disclosure of qualitative and quantitative information on the risk exposure resulting from the use of financial instruments.

The Group has not chosen to apply this Standard, applicable from 1 January 2007, early.

1.3 CHANGE OF PRESENTATION

1.3.1 AMF position of 9 March 2006 on the classification of money-market funds (UCITS) as cash equivalents.

In accordance with the AMF position:
– Money-market UCITS falling into the AMF's "monetary euro" category are assumed to meet the definition of cash equivalents in IAS 7 Cash Flow Statements, namely: cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
– UCITS other than monetary euro funds must be analysed on a case-by-case basis.

VINCI chose to present cash equivalents in the financial statements for the period ended 31 December 2005 under the heading "cash management financial assets". In the financial statements at 30 June 2006, in view of the AMF's position, cash investments that correspond to the definition of cash equivalents are now shown in the balance sheet and cash flow statement as "cash and cash equivalents", in accordance with IAS 7, for all the periods shown.

The effects of this reclassification are mentioned in Note 17, Cash management financial assets, cash and cash equivalents. This change in presentation has no effect on net financial debt, as defined by the Group.

1.3.2 Share-based payments

In order to supply more useful segment information, the presentation of the IFRS expense under IFRS 2 *Share-based Payment* that is included in operating profit is now broken down by business line.

Consequently, the data for 2005 and the first half of 2005 have been changed.

2. CONSOLIDATION METHODS

2.1 CONSOLIDATION SCOPE

Companies in which the Group owns the majority of voting rights are fully consolidated. Companies that are less than 50% owned but in which VINCI exercises de facto control are consolidated using this same method. This relates mainly to CFE, of which VINCI owns 45.38%.

Companies over which the Group exercises significant influence are accounted for using the equity method.
Proportionate consolidation is used for jointly controlled entities, regardless of the percentage of ownership. This relates in particular to Consortium Stade de France, of which VINCI owns 66.67%. This company is consolidated using the proportionate method by virtue of an agreement that provides that any decision on financial and operating policy requires the agreement of VINCI and of the other shareholder, which owns 33.33% of the company's shares.
The consolidated financial statements include the financial statements of all companies with revenue of more than €2 million, and the financial statements of subsidiaries whose revenue is below this figure but whose impact on the VINCI's financial statements is material.

Joint venture partnerships created for specific construction projects and that manage revenue of over €45 million (on a 100% basis) are consolidated proportionately.

The other joint venture partnerships are consolidated by recording the Group's share of revenue and expenses in the income statement, but the full current accounts of joint venturers in the balance sheet.

	30 June 2006			31 December 2005		
	Total	**France**	**Foreign**	**Total**	**France**	**Foreign**
Full consolidation	1,402	951	451	1,364	928	436
Proportionate consolidation	298	137	161	302	146	156
Equity method	47	14	33	38	16	22
	1,747	**1,102**	**645**	**1,704**	**1,090**	**614**

The main change in consolidation scope relates to ASF and Escota which have been fully consolidated as from 9 March 2006, the date of VINCI acquiring control of these companies. The other changes mainly relate to the acquisition of 38 small companies, including 21 by VINCI Energies.

Lastly, following the sale on 30 June 2006 of 31.1% of SCDI (which operates the Confederation Bridge in Canada under a concession), SCDI, of which VINCI now owns 18.8%, has been accounted for using the equity method since that date.

2.2 INTRAGROUP TRANSACTIONS

Reciprocal operations and transactions relating to assets and liabilities, income and expenses between consolidated or equity-accounted companies are, in general, eliminated in the consolidated financial statements. This is done:

– for the full amount if the transaction is between two fully consolidated entities;
– applying the percentage of consolidation of an entity if the transaction is between a fully consolidated entity and a proportionately consolidated entity;
– applying the percentage owned of an equity-accounted entity in the case of internal profits or losses realised between a fully consolidated entity and an equity-accounted entity.

Revenue realised in the context of concession infrastructure projects shown in the balance sheet is retained in the income statement, in accordance with the rules on construction contracts adopted by the Group.

2.3 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES AND ESTABLISHMENTS

In most cases, the functional currency of foreign entities and establishments is their local currency.

The financial statements of foreign entities of which the currency is other than that used in preparing the Group's consolidated financial statements are translated using the closing rate method.

Balance sheet items are translated at the exchange rate at the balance sheet date and income statement items are translated at the average rate for the period. 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 expressed 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 expenses in the income statement.

Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivatives used to hedge investments in foreign subsidiaries are recorded under translation differences in equity.

2.5 BUSINESS COMBINATIONS

VINCI applies the so-called purchase method for business combinations made as from 1 January 2004. In application of this method, VINCI recognises the identifiable assets, liabilities and certain contingent liabilities 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 assets given, liabilities incurred, and/or equity instruments issued by the acquirer in exchange for control of the acquiree, plus any costs directly attributable to the acquisition. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, VINCI includes the amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

The Group has 12 months from the date of acquisition to finalise recognition of the business combination in question.

2.6 DISCONTINUED OPERATIONS (HALTED OR SOLD), OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE

– *Discontinued operations:*
Whenever discontinued operations (halted or sold), operations and assets held for sale are:
- a business line or a geographical area of business that is material for the Group and that form 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 one year. 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 the financial statements under the IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in these financial statements, in particular as regards the following items:
– the period over which assets are depreciated;
– the measurement of provisions and retirement benefit obligations;
– the measurement of profit or loss on completion of construction contracts;
– values used in impairment tests;
– the valuation of financial instruments at "fair value"; and
– the measurement of share-based payment expenses under IFRS 2.

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.

3.2 SPECIFIC MEASUREMENT RULES AND METHODS APPLIED BY THE GROUP IN PREPARING THE INTERIM FINANCIAL STATEMENTS

– *Estimation of tax charge*
The tax expense for the first half year is determined by applying the Group's estimated average tax rate for the whole for 2006 (including deferred tax) to the pre-tax profit. This rate is adjusted if necessary for the tax effects of exceptional items recognised in the period.

– *Retirement benefit obligations*
No actuarial assessment is made for the financial statements for the half year. The retirement expense for the six months is half the forecast net expense for the 2006 financial year, calculated on the basis of the actuarial assumptions at 31 December 2005, as there were no significant changes in these assumptions in the first half of 2006.

D. ACQUISITION OF AUTOROUTES DU SUD DE LA FRANCE (ASF AND ESCOTA)

Following the disposal process initiated by the French Government on 18 July 2005, VINCI has acquired control of ASF group (ASF and Escota) as described in Note A.1 Key Events.

1. DETERMINATION OF THE IDENTIFIABLE ASSETS AND LIABILITIES ACQUIRED AT THE DATE OF ACQUIRING CONTROL

In accordance with IFRS 3, VINCI has assessed the fair value of the assets and liabilities acquired and determined the related tax effects. A provisional allocation of the values of the identifiable assets and liabilities has been determined as at 9 March 2006 on the basis of information available at the date of closing the accounts. These values may change, and any alterations to the values will be taken into account within 12 months from the transaction date.

– The shares in ASF acquired before VINCI acquired control have been assessed, applying the "Business combination achieved in stages" method, on the basis of the fair value of the assets and liabilities at the date of acquisition of the corresponding shareholdings, applying financial assumptions that were consistent with the periods under consideration. The various blocks of shares restated relate to the acquisitions made in 2002 (17% of ASF), 2003 (3%) and 2004 (3%). The re-estimate of the assets and liabilities at 9 March 2006, for the portion already held at 31 December 2005 has been recognised in the Group's consolidated reserves for €262.4 million net.
– The "fair value" of the net assets acquired at the date of acquiring control has been measured consistently with the valuations made in connection with the offer made by VINCI to the French Government on 7 November 2005 and with the standing market offer.
– The following items of note have been identified with regard to the difference between the fair value of the assets and liabilities acquired and ASF group's consolidated net assets:
  - The value attributable to the operating right granted by the ASF Group's concession contracts. This item, considered as an intangible concession fixed asset, amounts to €6,878 million, amortisable over the remaining period of the ASF et Escota concession contracts, which was 25.7 years at the date of acquiring control.
  - Financial debts have been adjusted to their fair value. The market value of the gross debt of ASF and Escota at 9 March 2006 has been assessed at €8,863 million, which is an upwards adjustment of €320 million (including derivative financial instruments) against the carrying amount of €8,543 million in ASF group's consolidated financial statements.
  - In application of IAS 12, a deferred tax liability has been recognised in respect of the items restated at fair value. This deferred tax liability, associated with the value attributable to the right to operate the concessions, amounts to €2,367 million. A deferred tax asset of €110 million has also been recognised in respect of the revaluation resulting from recognising ASF's and Escota's debt at market value.

The identifiable assets and liabilities acquired at the date of acquiring control can be presented schematically as follows:

Assets and liabilities acquired on 9 March 2006 (in € millions)	**Historical values**	**Fair-value adjustments**	**Fair value**
Non-current assets			
Concession intangible fixed assets	11,869.5	6,877.5	18,747.0
Non-current financial assets	19.2	(0.3)	18.9
Deferred tax assets	0.6	153.0 (*)	153.6
Total non-current assets	**11,889.3**	**7,030.2**	**18,919.5**
Current assets	**1,280.9**	**0.0**	**1,280.9**
Non-current liabilities			
Non-current financial debt and derivatives	7,701.2	310.7	8,011.9
Other non-current liabilities	124.1	136.3	260.4
Deferred tax liabilities	214.9	2,377.3	2,592.2
Total non-current liabilities	**8,040.2**	**2,824.3**	**10,864.5**
Current liabilities			
Current financial debt and derivatives	876.9	9.8	886.7
Other current liabilities	519.1	37.1	556.2
Total current liabilities	**1,395.9**	**46.9**	**1,442.8**
Net assets acquired on 100% basis	**3,734.0 (**)**	**4,159.0**	**7,893.1**
Cash outflow for acquisition (***)			**8,877.9**
Direct costs connected to acquisition			20.8
Taxes			(7.1)
Acquisition price			**8,891.6**

(*) *Including €110 million relating to fair value of ASF's debt*
(**) *Including Escota minority shareholders for €3.7 million*
(***) *Ecluding blocks acquired before date of acquiring control*

On the basis of the items above, residual goodwill, after the fair value adjustment, amounts to €2,917 million. This corresponds to the algebraic sum of positive and negative goodwill determined individually for each stage of the acquisition by comparing the cost of acquisition of each block of shares with the corresponding share of the assets and liabilities held remeasured at their fair value.

2. OTHER INFORMATION

On the basis of the fair values presented above, VINCI's revenue and net profit for the first half of 2006, including ASF and Escota as if the date of acquisition was 1 January 2006, would have been €11,898 million and €518 million respectively.

E. INFORMATION BY SEGMENT

Segment information is presented by business line (primary reporting format) and geographical segment (secondary reporting format), based on the Group's internal organisation.

The main activities of each business line are:

– Concessions and services: management under concessions, tenancy agreements or service provision agreements of motorways and major infrastructures such as bridges and tunnels, car parks, and airports.

– Energy: electrical works and engineering, information and communication technology, controlled temperature and atmosphere engineering, insulation.

– Roads: building of new roads, road maintenance, production of road-building materials, environmental work, demolition, and recycling.

– Construction: design and construction in the building, civil engineering, and hydraulic sectors, and multi-technical maintenance.

– Property: property development and project arrangement.

The segment financial information has been prepared using the same accounting rules as for the full financial statements.

Transactions between the various business lines are carried out at market conditions.

1. REVENUE

1.1 BREAKDOWN OF REVENUE BY BUSINESS LINE

			Change 2006/2005			
			Scope of consolidation		Constant	2005
(in € millions)	H1 2006	H1 2005	Actual	Comparable (*)	exch. rates	
Concessions and services	1,601.8 (**)	729.6	119.5%	7.8%	118.5%	1,549.9
Energy	1,740.0	1,666.7	4.4%	2.8%	4.4%	3,508.5
Roads	3,122.0	2,794.3	11.7%	10.2%	10.6%	6,457.0
Construction	4,928.2	4,563.5	8.0%	6.1%	7.8%	9,398.9
Property	247.0	201.8	22.4%	22.4%	22.4%	409.3
Eliminations	(139.4)	(128.9)			(285,5)	
Total	**11,499.5**	**9,826.9**	**17.0%**	**7.1%**	**16.6%**	**21,038.1**

(*) *At constant consolidation scope and exchange rates*

(**) *Including ASF group's revenue of €811.8 million as from 9 March 2006*

1.2 BREAKDOWN OF REVENUE BY GEOGRAPHICAL MARKET

(in € millions)	H1 2006	%	H1 2005	%	2005	%
France	**7,637.7 (**)**	**66.4%**	**6,290.1**	**64.0%**	**13,064.5**	**62.1%**
United Kingdom	833.0	7.2%	836.5	8.5%	1,738.2	8.3%
Germany	693.5	6.0%	657.6	6.7%	1,573.6	7.5%
Central & Eastern Europe	645.4	5.6%	607.7	6.2%	1,560.1	7.4%
Belgium	329.8	2.9%	310.1	3.2%	630.1	3.0%
Spain	153.5	1.3%	143.9	1.5%	317.2	1.5%
Other European countries	265.3	2.3%	259.0	2.6%	538.6	2.6%
Europe(*)	**10,558.2**	**91.8%**	**9,105.0**	**92.7%**	**19,422.4**	**92.3%**
of which European Union	*10,477.1*	*91.1%*	*9,031.0*	*91.9%*	*19,235.2*	*91.4%*
North America	302.6	2.6%	231.7	2.4%	564.1	2.7%
Rest of world	638.8	5.6%	490.3	5.0%	1,051.7	5.0%
Total	**11,499.5**	**100.0%**	**9,826.9**	**100.0%**	**21,038.1**	**100.0%**

(*) *Including the eurozone for €9,016 million at 30 June 2006, €7,662 million at 30 June 2005 and €16,212 million at 31 December 2005.*

(**) *Including ASF group's revenue of €811.8 million as from 9 March 2006*

Revenue arising in foreign countries amounted to €3,861.8 million in first half of 2006, 9.2% more than in the first half of 2005, and represented 33.6% of the total.

2. OTHER SEGMENT INFORMATION BY BUSINESS LINE

The data below is for each business line separately and is stated before elimination, at their own level, of transactions between the business lines.

FIRST HALF 2006

(in € millions)	**Concessions and services**	**Energy**	**Roads**	**Construction**	**Property**	**Holdings**	**Eliminations**	**Total**
at 30 June 2006								
Income statement								
Revenue	1,601.8	1,740.0	3,122.0	4,928.2	247.0		(139.5)	**11,499.5**
Elimination of inter-segment sales	(0.5)	(30.8)	(28.4)	(71.5)	(8.2)		139.5	
Revenue invoiced to outside parties	1,601.3	1,709.2	3,093.6	4,856.7	238.8		0.0	**11,499.5**
Operating profit from ordinary activities	582.4	85.9	30.3	224.1	41.4	75.8		**1,039.8**
% of revenue	*36.4%*	*4.9%*	*1.0%*	*4.5%*	*16.8%*	*ns*		*9.0%*
Operating profit (*)	572.4	77.0	26.8	218.0	39.6	70.4		**1,004.1**
Share of profit / (loss) of associates	13.2		2.8	1.2		(0.3)		**16.9**
Net profit attributable to equity holders of the parent	246.3	53.2	16.3	158.7	24.3	18.1		**516.9**
% of revenue	*15.4%*	*3.1%*	*0.5%*	*3.2%*	*9.8%*	*ns*		*4.5%*
Cash flow (used in) / from operations before tax and financing costs	**943.9**	**97.7**	**92.8**	**317.2**	**41.5**	**(21.4)**		**1,471.6**
Net financial surplus (debt)	**(12,010.4)**	**445.4**	**189.3**	**1,298.2**	**(48.6)**	**(5,585.9)**		**(15,712.0)**

(*) *See Note C 1.3.2 Share-based Payment*

2005

(in € millions)	**Concessions and services**	**Energy**	**Roads**	**Construction**	**Property**	**Holdings**	**Eliminations**	**Total**
at 31 December 2005								
Income statement								
Revenue	1,549.9	3,508.5	6,457.0	9,398.9	409.3		(285.5)	**21,038.1**
Elimination of inter-segment sales	(0.7)	(55.8)	(48.6)	(178.3)		(2.0)	285.5	
Revenue invoiced to outside parties	1,549.3	3,452.7	6,408.3	9,220.6	409.3	(2.0)	0.0	**21,038.1**
Operating profit from ordinary activities	628.0	189.0	243.2	474.7	33.7	(8.5)		**1,560.1**
% of revenue	*40.5%*	*5.4%*	*3.8%*	*5.1%*	*8.2%*	*ns*		*7.4%*
Operating profit (*)	618.0	159.6	222.1	433.4	32.1	11.7		**1,476.9**
Share of profit / (loss) of associates	81.6		2.9	2.8		(0.2)		**87.0**
Net profit attributable to equity holders of the parent	333.6	101.0	154.3	315.1	19.9	(52.6)		**871.2**
% of revenue	*21.5%*	*2.9%*	*2.4%*	*3.4%*	*4.9%*	*ns*		*4.1%*
Cash flow (used in) / from operations before tax and financing costs	**841.1**	**215.2**	**379.2**	**655.9**	**34.4**	**8.3**		**2,134.1**
Net financial surplus (debt)	**(4,240.8)**	**518.0**	**631.2**	**1,611.1**	**(55.6)**	**(42.9)**		**(1,579.0)**

(*) *See Note C 1.3.2 Share-based Payment*

FIRST HALF 2005

(in € millions)	Concessions and services	Energy	Roads	Construction	Property	Holdings	Eliminations	Total
at 30 June 2005								
Income statement								
Revenue	729.7	1,666.7	2,794.3	4,563.5	201.8	0.0	(128.9)	**9,826.9**
Elimination of inter-segment sales	(0.3)	(22.0)	(22.7)	(83.9)	(0.1)	0.0	128.9	
Revenue invoiced to outside parties	729.4	1,644.7	2,771.6	4,479.6	201.7	0.0	(0.0)	**9,826.9**
Operating profit from ordinary activities	280.8	77.6	27.5	235.2	10.0	(2.9)		**628.1**
% of revenue	*38.5%*	*4.7%*	*1.0%*	*5.2%*	*5.0%*	*ns*		*6.4%*
Operating profit (*)	277.2	65.4	18.0	218.1	9.2	13.2		**601.1**
Share of profit / (loss) of associates	30.3		0.9	1.7		(0.2)		**32.7**
Net profit attributable to equity holders of the parent	142.2	42.4	13.8	154.5	5.2	56.9		**415.0**
% of revenue	*19.5%*	*2.5%*	*0.5%*	*3.4%*	*2.6%*	*ns*		*4.2%*
Cash flow (used in) / from operations before tax and financing costs	**391.3**	**90.6**	**92.3**	**325.9**	**9.6**	**1.7**		**911.3**
Net financial surplus (debt)	**(3,842.9)**	**366.9**	**276.3**	**1,559.5**	**(50.3)**	**(1,425.3)**		**(3,115.7)**

(*) *See Note C 1.3.2 Share-based Payment*

3. BREAKDOWN OF INFORMATION ON THE CONCESSIONS AND SERVICES BUSINESS LINE

FIRST HALF 2006

(in € millions)	Cofiroute (*)	ASF Group	VINCI Park	Other concessions	VINCI Concessions holdings	Total
at 30 June 2006						
Income statement						
Revenue	442.4	811.8	256.3	93.6	(2.8)	**1,601.3**
Operating profit from ordinary activities	224.0	274.9(**)	63.5	29.6	(9.7)	**582.4**
% of revenue	*50.6%*	*33.9%*	*24.8%*	*31.6%*	*ns*	*36.4%*
Operating profit/loss (***) (****)	222.9	274.9(**)	63.5	29.4	(18.3)	**572.4**
Share of profit / (loss) of associates	0.3	10.1		2.8	0.0	**13.2**
Net profit attributable to equity holders of the parent	85.6	102.1	38.1	27.9	(7.4)	**246.3**
% of revenue	*19.3%*	*12.6%*	*14.9%*	*29.8%*	*ns*	*15.4%*
Cash flow (used in) / from operations before tax and financing costs	**294.7**	**520.0**	**93.6**	**45.7**	**(10.0)**	**943.9**
Net financial surplus (debt)	**(2,750.7)**	**(7,968.6)**	**(865.8)**	**(341.0)**	**(84.4)**	**(12,010.4)**

(*) *On 100% basis*

(**) *Including an amortisation expense of €83.7 in respect of goodwill allocated to the ASF and Escota concession contracts*

(***) *See Note C 1.3.2 Share-based Payment*

(****) *The IFRS 2 Share-based Payment expense for the Concessions and services division is shown in theVINCI Concessions Holdings column.*

2005

(in € millions)	Cofiroute (*)	ASF Group	VINCI Park	Other concessions	VINCI Concessions holdings	Total
at 31 December 2005						
Income statement						
Revenue	900.0		493.7	161.0	(5.4)	**1,549.3**
Operating profit from ordinary activities	468.7		126.6	54.8	(22.1)	**628.0**
% of revenue	*52.1%*		*25.6%*	*34.0%*	*ns*	*40.5%*
Operating profit/loss (**) (***)	466.7		124.8	54.5	(28.0)	**618.0**
Share of profit / (loss) of associates	0.5	76.8		4.3		**81.6**
Net profit attributable to equity holders of the parent	186.8	76.8	75.6	10.0	(15.6)	**333.6**
% of revenue	*20.8%*		*15.3%*	*6.2%*	*ns*	*21.5%*
Cash flow (used in) / from operations before tax and financing costs	**604.6**		**176.7**	**82.5**	**(22.7)**	**841.1**
Net financial surplus (debt)	**(2,543.8)**		**(390.9)**	**(703.2)**	**(602.9)**	**(4,240.8)**

(*) On 100% basis

(**) See Note C 1.3.2 Share-based Payment

(***) The IFRS 2 Share-based Payment expense for the Concessions and services division is shown in the VINCI Concessions Holdings column.

FIRST HALF 2005

(in € millions)	Cofiroute (*)	ASF Group	VINCI Park	Other concessions	VINCI Concessions holdings	Total
at 30 June 2005						
Income statement						
Revenue	413.9		242.6	75.7	(2.8)	**729.4**
Operating profit from ordinary activities	208.7		61.8	19.8	(9.5)	**280.8**
% of revenue	*50.4%*		*25.5%*	*26.2%*	*ns*	*38.5%*
Operating profit/loss (**) (***)	207.6		61.8	19.8	(12.0)	**277.2**
Share of profit / (loss) of associates	0.2	27.4		2.7	0.0	**30.3**
Net profit attributable to equity holders of the parent	82.6	27.4	38.4	6.4	(12.6)	**142.2**
% of revenue	*20.0%*		*15.8%*	*8.5%*	*ns*	*19.5%*
Cash flow (used in) / from operations before tax and financing costs	**274.6**		**88.1**	**37.0**	**(8.4)**	**391.3**
Net financial surplus (debt)	**(2,201.4)**		**(444.6)**	**(671.1)**	**(525.8)**	**(3,842.9)**

(*) On 100% basis

(**) See Note C 1.3.2 Share-based Payment

(***) The IFRS 2 Share-based Payment expense for the Concessions and services division is shown in the VINCI Concessions Holdings column.

F. NOTES TO THE INCOME STATEMENT

4. OPERATING PROFIT

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Revenue	**11,499.5**	**9,826.9**	**21,038.1**
Revenue from ancillary activities	**109.2**	**157.4**	**182.0**
Purchases consumed	(2,849.2)	(2,542.4)	(5,421.1)
External services	(1,322.0)	(1,216.0)	(2,590.1)
Temporary employees	(387.9)	(356.6)	(811.2)
Subcontracting	(2,489.6)	(2,282.4)	(4,897.3)
Taxes and levies	(317.3)	(185.5)	(382.8)
Employment costs	(2,818.0)	(2,508.2)	(4,974.7)
Other income and expenses	146.3	18.0	111.1
Amortisations	(584.8)	(324.8)	(673.3)
Net provision charges	53.6	41.7	(20.7)
Operating expenses (before IFRS 2 and goodwill impairment)	**(10,568.9)**	**(9,356.3)**	**(19,660.0)**
Operating profit from ordinary activities	**1,039.8**	**628.1**	**1,560.1**
Share-based payment expense (IFRS 2)	(28.1)	(26.0)	(70.1)
Goodwill impairment expense	(7.6)	(1.1)	(13.2)
Operating expenses	**(10,604.7)**	**(9,383.3)**	**(19,743.2)**
Operating profit	**1,004.1 (*)**	**601.0**	**1,476.9**

(*) *Including ASF group's operating profit of €275 million as from 9 March 2006*

Operating profit amounted to €1,004.1 million at 30 June 2006 (8.7% of revenue) against €601 million at 30 June 2005 (6.1% of revenue), up 67.1% as a result of the consolidation of ASF group as from 9 March 2006. Other income and expenses included, in particular, a gain of €53 million connected wi th the sale of property at Nanterre and the receipt of damages of €18 million following resolution of the dispute between VINCI and the US company Global Industries.

Operating profit from ordinary activities, which measures the operating performance of the Group's subsidiaries before the effect of share based payments (IFRS 2) and goodwill impairment losses, was €1,039.8 million at 30 June 2006 against €628.1 million at 30 June 2005, an increase of 65.5%. The increase excluding ASF and Escota was 21.8%.

4.1 REVENUE FROM ANCILLARY ACTIVITIES

Revenue from ancillary activities amounted to €109.2 million at 30 June 2006. It mainly consisted of sales of equipment, materials and goods for €33.4 million, studies, engineering and fees invoiced in connection with construction contracts, for €42.1 million and rental income for €32.1 million.

4.2 AMORTISATIONS

This item breaks down as follows:

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Amortisations			
Intangible fixed assets	(12.4)	(9.2)	(23.3)
Intangible fixed assets from concessions	(349.9) (*)	(97.7)	(204.1)
Property, plant and equipment	(222.2)	(217.5)	(444.3)
Investment properties	(0.3)	(0.4)	(1.7)
	(584.8)	**(324.8)**	**(673.3)**

(*) *Including €244 million relating to the amortisation of ASF group's concession intangible fixed assets*

4.3 SHARE-BASED PAYMENTS

The expense relating to the benefits granted to employees has been assessed at €28.1 million for the first half of 2006. Of this, €9.4 million is in respect of share options and €18.7 million in respect of the Group Savings Schemes, compared with €17.6 million and €8.4 million respectively in the first half of 2005, a total of €26 million. (See Note 18.3 Share-based payments)

5. COST OF FINANCIAL DEBT

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Cost of gross financial debt (*)	**(298.6)**	**(115.8)**	**(273.3)**
Financial income from cash management investments	67.5	49.7	122.9
Cost of net financial debt	**(231.1)**	**(66.1)**	**(150.3)**

(*) *Calculated using the effective interest rate*

The cost of financial debt amounted to €231 million at 30 June 2006 against €66 million at 30 June 2005. This figure takes account of the cost of financing the acquisition of ASF group in the first half of 2006, for €57 million.
Concessions accounted for €187 million of this amount (against €81.3 million at 30 June 2005), of which €56.1 million was for Cofiroute (€51.4 million at 30 June 2005) and €105.1 million for ASF group. This includes the positive impact, for €19 million, of the amortisation of the revaluation on first consolidation by VINCI of the debt of ASF and Escota.
The cost of financial debt at 30 June 2005 included the positive effect, amounting to €25.6 million (€16.5 million after tax), of a change in the estimate of the probable maturity date of the 2002-2018 Oceane bond.
The Construction, Roads, Energy and Property business lines generated net financial income of €19.5 million (against €17.4 million at 30 June 2005), resulting from the increase in their operating cash.

6. OTHER FINANCIAL INCOME AND EXPENSES

6.1 OTHER FINANCIAL INCOME

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Capitalised borrowing costs	36.8	28.8	63.3
Dividends received from unconsolidated companies	6.1	6.7	4.7
Foreign exchange gains	1.3	7.5	9.5
Gains on disposals	24.4	10.9	36.0
Other financial income (including provision reversals)	10.0	9.2	14.6
Other financial income	**78.7**	**63.0**	**128.1**

Other financial income amounted to €78.7 million at 30 June 2006 against €63 million at 30 June 2005. This includes a gain of €19 million on the partial sale of SCDI (which operates the Confederation Bridge in Canada under a concession).

Capitalised borrowing costs related to concession projects in progress amounted to €36.8 million at 30 June 2006 (€33 million for Cofiroute and €4 million for ASF group as from the acquisition date) against €28.8 million at 30 June 2005.

6.2 OTHER FINANCIAL EXPENSES

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Change in present value	(9.8)	(13.8)	(27.0)
Foreign exchange losses	(10.1)	(6.3)	(13.7)
Losses on disposals	(0.3)	(14.4)	(11.5)
Other financial expenses (including provision charges)	(6.6)	(6.2)	(23.2)
Other financial expenses	**(26.7)**	**(40.6)**	**(75.4)**

Change in present value mainly relates to the portion at more than one year of the retirement benefit obligations, net of the expected return on plan financial assets.

Losses on disposals in 2005 mainly related to the loss on the sale of the TMS subsidiaries, amounting to €14.2 million.

7. BREAKDOWN OF NET INCOME TAX EXPENSE

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Current and deferred taxes	(258.0)	(172.0)	(462.5)
Effective tax-rate	31.3%	30.9%	33.5%
Effective tax-rate excluding impact of share-based payments and goodwill impairments losses	30.0%	29.4%	31.6%

The tax expense amounted to €258 million in the first half of 2006, against €172 million in the first half of 2005.
The effective tax rate, excluding the tax effects of share-based payments and goodwill impairment losses, was close to 30%, unchanged from one accounting period to the next.

The effective tax rate (31.3%) was lower than the theoretical tax rate of 34.3% because of gains that were not taxable or were taxable at a lower rate (mainly gains on the disposal of the Nanterre property and the SCDI shares) and because of the results of some foreign subsidiaries being taxed at a lower rate.

8. EARNINGS PER SHARE

Earnings per share is 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 is calculated on the basis of the weighted average number of shares that would have been outstanding had all potentially dilutive instruments (convertible bonds and share subscription options) been converted into shares. Earnings are adjusted for the changes in income and expenses that would result from the conversion of potentially dilutive instruments into shares (for example, the reduction of interest expenses net of taxes resulting from the conversion of convertible bonds into shares).

Dilution resulting from the exercise of share subscription and purchase options is determined used the method defined in IAS 33.

The tables below show the reconciliation between earnings per share and diluted earnings per share:

30 June 2006	Net profit(*)	Number of shares	Earnings per share(**)
Total shares		**211,975,978**	
Treasury shares		(6,574,598)	
Earnings per share	**516.9**	**205,401,380**	**2.52**
Share options		9,175,915	
Share options and Group Savings Scheme		1,427,625	
Diluted earnings per share	**516.9**	**216,004,920**	**2.39**

(*) *In millions of euros*
(**) *In euros*

30 June 2005	Net profit(*)	Number of shares	Earnings per share(**)
Total shares		**169,405,080**	
Treasury shares		(4,691,639)	
Earnings per share	**356.0**	**164,713,441**	**2.16**
Convertible bonds (Oceane)	3.6	22,616,468	
Share options		8,085,140	
Share options and Group Savings Scheme		2,046,845	
Diluted earnings per share	**359.6**	**197,461,894**	**1.82**

(*) *In millions of euros*
(**) *In euros*

31 December 2005	Net profit(*)	Number of shares	Earnings per share (**)
Total shares		**177,094,311**	
Treasury shares		(5,660,745)	
Earnings per share	**871.2**	**171,433,566**	**5.08**
Convertible bonds (Oceane)	14.0	16,829,305	
Share options		8,309,424	
Share options and Group Savings Scheme		1,872,023	
Diluted earnings per share	**885.2**	**19,444,318**	**4.46**

(*) *In millions of euros*
(**) *In euros*

G. NOTES TO THE BALANCE SHEET

9. GOODWILL

Changes in the period were as follows:

(in € millions)	Net	
Value at 31 December 2004	**776.9**	
Goodwill recognised during the period	33.1	
Impairment losses	(13.2)	
Translation differences	5.9	
Entities no longer consolidated	0	
Other movements	10.3	
Value at 31 December 2005	**813.1**	
Impact of consolidating ASF	2,917.4	(*)
Other goodwill recognised during the period	21.2	
Impairment losses	(7.6)	
Translation differences	(1.2)	
Entities no longer consolidated	(0.3)	
Other movements (**)	(83.5)	
Value at 30 June 2006	**3,659.2**	

(*) *Impact of measuring goodwill in the context of VINCI taking control of ASF group on 9 March 2006 (See Note D. "Acquisition of Autoroutes du Sud de la France (ASF and Escota)")*

(**) *Including goodwill connected with discontinued operations, or those in the process of being sold for – €90.3 million*

The main items of goodwill at 30 June 2006 were as follows:

	30/06/2006			31/12/2005
(in € millions)	**Gross(**)**	**Impairment losses**	**Net**	**Net**
ASF group (*)	2,917.4		2,917.4	
VINCI Park (formerly Sogeparc and Finec)	343.3		343.3	343.3
VINCI Airports US (WFS/ACAC)				66.3
Teerbau GmbH	38.7		38.7	38.7
Entreprise Jean Lefebvre	39.3	(3.8)	35.5	36.3
VINCI PLC	21.8		21.8	22.0
Emil Lundgren AB	21.0		21.0	21.0
EFS				19.0
Netlink BV	10.6		10.6	10.6
Other goodwill items individually less than €10 million (***)	304.8	(33.8)	271.0	256.0
	3,696.8	**(37.6)**	**3,659.2**	**813.1**

(*) *Impact of measuring goodwill in the context of VINCI taking control of ASF group on 9 March 2006 (See Note D. "Acquisition of Autoroutes du Sud de la France (ASF and Escota)")*

(**) *Gross value reduced by accumulated amortisation at 1 January 2004 (Opening IFRS balance sheet)*

(***) *In net individual amounts for each of the two periods.*

10. IMPAIRMENT LOSSES ON GOODWILL

The tests performed at 30 June 2006 led to the recognition of impairment losses of €7.6 million. These mainly relate to subsidiaries of VINCI Energies.

The value in use of cash-generating units (CGUs) is determined, on the basis of activity and country, by discounting the forecast operating cash flows before tax (operating profit + depreciation and amortisation + non-current provisions – operating investments – change in operating WCR).

Forecasted cash flows are generally determined on the basis of the latest three-year plans available. For periods beyond the three-year period, cash flows are extrapolated until the fifth year, 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.

11. CONCESSION INTANGIBLE FIXED ASSETS

11.1 BREAKDOWN OF CONCESSION INTANGIBLE FIXED ASSETS BY TYPE OF INFRASTRUCTURE

Concession fixed assets comprise both investments by VINCI under commitments arising from its concession contracts and the capitalised amount of assets under concession.

(in € millions)	Motorways	Car parks	Other infrastructures	Total VINCI Concessions	Other concessions(**)	Total
Gross						
At 31 December 2005	**6,051.7**	**1,333.5**	**684.6**	**8,069.8**	**16,5**	**8,086.4**
Effect of consolidating ASF (*)	18,747.0			18,747.0		18,747.0
Other acquisitions as part of business combinations	0.0	0.0	0.0	0.0	3.1	3.1
Other acquisitions in the period	690.6	27.9	9.1	727.7	0.1	727.8
Disposals and retirements during the period	(12.9)	(10.7)	(0.1)	(23.7)	0.1	(23.6)
Concession intangible fixed assets connected with discontinued operations and other assets held for sale	0.0	0.0	(207.0)	(207.0)	0.0	(207.0)
Translation differences	(30.8)	(2.0)	(7.6)	(40.3)		(40.3)
Other movements	0.2	0.7	(96.5)	(95.7)	(1.7)	(97.3)
	25,445.9	**1,349.5**	**382.5**	**27,177.9**	**18.1**	**27,196.0**
Grants received	(163.4)	0.0	(12.9)	(176.3)	(2.1)	(178.4)
At 30 June 2006	**25,282.5**	**1,349.5**	**369.6**	**27,001.6**	**16.0**	**27,017.6**
Amortisation and impairment losses						
At 31 December 2005	**(1,746.0)**	**(506.5)**	**(88.0)**	**(2,340.5)**	**(4.9)**	**(2,345.4)**
Amortisation for the period	(316.4)	(24.8)	(11.8)	(353.1)	(0.4)	(353.5)
Impairment losses		(0.5)		(0.5)		(0.5)
Reversals of impairment losses	0.2	0.2		0.5		0.5
Disposals and retirements during the period	12.1	8.4	0.1	20.7	(0.1)	20.6
Concession intangible fixed assets connected with discontinued operations and other assets held for sale	0.0	0.0	33.9	33.9	0.0	33.9
Translation differences	4.7	0.7	1.8	7.1		7.1
Other movements	(1.6)	(0.0)	18.7	17.1	(0.3)	16.7
At 30 June 2006	**(2,047.0)**	**(522.5)**	**(45.3)**	**(2,614.8)**	**(5.7)**	**(2,620.5)**
Net value of goodwill						
At 31 December 2005	**4,305.7**	**827.0**	**596.6**	**5,729.3**	**11.6**	**5,741.0**
At 30 June 2006	**23,235.5**	**826.9**	**324.3**	**24,386.7**	**10.3**	**24,397.1**

(*) *Effect of the valuation of contract operating rights in the context of taking control of ASF group on 9 March 2006 (See Note D "Acquisition of Autoroutes du Sud de la France (ASF and Escota)")*

(**) *Mainly data transmission network concession contracts in the Construction division.*

Investments in new concession projects increased during the half year (€552 million against €357 million in the first half of 2005). They included, in particular, the investments by Cofiroute, which amounted to €388 million over the period (against €331 million in the first half of 2005) and by ASF group (€195 million).

Borrowing costs included during the period in the cost of concession fixed assets before entry into service amounted to €37 million (of which €33 million at Cofiroute and €4 million at ASF group, as from the acquisition date).

Concession fixed assets in progress amounted to €2,315.4 million at 30 June 2006, of which €1,760.3 million was at Cofiroute, €468.8 million at ASF group and €33.6 million at VINCI Park.

11.2 COMMITMENTS MADE UNDER CONCESSION CONTRACTS

Commitments made under concession contracts

Under its concession contracts, Group subsidiaries have undertaken to carry out certain investments in infrastructure that they will operate as concession operators.

At 30 June 2006, investments planned for the next five years under concession contracts mainly related to Cofiroute for €1.9 billion (€778 million in respect of the inter-city network and €843 million for the A86 motorway), ASF group for €1.5 billion (of which €1.2 billion for the Lyon-Balbigny section) and Arcour for €593.1 million (A19 motorway).

These amounts do not include maintenance works of concession infrastructures.

Collateral security connected with concession contracts

Concession operating companies have granted collateral security of €672.4 million to guarantee the financing of their infrastructures. These break down as follows:

(in € millions)	Start date	End date	Amount
Gefyra (Rion-Antirion bridge - Greece)	April-01	June-29	350.0
Autopista Del Bosque (Chillan-Collipulli motorway - Chile)	March-01	April-21	200.9
Morgan VINCI Ltd (Newport bypass - Wales)	March-02	Sept.-40	45
Other			76.5
			672.4

12. PROPERTY, PLANT AND EQUIPMENT

Movements during the period

(in € millions)	Land	Building	Plant, equipment and fixtures	Total
Gross				
At 31 December 2005	**325.4**	**1,037.5**	**4,055.4**	**5,418.3**
Acquisitions as part of business combinations	0.1	0.9	12.0	12.9
Other acquisitions in the period	4.2	74.0	257.3	335.4
Disposals and retirements during the period	(15.6)	(37.6)	(147.6)	(200.9)
Property, plant and equipment connected with discontinued operations and other assets held for sale	0.0	(132.7)	(106.3)	(239.1)
Translation differences	(1.8)	(1.7)	(19.1)	(22.6)
Other movements	10.2	(48.5)	20.4	(17.9)
At 30 June 2006	**322.5**	**891.7**	**4,072.0**	**5,286.2**
Depreciation and impairment losses				
At 31 December 2005	**(76.6)**	**(388.9)**	**(2,737.9)**	**(3,203.5)**
Depreciation for the period	(3.2)	(17.6)	(201.5)	(222.2)
Impairment losses	(0.1)	(0.2)	(0.7)	(0.9)
Reversals of impairment losses	0.8	0.0	1.1	1.9
Disposals and retirements during the period	9.3	29.5	116.6	155.3
Property, plant and equipment connected with discontinued operations and other assets held for sale	0.0	26.1	61.1	87.2
Translation differences	0.3	0.2	12.2	12.7
Other movements	(7.9)	2.7	18.1	12.9
At 30 June 2006	**(77.4)**	**(348.2)**	**(2,731.0)**	**(3,156.6)**
Net value of property, plant and equipment				
At 31 December 2005	**248.7**	**648.5**	**1,317.6**	**2,214.8**
At 30 June 2006	**245.1**	**543.5**	**1,340.9**	**2,129.5**

At 30 June 2006, property, plant and equipment included assets under construction for €92.8 million (against €88.8 million at 30 June 2005).

13. INVESTMENTS IN ASSOCIATES

13.1 MOVEMENTS DURING THE PERIOD

(in € millions)	30/06/2006	31/12/2005
Value of shares at start of period	**1,595.5**	**1,558.5**
Change in method of accounting for investment in ASF	(1,520.4)	
Share capital increases of associates		1.5
Share of profit or loss for the period	16.9	87.0
of which: concessions and services	*12.9*	*81.1*
Dividends paid	(6.9)	(60.9)
Changes in consolidation scope and translation differences	(2.6)	4.4
Net change in fair value of financial instruments	0.2	0.8
Reclassifications	0.0	4.1
Value of shares at end of period	**82.8**	**1,595.5**
of which: concessions and services	*41.6*	*1,554.0*

13.2 FINANCIAL INFORMATION ON INVESTMENTS IN ASSOCIATES

Investments in associates at 30 June 2006 relates mainly to concession operating companies in which the Group exercises significant influence, such as SMTPC (which operates the Prado-Carénage tunnel in Marseille under a concession), Lusoponte (bridges over the Tagus in Portugal), Severn River Crossing (bridges over the Severn in the UK), SCDI (the Confederation Bridge in Canada, as from 30 June 2006), and a number of subsidiaries in the Construction business line (including Wiemer und Trachte, which is 39% owned by VINCI Construction).

The main financial data relating to these companies at 30 June 2006 is as follows (on a 100% basis):

(in € millions)	SMTPC	Lusoponte	Severn River Crossing
% held	32.42%	30.85%	35.00%
Financial data (100%)			
Revenue	15.2	31.1	51.2
Attributable to Group	*4.9*	*9.6*	*17.9*
Operating expenses	(6.3)	(5.7)	(26.7)
Operating profit	8.9	25.4	24.5
Net profit	4.9	6.1	1.2
Equity at 30/06/2006	37.0	17.0	0.1
Equity attributable to Group	**11.0**	**5.3**	**0.0**
Goodwill (*)	14.8	13.2	
Goodwill impairment losses to date	(1.1)	(1.3)	
Share of net profit / (loss) attributable to Group (**)	**1.6**	**1.9**	**0.0**
Value of investments in associates	**24.7**	**17.2**	**0.0**
Carrying amount of shares in parent company accounts	35.7	20.2	6.5
Original cost of shares	27.5	20.2	0.0
Fair value of shareholdings (stock market value)	53.6	na	na
Other balance sheet information:			
Total Assets / Equity and liabilities	144.4	887.6	660.0
Net financial debt at 30/06/2006 (VINCI share)	(23.1)	(110.8)	(202.2)
Shareholder advances and interest-bearing loans (VINCI share)	na	4,5	7.3

(*) Gross less accumulated amortisation at 1 January 2004 (Opening IFRS balance sheet)

(**) Before goodwill impairment losses

14. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets at 30 June 2006 amounted to €255.4 million, compared with €240.4 million at 31 December 2005.
Of these, €178.4 million, against €142.2 million at 31 December 2005, were investments in unlisted subsidiaries that do not meet the minimum financial criteria for consolidation adopted by VINCI.
Loans and receivables at amortised cost amounted to €77 million at 30 June 2006 against €98.1 million at 31 December 2005. They included in particular collateralised loans and receivables amounting to €5.3 million and other loans and receivables (including receivables related to shareholdings and guarantee deposits) for €71.7 million.
The collateralised loans and receivables are shown as a reduction of net debt. They correspond to sums frozen on accounts and intended for repayment of the debt, and mainly relate to concession operating companies, which are financed by loans without recourse against shareholders.

15. WORKING CAPITAL REQUIREMENT

(in € millions)	30/06/2006	30/06/2005	31/12/2005	Variations 30/06/06 - 31/12/05 connected with operations	receivables/payables related to fixed assets	Other changes (*)
Inventories & work in progress (net)	580.2	549.2	540.7	39.7	0.0	(0.2)
Trade and other operating receivables	9,722.4	8,553.2	8,334.3	1,313.3	1.8	73.1
Other current assets	243.0	223.3	218.6	4.3	0.0	20.1
Inventories and operating receivables (I)	**10,545.6**	**9,325.6**	**9,093.5**	**1,357.3**	**1.8**	**93.0**
Trade payables	5,229.0	5,063.7	5,002.3	253.6	9.8	(36.7)
Other current payables	6,401.2	5,335.2	5,498.6	476.8	0.0	425.9
Trade and other operating payables (II)	**11,630.2**	**10,398.9**	**10,500.8**	**730.4**	**9.8**	**389.1**
Working capital requirement (I-II) (before provisions)	**(1,084.6)**	**(1,073.3)**	**(1,407.3)**	**(626.9)**	**8.1**	**296.1**
Current provisions	**(1,437.6)**	**(1,374.8)**	**(1,445.4)**	**(2.4)**	**0.0**	**10.2**
including part at less than one year of non-current provisions	*267.1*	*262.9*	*257.4*	*0.0*	*0.0*	*9.8*
Working capital requirement (after current provisions)	**(2,522.2)**	**(2,448.0)**	**(2,852.7)**	**(624.5)**	**8.1**	**286.0**

(*) *Mainly changes in scope of consolidation and translation differences*

The operating working capital surplus includes current operating assets and liabilities related to operations, excluding current tax assets and liabilities and other assets and liabilities of a financial nature.
The reduction in the first half of 2006 of the operating working capital surplus was mainly due to the effects of seasonality, which were particularly pronounced in the first half in the Roads business, as well as to the increase in property project arrangement operations in Construction.

16. CONSTRUCTION CONTRACTS

16.1 FINANCIAL INFORMATION ON CONSTRUCTION CONTRACTS

Costs incurred plus recognised profits, less recognised losses and intermediate invoicing, is determined on a contract-by-contract basis. If 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".

Advances are the amounts received before the corresponding work has been performed. These advance payments are usually maintained over the length of the contract, irrespective of the amount of work carried out or in progress.

(in € millions)	30/06/2006	31/12/2005
Construction contracts in progress - assets	1,051.6	995.5
Construction contracts in progress - liabilities	(1,119.8)	(914.9)
Construction contracts in progress, net	**(68.2)**	**80.6**
Costs incurred plus profits recognised, less losses recognised to date	21,721.8	20,630.7
Less invoices issued	(21,790.0)	(20,550.1)
Construction contracts in progress, net	**(68.2)**	**80.6**
Advances received from customers	(507.4)	(432.6)

16.2 COMMITMENTS GIVEN AND RECEIVED IN CONNECTION WITH CONSTRUCTION CONTRACTS

The Group gives and receives guarantees (personal surety) in connection with its construction contracts, which break down as follows:

	30/06/2006		31/12/2005	
(in € millions)	**Given**	**Received**	**Given**	**Received**
Performance guarantees	1,917.6	359.7	1,777.9	271.8
Performance bonds	631.5	112.1	563.8	113.4
Retentions	1,640.2	335.1	1,518.2	298.0
Deferred payments to subcontractors	722.7	154.5	679.2	157.0
Bid bonds	120.5	1.7	116.4	2.9
Deferred payments to suppliers	36.9	122.0	33.1	11.7
Total	**5,069.4**	**1,085.1**	**4,688.6**	**854.8**

The increase in commitments given under these construction contracts (+8.1%) should be seen in the light of the increase in the activity of the Construction, Roads and Energy business lines in the first half of 2006 (+8.5%).

The guarantees given are mainly issued to guarantee construction work in progress. Whenever events such as late completion or disputes concerning 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 under a commitment given by VINCI or its subsidiaries results 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.

It should also be remembered that, opposite the commitments given, the Group has an order book of firm orders accepted by customers which undertake, under the contract terms, to pay for work as it is carried out. In connection with their works activity, Group companies benefit from bank guarantees issued by their co-contractors or sub-contractors or by such undertakings' parent companies.

Lastly, VINCI grants two-year and ten-year warranties 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.

17. CASH MANAGEMENT FINANCIAL ASSETS, CASH AND CASH EQUIVALENTS

Cash management financial assets, cash and cash equivalents break down as follows:

(in € millions)	30/06/2006	31/12/2005
UCITS	370.6	550.8
Money-market and bond instruments with maturities over 3 months	293.9	261.4
Other (*)	43.9	73.4
Cash management financial assets	**708.4**	**885.6**
UCITS	2,735.4	3,152.5
Money-market instruments (term deposits, certificates of deposit, etc.)	107.4	302.3
Cash	937.0	1,144.0
Cash and cash equivalents	**3,779.9**	**4,598.7**

(*) *Including financial current account assets (see Note 21)*

In accordance with the AMF's position of 9 March 2006 (See Note C1.3 Change of presentation), UCITS (mutual funds) that meet the criteria set out in IAS 7, in particular "monetary euro" UCITS that were previously shown as "cash management financial assets," are now shown in the line "cash equivalents".

These amounted to €3,455 million at 31 December 2005 and €1,279 million at 30 June 2005, and mainly related to Cofiroute and VINCI SA.

Cash management financial assets and cash equivalents mainly correspond to the investments of the net cash surpluses of companies heading business lines and VINCI's main fully-owned subsidiaries, which are transferred to the holding company through a cash pooling system. This centralised system enables both the management of financial resources to be optimised and trends in the cash position of the Group's main subsidiaries to be monitored. The investments made by subsidiaries with VINCI SA in this context amounted to €1,648 million at 30 June 2006.

These cash surpluses are managed with the objective of earning a return close to that of the money market, while avoiding any risk to capital. The holding company monitors the performance and the risks associated with these investments monthly through a report detailing the yield on the various assets on the basis of their fair value and tracking the level of the associated risk through an Earnings at Risk calculation. This indicator represents the level of potential return from the investments within a defined confidence interval over an annual timescale, within the limits set by the Treasury Committee.

The investment of cash surpluses of other Group subsidiaries that are not transferred to the holding company is managed complying with VINCI's guidelines. At 30 June 2006, such funds amounted to €1,862 million, of which €950 million were at Cofiroute and €518 million at ASF group.

Cash management financial assets and available cash are shown as a reduction of gross debt. Details are given in Note 21 «Net financial debt and financing resources».

18. CHANGES IN EQUITY

18.1 SHARES

The parent company's share capital at 30 June 2006 was represented by 237,475,169 ordinary shares of €5 nominal value.

Changes in the number of shares over the period were as follows:

Number of shares at 31 December 2005	**196,636,274**
Increase in share capital	40,838,895
Cancellation of treasury shares	
Shares at 30 June 2006	**237,475,169**
Number of shares issued and fully paid	40,838,895
Number of shares issued and not fully paid	-
Nominal value of one share (in euros)	5
VINCI shares held by Company, subsidiaries or associates	6,408,558
Of which: shares allocated to cover share option plans	*1,632,770*
Of which: shares to be cancelled	*4,775,788*

The increase in share capital in the period (amounting to €2,719 million, including the share issue premium) relates to the capital increase on 29 March 2006 (36,086,404 shares for €2,509 million), the exercise of share options (1,333,004 shares for €35 million) and subscriptions to the Group Saving Scheme (3,419,487 shares for €175 million).
It should be noted that the preferential subscription rights attached to the treasury shares held by VINCI were sold in the market for €10.9 million. They have been accounted for in equity net of tax.
Total transaction costs connected with the issue of equity instruments and shown in the accounts as a reduction in equity at 30 June 2006 amounted to €26.6 million.
Dividends paid in respect of 2005 (€2.0 per share, excluding tax credit) comprise the interim dividend of €0.7 paid on 20 December 2005 and the final dividend of €1.30 paid on 18 May 2006.

18.2 ISSUE OF A SUBORDINATED PERPETUAL LOAN

On 13 February 2006, VINCI issued a deeply subordinated perpetual loan for €500 million.
Issued at a price of 98.831%, this issue offers an optional fixed coupon of 6.25%, payable annually until November 2015, which is only due if VINCI pays a dividend to its shareholders. After that date, the coupon becomes variable and payable quarterly at the Euribor 3-month rate plus 3.75%. VINCI has a buy-back at par option in November 2015 and subsequently at each coupon-payment date.
This deeply subordinated perpetual loan was accounted for as equity in the Group's consolidated financial statements.
A coupon of €23.5 million is due to be paid to bondholders on 13 November 2006. This coupon payment will be accounted for, net of tax, as a reduction of equity.

18.3 SHARE-BASED PAYMENTS

18.3.1 Share options

In accordance with the authorisations granted to it by the Shareholders' General Meeting, VINCI's Board of Directors defines the conditions for the granting of share subscription options and the list of beneficiaries.
Each option gives the right to subscribe to one VINCI share. Beneficiaries may exercise two-thirds of their options two years after receiving them and all of their options after three years. Options lapse if they are not exercised at the end of a period of 10 years or 7 years, depending on the plans.
The number and weighted average exercise prices of share subscription or purchase options were as follows:

	30/06/2006		31/12/2005	
	Options	Average price (in euros)	Options	Average price (in euros)
Options outstanding at start of the period	**21,118,953**	**32.41**	**24,776,866**	**28.69**
Adjustment to number of options following capital increase	181,101			
Options granted during the period	4,698,632	78.40	2,540,568	49.40
Options exercised	(1,759,462)	-	(6,173,947)	-
Options cancelled	(1,832,161)	-	(24,534)	-
Options outstanding at end of period	**22,407,063**	**34.20**	**21,118,953**	**32.41**

Information on the fair value of share options granted and recognised under expenses in the first half of 2006 in accordance with IFRS 2

Plan	**16/05/2006**	**9/01/2006**	**01/03/2005 (*)**	**07/09/2004 (*)**	**11/09/2003 (*)**
Price of the underlying share at grant date	79.55 €	69.86 €	56.60 €	44.35 €	30.68 €
Exercise price	80.64 €	72.65 €	49.40 €	41.20 €	30.70 €
Lifetime of the options (in years)	7	7	7	10	10
Number of options granted	**3,383,632**	**1,315,000**	**2,540,568**	**3,172,000**	**2,804,000**

(*) *After the two-for-one share split*

The main assumptions used to determine the fair values of the options in question were:

Plan	16/05/2006	9/01/2006	01/03/2005 (*)	07/09/2004 (*)	11/09/2003 (*)
Volatility	24.19%	23.60%	23.55%	25.23%	27.12%
Lifetime of the option (in years)	7	7	7	10	10
Expected return on share	6.50%	5.70%	6.30%	6.66%	6.84%
Risk-free rate of return	3.68%	2.99%	3.17%	4.06%	4.23%
Hoped-for dividend growth rate	2.75%	2.92%	3.52%	3.33%	4.58%
Fair value of the option	**15.48€**	**11.56€**	**12.10€**	**9.99€**	**5.60€**

(*) *After the two-for-one share split*

These fair values have been calculated at the options' respective grant dates by an external actuary using a binomial valuation model of the "Monte Carlo" type.
This model takes account of behavioural assumptions based on past observations.

On the basis of the above, the amount recognised under expenses in the first half was €9.4 million against €17.6 million at 30 June 2005. This amount includes the effect of the cancellation of options following the resignation of a Company officer.

18.3.2 Group Savings Scheme

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 this connection, VINCI issues new shares reserved for employees three times a year with a subscription price that includes a discount against the stock market price. Subscribers also benefit from an employer's contribution within an annual maximum of €2,500 paid by the company.

18.3.2.1 Savings Scheme for VINCI employees (other than employees of ASF and Escota)

The benefits granted in this way to employees of the Group, other than employees of ASF and Escota, 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: 4 months;
– length of period during which funds are frozen: 5 years from the end of the subscription period.

		exercice 2005		
	H1 2006	**H2 2005**	**H1 2005**	
Tranche	2nd 4-month period 2006	1st 4-month period 2006	3rd 4-month period 2005	2nd 4-month period 2005 (*)
Hoped-for return on VINCI shares	5.70%	6.30%	6.30%	6.30%
Dividend per share				
Dividend payable (interim)		*0.70€*		
Dividend payable (final)	*1.30€*		*1.15€*	*1.15€*
Subscription price	60.76€	52.78€	45.14€	45.04€
Share price at date of Board meeting	76.09€	67.75€	56.95€	55.65€
Implied volatility of VINCI share	25%	23%	17%	17%
Estimated number of shares subscribed to	413,780	963,026	512,022	400,465
Estimated number of shares issued (subscriptions + employer's contribution)	558,603	1,300,086	640,028	520,604

(*) *After the two-for-one share split*

The estimated number of shares subscribed to at the end of the subscription period is obtained by an analytical formula, based on linear regression methods, applied to historical observations of the 2002, 2003, 2004 and 2005 plans.

The cost of the unavailability of units in the enterprise savings fund is measured from the point of view of an investor unable to change his or her investment for five years. The market risk is estimated using a Value At Risk approach (probability of maximum loss with a given confidence interval over a defined timescale).

18.3.2.2 Savings Scheme for ASF and Escota employees

Following VINCI's acquisition of ASF and Escota, employees of ASF group have been able to subscribe to the first and second tranches of the VINCI Group Savings Scheme as from 17 March 2006. The assumptions used to measure the IFRS 2 expense are different from those stated for VINCI, given the first consolidation of ASF and Escota on 9 March 2006. The IFRS 2 expense recognised in this respect at 30 June 2006 in ASF and VINCI group's financial statements was measured applying the following assumptions:

	H1 2006	
Tranche	2nd 4-month period	1st 4-month period
Hoped-for return on VINCI shares	5.70%	6.30%
Dividend per share		
Dividend payable (interim)		*0.70€*
Dividend payable (final)	*1.30€*	
Subscription price	60.76€	52.78€
Closing price on date of valuation	80.30€	80.70€
Implied volatility of VINCI share	25%	25%
Estimated number of shares subscribed to	291,740	242,827
Estimated number of shares issued (subscriptions+ employer's contribution)	291,740	340,844

18.3.2.3 Overall expense recognised in respect of the Savings Scheme for VINCI employees including ASF and Escota employees

Taking account of the items above, the overall expense recognised in the first half of 2006 in respect of the Group Savings Scheme in application of IFRS 2 was €18.7 million (including the estimated expense for the third four-month period of 2006 for €2 million), of which €8.7 million was subscribed by ASF and Escota employees, against €8.4 million in the first half of 2005. The expense of the employer's actual contribution following the subscriptions made has been cancelled out by being reclassified in equity.

18.4 MINORITY INTEREST

At 30 June 2006, the minority interest in Cofiroute (34.66% of the capital) was €498.7 million (against €463.3 million at 31 December 2005), in ASF group (1.6%) was €132.4 million and in CFE (54.62%) was €105.7 million (against €106.1 million at 31 December 2005).

19. RETIREMENT AND OTHER EMPLOYEE BENEFIT OBLIGATIONS

Provisions for retirement benefit obligations (supplementary pensions, lump sums on retirement or leaving) and other employee benefit obligations (long-service bonuses, supplementary medical insurance, etc.) amounted to €856.2 million at 30 June 2006, (including €790.7 million at more than one year) against €723.9 million at 31 December 2005 (including €654.0 million at more than one year). These comprise on the one hand provisions for retirement benefit obligations of €643.5 million and on the other hand provisions for other employee benefits for €212.7 million. The part at less than one year of these provisions is shown under other current liabilities and at 30 June 2006 amounted to €65.5 million against €69.9 million at 31 December 2005.

The Group has not updated the actuarial assessment of the liability at 30 June 2006 during this period as there has been no change in the regime and no material changes in market conditions in the first half of 2006.
The cost of retirement benefit obligations for the first half of 2006 is half the forecast net expense for 2006 determined actuarially at 31 December 2005.
The main changes in retirement benefit and other employee benefit obligations in the first half of 2006 result from the effect of consolidating ASF group, for €170 million, and from a reversal of a provision in VINCI SA for €38 million.

20. PROVISIONS

During the period, changes in provisions reported under balance sheet assets were as follows:

(in € millions)	31/12/2005	Expenses	Used	Other reversals	Impact of ASF consolidation	Other changes in consolisation and other	Changes in part at less than one year of non-current provisions	30/06/2006
Non-current provisions								
Financial liabilities	41.2	4.7	(16.5)	(0.1)	0.0	(0.3)		29.0
Major repairs	48.5	20.0	(11.3)	0.1	89.2	(4.7)		141.8
Other non-current liabilities	316.2	22.5	(35.1)	(14.6)	40.7	1.1		330.8
Discounting of non-current provisions	(5.3)	(0.5)	0.1	0.0	(2.7)	(1.1)		(9.4)
Reclassification of part at less than one year of non-current provisions	(257.4)						(9.7)	(267.1)
Total	**143.3**	**46.7**	**(62.7)**	**(14.6)**	**127.2**	**(4.9)**	**(9.7)**	**225.0**
Current provisions								
After-sales service	278.9	28.6	(21.9)	(8.7)	0.0	0.8		277.7
Losses on completion and construction project liabilities	338.4	215.5	(197.2)	(4.5)	0.0	(2.7)		349.5
Litigation	297.6	22.5	(21.1)	(3.4)	0.0	(6.8)		288.8
Restructuring	41.8	7.6	(9.9)	(0.3)	0.0	(1.8)		37.4
Other current liabilities	253.3	35.2	(32.6)	(4.8)	3.0	(13.5)		240.5
Discounting of current provisions	(21.9)	(2.3)	(0.1)	0.0	0.0	1.1		(23.3)
Reclassification of part at less than one year of non-current provisions	257.4						9.7	267.1
Total	**1,445.4**	**307.0**	**(282.7)**	**(21.8)**	**3.0**	**(22.9)**	**9.7**	**1,437.6**
Provisions (current and non-current)	**1,588.7**	**353.7**	**(345.5)**	**(36.4)**	**130.1**	**(27.9)**	**0.0**	**1,662.7**

The types of provisions are defined in Note B.3.1 Measurement rules and methods on pages 203 and 204 of the 2005 Annual Report.

Current provisions, which are directly linked to each business line's operating cycle, amount to €1,438 million at 30 June 2006 (including the part at less than one year of non-current provisions) against €1,445 million at 31 December 2005. They mainly relate to provisions and disputes connected with construction contracts.

Non-current provisions, (those not directly linked to the operating cycle), include in particular provisions for disputes. They amount to €225 million at 30 June 2006 (for the part exceeding one year) against €143 million at 31 December 2005.

These also relate to provisions for major repairs corresponding to contractual obligations to return assets operated under concessions to good condition. These are calculated at the end of each period on the basis of a work programme covering several years which is reviewed annually to take account of planned expenditure, and mainly relate to Cofiroute for €46 million and ASF and Escota for €92 million.

21. NET FINANCIAL DEBT AND FINANCING RESOURCES

Net financial debt as defined by the group breaks down as follows:

	Note ref.	30/06/2006			31/12/2005
(in € millions)		**Non-current**	**Current**	**Total**	**Total**
Bonds	21.1.1	(3,880.0)	(384.9)	(4,264.8)	(3,918.0)
Loans from financial institutions and other financial debt	21.1.2	(13,064.8)	(943.9)	(14,008.7)	(1,913.5)
Finance leases	21.1.3	(97.6)	(26.2)	(123.8)	(162.5)
Long-term financial debt		**(17,042.4)**	**(1,355.0)**	**(18,397.4)**	**(5,993.9)**
Other financial debt	22.3.1		(1,477.6)	(1,477.6)	(663.6)
Financial current accounts, liabilities			(69.7)	(69.7)	(60.7)
Bank overdrafts	22.2		(520.6)	(520.6)	(605.0)
I - Gross financial debt		**(17,042.4)**	**(3,423.0)**	**(20,465.4)**	**(7,323.3)**
Collateralised financial receivables		5.3	7.3	12.6	24.6
Financial current accounts, assets			43.4	43.4	45.8
Current cash management financial assets	22.2		665.0	665.0	839.8
Cash and cash equivalents	22.2		3,779.9	3,779.9	4,598.7
II - Financial assets		**5.3**	**4,495.6**	**4,500.8**	**5,508.9**
Derivative financial instruments - liabilities	23.1-23.2	(10.8)	(6.2)	(16.9)	(12.1)
Derivative financial instruments - assets	23.1-23.2	162.6	106.9	269.5	247.4
III - Derivative financial instruments		**151.9**	**100.7**	**252.6**	**235.3**
Net financial debt (I + II + III)		**(16,885.2)**	**1,173.3**	**(15,712.0)**	**(1,579.0)**

Of which, net cash managed:	22.2	30/06/2006	31/12/2005
Current cash management financial assets	22.2	665.0	839.8
Cash equivalents and cash	22.2	3,779.9	4,598.7
Bank overdrafts	22.2	(520.6)	(605.0)
Net cash managed		**3,924.3**	**4,833.5**

At 30 June 2006, VINCI's net financial debt was €15.7 billion (against €1.6 billion at 31 December 2005.)

The increase in net financial debt compared to 31 December 2005 was mainly due to the acquisition of Autoroutes du Sud de la France (ASF group) and the inclusion of this company's debt in the Group's financial statements.

The breakdown of net financial debt at 30 June 2006 by business line was as follows:

	30/06/2006								
	Motorways [1]		Other concessions and services		Other business lines		VINCI SA		Total
(in € millions)	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current	
Bonds	(2,875.8)	(329.4)			(1.8)	(0.1)	(1,002.4)	(55.4)	(4,264.8)
Borrowings from financial institutions and other financial debt	(8,573.4)	(682.7)	(1,235.1)	(77.4)	(265.0)	(168.7)	(2,991.3)	(15.1)	(14,008.7)
Finance leases			(13.3)	(4.2)	(81.6)	(22.0)	(2.7)		(123.8)
Long-term financial debt	**(11,449.2)**	**(1,012.0)**	**(1,248.3)**	**(81.6)**	**(348.5)**	**(190.9)**	**(3,996.4)**	**(70.4)**	**(18,397.4)**
Other financial debt		(0.9)		(5.9)		(226.5)		(1,244.3)	(1,477.6)
Bank overdrafts		(0.1)		(10.5)		(475.4)		(34.7)	(520.6)
I - Gross financial debt	**(11,449.2)**	**(1,013.1)**	**(1,248.3)**	**(98.0)**	**(348.5)**	**(892.7)**	**(3,996.4)**	**(1,349.5)**	**(20,395.7)**
Collateralised financial receivables				6.8	5.3	0.5			12.6
Current cash management financial assets		100.8		0.5		0.9		562.8	665.0
Cash and cash equivalents		1,403.4		154.5		1,134.7		1,087.2	3,779.9
II - Financial assets	**0.0**	**1,504.2**	**0.0**	**161.8**	**5.3**	**1,136.1**	**0.0**	**1,650.0**	**4,457.5**
Derivative financial instruments - liabilities	(0.5)	(2.9)	(1.4)	(0.3)	(2.9)	(0.7)	(5.9)	(2.2)	(16.9)
Derivative financial instruments - assets	148.0	71.4	1.9	0.0	2.7	0.4	10.0	35.1	269.5
III - Derivative financial instruments	**147.4**	**68.5**	**0.5**	**(0.3)**	**(0.1)**	**(0.3)**	**4.0**	**32.8**	**252.6**
IV - Net current financial assets	**(13.2)**	**1.1**	**(2.4)**	**(69.3)**		**2,084.8**	**15.7**	**(2,043.1)**	**(26.4)**
Net financial debt (I + II + III + IV)	**(11,315.0)**	**560.8**	**(1,250.2)**	**(5.8)**	**(343.3)**	**2,327.9**	**(3,976.6)**	**(1,709.7)**	**(15,712.0)**

	30/06/2006				
Of which, net cash managed:	Motorways [1]	Other concessions and services	Other business lines	VINCI SA	Total
Current cash management financial assets	100.8	0.5	0.9	562.8	665.0
Cash and cash equivalents	1,403.4	154.5	1,134.7	1,087.2	3,779.9
Bank overdrafts	(0.1)	(10.5)	(475.4)	(34.7)	(520.6)
Net cash managed	**1,504.1**	**144.6**	**660.2**	**1,615.3**	**3,924.3**

[1] *Motorways = ASF + Cofiroute + Arcour (A19)+ MorganVinci Ltd (50%)*

21.1 DETAILS OF LONG-TERM FINANCIAL DEBT

21.1.1 Bonds

Bonds break down as follows:

(in € millions)	Currency	Nominal amount outstanding	Debt recorded on issue (a)	Impact of amortised cost [1] (b)	Impact of fair value [2] (c)	Carrying amount (a) + (b) + (c)	Carrying amount	Maturity
		30/06/2006					31/12/2005	
Cofiroute								
Bond - December 1995	EUR	243.9	243.9	9.7		253.6	244.5	December 2006
Bond - July 1996	EUR	304.9	304.9	19.5		324.4	314.2	July 2007
Bond - November 1997	EUR	350.6	350.6	12.8	4.6	368.0	358.7	November 2008
Bond - November 1999	EUR	300.0	300.0	11.5	8.2	319.8	320.5	November 2009
Bond - October 2001 & supplement August 2005	EUR	500.0	543.0	10.1	3.2	556.2	581.0	October 2016
Bond - April 2003	EUR	600.0	593.4	6.3	13.2	613.0	677.8	April 2018
Bond - May 2006	EUR	750.0	739.4	4.0		743.3		May 2021
Other loans	EUR	24.5	26.6	0.2		26.8	23.7	Oct. 06 to April 13
Sub-total		**3,073.9**	**3,101.8**	**74.2**	**29.2**	**3,205.2**	**2,520.3**	
Other concessions								
SCDI - 1998 [3]	CAD	0.0				0.0	116.9	September 2031
Autopista Del Bosque - 2001 [4]	UF	0.0				0.0	223.3	March 2021
Sub-total		**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**340.2**	
VINCI		**600.0**						
Tranche 1 - July 2002	*EUR*	*600.0*	*595.5*	*35.5*	*(6.3)*	*624.8*	*619.2*	*July 2009*
Tranche 2 - November 2002	*EUR*	*250.0*	*255.6*	*11.0*	*3.9*	*270.5*	*270.2*	*July 2009*
Tranche 3 - May 2003	*EUR*	*150.0*	*158.8*	*4.1*	*(0.5)*	*162.5*	*162.8*	*July 2009*
Sub-total		**1,000.0**	**1,009.9**	**50.7**	**(2.9)**	**1,057.7**	**1,052.2**	
Other loans		**1.9**	**1.9**	**0.0**		**1.9**	**5.2**	
Total bond loans		**4,075.8**	**4,113.7**	**124.9**	**26.3**	**4,264.8**	**3,918.0**	

(1) *Amortised cost including accrued interest not matured*

(2) *Revaluation of the debt in connection with fair value hedging (see Note 22.1.1)*

(3) *June 2006: equity-accounted because of partial sale of 31.1% of capital; December 2005: amounts shown represent VINCI share (49.9% proportionate consolidation)*

(4) *Asset sold in 2006, restated under IFRS 5*

21.1.2 Borrowings from lending establishments

These are mainly syndicated bank loans and loans made by various financial institutions (in particular the CNA – the Caisse Nationale des Autoroutes – and EIB) in connection with infrastructure concessions.
The loans taken out by ASF and Escota with the CNA have been made under an agreement between these two companies and this public body that provides for the provision to the motorway companies of funds raised by the CNA under its bonds issuance programme or from the EIB.

The details of the loans from financial institutions are as follows:

				30/06/2006			
(in € millions)	Currency	Nominal amount outstanding	Debt recorded on issue (a)	Impact of amortised cost [1] (b)	Impact of fair value [2] (c)	Carrying amount (a)+(b)+(c)	Maturity
ASF and Escota [5]							
ASF and Escota - CNA 1991	EUR	115.3	117.9	7.0		124.8	October 2006
ASF and Escota - CNA 1994/1995	EUR	164.3	169.5	6.5		176.0	November 2006
ASF and Escota - CNA 1995	EUR	122.0	127.0	1.6		128.7	March 2007
ASF and Escota - CNA 1996	EUR	146.4	152.3	5.7		158.0	October 2007
ASF - CNA/BEI 1997	EUR	30.5	31.6	0.9		32.5	November 2007
ASF - CNA 1997	EUR	152.5	158.3	3.6		161.9	December 2007
ASF - CNA 1998	CHF	303.7	308.4	2.8		311.2	February 2008
Escota - CNA 1993	EUR	15.2	16.4	0.2		16.7	March 2008
ASF and Escota - CNA 1996/1997	EUR	298.8	314.6	9.8	(1.1)	323.3	November 2008
ASF and Escota - CNA 1995	EUR	168.8	183.7	6.0		189.7	November 2008
ASF and Escota - CNA 1994/1997	EUR	137.2	144.8	2.9	(0.9)	146.8	January 2009
ASF and Escota - CNA 1996	EUR	176.8	194.5	10.1		204.6	July 2009
ASF - CNA 1995	EUR	152.5	169.9	7.3	(2.1)	175.2	September 2009
ASF and Escota - CNA 1996	EUR	153.8	168.5	3.1		171.7	February 2010
ASF and Escota - CNA 1998	EUR	502.4	511.3	3.8		515.1	April 2010
ASF and Escota - CNA 1995	EUR	66.5	75.4	(0.4)		74.9	June 2010
ASF - CNA/BEI 1998	EUR	95.3	97.6	2.4		100.0	December 2010
ASF and Escota - CNA 1997 à 2001	EUR	498.5	538.5	0.4	(0.7)	538.2	June 2011
ASF and Escota - CNA 1996	EUR	68.6	76.9	3.4		80.3	September 2011
ASF - CNA/BEI 2001	EUR	70.0	73.6	2.3		75.9	October 2011
ASF and Escota - CNA 1997 à 2000	EUR	405.9	440.4	15.3		455.7	October 2012
ASF and Escota - CNA 1998/2001	EUR	397.7	433.4	5.2		438.6	March 2013
Escota - CNA/BEI 2002	EUR	142.7	157.8	1.8		159.6	April 2013 to 2015
Escota - CNA/BEI 1998	EUR	8.5	8.8	0.2		9.1	December 2013
ASF - CNA 1999/2002	EUR	450.0	446.4	2.8		449.2	May 2014
ASF - CNA/BEI 1999	EUR	160.0	174.1	4.7	(2.2)	176.6	December 2014
Escota - CNA/BEI 2000	EUR	20.0	22.3	0.6		22.9	December 2014
ASF - CNA/BEI 2002	EUR	412.6	466.6	5.4		472.1	April 2015 to 2017
ASF - CNA 2000/2001	EUR	382.5	423.8	14.9	(6.4)	432.3	October 2015
ASF - CNA/BEI 2000	EUR	70.0	79.4	1.8	(1.7)	79.6	December 2015
ASF - CNA/BEI 2000	EUR	53.0	53.0	0.1		53.1	December 2015
ASF - CNA 2001	EUR	343.5	431.5	5.4		436.9	July 2016
ASF - CNA/BEI 2001	EUR	75.0	79.5	1.7		81.2	November 2016
ASF - CNA/BEI 2001	EUR	77.0	80.5	2.4		82.9	November 2016
ASF and Escota - CNA 2002	EUR	532.0	557.4	11.4		568.8	January 2017
ASF - CNA 2004/2005	EUR	750.0	732.7	9.6	(23.1)	719.2	May 2018
ASF - BEI 2005	EUR	150.0	137.7	0.9		138.5	May 2025
ASF - BEI 2005	EUR	100.0	91.4	2.3		93.7	December 2025
Other loans	**EUR**	**27.1**	**26.9**	**0.4**		**27.3**	
Sub-total		**7,996.5**	**8,474.6**	**166.0**	**(38.0)**	**8,602.5**	

Note: ASF group was accounted for using the equity method at 31 December 2005

(in € millions)	Currency	Nominal amount outstanding	Debt recorded on issue (a)	Impact of amortised cost [1] (b)	Impact of fair value [2] (c)	Carrying amount (a)+(b)+(c)	Carrying amount	Maturity
		30/06/2006					31/12/2005	
Cofiroute								
EIB - March 2002	EUR	75.0	75.0	0.1		75.1	75.1	March 2027
EIB - December 2002	EUR	50.0	50.0	0.0		50.0	50.0	December 2027
EIB - March 2003	EUR	75.0	75.0	1.0	2.8	78.8	86.9	March 2018
EIB - December 2004	EUR	200.0	200.0	0.3		200.3	200.2	December 2019
EIB - December 2004	EUR	190.0	190.0	4.4		194.4	190.6	December 2025
Other loans	EUR	10.2	10.2			10.2	10.8	June 2014
Sub-total		**600.2**	**600.2**	**5.7**	**2.8**	**608.7**	**613.6**	
VINCI Park								
Dexia - Tranches 1 and 2	EUR	274.3	274.3	(0.4)		273.8	275.5	March 2008 to September 2025
Calyon/Dexia/CIC - June 2006	EUR	500.0	500.0	(3.0)		497.0	0.0	June 2026
Other loans	EUR	140.2	140.2	(1.9)		138.4	147.8	
Sub-total		**914.5**	**914.5**	**(5.3)**	**0.0**	**909.2**	**423.3**	
Other concessions								
Stade de France - Crédit Suisse 1998 [3]	EUR	51.0	51.0	0.7		51.7	50.5	July 2013
Gefyra - EIB 2001	EUR	350.0	350.0	(15.5)		334.5	333.9	December 2025 to June 2029
Newport - AXA 2002 [3]	GBP	45.0	45.0	(0.2)		44.8	45.4	March 2040
Sub-total		**445.9**	**445.9**	**(15.0)**	**0.0**	**430.9**	**429.8**	
Other loans								
Eurovia [4]		68.4	68.3	0.1		68.4	78.4	
CFE [4]		161.2	161.2			161.2	156.4	
Other subsidiaries		221.4	220.6	0.8		221.4	211.9	
Sub-total		**451.0**	**450.1**	**0.9**	**0.0**	**451.0**	**446.8**	
VINCI SA								
Bank syndicate	EUR	3,000.0	2,991.4	15.0		3,006.4	0.0	November 2012
Total other borrowings and financial debt		**13,408.1**	**13,876.7**	**167.2**	**(35.2)**	**14,008.7**	**1,913.5**	

(1) *Amortised cost including accrued interest not matured*

(2) *Revaluation of debt in connection with fair value hedging (See Note 22.1.1)*

(3) *Amounts represent VINCI's share (66.67% proportionate consolidation for Stade de France and 50% for Newport)*

(4) *Total of loans taken out with financial institutions by CFE (45% owned by VINCI and fully consolidated)*

(5) *Figures for ASF and Escota reflect the revaluation of debt when they were first consolidated by VINCI, on the basis of market rates and credit spreads, in accordance with IFRS 3; the revaluation at 9 March 2006 was for €320 million.*

21.1.3 Finance leases

The table below shows the finance leases of more than €10 million at 30 June 2006. The total debt related to these contracts is stable overall compared with 31 December 2005, on a constant consolidation scope basis.

(in € millions)	Currency	30/06/2006 Carrying amount	31/12/2005 Carrying amount	Maturity
Airport services [1]				
SFS France	EUR	0.0	17.5	June 2014
SFS Germany	EUR	0.0	14.3	September 2019
Other loans		0.0	10.5	
Eurovia				
SLAG	EUR	9.4	9.9	December 2014
Other loans		14.2	16.6	
CFE				
Dredging International Luxembourg (DEME) [2]	EUR	12.4	12.8	february 2012
Other loans		2.1	2.3	
Other borrowings		[3] **85.7**	**78.7**	
Total finance leases		**123.8**	**162.5**	

[1] *Business sold at 30 June 2006, restated under IFRS 5*

[2] *VINCI's share (50% proportionate consolidation of DEME by CFE, which is 45% owned by VINCI and fully consolidated)*

[3] *Includes €29 million at Vinci Energies and €17 million at VINCI Park*

21.2 DEBT WITHOUT RECOURSE OR WITH LIMITED RECOURSE

Most of the Group's long-term debt is without recourse against VINCI. It amounted to a total at the end of June 2006 of €14 billion, representing 76% of the Group's long-term debt, and breaks down as follows:

(in € millions)	30/06/2006	31/12/2005
ASF Escota [4]	**8,602.9**	
Cofiroute	**3,813.9**	**3,134.0**
Gefyra (Rion-Antirion bridge - Greece)	334.5	333.9
SCDI (Confédération bridge - Canada) [1]		117.0
Stade de France Consortium	53.8	52.2
Morgan VINCI Ltd (Newport by pass - Wales)	44.8	45.4
Autopista del Bosque (Chillan Collipulli motorway- Chile) [2]		223.3
Infrastructure concessions	**433.0**	**771.8**
Infrastructure concession operating subsidiaries	**12,849.8**	**3,905.7**
VINCI Park	926.6	442.7
Concession operators	**13,776.4**	**4,348.4**
PFI companies in UK	10.7	10.9
CFE (Belgian construction subsidiary)	175.8	173.9
Of which DEME (CFE's dredging subsidiary)	*132.0*	*134.7*
Other business lines	**186.5**	**184.8**
Total long-term debt without recourse or with limited recourse	**13,962.9**	**4,533.2**
Derivated instruments	(197.9)	(189.7)
Collateralised receivables [3]	(6.8)	(18.2)
Cash, cash equivalents and cash management financial assets of corresponding companies	(1,552.7)	(511.0)
Total net debt without recourse or with limited recourse	**12,205.5**	**3,814.4**

[1] *Equity-accounted at 30 June 2006 after sale of 31.1%*

[2] *The possibility of a recourse against VINCI is limited to the following case: if the concession is terminated before the end of its normal term as a result of a fault on the part of the operator, the shareholders undertake to repay the outstanding debt, less the termination compensation. Activity being sold at 30 June 2006, restated according to IFRS 5.*

[3] *Collateralised receivables correspond to financial assets guaranteeing the obligations under certain loans.*

[4] *The ASF Group was accounted for using the equity method at 31 December 2005*

All the companies shown in the above table are financed autonomously (with no guarantee from the parent company). Except for VINCI Park, they do not participate in the holding company cash pooling system.
In particular, concessions for major infrastructure and Private Finance Initiative projects, under the British public-private partnership arrangements, use project finance afforded to companies formed specifically for that purpose. The repayment of such finance, which is backed by the concession contracts, is thus ensured solely from the cash flows generated by each project.
CFE's debt is mainly in its dredging subsidiary DEME of which it owns 50%. As VINCI owns 45% of CFE, VINCI's indirect holding in DEME is therefore 22.7%. DEME's debt, which is without recourse against CFE, mainly relates to the financing of dredgers guaranteed by the assets financed. CFE's and DEME's debt are without recourse against VINCI.

22. LIQUIDITIES AND FINANCING RESOURCES

22.1 MATURITY OF FINANCIAL DEBT

At 30 June 2006, the average maturity of the Group's financial debt was 7.1 years, against 7.4 years at 31 December 2005. The average maturity is 5.7 years at VINCI SA, 7.4 years for the motorway business, 10.2 years for the other Concessions and services and 2.8 years for the Group's other business lines.
The VINCI Group's financial debt breaks down as follows by maturity:

	30/06/2006					31/12/2005
(in € millions)	**Motorways [1]**	**Other concessions and services**	**Other business lines**	**VINCI SA**	**Total**	**Total**
Accrued interest not matured	287.8	3.6	0.7	70.4	362.6	84.8
Maturing in less than one year	724.3	78.0	189.4		991.6	489.1
Current part of financial debt	**1,012.0**	**81.6**	**190.1**	**70.4**	**1,354.2**	**573.8**
Maturing in more than 1 year and within 2 years (at redemption value)	921.4	67.5	90.9		1,079.9	436.3
Maturing in more than 2 years and within 5 years (at redemption value)	2,921.5	214.1	175.3	1,002.7	4,313.6	2,055.0
Maturing in more than 5 years and within 10 years (at redemption value)	2,679.1	318.2	69.5	3,000.0	6,066.8	451.6
Maturing after 10 years (at redemption value)	4,481.9	671.6	13.5		5,167.0	2,322.6
Non-current part of financial debt	**11,003.9**	**1,271.4**	**349.3**	**4,002.7**	**16,627.3**	**5,265.5**
Other items having no effect on the amount repaid (fair value, amortised cost)	445.3	(23.1)		(6.3)	415.9	154.6
Financial debt	**12,461.3**	**1,330.0**	**539.3**	**4,066.8**	**18,397.4**	**5,993.9**

[1] *Motorways = ASF group + Cofiroute + Arcour (A19) + MorganVinci Ltd (50%)*

22.2 NET CASH AND CASH MANAGEMENT FINANCIAL ASSETS

Net cash managed and cash management financial assets break down as follows:

	30/06/2006					31/12/2005
(in € millions)	**Motorways [1]**	**Other concessions and services**	**Other business lines [2]**	**VINCI SA**	**Total**	**Total**
I. Marketable securities and mutual funds (UCITS)	100.8		0.9	268.9	370.6	550.8
II. Negotiable debt securities and bonds with an original maturity of less than 3 months		0.5			0.5	27.6
III. Negotiable debt securities with an original maturity of more than 3 months				293.9	293.9	261.4
Current cash management financial assets (I + II +III)	100.8	0.5	0.9	562.8	665.0	839.8
IV. Marketable securities and mutual funds (UCITS)	1,368.0	16.3	292.1	1,059.0	2,735.4	3,152.4
V. Negotiable debt securities and bonds with an original maturity of less than 3 months			81.4	26.1	107.4	302.3
Cash equivalents (IV + V)	1,368.0	16.3	373.5	1,085.1	2,842.9	3,454.7
Cash	35.4	138.2	761.3	2.2	937.0	1,144.0
Bank overdrafts	(0.1)	(10.5)	(475.4)	(34.7)	(520.6)	(605.0)
Net cash managed	**1,504.2**	**144.6**	**660.2**	**1,615.3**	**3,924.3**	**4,833.5**

[1] *Motorways = ASF group + Cofiroute + MorganVinci Ltd (50%) + Arcour (A19)*
[2] *Surpluses not included in centralised cash pooling system*

Cash surpluses are managed with the objective of earning a return close to that of the money market, avoiding risks to capital while maintaining a low level of volatility through a performance and risk monitoring system. The investment vehicles used by the Group are mainly mutual funds (UCITS) and negotiable debt securities (in particular certificates of deposit) and other such securities. They are measured and recognised at their fair value (see Note 17 Cash management financial assets and cash).

Taking account of net cash managed (€3.9 billion) and unused credit facilities (€5.8 billion), the Group's liquidity position at 30 June 2006 was €9.7 billion (see details in Notes 21.3.1 and 21.3.2.).

22.3 COMMERCIAL PAPER PROGRAMMES AND CREDIT FACILITIES

22.3.1 Commercial paper programmes

Commercial paper issued by VINCI SA is included in current financial debt.

At 31 December 2005, VINCI had a commercial paper programme of €700 million to cover its short-term financing. This was increased to €1.5 billion in February 2006. The programme is rated A2 by Standard & Poor's and P2 by Moody's. At 30 June 2006, €1,229 million had been drawn against €493 million at 31 December 2005.

Cofiroute also has a commercial paper programme of €450 million, rated A1 by Standard & Poor's. It was not being used at 30 June 2006.

22.3.2 Unused credit facilities

At 30 June 2006, VINCI SA had an unused confirmed bank credit facility (Club Deal) of €2 billion. This bank credit facility was agreed in March 2005 by VINCI with its eight main banks for €1.5 billion, which was increased to €2 billion in July 2005. It is for a five-year term, that can be extended for a further two years; the first year has been granted. This facility is not subject to any financial covenant.

VINCI SA also has confirmed bilateral credit facilities, afforded by other banks, for €935 million.

On 5 November 2005, VINCI SA took out two loans for the acquisition of the shares in ASF that it did not own at 31 December 2005; a bridging loan of €2.3 billion, which VINCI terminated in April 2006, and a 7-year acquisition loan of €4.2 billion, reduced to €3.7 billion in April 2006, and used for €3 billion at 30 June 2006.

This loan is at a floating rate of interest, the spread depending on the ratio R, as defined in Note 22.4, as from 31 December 2006.

ASF group has a syndicated credit facility of €1 billion, expiring in 2012, subject to financial covenants, and a confirmed bank facility of €100 million, expiring in November 2006. These facilities were not being used at 30 June 2006.

Lastly, Cofiroute has a confirmed unused credit facility of €1 billion, expiring in 2010 plus an optional year.

The maturity profile of VINCI's and its motorway subsidiaries' credit lines at 30 June 2006 was as follows:

(in € millions)	Amount used at 30/06/2006	Amount authorised at 30/06/2006	Maturity: within 1 year	Maturity: 1 to 5 years	Maturity: 5 to 7 years
VINCI: syndicated loan		2,000		2,000	
VINCI: bilateral credit lines		935		600	335
VINCI: ASF acquisition loan	3,000	3,730			3,730
VINCI: total	**3,000**	**6,665**	**0**	**2,600**	**4,065**
ASF: syndicated loan		1,000			1,000
ASF: bilateral credit line		100	100		
ASF: total	**0**	**1,100**	**100**	**0**	**1,000**
Cofiroute: syndicated loan		**1,020**		**1,020**	
Total	**3,000**	**8,785**	**100**	**3,620**	**5,065**

22.4 FINANCIAL COVENANTS

Early repayment clauses under some of the loan agreements are linked to complying with the following ratios.

- The ASF and Escota loans from the CNA (ratio provided for in a draft amendment with the CNA at the time of acquisition of ASF group): Net debt / Ebitda (*) below 7 and Ebitda / Financial expense above 2.2.
- ASF group's syndicated loan: Net debt / cash flow from operations before tax and financing costs (**) below 7 and cash flow from operations/ Financial expense above 2.2.
- VINCI's loan to acquire ASF group: Ratio R defined as the ratio between the Group's net debt (excluding the Concessions business line) and cash flow from operations (excluding the Concessions business line) before tax and financing costs, plus dividends received (excluding exceptional dividends) from the concession business units. Ratio R must be below 4.5 at 31 December 2006.
- VINCI Park loan of €500 million: Net debt / cash flow from operations before tax and financing costs (**) below 7 and cash flow from operations/ Financial expense above 2.2.
- VINCI Park loans for €274 million: Net debt / cash flow from operations before tax and financing costs (**) below 7 and cash flow from operations/ Financial expense above 3.

(*) Ebitda = gross operating profit defined as the difference between operating income and operating expenses excluding depreciation, amortisation and provisions.
(**) The operating cash flow figure is as shown in the cash flow statement.

The above ratios were all met at 30 June 2006.

22.5 FINANCIAL RATINGS

The ratings of VINCI, ASF group and Cofiroute at 30 June 2006 were:

	Agency	Rating			
		Long-term	Outlook	Short-term	Outlook
VINCI SA	Standard & Poor's	BBB+	Stable	A2	Stable
	Moody's	Baa1	Stable	P2	Stable
Group ASF	Standard & Poor's	BBB+	Stable	A2	Stable
	Moody's	Baa1	Stable	P2	Stable
Cofiroute	Standard & Poor's	A-	Negative	A2	Negative

23. FINANCIAL INSTRUMENTS AND MANAGEMENT OF MARKET RISKS

In connection with its financial activities, VINCI has set up a framework for the management and control of the various market risks to which it is exposed, in particular interest rate, liquidity and exchange rate risks.
On the basis of an analysis of its various exposures to interest rate and exchange rate market risks, VINCI uses various derivative financial instruments to reduce such exposure and optimise its borrowing costs and foreign exchange gains and losses.

These market risks are managed by VINCI's Treasury and Finance Department in collaboration with the divisions involved, within the Treasury Committee. As an exception, some subsidiaries manage their market risks autonomously. Coordination of financial management with VINCI's Treasury and Finance Department has been set up for these subsidiaries, in particular Cofiroute.
The derivative financial instruments used by the Group are recognised in the balance sheet at their fair value regardless of whether they are considered as hedges or not.

Fair value of derivatives, by type:

	30/06/2006					31/12/2005
(in € millions)	**Non-current assets**	**Current assets**	**Non-current assets**	**Current assets**	**Net**	**Net**
Interest rate derivatives [1]	161.5	104.6	(10.3)	(5.7)	250.2	236.3
Foreign currency derivatives [2]	1.1	2.3	(0.5)	(0.5)	2.4	(1.0)
Total derivative financial instruments	**162.6**	**106.9**	**(10.8)**	**(6.2)**	**252.6**	**235.3**

(1) *See details in Note 23.1.1*

(2) *See details in Note 23.2.4*

23.1 MANAGEMENT OF INTEREST RATE RISK

VINCI manages the breakdown of its debt between fixed/floating or capped floating rates in order to limit its exposure to interest rate risk while aiming to optimise the cost of its debt. For this, it uses derivative instruments such as options or interest rate swaps. The Group's portfolio of derivatives can be divided into those considered as hedges for accounting purposes and those not so considered, in accordance with IAS 39, complying with VINCI's risk management principles.

23.1.1 Detail of interest rate derivatives

Derivative financial instruments at 30 June 2006 break down as follows:

(in € millions)	30/06/2006 within 1 year	between 1 and 5 years	after 5 years	Notional amount	Fair value	31/12/2005 Notional amount	Fair value
Derivative instruments allocated to hedge long-term debt							
Fixed lender / variable borrower interest rate swap	4.8	1,741.4	2,042.4	3,788.6	216.1	2,441.6	234.2
Interest rate options (caps, floors and collars)				0.0			
Fair value hedge [1]	**4.8**	**1,741.4**	**2,042.4**	**3,788.6**	**216.1**	**2,441.6**	**234.2**
Variable lender / fixed borrower interest rate swap	44.9	76.3	374.8[3]	496.1	20.1	56.5	(4.1)
Interest rate options (caps, floors and collars)	0.7	261.8	60.0	322.6	3.1	328.2	1.6
Cash flow hedge [2]	**45.7**	**338.2**	**434.8**	**818.7**	**23.3**	**384.7**	**(2.5)**
Derivative instruments not considered as hedges for accounting purposes							
Interest rate swaps	741.5	419.0	100.0	1,260.5	(3.1)	1,794.6	0.6
Interest rate options (caps, floors and collars)	1,432.9	3,117.5		4,550.4	13.9	561.0	4.1
Total	**2,174.4**	**3,536.5**	**100.0**	**5,810.9**	**10.8**	**2,355.6**	**4.6**
Total interest rate derivatives	**2,224.8**	**5,616.2**	**2,577.2**	**10,418.2**	**250.2**	**5,181.9**	**236.3**

[1] *Offset by the revaluation of the corresponding debts (see Note 21.1)*

[2] *Offset by a reduction of equity*

[3] *Including €350m deferred start in 2011*

Derivative instruments not considered as hedges for accounting purposes relate to option transactions maturing generally within five years. Their fair value was €10.8 million at 30 June 2006, i.e. 4.3% of the total fair value of the derivative financial instruments used by the Group.

The impact of derivative financial instruments considered as hedges (see table above) on long-term debt breaks down as follows, by type of debt:

Bonds

(in € millions)	Currency	30/06/2006 Market value	Carrying amount	Overall effective interest rate before taking derivates into account [1]	Overall effective interest rate after taking derivates into account [1]	Coupon rate	Maturity
Cofiroute							
Bond - December 1995	EUR	248.3	253.6	7.50%	7.50%	7.50%	December 2006
Bond - July 1996	EUR	314.7	324.4	6.80%	6.80%	6.80%	July 2007
Bond - November 1997	EUR	364.6	368.0	5.90%	5.35%	5.90%	November 2008
Bond - November 1999	EUR	316.3	319.8	6.00%	3.71%	6.00%	November 2009
Bond October 2001 & Supplement August 2005	EUR	540.3	556.2	5.13%	3.11%	5.875%	October 2016
Bond - April 2003	EUR	612.7	613.0	5.36%	3.17%	5.25%	April 2018
Bond - May 2006	EUR	733.9	743.3	5.14%	5.14%	5.00%	May 2021
Other loans	EUR	26.6	26.8	7.50%	7.50%	7.50%	Oct. 06 to April 13
Sub-total		**3,157.4**	**3,205.2**	**5.73%**	**4.67%**		
VINCI							
Tranche 1 - July 2002	EUR	624.2	624.8	6.01%	4.75%	5.875%	July 2009
Tranche 2 - November 2002	EUR	267.9	270.5	5.45%	3.97%	5.875%	July 2009
Tranche 3 - May 2003	EUR	166.5	162.5	4.75%	3.98%	5.875%	July 2009
Sub-total		**1,058.6**	**1,057.7**	**5.67%**	**4.43%**		
Other loans		**1.9**	**1.9**				
Total bonds		**4,217.9**	**4,264.8**	**5.71%**	**4.61%**		

[1] *Including all amounts connected with the issue, including premiums and fees.*

Loans from financial institutions

(in € millions)	Currency	Market value	Carrying amount	30/06/2006 Overall effective interest rate before impact of derivates [1]	Overall effective interest rate after impact of derivates [1]	Contractual rate of interest	Maturity
ASF and Escota [3]							
ASF and Escota CNA 1991	EUR	124.8	124.8	3.03%	3.03%	9.20%	October 2006
ASF and Escota CNA 1994/1995	EUR	175.9	176.0	3.05%	3.05%	8.25%	November 2006
ASF and Escota CNA 1995	EUR	128.5	128.7	3.42%	3.42%	8.00%	March 2007
ASF and Escota CNA 1996	EUR	157.4	158.0	3.54%	3.54%	6.30%	October 2007
ASF CNA/BEI 1997	EUR	32.3	32.5	3.43%	3.43%	5.84%	November 2007
ASF CNA 1997	EUR	160.5	161.9	3.29%	3.29%	5.60%	December 2007
ASF CNA 1998	CHF	309.0	311.2	2.54%	2.54%	5.407%	February 2008
Escota CNA 1993	EUR	16.6	16.7	3.76%	3.76%	8.00%	March 2008
ASF and Escota CNA 1996/1997	EUR	322.7	323.3	3.84%	3.95%	6.00%	November 2008
ASF and Escota CNA 1995	EUR	188.8	189.7	3.84%	3.84%	7.40%	November 2008
ASF and Escota CNA 1994/1997	EUR	146.9	146.8	3.89%	4.38%	6.00%	January 2009
ASF and Escota CNA 1996	EUR	201.2	204.6	3.49%	3.49%	6.75%	July 2009
ASF CNA 1995	EUR	176.1	175.2	3.94%	6.33%	7.50%	September 2009
ASF and Escota CNA 1996	EUR	170.4	171.7	3.98%	3.98%	6.70%	February 2010
ASF and Escota CNA 1998	EUR	511.5	515.1	4.01%	4.01%	4.50%	April 2010
ASF and Escota CNA 1995	EUR	74.4	74.9	4.01%	4.01%	7.50%	June 2010
ASF CNA/BEI 1998	EUR	99.2	100.0	3.98%	3.98%	4.59%	December 2010
ASF and Escota CNA 1997 to 2001	EUR	535.8	538.2	4.14%	3.90%	5.90%	June 2011
ASF and Escota CNA 1996	EUR	79.8	80.3	4.15%	4.15%	6.70%	September 2011
ASF CNA/BEI 2001	EUR	75.2	75.9	4.02%	4.02%	5.09%	October 2011
ASF and Escota CNA 1997 to 2000	EUR	453.9	455.7	4.28%	4.28%	5.80%	October 2012
ASF and Escota CNA 1998/2001	EUR	437.2	438.6	4.33%	4.33%	5.85%	March 2013
Escota CNA/BEI 2002	EUR	159.2	159.6	4.57%	4.57%	6.18%	April 2013 à 2015
Escota CNA/BEI 1998	EUR	8.9	9.1	4.23%	4.23%	4.79%	December 2013
ASF CNA 1999/2002	EUR	448.9	449.2	4.48%	4.48%	4.375%	May 2014
ASF CNA/BEI 1999	EUR	178.2	176.6	4.35%	4.19%	5.60%	December 2014
Escota CNA/BEI 2000	EUR	22.8	22.9	4.34%	4.34%	5.98%	December 2014
ASF CNA/BEI 2002	EUR	472.0	472.1	4.48%	4.48%	6.15%	April 2015 to 2017
ASF CNA 2000/2001	EUR	440.1	432.3	4.57%	3.47%	6.00%	October 2015
ASF CNA/BEI 2000	EUR	81.2	79.6	4.42%	4.35%	6.09%	December 2015
ASF CNA/BEI 2000	EUR	53.0	53.1	2.79%	2.79%	Euribor 3m	December 2015
ASF CNA 2001	EUR	439.6	436.9	4.04%	4.04%	3.90% + inflation	July 2016
ASF CNA/BEI 2001	EUR	81.2	81.2	4.50%	4.50%	5.13%	November 2016
ASF CNA/BEI 2001	EUR	82.8	82.9	4.50%	4.50%	5.07%	November 2016
ASF and Escota CNA 2002	EUR	568.6	568.8	4.67%	4.67%	5.25%	January 2017
ASF CNA 2004/2005	EUR	751.9	719.2	4.75%	3.78%	4.50%	March 2018
ASF BEI 2005	EUR	137.0	138.5	4.48%	4.48%	3.61%	May 2025
ASF BEI 2005	EUR	93.4	93.7	4.53%	4.53%	3.802%	December 2025
Other loans	EUR	27.3	27.3				
Sub-total		**8 624.2**	**8 602.6**	**4.11%**	**4.02%**		

		30/06/2006					
(in € millions)	Currency	Market value	Carrying amount	Overall effective interest rate before impact of derivates (1)	Overall effective interest rate after impact of derivates (1)	Contractual rate of interest	Maturity
Cofiroute							
EIB - March 2002	EUR	75.1	75.1	2.97%	2.97%	EIB	March 2027
EIB - December 2002	EUR	50.0	50.0	3.02%	3.02%	Euribor 3m	December 2027
EIB - March 2003	EUR	80.4	78.8	4.92%	2.89%	4.92%	March 2018
EIB - December 2004	EUR	200.3	200.3	2.97%	2.97%	EIB	December 2019
EIB - December 2005	EUR	186.6	194.4	3.97%	3.97%	3.965%	December 2025
Other loans	EUR	10.2	10.2	0.00%	0.00%	0.00%	June 2014
Sub-total		**602.5**	**608.7**	**3.49%**	**3.23%**		
VINCI Park							
Dexia - Tranches 1 and 2	EUR	273.8	273.8	3.58%	3.86%	Euribor 3m	March 2008 to September 2025
Calyon/Dexia/CIC - June 2006	EUR	497.0	497.0	3.83%	3.83%	Euribor 3m	June 2026
Other loans	EUR	138.4	138.4				
Sub-total		**909.2**	**909.2**	**3.74%**	**3.84%**		
Other concessions							
Stade de France - Crédit Suisse 1998 (3)	EUR	51.7	51.7	6.18%	6.18%	5.28%	July 2013
Gefyra - EIB 2001	EUR	334.5	334.5	3.56%	3.56%	EIB	December 2025 to June 2029
Newport - AXA 2002 (3)	GBP	44.8	44.8	7.51%	7.51%	7.26%	March 2040
Sub-total		**430.9**	**430.9**	**4.29%**	**4.29%**		
VINCI							
Bank syndicate	EUR	3,000.0	3,006.4	3.46%	3.46%	Euribor 3m	November 2012
Other loans		**450.1**	**451.0**				
Total other loans and financial borrowings		**14,017.0**	**14,008.7**	**3.58%**	**3.56%**		

(1) *Including all flows connected with the issue, including premiums and fees; the floating rates used are 3.06% for the 3-month Euribor and 2.97% for the EIB loans (revisable index defined by the EIB).*

(2) *VINCI's share (66.67% proportionate consolidation for Stade de France and 50% for Newport)*

(3) *ASF and Escota takes into account the revaluation of debt when ASF and Escota were first consolidated by VINCI, on the basis of market rates and credit spreads, in accordance with IFRS 3.*

The market values of financial assets and derivative instruments have been estimated on the basis of the methods described in the section headed Accounting policies and valuation methods. (See Chapter B.3 page 205 of the 2005 Annual Report).

For financial debts a distinction should be made between:

- listed bonds, of which the market value is the quoted price of the bond at the year end;
- unlisted bonds and fixed rate debt, of which the market value is based on discounted future flows, using the interest rates at 30 June 2006, taking account of the credit risk;
- short-term debt and individual items of debt of less than €1 million at 30 June 2006, of which the market value is represented by their carrying amount.

Finance leases

(in € millions)	Currency	Nominal outstanding	Carrying amount	Overall effective interest rate before taking derivatives into account[1]	Overall effective interest rate after taking derivatives into account[1]	Contractual rate of interest	Maturity
		30/06/2006					
Eurovia							
SLAG	EUR	9.4	9.4	3.56%	6.05%	Euribor 3m	December 2014
Other loans	EUR	14.2	14.2				
Sub-total		**23.6**	**23.6**	-	-		
CFE							
Dredging International Luxembourg (DEME) [2]	EUR	12.4	12.4	3.90%	3.90%	3.90%	February 2012
Other loans	EUR	2.1	2.1				
Sub-total		**14.5**	**14.5**	-	-		
Other loans		**85.7**[3]	**85.7**				
Total finance leases		**123.8**	**123.8**				

[1] *Including all flows connected with the issue, including premiums and fees; floating rate for 3-month Euribor is 3.06%.*

[2] *VINCI's share (50% proportionate consolidation of DEME by CFE, which is 45% owned by VINCI and fully consolidated)*

[3] *Including €29 million at VINCI Energies and €17 million at VINCI Park*

23.1.2 Breakdown of long-term debt between fixed, floating and capped floating rate borrowing

Long-term debt breaks down as follows between fixed and floating rates, before and after taking account of the related derivative instruments, whether considered as hedges or not:

	30/06/2006		31/12/2005	
(in € millions)	**Amount**	**% of total**	**Amount**	**% of total**
Fixed rate	12,565.2	71%	4,422.6	77%
Floating rate	5,088.5	29%	1,329.9	23%
Impact on debt of fair value hedging (reevaluation of ASF group'debt and accrued interest not matured)	743.7		241.4	
Total before hedging	**18,397.4**	**100%**	**5,993.9**	**100%**
Fixed rate	9,320.6	53%	2,141.8	37%
Floating rate	6,031.3	34%	2,824.5	49%
Capped foating rate	2,301.8	13%	786.2	14%
Impact on debt of fair value hedging (reevaluation of ASF group'debt and accrued interest not matured)	743.7		241.4	
Total after hedging	**18,397.4**	**100%**	**5,993.9**	**100%**

On this basis, the average cost of the Group's net debt was 4.58% at 30 June 2006 against 4.36% at 31 December 2005.

23.2 CURRENCY RISK

23.2.1 Nature of the Group's risk exposure

Approximately 80% of VINCI's industrial and commercial activities in foreign markets are through subsidiaries in the eurozone. In consequence, the Group's exposure to currency risk is limited. Transactions outside the eurozone are generally made in the local currency for permanent establishments and, to a great extent, in a strong currency in the case of major export projects.

Generally, the Group's activities in foreign countries are financed by loans in the local currency.

Nevertheless, VINCI can also find itself exposed to currency risk whenever, in isolated cases, the parent company provides finance to certain foreign subsidiaries; these risks are then systematically covered by cross currency swaps or forward foreign exchange transactions.

23.2.2 Breakdown of long-term debt by currency

Debt breaks down as follows by currency:

(in € millions)	30/06/2006		31/12/2005	
Euro	17,811.7	96.8%	5,377.3	89.7%
Swiss franc	324.2	1.8%		0.0%
Chilean peso	101.2	0.6%	330.6	5.5%
Sterling	86.8	0.5%	80.4	1.3%
US dollar	29.9	0.2%	32.9	0.5%
Canadian dollar	19.6	0.1%	137.9	2.3%
Other currencies	24.0	0.1%	34.9	0.6%
Total long-term borrowings	**18,397.4**	**100.0%**	**5,993.9**	**100.0%**

23.2.3 Analysis of other foreign currency positions

The basic aim of VINCI's currency risk management policy is to hedge the transaction exposure connected with its subsidiaries' ordinary operations. These risks are monitored through a foreign currency position detailing cash flows by currency and maturity. However, VINCI does not systematically hedge the currency risk connected with its foreign investments (translation exposure).

23.2.4 Detail of currency derivatives

Transactions to hedge currency risk designed to cover commercial or financial transactions break down as follows:

	30/06/2006					31/12/2005	
(in € millions)	USD	GBP	Other currency	Notional amount	Fair value	Notional amount	Fair value
Cross currency swap				0.0			
Forward foreign exchange transactions				0.0		13.4	(0.3)
Currency options				0.0		2.5	0.0
Fair value hedge	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**15.9**	**(0.3)**
Cross currency swap				0.0	0.0		
Forward foreign exchange transactions	13.9	8.0	17.4	39.3	0.6	68.8	(1.1)
Currency options				0.0			
Cash flow hedge	**13.9**	**8.0**	**17.4**	**39.3**	**0.6**	**68.8**	**(1.1)**
Cross currency swap	28.7	7.4	303.7	339.7	2.1	32.2	(2.5)
Forward foreign exchange transactions	163.9	3.8	13.1	180.8	(0.5)	58.1	2.9
Currency options	16.1			16.1	0.1	0.0	
Transactions not considered as hedges for accounting purposes	**208.7**	**11.2**	**316.7**	**536.7**	**1.8**	**90.4**	**0.4**
Total foreign currency derivatives	**222.6**	**19.2**	**334.2**	**576.0**	**2.4**	**175.1**	**(1.0)**

23.3 COUNTERPARTY RISK

VINCI is exposed to counterparty risk mainly in respect of cash, negotiable debt securities, marketable securities, financial receivables and derivatives. The notional amounts and market values are given in Notes 22.1, 22.2 and 22.3.
VINCI considers moreover that the counterparty risk connected with trade receivables is extremely limited because of the large number of customers, their diversity and the large proportion that are public-sector customers.

The Group's cash surpluses invested in cash management financial assets and cash equivalents amounted to €3.9 billion at 30 June 2006. Of this total, 80% was invested in mutual funds (UCITS). The Group's policy is to invest its cash surpluses in mainly in monetary instruments with volatility on an annual basis of less than 0.25%.

24. DISCONTINUED OPERATIONS (HALTED OR SOLD), OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE

▪ Discontinued operations (halted or sold), and operations classified as held for sale

This relates to the airport services business (See A3 Key Events in the first half of 2006).

▪ Other assets classified as held for sale

This relates to Autopista del Bosque, which was in the process of being sold at 30 June 2006.

24.1 ASSETS AND LIABILITIES OF DISCONTINUED OPERATIONS (HALTED OR SOLD), OPERATIONS AND ASSETS CLASSIFIED AS HELD FOR SALE

(in € millions)		30/06/2006	
	Airport services	Autopista del Bosque	Total
Non-current assets			
Intangible fixed assets	2.0	0.0	**2.0**
Goodwill	90.3	0.0	**90.3**
Concession intangible fixed assets	0.0	173.0	**173.0**
Property, plant and equipment	151.9	0.0	**151.9**
Other non-current financial assets	1.1	0.0	**1.1**
Deferred tax assets	6.3	11.0	**17.3**
Current assets			
Inventories and work in progress	1.2	0.0	**1.2**
Trade and other operating receivables	128.1	14.3	**142.4**
Other current assets	12.2	0.3	**12.5**
Current tax assets	3.4	0.0	**3.4**
Current financial assets	0.3		**167.3**
Cash management financial assets	1.9	9.9	**11.8**
Cash and cash equivalents	6.9	0.3	**7.2**
Total assets	**405.7**	**208.8**	**614.5**
Non-current liabilities			
Provisions for retirement benefit and other employee benefit obligations	1.0	0.0	**1.0**
Non-current provisions	0.0	4.2	**4.2**
Bonds	0.0	186.1	**186.1**
Other loans and borrowings	57.7	0.0	**57.7**
Other non-current assets	0.1	0.0	**0.1**
Deferred tax liabilities	2.7	0.7	**3.4**
Current liabilities			
Current provisions	16.7	0.0	**16.7**
Trade payables	54.4	0.4	**54.8**
Other current payables	67.2	13.2	**80.4**
Current tax payables	1.0	0.0	**1.0**
Current borrowings	170.2	9.0	**179.2**
Total liabilities	**371.0**	**213.6**	**584.6**
Total net assets	**34.7**	**(4.8)**	**29.9**

In accordance with IFRS 5, items in the income statement and cash flow statement relating to discontinued activities being sold (airport services) are shown separately for all the periods shown and break down as follows:

24.2 INCOME AND EXPENSES OF DISCONTINUED OPERATIONS OR OF OPERATIONS CLASSIFIED AS HELD FOR SALE

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Revenue	**275.9**	**224.1**	**504.9**
Operating profit	**9.7**	**1.3**	**7.4**
Cost of net financial debt	**(6.0)**	**(3.7)**	**(8.2)**
Other financial income and expenses	0.4	(0.6)	(0.2)
Tax	(0.9)	0.1	0.0
Net profit/loss from discontinued operations or operations classified as held for sale	**3.2**	**(2.9)**	**(1.0)**

As the process of selling the airport services operation began in the first half of 2006, no depreciation or amortisation has been recognised in respect of assets being sold, in accordance with IFRS 5.

24.3 IMPACT ON THE CASH FLOW STATEMENT OF DISCONTINUED OPERATIONS OR OF OPERATIONS CLASSIFIED AS HELD FOR SALE

The change in cash of discontinued operations (airport services) is as follows:

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Operating activities	10.3	10.7	10
Investment activities	(12.2)	(14.6)	(31.0)
Financing activities	11.2	10.9	31.0
Total	**9.3**	**7.1**	**10.0**

25. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties mainly relate to transactions with companies in which VINCI exercises significant influence or joint control.

Transactions with related parties are undertaken at market prices.

25.1 TRANSACTIONS BETWEEN VINCI AND PROPORTIONATELY CONSOLIDATED COMPANIES (UNCONSOLIDATED PART):

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Revenue	1,315.3	1,115.5	2,410.1
Purchases	(305.9)	(371.0)	(540.5)
Subcontracting	(729.3)	(570.3)	(1,502.5)
Trade receivables	1,392.5	1,411.4	1,362.6
Trade payables	638.6	534.9	582.0

These mainly relate to transactions with joint-venture partnerships (SEPs) in connection with VINCI's construction activities.

25.2 CONTRIBUTION TO THE CONSOLIDATED FINANCIAL STATEMENTS BY PROPORTIONATELY CONSOLIDATED COMPANIES

(in € millions)	30/06/2006	30/06/2005	31/12/2005
Current assets	647.3	632.0	761.5
Non-current assets	1,166.8	1,115.4	1,190.4
Current liabilities	658.5	706.1	767.4
Non-current liabilities	1,336.4	1,111.1	1,258.2
Operating revenue	905.7	864.7	1,760.6
Operating expenses	(803.1)	(781.1)	(1,530.9)
Cost of net financial debt	(9.5)	(11.0)	(24.2)
Other financial income and expenses	2.2	0.6	(2.9)
Tax	(11.5)	(8.3)	(17.1)

Given the nature of the construction projects undertaken by VINCI, joint venture partnerships created for projects and that manage revenue of over €45 million (on a 100% basis) are consolidated proportionately.

25.3 OTHER RELATED PARTIES

The information on equity-accounted companies is given in Note 13.2. VINCI has recognised an expense of €0.3 million in the period in respect of services in respect of strategic consultancy, development and assistance, provided by Soficot and AM Conseil. Following the Meeting of the Board of Directors on 12 June 2006, the contracts with Soficot have been cancelled with effect from 28 September 2006 and 31 December 2006, and the contract with AM Conseil has been cancelled with effect from 31 December 2006.

Furthermore, the Company has normal business relationships with companies of which the officers are Directors of VINCI, in particular UBS, Merrill Lynch, Natexis and Ixis.
In the first half of 2006, VINCI also recognised an expense of €0.3 million in respect of catering services provided by Société Gastronomique de l'Etoile.

26. CONTRACTUAL OBLIGATIONS AND COMMITMENTS MADE AND RECEIVED

Contractual obligations and other commitments made and received break down as follows:

(in € millions)	30/06/2006	31/12/2005
Contractual obligations		
Operating leases	871.1	703.8
Purchase and capital expenditure obligations (*)	168.9	167.6
Investment commitments connected with purchase of ASF (**)	186.9	9,100.0
Other commitments made		
Sureties and guarantees	285.7	314.6
Collateral securities	864.6	341.6
Joint and several guarantees covering unconsolidated partnerships	110.5	123.3
Other	52.2	38.9
Other commitments received		
Personal sureties	130.0	56.5
Collateral securities	22.4	4.6
Other	42.5	36.8

(*) Excluding investment obligations under concession contracts (See Note 11.2)

(**) The amount shown at 30 June 2006 is the value of the ASF shares not acquired by VINCI at that date (See Note A 1.3 "Key events in the first half of 2006")

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 respectively:

– Note 11.2: "Commitments made in connection with concession contracts"
– Note 16.2: "Commitments given and received in connection with construction contracts"
– Note 19: "Retirement and other employee benefit obligations"

26.1 CONTRACTUAL OBLIGATIONS

The breakdown by maturity of contractual obligations is as follows:

		Payments due by period		
(in € millions)	**Total**	**Within 1 year**	**1 to 5 years**	**Over 5 years**
Operating leases	871.1	210.4	370.5	290.2
Purchase and capital expenditure obligations	168.9	53.4	103.2	12.3
Investment commitments connected with purchase of ASF	192.2	192.2		

Operating lease commitments comprise €674.7 million in respect of property (against €510.7 million at 31 December 2005) and €196.4 million in respect of movable items (against €193.1 million at 31 December 2005).

The purchase and capital expenditure obligations shown below relate mainly to VINCI Immobilier, in particular in connection with the rehabilitation of land in Boulogne Billancourt and an OPAC operation in the Rue Lecourbe in Paris.

26.2 OTHER COMMITMENTS MADE

Sureties and guarantees

The amount of €285.7 million relates to sureties and guarantees made by the Group that are not directly connected with the execution of construction contracts, concessions or property projects. They may relate to guarantees given in respect of financing of consolidated subsidiaries.

Collateral sureties (mortgages and collateral in exchange for finance)

Collateral securities given, other than under concession contracts, mainly relate to VINCI Park to guarantee a €500 million loan (shares pledged), CFE (property projects and the financing of dredging vessels at DEME, a 50% subsidiary of CFE) and at VINCI Immobilier.

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 joint venture partnership entities (SEPs), in line with industry practice. In partnerships, partners are legally jointly and severally liable for that entity's debts to third parties, without limit. In order to contain its risks, the Group usually makes a study of its partners' solvency when partnerships are entered into, which may result in the setting up of crossed counter guarantees between 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 100% of the liabilities of the partnerships in question less equity and financial debt (loans or current account advances) due to partners.
Weighted by the Group's proportionate holding in these companies, the commitment is €54.3 million (or €110.5 million on a 100% basis).
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 not material.

26.3 OTHER COMMITMENTS RECEIVED

Other commitments received by the Group break down as follows:

(in € millions)	**Personal sureties**	**Collateral sureties**	**Other commitments**	**Total**
Concessions and services	40.4	3.1	29.0	72.5
Energies	0.7	0.0	1.8	2.5
Routes	2.1	0.6	8.3	11,0
Construction	86.8	18.7	3.4	108.9
Property and holding companies				0.0
	130.0	**22.4**	**42.5**	**194.9**

The amount of €194.9 million relates to sureties and guarantees received by the Group that are not directly linked to the execution of the concession, construction or property contracts.

H. DISPUTES AND ARBITRATION

To the Company's knowledge, there is no exceptional event or litigation likely to affect substantially the business, financial performance, net assets or financial situation of the Group or the Company. In respect of the cases described below, provisions have been taken, where necessary, that the Company considers sufficient given the current state of affairs.

– On 23 May 2004, part of the shell structure over the passageway of Roissy airport's 2E terminal collapsed. The structure had been built for Aéroports de Paris, which in this project acted as principal, architect and main contractor. The construction work on terminal 2E was carried out under multiple separate contracts by numerous different companies. The passageway shells (superstructures) were constructed by a consortium comprising several VINCI subsidiaries. The incident is currently subject to a criminal investigation and court-ordered expert appraisal to establish the reasons for the collapse. The financial implications of the incident, in terms of, on the one hand, reconstruction costs and, on the other hand, damage caused, and the terms under which financial liability will be allocated to the various parties involved, have yet to be determined. The Company considers that this dispute will not have a material unfavourable effect on its financial situation.

– On 28 December 1998, the Grenoble Administrative Court ordered VINCI, jointly and severally with Italimprese Industrie, an Italian company now in liquidation, to pay Nersa, a subsidiary of EDF, the sum of FRF 96 million (€14.6 million) in compensation for the damage caused by the collapse of the roof of a building belonging to Nersa on 13 December 1990. EDF, implicated by VINCI, was also ordered to guarantee VINCI for 40% of the consequences of this event, which reduced VINCI's liability to €13.6 million in principal and interest. Almost all this sum has been settled by VINCI's insurers. Following an appeal lodged by VINCI, the Lyon Administrative Appeal Court pronounced judgement on 16 December 2004, quashing the ruling of 28 December 1998 and ordering a new expert appraisal. In order to bring this old dispute to an end, VINCI and EDF agreed a settlement in June 2006 bringing this dispute definitively to an end and setting the amount due by VINCI to EDF at €13.5 million. This dispute will therefore have no material unfavourable impact on VINCI's financial situation.

– In 1997, SNCF lodged multiple claims with the Paris Administrative Court against a large number of construction and civil engineering enterprises, of which several belong to the VINCI Group, with a view to obtaining financial compensation for the damage it claims to have suffered between 1987 and 1990 during the award of tenders for the construction of the TGV Nord and Rhône-Alpes lines (and their interconnection). This claim was the consequence of the finding by the competition authority against the enterprises concerned in 1995, which the Paris Appeal Court upheld overall (making a second ruling after its 1997 decision was overturned). The Paris Administrative Court ruled on 15 December 1998 that the findings of the competition authority regarding the anti-competitive practices entitled SNCF to claim that its consent was impaired with respect to the contracts that are the subject of two of the petitions and the Court ordered an appraisal to establish the impact of such practices. On 22 April 2004, the Paris Administrative Appeal Court delivered judgements confirming this ruling, as a result of which VINCI and various undertakings lodged an appeal to rescind this decision with the Council of State. Following this ruling, the Paris Administrative Court decided to resume consideration of all other proceedings on which it had not yet pronounced judgement. On 15 February 2005, the expert appointed by the Paris Administrative Court submitted two reports in which it was concluded that SNCF had incurred extra costs significantly lower than the claims made by SNCF (€6.1 million compared with €43.1 million excluding financial expenses). In June and July 2005, the Paris Administrative Court delivered several rulings ordering further examination of some of the other proceedings. The total amount sought from consortiums in which VINCI companies have holdings amounts to €193 million, half of which corresponds to financial expenses. VINCI considers that SNCF did not suffer financial prejudice on the award of these tenders to its subsidiaries given that each contract was subject to detailed negotiation by SNCF, which is a highly experienced and qualified project owner. VINCI considers that these disputes will not have a material adverse effect on its financial situation.

– In the dispute between VINCI and the US company Global Industries regarding the consequences of the failure of the sale of ETPM by Groupe GTM to Global Industries, the Paris Commercial Court ordered Global Industries on 19 November 2003 to pay compensation to VINCI of US$25 million plus interest for the period commencing on 25 November 1999. On appeal by Global, the Paris Appeal Court delivered a judgement on 24 May 2005, upholding all aspects of the ruling. Global did not comply with the judgment, and VINCI therefore initiated enforcement proceedings in the USA. However, in June 2006 the parties reached an agreement under which Global will pay US$22 million (€17.5 million) to VINCI in a final settlement.

– VINCI and its subsidiary CBC have been brought before the United States District Court of New York in July 2005 by the Mexican company Consorcio Prodipe SA de CV and Mr Mery Sanson de Wallincour in connection with a dispute dating from 1992 relating to a tourist site property development in Lower California. The plaintiffs claim they suffered total damage of $350 million and are asking for triple damages. VINCI considers that these demands are unjustified and does not expect this case to have a material adverse impact on its financial situation. CBC has also been brought before the Mexican courts in several cases. One of the shareholders of Prodipe Inc. and a Mexican state organisation allege that CBC did not fulfil the terms of its contract concerning a tourist site development in Lower California, the financing of which was guaranteed up to US$7.2 million by Coface, which was in turn counter-guaranteed by the Mexican state organisation in question. Given the current state of affairs, VINCI does not expect this dispute to have a material impact on its financial situation.

– 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, these financial institutions initiated various legal proceedings, including one before the Paris Commercial Court, in which CBC was charged with guaranteeing the principal amount of €41 million. This case was withdrawn in 2004 following a settlement between the claimants and the French bank. CBC was also sued in December 2003 in the Paris Commercial Court by the same French bank, which is claiming €24 million on the basis of alleged responsibility in connection with the invalidity of the guarantees issued by the foreign financial institutions in the French bank's favour. Given the current state of affairs, VINCI does not expect this dispute to have a material impact on its financial situation.

– Lastly, several VINCI Group companies are being investigated under competition law, and certain employees of VINCI Group companies are subject, on a personal basis, to judicial enquiry procedures that aim to determine whether they have participated in practices restricting competition or made inappropriate use of corporate assets for the direct or indirect benefit of political figures or parties. In this connection, the Company received notification on 27 July 2005, of a report drawn up by the competition authority regarding the signing of various public sector contracts in the Ile de France region between 1989 and 1996. VINCI does not expect these procedures to have a material negative impact on its financial situation in the event of an unfavourable outcome.

J. POST BALANCE SHEET EVENTS

The Board of Directors decided on 5 September 2006 to:

– propose to increase the payout ratio to 50% as from 2006. An interim dividend in respect of the current financial year of €0.85 per share will therefore be paid, representing an increase of 21%.

– immediately cancel the 4.8 million treasury shares available, thus reducing the number of shares representing the share capital to 234.1 million at 4 September 2006.

– use the share buy-back programme authorised by the Shareholders General Meeting of 16 May 2006 in respect of 12 million shares to be acquired between now and the end of 2007.

On September 7, 2006, Standard & Poor's rating Services affirmed the BBB+ / A-2 long and short term credit rating of VINCI and ASF group. Nevertheless, following an announcement by VINCI that it will step up its investments in public private partnerships (PPP) and concessions, Standard & Poor's placed VINCI's and ASF group's BBB+ rated long term note under negative surveillance.

MAIN COMPANIES CONSOLIDATED AT 30 JUNE 2006

	Method of consolidation	VINCI group holding %
1. CONCESSIONS AND SERVICES		
Cofiroute	FC	65.34
Cofiroute Participations	FC	65.34
Cofiroute Corporation (USA)	FC	65.34
Cofiroute UK (UK)	FC	65.34
Gefyra Litourgia (Greece)	FC	34.63
Autoroutes du Sud de la France	FC	98.38
Escota	FC	97.37
VINCI Park	FC	100.00
VINCI Park France	FC	100.00
VINCI Park CGST	FC	100.00
Sepadef (Société d'exploitation des parcs de La Défense)	FC	100.00
VINCI Park Services Ltd (UK)	FC	100.00
VINCI Park Espana	FC	100.00
VINCI Park Belgium	FC	100.00
VINCI Park Luxembourg	FC	99.92
Gestipark (Canada)	FC	91.28
Zeson Management Ltd (Hong Kong)	FC	100.00
Other concessions		
Stade de France	PC	66.67
SMTPC (Prado-Carénage tunnel)	EM	32.42
Lusoponte (Tagus bridges – Portugal)	EM	30.85
Severn River Crossing (Severn bridges – UK)	EM	35.00
Strait Crossing Development Inc. (Confederation bridge – Canada)	EM	18.80
Gefyra (Rion-Antirion bridge – Greece)	FC	53.00
Autopista Del Bosque (Chillan-Collipulli motorway – Chile) (*)	FC	82.96
Operadora Autopista Del Bosque (Chile)	FC	86.14
Morgan VINCI Ltd (Newport bypass – Wales, UK)	PC	50.00
Société Concessionnaire de l'Aéroport de Pochentong – SCA (Cambodia)	PC	70.00
Arcour (A19 motorway)	FC	100.00
Airport services		
VINCI Airports US (*)	FC	100.00
SPA TRANS (*)	FC	100.00
EFS (*)	FC	100.00
VINCI Airports UK (*)	FC	100.00
France Handling (*)	FC	100.00
SFS UK (UK) (*)	FC	100.00
VINCI Services Aéroportuaires	FC	100.00
VINCI Concession holding companies		
VINCI Concessions SA	FC	100.00
VINCI Airports	FC	100.00

(*) *Companies being sold (See Note B2.1)*

FC : Full consolidation PC : Proportionate consolidation EM : Equity method

	Method of consolidation	VINCI group holding %
2. ENERGY		
VINCI Energies	FC	100.00
Santerne Exploitation	FC	100.00
Entreprise Demouselle	FC	100.00
SDEL Lorraine	FC	100.00
Fournié-Grospaud SAS	FC	100.00
Graniou Azur	FC	100.00
Santerne Centre Est	FC	100.00
Roiret Entreprises	FC	100.00
GT Le Mans	FC	100.00
Barillec	FC	100.00
Masselin Energie	FC	100.00
SDEL Tertiaire	FC	100.00
Tunzini	FC	100.00
Lefort Francheteau	FC	100.00
Phibor Entreprises	FC	100.00
Saga Entreprises	FC	100.00
Graniou Île-de-France	FC	100.00
GTIE Télécoms	FC	100.00
GTIE Infi	FC	100.00
SDEL Infi	FC	100.00
Tunzini Protection Incendie	FC	100.00
Entreprise d'Électricité et d'Équipement	FC	100.00
Atem (Poland)	FC	80.00
Spark Iberica (Spain)	FC	80.00
VINCI Energies UK (UK)	FC	100.00
Emil Lundgren (Sweden)	FC	100.00
VINCI Energies Netherland and subsidiaries	FC	100.00
VINCI Energies Deutschland and subsidiaries (Controlmatic, G+H Isolierung, Calanbau, NK Networks)	FC	100.00
TMS (Austria)	FC	100.00
3. ROADS		
Eurovia	FC	100.00
Eurovia Méditerranée	FC	100.00
Eurovia Île-de-France	FC	100.00
Eurovia Lorraine	FC	100.00
Eurovia Centre Loire	FC	100.00
Eurovia Dala	FC	100.00
EJL Île-de-France	FC	100.00
Eurovia Alpes	FC	100.00
Eurovia Bretagne	FC	100.00
Eurovia Poitou Charentes Limousin	FC	100.00
Eurovia Alsace Franche-Comté	FC	100.00
Eurovia Atlantique	FC	100.00
Eurovia Aquitaine	FC	100.00
Eurovia Picardie	FC	100.00
EJL Nord	FC	100.00
Eurovia Pas-de-Calais	FC	100.00
Eurovia Haute-Normandie	FC	100.00
Eurovia Basse-Normandie	FC	100.00
Matériaux Routiers Franciliens	FC	100.00
Eurovia Béton	FC	100.00
Carrières Kléber Moreau	FC	89.97.

FC : Full consolidation PC : Proportionate consolidation EM : Equity method

	Method of consolidation	VINCI group holding %
Carrières Roy	PC	50.00
Société des Carrières de Chailloué	FC	100.00
Carrières de Luché	FC	100.00
SSZ (Czech Republic)	FC	93.66
Ringway Ltd (UK)	FC	99.55
Ringway Highway Services Ltd (UK)	FC	99.55
Hubbard (USA)	FC	100.00
Blythe (USA)	FC	100.00
Eurovia Teerbau (Germany)	FC	100.00
Eurovia VBU (Germany)	FC	100.00
Eurovia Beton Und Verkehrstechnik (Germany)	FC	100.00
Probisa Technología y Construcción (Spain)	FC	95.67
Construction DJL (Canada)	FC	95.80
ODS – Dopravni Stavby Ostrava (Czech Republic)	FC	47.76
Eurovia Industrie GmbH (Germany)	FC	100.00
South West Highways (UK)	PC	49.78
Bitumix (Chile)	FC	50.10
Eurovia Cesty (Slovakia)	FC	96.65
Caraib Moter (Martinique)	FC	74.50
Boucher (Belgium)	FC	100.00
Eurovia Polska Spolka Akcyjna (Poland)	FC	99.90

4. CONSTRUCTION

Sogea Construction	FC	100.00
SICRA Île-de-France	FC	100.00
Campenon Bernard Construction	FC	100.00
Bateg	FC	100.00
Sogea Nord-Ouest	FC	100.00
Campenon Bernard Méditerranée	FC	100.00
Sogea Nord	FC	100.00
EMCC	FC	100.00
Deschiron	FC	100.00
Energilec	FC	100.00
VINCI Environnement	FC	100.00
GTM Construction	FC	100.00
GTM Génie Civil et Services	FC	100.00
GTM Bâtiment	FC	100.00
Dumez Île-de-France	FC	100.00
Chantiers Modernes BTP	FC	100.00
Les Travaux du Midi	FC	100.00
Lainé Delau	FC	100.00
GTM Terrassement	FC	100.00
Dumez Méditerranée	FC	100.00
Petit	FC	100.00
Dumez EPS	FC	100.00
Scao	PC	33.33

FC : Full consolidation PC : Proportionate consolidation EM : Equity method

	Method of consolidation	VINCI group holding %
VINCI Construction Filiales Internationales		
Sogea-Satom and subsidiaries (Africa)	FC	100.00
Warbud (Poland)	FC	99.74
SBTPC (Réunion)	FC	100.00
Hídépítö (Hungary)	FC	97.35
SMP CZ (Czech Republic)	FC	100.00
First Czech Construction Company (Czech Republic)	FC	100.00
Dumez-GTM Calédonie	FC	100.00
Sogea Réunion	FC	100.00
GTM Guadeloupe	FC	100.00
Nofrayane (French Guyana)	FC	100.00
Sogea Martinique	FC	100.00
SKE (Germany)	FC	100.00
VINCI Bautec (Germany)	FC	100.00
VINCI Construction UK		
VINCI PLC (UK)	FC	100.00
Rosser and Russel (UK)	FC	100.00
Crispin and Borst (UK)	FC	100.00
VINCI Investment (UK)	FC	100.00
Compagnie d'Entreprises CFE (Belgium)	FC	45.38
CFE	FC	45.38
BPC, Nizet Entreprises, Van Wellen, Sogesmaint	FC	45.38
Dredging Environmental and Marine Engineering – DEME	PC	22.69
CFE Netherland	FC	45.38
VINCI Construction Grands Projets	FC	100.00
Socaso	FC	100.00 (*)
Socatop	PC	66.67
Constructora VCGP Chile SA	FC	100.00
Janin Atlas (Canada)	FC	100.00
Freyssinet	FC	100.00
Freyssinet France	FC	100.00
Terre Armée Internationale	FC	100.00
The Reinforced Earth Cy – RECO (USA)	FC	100.00
Ménard Soltraitement	FC	100.00
Freyssinet International et Cie	FC	100.00
Immer Property (Australia)	FC	70.00
Freyssinet Korea	FC	90.00
Freyssinet Hong Kong	FC	100.00

5. PROPERTY

VINCI Immobilier	FC	100.00

(*) *including Eurovia for 33,3%*

FC : Full consolidation - PC : Proportionate consolidation - EM : Equity method

REPORT BY THE STATUTORY AUDITORS ON THE 2006 INTERIM FINANCIAL REPORT

To the Shareholders,

As Statutory Auditors of your Company and in accordance with Article L. 232-7 of the French Commercial Code, we have:

– performed a limited review of VINCI's summary interim consolidated financial statements for the period from 1 January to 30 June 2006, as attached to this report;

– verified the information given in the half-year report.

These summary interim consolidated financial statements have been prepared under the responsibility of the Board of Directors. Our role is to express our conclusion on these financial statements, based on our limited review.

We have conducted our limited review in accordance with the professional standards applicable in France. A limited review of interim financial statements consists in obtaining the information deemed necessary, mainly from the people responsible for accounting and financial matters, and carrying out analytical and any other appropriate procedures. A review of this nature does not include all the checks that are characteristic of an audit conducted in accordance with the professional standards applicable in France. It therefore does not enable assurance to be obtained that all the material matters have been identified that it would have been possible to identify in an audit and we are therefore not expressing an audit opinion.

On the basis of our limited review, we have not noted any material misstatements of such a nature as to bring into question the compliance, in all material aspects, of the summary interim financial statements with IAS 34 which is the IFRS standard as adopted in the European Union relating to interim financial reporting.

We have also verified, in accordance with the professional standards applicable in France, the information contained in the half-year management report commenting on the summary interim consolidated financial statements submitted to our limited review.

We have no comments to make as to its fair presentation and conformity with the summary interim consolidated financial statements.

Paris-La Défense and Neuilly-sur-Seine, 9 October 2006

Salustro Reydel
A member of KPMG International

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Benoît Lebrun
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Thierry Benoit
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