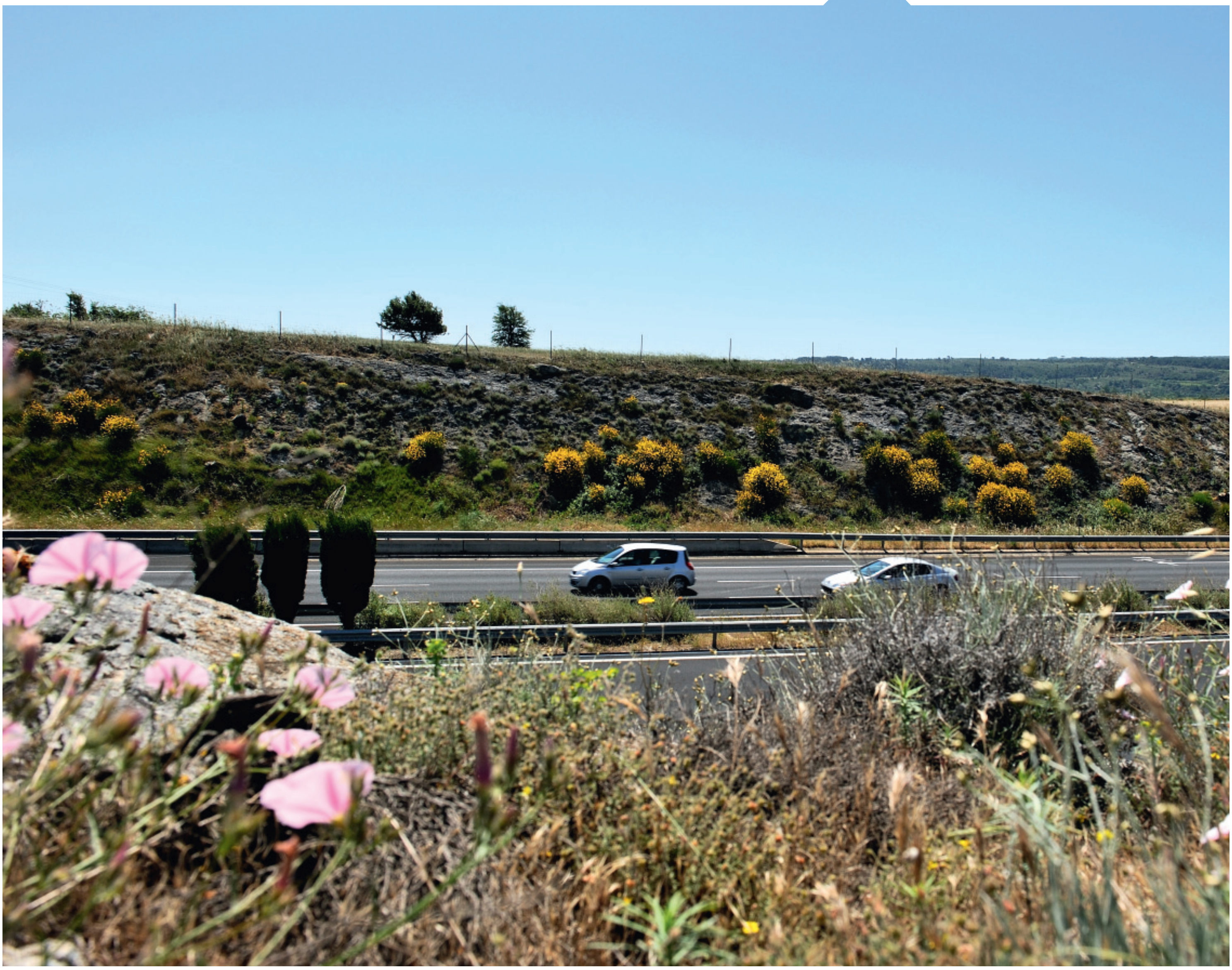
ASF

FINANCIAL REPORT

2010



Annual financial report for the period ended 31 December 2010

VINCI AUTOROUTES

Annual Financial Report
at 31 December 2010

Contents

ASF Group Management Report
at 31 December 2010

Key events

Despite the economic crisis, ASF Group was able to grow in line with its objectives in 2010.

Regarding the environment, the ASF Group has made a commitment to invest €474 million (at January 2009 prices) over three years in the environmental upgrading of the oldest sections of its network, in return for an extension of the period of its concession contracts. In practice, under Article 117 of the Amending Finance Act 2009-1674 of 30 December 2009 following the Grenelle Environment Forum, ASF, Escota and the French Government signed the following on 25 January 2010:

- for ASF, the 13th Rider to the concession contract and technical specification. The main provisions of this Rider are:
  - extension of the concession period by one year until 31 December 2033;
  - complete realisation over 36 months from the entry into force of the Rider of a capital expenditure programme of €371 million at January 2009 prices;
  - regular quarterly monitoring of the progress of work and a final review of work carried out.

  This work relates to protection of the water resource, protection of biodiversity, protection against noise, reduction of CO2 emissions and the improvement of service and rest areas.
- for Escota, the 12th Rider to the concession technical specification. The main provisions of this Rider are:
  - extension of the concession period by one year until 2027;
  - a commitment to carry out a capital expenditure programme between 2010 and 2012 of €103 million at January 2009 prices;
  - regular quarterly monitoring of the progress of work and a final review of work carried out.

The impact of the extension of the length of ASF's and Escota's concession periods, determined prospectively at 1 January 2010, has resulted in the decrease of the special concession amortisation expense for the year of €21.3 million.

Under its approach to environmental issues, ASF's Infrastructure Division also obtained ISO 14001 certification on 1 October 2010 for all its entities and activities: construction of new roads and improvements to motorways in service, especially major repairs.

During the year, ASF and Escota took the necessary steps to obtain this certification for each of its Operating Divisions. At the end of 2010, ASF obtained ISO 14001 certification for its Centre Auvergne Regional Division.

In the area of services, the VINCI Autoroutes brand embodies the new service policy on the VINCI motorway network, of which the ASF Group forms part. This growing presence relates to three aspects of our service provision:

- remote toll payment;
- events organised across the network during the summer holiday period;
- services offered to various customer types.

The second half of the year saw a reorganisation of pricing structures for national and local subscriptions. As well as contributing to large-scale dematerialisation of invoicing, this is part of a move towards unified pricing and contractual terms for all nationwide subscriptions on the VINCI Autoroutes network.

The digital co-pilot, a navigational-aid for the iPhone, was launched in time for the year-end festivities. Providing speed warnings and tourist information, this service will rapidly be enhanced with an Emergency Network Call function, which will enable customers whose vehicle breaks down or who are witnesses to an accident to contact the competent Security Centre by phone directly.

Since 15 June 2010, travel times are calculated and disseminated automatically on all the network's variable message displays. Whenever these displays are not used to warn of a particular event, they now show travel times to the main destinations on the network, taking account of traffic conditions.

At the beginning of 2010, ASF and Orange Business Services came together to develop an innovative real-time traffic information solution (TraficZen), intended for local authorities and road operators In this connection, ASF and Orange signed a partnership agreement on 24 November 2010 with the Greater Toulouse authority for a trial of TraficZen that will allow traffic information to be distributed in real time across nearly 1,200 kilometres of roads and motorways.

ASF Group is continuing its programme to build more than 1,500 extra HGV parking spaces. Four secure HGV parks (known as PPLS) are also planned.

At the same time, installation is under way of special variable message signs along the motorway to inform HGV drivers of the availability of parking spaces.

In the area of safety, all the motorway companies have joined together in asking the French government to make combating driver drowsiness a key part of its road safety policy.

Motorway companies have suggested several concrete actions aimed at raising driver awareness of the risks involved for themselves and others (drowsiness at the wheel is the prime cause of motorway accidents).

The motorway companies are seeking:

- introduction into the Highway Code of rules aimed specifically at prohibiting drowsy driving;
- greater punishment when drowsy driving is evident (as demonstrated by crossing emergency lane marker lines, collisions with vehicles displaying warning lights, etc);
- inclusion driving instruction programmes of the concept of drowsiness and illustration of its seriousness, similarly to what is done for alcohol;
- introduction of drowsiness as an accident-causing factor in the national statistics used to analyse fatal accidents, with a view to better identifying the scale of this phenomenon.

The motorway companies propose:

- a partnership with vehicle manufacturers to test drowsiness warning devices (in light and heavy vehicles) to assess their performance;
- in-depth studies on the effects of driving aids (in particular speed regulators) on attention loss and drowsiness;
- initiatives to raise medical practitioners' awareness of the consequences of certain illnesses and treatments (sleep apnoea, insomnia, etc.).

Lastly, under the agreement signed on 22 December 2009 between ASF and the French government on the means of financing the safety upgrading of the Puymorens tunnel, ASF received payment of a grant of €25 million in February 2010.

Traffic

During 2010, ASF saw increases in traffic levels of 1.9% for light vehicles and 2.9% for heavy vehicles, in terms of distances travelled.

The only extension to the network (3.5km linking the A75 and A9 opened on 23 June 2010) did not have a significant impact.

Analysing by half-year, to reduce the effects of the timing of holidays etc, reveals the major trends seen in 2010:

- for light vehicles, traffic levels increased particularly in March and April, as a result of the eruption of the Eyjafjöll volcano and strikes on the French rail network. From May to the end of August, the rate of increase slowed, in particular due to dull weather in the first fortnight of August. Traffic levels in the last four months of the year held up well despite fuel shortages in October and snow in December;
- for heavy vehicles, the decline in traffic levels connected with the economic crisis continued until February. The recovery in March and April was accentuated by strikes on the French rail network and showed a marked acceleration in the last two months of the year.

In this context, ASF and Escota saw their traffic levels increase in 2010 by 2% from the previous year:

- +1.8% for light vehicles, which accounted for 86.7% of total traffic;
- +3.2% for heavy vehicles.

Changes between 2010 and 2009 in distances travelled by toll-paying traffic on ASF's and Escota's networks, broken down between light and heavy vehicles, were as follows:

(in millions of kilometres)	2010				2009				Change 2010 against 2009	
Distance travelled	**ASF**	**Escota**	**ASF +Escota**	**%**	**ASF**	**Escota**	**ASF +Escota**	**%**	**Amount**	**%**
Light vehicles	24,537	6,060	30,597	86.7%	24,080	5,976	30,056	86.9%	541	1,8%
Heavy vehicles	4,070	616	4,686	13.3%	3,954	585	4,540	13.1%	146	3,2%
Light + heavy	**28,607**	**6,676**	**35,283**	**100.0%**	**28,034**	**6,561**	**34,596**	**100.0%**	**687**	**2,0%**

Total distance travelled for ASF and Escota was 35,283 million kilometres in 2010 compared with 34,596 million kilometres in 2009, a 2% increase.

The annual average daily traffic on the network as a whole was 31,772 vehicles per day in 2010 compared with 31,172 vehicles per day in 2009, a 1.9% increase.

Prices

In accordance with ASF's and Escota's contractual conditions, prices were increased on 1 February 2010 as follows:

- for ASF, by 0.8% for vehicles in classes 1, 2 and 5; 1.6% for vehicles in class 3 and 1.8% for vehicles in class 4;
- for Escota, by 0.9% for vehicles in classes 1, 2 and 5; 2.7% for vehicles in class 3 and 2.9% for vehicles in class 4.

Only the class coefficients for classes 3 and 4 have changed, for each company:

- for ASF, coefficients increased from 2.19 to 2.21 for class 3 and from 2.88 to 2.91 for class 4;
- for Escota, coefficients increased from 2.14 to 2.18 for class 3 and from 2.95 to 3.00 for class 4.

Toll revenue

Toll revenue amounted to €3,006 million in 2010 compared with €2,899.5 million in 2009, a 3.7% increase, breaking down as follows:

	2010			2009			Change
(in € millions)	**ASF**	**Escota**	**ASF+Escota**	**ASF**	**Escota**	**ASF+Escota**	**2010 against 2009**
Revenue - tolls	2,382.8	623.2	3,006.0	2,299.3	600.2	2,899.5	3.7%

The number of paying transactions increased by 2.3% to 666.8 million in 2010 (651.8 million in 2009).

The use of automatic payment lanes increased by 8% to 591.9 million transactions in 2010 (547.9 million in 2009).

The proportion of transactions made on automatic lanes increased significantly during 2010 to 88.8% (84.1% in 2009).

This remarkable increase was due to:

- the construction of new automatic payment lanes and the improved attractiveness of such lanes already in operation across the network and
- the significant increase in the number of light vehicles using ETC.

Breakdown of ASF and Escota transactions by collection method:

Type of transaction *(in millions)*	2010	2009	Change 2010 against 2009	Breakdown 2010	Breakdown 2009
Manual payments	**74.9**	**103.9**	**-27.9%**	**11.2%**	**15.9%**
Automatic payments	335.0	309.2	8.3%	50.2%	47.4%
ETC payments	256.9	238.7	7.6%	38.5%	36.6%
Sub-total automatic and ETC	**591.9**	**547.9**	**8.0%**	**88.8%**	**84.1%**
Total	**666.8**	**651.8**	**2.3%**	**100.0%**	**100.0%**

There were 801,868 subscribers to the light vehicle tag payment system for the two companies at 31 December 2010, which corresponds to 1,004,019 tags in circulation (compared with 674,544 subscribers and 857,402 tags at 31 December 2009).

	2010			2009			Change 2010 against 2009	
	ASF	Escota	ASF+Escota	ASF	Escota	ASF+Escota	Amount	%
Number of tags	706,211	297,808	1,004,019	571,502	285,900	857,402	146,617	17.1%
Number of customers	590,978	210,890	801,868	472,617	201,927	674,544	127,324	18.9%

Investments

ASF and Escota made investments of €802.9 million in 2010, compared with €538.3 million in the previous year, as shown below:

(in € millions)	2010			2009			% change
Type of investment	ASF	Escota	ASF +Escota	ASF	Escota	ASF +Escota	(Group)
Construction of new sections (*)	372.6		372.6	184.0		184.0	102.5%
Supplementary investments on motorways in service (*)	214.9	151.8	366.7	150.6	151.4	302.0	21.4%
Operating tangible fixed assets (*)	40.6	23.0	63.6	33.9	18.4	52.3	21.6%
Total	**628.1**	**174.8**	**802.9**	**368.5**	**169.8**	**538.3**	**49.2%**

(*) Including capitalised production and borrowing costs, grants and financial investments.

New sections

A89 - Balbigny – La Tour-de-Salvagny (53 km)

Of a total capital expenditure budget of €1.3 billion, work worth more than €324.5 million was undertaken in 2010.

Work on building the eight viaducts and major earthworks progressed as planned across this section, which should enter service in December 2012:

- a first viaduct, across the Torranchin (200 metres), was delivered at the end of July 2010;
- the Pontcharra railway bridge was also delivered to SNCF and the new tracks entered service on 4 July 2010;
- boring of the La Bussière and Chalosset tunnels (respectively 2x1,000 metres and 2x700 metres), started in the Spring of 2010, has progressed satisfactorily.

83% of the total road length of the Violay tunnel (2x3,900 metres) has been completed, with 6,400 metres bored. In February 2010, work reached the Le Gantet fault, the most difficult area of the boring. Special supports are put in place to cross the most varied terrains. Boring is expected to be completed in June 2011.

In connection with its workplace safety policy "towards zero accidents on the A89 site" (signed on 8 December 2009 by ASF and all contractors involved on the site), in November the Lyons Operational Division obtained OHSAS 18001 certification (Occupational Health and Safety Assessment Series), issued by AFNOR, for its occupational hazards management system on the A89 site.

Widening and capacity improvement work

A63 - Biriatou – Ondres: widening to three-lane dual carriageway (39 km)

Work to widen the Basque Coast motorway (the A63, between the Ondres interchange and the Biriatou toll plaza on the Spanish border) – representing a total investment of €700 million – continued in 2010.

Work on the civil engineering structures on the motorway (without affecting operations) and the A63/A64 interchange in the Saint Pierre d'Irube sector continued throughout the summer period.

After the summer break, work on earthworks, engineering structures, communication restoration and equipment on the Biarritz – Ondres section (18 km) of the motorway resumed in September 2010.

A9 - Perpignan Nord – Le Boulou: widening to three-lane dual carriageway (31 km)

Widening work on civil engineering structures on the Perpignan North – Perpignan South section continued as planned. Work is now in progress on all civil engineering structures including the viaduct over the Têt.

The target date for entry into service of the new Perpignan North – Perpignan South three-lane dual carriageway is 30 June 2013 at the latest.

Study work and land acquisition for the next section, between Perpignan South and Le Boulou, has continued.

Other investments on motorways in service

Official inauguration of the A75 – A9 link (3.5 km)

The link between the A75 and the A9, and the new toll station at Béziers-Cabrials (Hérault) which entered service on 23 June 2010, were inaugurated on 5 July 2010.

The junction built by ASF between the A75 and the A9 comes in addition to that built by Government contractors between Pézenas and Béziers (18 km), completing the A75 motorway link between Clermont-Ferrand and Béziers.

A64 - Lescar interchange

The new Lescar interchange on the A64 was inaugurated on 7 December 2010.

Escota's investments related in particular to:

- work to render tunnels on the A8 compliant with the new safety rules on the Nice bypass as far as La Turbie and between La Turbie and Italian border, on the A51 at Val de Durance and on the A500 at Antenne de Monaco;
- work to widen the A8 to three-lane dual carriageway on the Chateauneuf Le Rouge – Saint-Maximin section, to widen the A50 to three-lane dual carriageway on the La Ciotat – Bandol section and on the A52 at Pas de Trets/Pont de l'Etoile.

Financing

ASF made several issues of bonds during 2010, under its EMTN programme, for a face value of €650 million, comprising:

- a bond issue of €500 million on 12 April 2010 at a fixed rate of 4.125% fixed, for 10 years;
- a bond assimilation of €150 million on 20 September 2010 on the same terms (same rate and maturity) with a reoffer yield of 3.455%.

Main transactions with related parties

The main transactions with related parties are shown in Note E.19. "Transactions with related parties" to the 2010 consolidated financial statements.

Risk factors

Since toll receipts account for virtually all the revenue from operating concessions, the main risks with which the ASF Group can be faced relate in particular to traffic or infrastructure usage and users' acceptance of tolls and prices. Traffic levels may also be affected by fuel prices.

Details of the main financial risks are given in Note C.16. "Management of financial risks" to the 2010 consolidated financial statements.

1. Revenue

(in € millions)	2010	2009	% change
Revenue - tolls	3,006.0	2,899.5	3.7%
Fees for use of commercial premises	44.2	42.5	4.0%
Fees for optical fibres, telecommunications and other	23.9	25.0	-4.4%
Revenue excluding revenue from construction work	**3,074.1**	**2,967.0**	**3.6%**
Revenue from construction of new infrastructure assets	676.2	427.3	58.2%
Revenue	**3,750.3**	**3,394.3**	**10.5%**

The ASF Group's consolidated revenue for 2010 and 2009 breaks down as follows:

(in € millions)	2010	2009	% change
Revenue - tolls	**3,006.0**	**2,899.5**	**3.7%**
of which, ASF	2,382.8	2,299.3	3.6%
of which, Escota	623.2	600.2	3.8%
Fees for use of commercial premises	**44.2**	**42.5**	**4.0%**
of which, ASF	37.7	36.2	4.1%
of which, Escota	6.5	6.3	3.2%
Fees for optical fibres, telecommunications and other	**23.9**	**25.0**	**-4.4%**
of which, ASF	10.8	11.7	-7.7%
of which, Escota	3.1	3.2	-3.1%
of which, RTFM	2.1	2.9	-27.6%
of which, Truck Etape	0.2	0.2	0.0%
of which, Openly	2.5	2.3	8.7%
of which, Jamaican Infrastructure Operator	5.2	4.7	10.6%
Revenue excluding revenue from construction work	**3,074,1**	**2,967.0**	**3.6%**
of which, ASF	2,431.3	2,347.2	3.6%
of which, Escota	632.8	609.7	3.8%
of which, RTFM	2.1	2.9	-27.6%
of which, Truck Etape	0.2	0.2	0.0%
of which, Openly	2.5	2.3	8.7%
of which, Jamaican Infrastructure Operator	5.2	4.7	10.6%
Revenue from construction of new infrastructure assets	**676.2**	**427.3**	**58.2%**
of which, ASF	568.6	314.3	80.9%
of which, Escota	107.6	113.0	-4.8%
Revenue	**3,750.3**	**3,394.3**	**10.5%**
of which, ASF	2,999.9	2,661.5	12.7%
of which, Escota	740.4	722.7	2.4%
of which, RTFM	2.1	2.9	-27.6%
of which, Truck Etape	0.2	0.2	0.0%
of which, Openly	2.5	2.3	8.7%
of which, Jamaican Infrastructure Operator	5.2	4.7	10.6%

A comparison of revenue (excluding construction revenue) for ASF and Escota breaks down as follows:

	2010			2009			Change 2010 against 2009	
Revenue *(in € millions)*	ASF	Escota	ASF +Escota	ASF	Escota	ASF +Escota	Amount	%
Revenue from tolls	2,382.8	623.2	3,006.0	2,299.3	600.2	2,899.5	106.5	3.7%
Fees for use of commercial premises	37.7	6.5	44.2	36.2	6.3	42.5	1.7	4.0%
Fees for use of optical fibres and telecommunication pylons	10.8	3.1	13.9	11.7	3.2	14.9	(1.0)	-6.7%
Total revenue	**2,431.3**	**632.8**	**3,064.1**	**2,347.2**	**609.7**	**2,956.9**	**107.2**	**3.6%**

Consolidated revenue in 2010 (excluding construction revenue) for ASF and Escota alone was €3,064.1 million compared with €2,956.9 million in 2009, a 3.6% increase.

1.1. Revenue from tolls

Toll revenue increased by 3.7% to €3,006 million in 2010 from €2,899.5 million in 2009.

This change was due to the combined effect of the following two main factors:

- effect of traffic on comparable network: +2.0%;
- effect of prices and rebates: +1.7%.

Toll receipts break down by payment method as follows:

	2010			2009			Change 2010 against 2009	
Revenue *(in € millions)*	**ASF**	**Escota**	**ASF+Escota**	**ASF**	**Escota**	**ASF+Escota**	**Amount**	**%**
Immediate payment	326.7	118.1	444.8	355.9	126.2	482.1	(37.3)	-7.7%
Account holders	26.5	104.0	130.5	26.5	96.0	122.5	8.0	6.5%
ETC payments	972.7	174.0	1,146.7	892.4	160.2	1,052.6	94.2	8.9%
Bank cards	867.4	186.5	1,053.9	832.1	177.8	1,009.9	44.0	4.4%
Accreditive cards	188.8	40.2	229.0	191.5	39.7	231.2	(2.2)	-1.0%
Recharged expenses	0.7	0.4	1.1	0.9	0.4	1.3	(0.2)	-15.4%
Revenue - tolls	**2,382.8**	**623.2**	**3,006.0**	**2,299.3**	**600.2**	**2,899.5**	**106.5**	**3.7%**

1.2. Revenue from commercial premises

Revenue from commercial premises amounted to €44.2 million in 2010 compared with €42.5 million in 2009, a 4% increase.

1.3. Revenue from optical fibre and pylon rentals

Revenue from rental of fibre optics and pylons was down 6.7%, falling from €14.9 million in 2009 to €13.9 million in 2010, mainly as a result of termination of contracts for rental of fibre optics.

2. Results

2.1. Operating profit

Operating profit amounted to €1,567.4 million in 2010 compared with €1,451.9 million in 2009, an 8% increase (€115.5 million) mainly resulting from the €107.1 million increase in operating revenue.

Operating expenses, up 12.3%, amounted to €2,186 million in 2010 compared with €1,946.2 million in 2009, and include in particular construction costs incurred to build assets under concession, which increased 58.3% from €427.3 million in 2009 to €676,2 million in 2010.

Excluding these construction costs, operating expenses amounted to €1,509.8 million in 2010 compared with €1,518.9 million in 2009, a 0.6% decrease.

The following points may be noted in respect of this change in operating expenses:

- the 11.5% increase in **net purchases consumed** from €28.8 million in 2009 to €32.1 million in 2010. This €3.3 million increase relates to the expenses induced by the winter weather conditions in 2010, which were particularly unfavourable compared with 2009;
- the 13.3% increase in **external expenses** (external services, temporary labour and subcontracting) from €180.4 million in 2009 to €204.4 million in 2010;
- the 1.3% decrease in **taxes and levies** from €395.9 million in 2009 to €390.8 million in 2010;
- the 2.6% decrease in **employment costs** from €370.2 million in 2009 to €360.7 million in 2010;
- the 2.9% decrease in net **depreciation and amortisation charges** which stood at €541.7 million in 2010 compared with €558 million in 2009. This decrease includes the effects of the extension of the concession periods (see "Key events").

  The bulk of this comprises the special concession amortisation charge net of reversals of grants relating to investments made since December 2009, which decreased from €454,2 million in 2009 to €440.6 million in 2010.

  Depreciation and amortisation of property, plant and equipment used in operations and of intangible assets decreased from €103.8 million in 2009 to €101.1 million in 2010:
- an increase in **net provision charges**, which represented income of €19.8 million in 2010 compared with income of €11.3 million in 2009;
- an increase in **share-based payments expenses**, from €3.2 million in 2009 to €3.7 million in 2010;
- a decrease in the share of **profit or loss of equity-accounted entities**, which amounted to a loss of €0.7 million in 2010 compared with profit of €0.3 million in 2009.

2.2. Cost of net financial debt and other financial income and expenses

The cost of net financial debt fell 6.5% from €492.4 million in 2009 to €460.4 million in 2010.

This net decrease of €32 million in the cost of net financial debt from the 2009 level was mainly due to the favourable effect of:

- the decrease in short-term rates on debt at floating and capped-floating rates and
- rates applied to new bond issues in 2010, which were globally lower than the average rate of debts repaid during the period.

Other financial income and expenses amounted to net income of €18.5 million in 2010 compared with a net expense of €16.8 million in 2009. This change arose mainly from the cost of discounting the provision for the obligation to maintain the condition of concession assets, standing at €17.7 million in 2010 compared with €36.9 million in 2009, and the capitalised borrowing costs on concession assets under construction, which increased from €25.2 million in 2009 to €40.8 million in 2010.

2.3. Income tax

The tax expense, corresponding to current and deferred tax, was €390.4 million for 2010, up 24.1% compared with 2009 (€314.5 million). The effective tax rate for 2010 is 34.7% (33.4% in 2009).

2.4. Net profit

The net profit attributable to owners of the parent amounted to €733.7 million in 2010, up 17% compared with 2009 (€627 million).

Earnings per share was €3.176 in 2010 compared with €2.715 in 2009.

Profit attributable to non-controlling interests was €1.4 million in 2010 compared with €1.2 million in 2009.

3. Balance sheet

The **total non-current assets** shown in the balance sheet amount to €12,063.2 million net, an increase of €308.7 million from 31 December 2009 (€11,754.5 million).

This increase was mainly due to the increase in 2010 in the gross amount of construction and operating assets acquired (€803.5 million) being greater than that of depreciation and amortisation expenses (€541.7 million) and with the increase in the fair value of derivative financial instruments shown under assets, from €106.8 million at 31 December 2009 to €156.5 million at 31 December 2010.

Total current assets, of €536.9 million at 31 December 2010, were down €150.2 million from €687.1 million at the end of December 2009, mainly due to the decrease of €175.3 million in cash and cash equivalents.

Equity increased by €78.7 million, standing at €691.8 million at 31 December 2010 (compared with €613.1 million at 31 December 2009). This increase was mainly the result of the increase in profit for the period and the negative impact on reserves of the fair value of cash flow hedging instruments.

Total non-current liabilities at 31 December 2010 were €9,721.4 million (€9,651.9 million at 31 December 2009), up €69.5 million mainly due to the increase in bonds for €650 million nominal and the decrease of €639.4 million nominal representing CNA loans that will mature in 2011.

The deterioration in the fair value of derivatives for €20.8 million, the increase in non-current provisions for €3.3 million and other non-current liabilities for €4.1 million, combined with the decrease in deferred tax liabilities for €17.5 million explain the rest of this change.

Total current liabilities amounted to €2,186.9 million at 31 December 2010, up €10.3 million from 31 December 2009 (€2,176.6 million). This increase was mainly due to the increase in debts in respect of non-current assets for €92.5 million (€262.4 million at 31 December 2010 compared with €169.9 million at 31 December 2009) following the significant increase in investment, offset by the decrease in the short-term portion of loans for €79.7 million (€1,029.6 million at 31 December 2010 compared with €1,109.3 million at 31 December 2009).

After taking account of these various items, the **Group's net financial debt** at 31 December 2010 amounted to €10,230.2 million, compared with €10,120.6 million at 31 December 2009.

4. Cash flows

The Group's statement of cash flows shows a **net closing balance of cash and cash equivalents** of €53.8 million, down €175.3 million from the opening balance of €229.1 million.

This change breaks down as follows:

- the Group's **cash flow from operations before tax and financing costs** was €2,102.2 million in 2010, almost 5% more than in 2009 (€1,996.7 million);
- **cash flows from operating activities** amounted to €1,209.1 million in 2010, down nearly 2.5% compared with the end of 2009 (€1,239.6 million). This decrease was mainly connected with the tax paid in 2010;
- **net cash flows used in investing activities** amounted to €665.7 million in 2010, up nearly 20% compared with 2009 (€532.9 million);
- **net cash flows used in financing activities** were an outflow of €718.7 million in 2010 compared with an outflow of €604.9 million in 2009. These mainly comprise dividend payments to ASF shareholders (€630.6 million), the proceeds of new loans (€654.8 million), the repayment of loans and credit lines for a total of €711.5 million, and the effect of derivatives (inception and termination) for €30.3 million.

5. Parent company financial statements

5.1. Revenue

In the ASF parent company financial statements, revenue for 2010 stands at €2,431.3 million compared with €2,347.2 million in 2009, an increase of 3.6%.

5.2. Net profit

The net profit for 2010 was €718.2 million, up 17.7% compared with 2009 (€610.5 million).

This includes in particular the dividend of €160.8 million received from the subsidiary Escota in 2010 (compared with €140.3 million in 2009).

ASF consolidated financial statements at 31 December 2010

FINANCIAL STATEMENTS

Consolidated income statement

(in € millions)	Notes	2010	2009
Revenue	**B.1.**	**3,750.3**	**3,394.3**
of which:			
Revenue - excluding construction of new infrastructure assets under concession		*3,074.1*	*2,967.0*
Revenue from construction of new infrastructure assets		*676.2*	*427.3*
Revenue from ancillary activities		7.5	6.7
Operating expenses		(2,186.0)	(1,946.2)
Operating profit from ordinary activities	**B.2.**	**1,571.8**	**1,454.8**
Share-based payment expense (IFRS 2)	B.2.3.	(3.7)	(3.2)
Profit/(loss) of equity-accounted entities		(0.7)	0.3
Operating profit	**B.2.**	**1,567.4**	**1,451.9**
Cost of gross financial debt		(461.7)	(495.0)
Financial income from cash management investments		1.3	2.6
Cost of net financial debt	**B.3.**	**(460.4)**	**(492.4)**
Other financial income	B.3.	41.3	25.8
Other financial expenses	B.3.	(22.8)	(42.6)
Income tax	B.4.	(390.4)	(314.5)
Net profit for the period		**735.1**	**628.2**
Net profit attributable to non-controlling interests		1.4	1.2
Net profit for the year attributable to owners of the parent		**733.7**	**627.0**
Earnings per share attributable to owners of the parent			
Earnings per share *(in €)*	B.5.	3.176	2.715
Diluted earnings per share *(in €)*	B.5.	3.176	2.715

Consolidated statement of comprehensive income

(in € millions)	Notes	2010	2009
Net profit for the period (including non-controlling interests)		**735.1**	**628.2**
Financial instruments: changes in fair value	B.3. - C.11.3.	(31.8)	(32.6)
of which:			
Available-for-sale financial assets(*)		*(0.5)*	*1.3*
Cash flow hedge (effective part)(**)		*(31.3)*	*(33.9)*
Change in equity of equity-accounted entities recognised directly in equity			
Currency translation differences		0.2	(0.1)
Tax (***)	C.11.3.	10.9	11.3
Income and expenses for the period recognised directly in equity		**(20.7)**	**(21.4)**
including part transferred to net profit		(5.8)	(1.5)
Total comprehensive income for the period		**714.4**	**606.8**
of which:			
Attributable to owners of the parent		*713.0*	*605.6*
Attributable to non-controlling interests		*1.4*	*1.2*

(*) At the balance sheet date, available-for-sale securities are measured at their fair value. In the absence of any objective indication of impairment, these changes in fair value are recognised directly in equity.
(**) Changes in the fair value of cash flow hedges (interest-rate hedges) are recognised in equity for the effective part. Cumulative gains and losses in equity are taken to profit or loss at the time when the cash flow affects profit or loss.
(***) Including +€0.1 million relating to available-for-sale financial assets compared with -€0.4 million in 2009 and +€10.8 million relating to cash-flow hedges (effective part) compared with +€11.7 million in 2009.

Consolidated balance sheet assets

(in € millions)	Notes	31/12/2010	31/12/2009
Non-current assets			
Concession intangible assets	C.6.	11,122.7	10,885.2
Other intangible assets	C.7.	29.6	25.8
Property, plant and equipment	C.8.	735.8	718.7
Investments in equity-accounted entities	C.9.	5.7	5.8
Other non-current financial assets	C.10.	12.9	12.2
Fair value of derivative financial instruments (non-current assets)	C.15.	156.5	106.8
Total non-current assets		**12,063.2**	**11,754.5**
Current assets			
Inventories and work in progress	C.14.	9.1	8.9
Trade and other operating receivables	C.14.	341.8	325.4
Other current assets	C.14.	37.6	36.9
Current tax assets		7.0	
Fair value of derivative financial instruments (current assets)	C.15.	87.3	86.4
Cash management financial assets	C.15.	0.3	0.4
Cash and cash equivalents	C.15.	53.8	229.1
Total current assets		**536.9**	**687.1**
Total assets		**12,600.1**	**12,441.6**

Consolidated balance sheet equity and liabilities

(in € millions)	Notes	31/12/2010	31/12/2009
Equity			
Share capital		29.3	29.3
Share premium			
Consolidated reserves		21.2	28.8
Currency translation reserves		0.2	
Net profit for the year attributable to owners of the parent		733.7	627.0
Net income recognised directly in equity		(96.6)	(75.7)
Equity attributable to owners of the parent		**687.8**	**609.4**
Non-controlling interests		4.0	3.7
Total equity		**691.8**	**613.1**
Non-current liabilities			
Non-current provisions	C.13.	86.9	83.6
Bonds	C.15.	3,775.1	3,073.3
Other loans and borrowings	C.15.	5,624.2	6,267.2
Fair value of derivative financial instruments (non-current liabilities)	C.15.	60.6	39.8
Other non-current liabilities		13.2	9.1
Deferred tax liabilities (non-current)	B.4.3.	161.4	178.9
Total non-current liabilities		**9,721.4**	**9,651.9**
Current liabilities			
Current provisions	C.14.	359.3	356.4
Trade payables	C.14.	74.6	58.9
Fair value of derivative financial instruments (current liabilities)	C.15.	38.6	53.7
Other current payables	C.14.	626.5	535.3
Current tax payables		58.3	63.0
Deferred tax liabilities (current)	B.4.3.		
Current borrowings	C.15.	1,029.6	1,109.3
Bank overdrafts	C.15.		
Total current liabilities		**2,186.9**	**2,176.6**
Total equity and liabilities		**12,600.1**	**12,441.6**

Consolidated cash flow statement

(in € millions)	Notes	2010	2009
Consolidated net profit for the period (including non-controlling interests)		**735.1**	**628.2**
Depreciation and amortisation		541.7	558.0
Net increase / (decrease) in provisions			38.5
Share-based payments (IFRS 2) and other restatements		13.4	(8.6)
Gain or loss on disposals		1.7	(0.2)
Share of profit or loss of equity-accounted entities, dividends received from unconsolidated entities and profit or loss from operations classified as held for sale		0.3	(0.9)
Capitalised borrowing costs		(40.8)	(25.2)
Cost of net financial debt recognised		460.4	492.4
Current and deferred tax expense recognised		390.4	314.5
Cash flows (used in) / from operations before tax and financing costs		**2,102.2**	**1,996.7**
Changes in working capital requirement and current provisions	C.14.	(17.6)	(8.4)
Income taxes paid		(406.3)	(273.6)
Net interest paid		(470.2)	(475.9)
Dividends received from associates		1.0	0.8
Net cash flows (used in) / from operating activities **I**		**1,209.1**	**1,239.6**
Purchases of property, plant and equipment, and intangible assets		*(13.4)*	*(10.3)*
Proceeds from sales of property, plant and equipment, and intangible assets		*1.8*	
Net investments in operating assets		**(11.6)**	**(10.3)**
Operating cash flow		**1,197.5**	**1,229.3**
Investments in concession fixed assets (net of grants received)		*(655.0)*	*(523.7)*
Proceeds from sales of concession fixed assets			
Acquisitions relating to concessions		**(655.0)**	**(523.7)**
Net financial investments			
Dividends received from unconsolidated entities		0.5	0.6
Other		0.4	0.5
Net cash flows (used in) / from investing activities **II**		**(665.7)**	**(532.9)**
Dividends paid			
- to shareholders of ASF	C.11.4.	*(630.6)*	*(457.3)*
- to non-controlling interests		*(1.1)*	*(1.0)*
Proceeds from new borrowings	C.15.	654.8	1 350.3
Repayments of borrowings	C.15.	(821.6)	(1 172.4)
Change in credit facilities		110.1	(218.0)
Change in cash management assets		(30.3)	(106.5)
Net cash flows (used in) / from financing activities **III**		**(718.7)**	**(604.9)**
Change in net cash **I +II +III**		**(175.3)**	**101.8**
Net cash and cash equivalents at beginning of period	**C.15.**	**229.1**	**125.5**
Other changes			1.8
Net cash and cash equivalents at end of period	**C.15.**	**53.8**	**229.1**
Increase / (decrease) of cash management financial assets		30.3	106.5
(Proceeds from) / repayment of loans		166.8	(177.9)
Change in credit facilities		(110.1)	218.0
Other changes		(21.3)	(52.3)
Change in net debt		**(109.6)**	**197.9**
Net debt at beginning of period	**C.15.**	**(10,120.6)**	**(10,318.5)**
Net debt at end of period	**C.15.**	**(10,230.2)**	**(10,120.6)**

Statement of changes in consolidated equity

	Capital and reserves attributable to owners of the parent								
(in € millions)	Share capital	Share premium	Consolidated reserves	Net profit / (loss) for the period	Currency translation reserves	Amounts recognised directly in equity	Total attributable to owners of the parent	Non-controlling interests	Total
Balance at 01/01/2009	**29.3**	**13.3**	**(121.6)**	**600.3**	**0.1**	**(54.4)**	**467.0**	**4.0**	**471.0**
Net profit for the period				627.0			627.0	1.2	628.2
Income and expenses for the period recognised directly in equity					(0.1)	(21.3)	(21.4)		(21.4)
Total comprehensive income for the period				**627.0**	**(0.1)**	**(21.3)**	**605.6**	**1.2**	**606.8**
Allocation of net income and dividend payments		(12.5)	155.5	(600.3)			(457.3)	(1.0)	(458.3)
Other changes		(0.8)	1.1				0.3	(0.5)	(0.2)
Share-based payment expense (IFRS 2)			(6.2)				(6.2)		(6.2)
Balance at 31/12/2009	**29.3**	**0.0**	**28.8**	**627.0**	**0.0**	**(75.7)**	**609.4**	**3.7**	**613.1**
Net profit for the period				733.7			733.7	1.4	735.1
Income and expenses recognised directly in equity					0.2	(20.9)	(20.7)		(20.7)
Total comprehensive income for the period				**733.7**	**0.2**	**(20.9)**	**713.0**	**1.4**	**714.4**
Allocation of net income and dividend payments			(3.6)	(627.0)			(630.6)	(1.1)	(631.7)
Share-based payment expense (IFRS 2)			(4.0)				(4.0)		(4.0)
Balance at 31/12/2010	**29.3**	**0.0**	**21.2**	**733.7**	**0.2**	**(96.6)**	**687.8**	**4.0**	**691.8**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A. Accounting policies and measurement methods

A.1. General principles

In application of Regulation (EC) No 1606/2002 of 19 July 2002, the ASF Group's consolidated financial statements for the year ended 31 December 2010 have been prepared under the International Financial Reporting Standards (IFRS) as endorsed by the European Union at 31 December 2010. The Group elected to apply IFRIC 12 *Service Concession Arrangements*, mandatory as from 1 January 2010, early, from 31 December 2008.

The accounting policies retained at 31 December 2010 are the same as those used in preparing the consolidated financial statements at 31 December 2009, except for the Standards and Interpretations adopted by the European Union applicable as from 1 January 2010 (see Note A.1.1. "New Standards and Interpretations applicable from 1 January 2010").

The consolidated financial statements were finalised by the Board of Directors on 24 February 2011 and will be submitted to the Shareholders' General Meeting for approval on 12 April 2011.

A.1.1. New Standards and Interpretations applicable from 1 January 2010

A.1.1.1. Application of the revised versions of IFRS 3 "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements"

Application of these Standards is mandatory for reporting periods commencing on or after 1 July 2009, i.e. as from 1 January 2010 for the ASF Group.

The revised Standards IFRS 3 "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements" are based on two fundamental concepts:

- the obtaining of control is a major event that constitutes a change in the nature of the investment; and
- not only identifiable assets, liabilities and contingent liabilities, but also the amount of the investment made to obtain control must be measured at fair value, at the acquisition date of control.

IFRS 3 Revised introduces changes to the acquisition method as defined in the previous IFRS 3. In particular, these include:

- recognition of costs directly related to the acquisition in expenses for the period;
- the option to measure non-controlling interests in the acquiree either at their share of the acquiree's net identifiable assets, or at fair value. This option is applied on a case-by-case basis for each acquisition;
- measurement at fair value at the acquisition date of any adjustments to the purchase price. After the acquisition date, adjustments to the purchase price are measured at fair value at each balance sheet date. After one year from the acquisition date, any subsequent change to this fair value is recognised in profit or loss if the price adjustment generates a financial liability;
- in the case of a business combination achieved in stages, measurement of previously acquired shareholdings in the acquiree at fair value at the acquisition date of control. Any resulting gain or loss is recognised in profit or loss.

IFRS 3 Revised is applied prospectively. It therefore does not affect business combinations made before 1 January 2010 and did not apply to the ASF Group financial statements for the period.

The other policies are defined in Note A.2.5. "Transactions between shareholders, acquisitions and disposals of non-controlling interests after acquisition of control".

IAS 27 Revised introduces several changes, including in particular:

- acquisitions or disposals of non-controlling interests, with no change of control, are considered as transactions with the Group's shareholders. Under this approach, the difference between the consideration paid to increase the percentage shareholding in an already-controlled entity and the supplementary share of equity thus acquired is recorded under consolidated equity. Similarly, a decrease in the Group's percentage holding in an entity that continues to be controlled is booked in the accounts through equity, with no impact on profit or loss. ASF Group has applied these policies, relating to transactions with non-controlling interests, since 31 December 2007 (see Note A.2.5. "Transactions between shareholders, acquisition and disposal of non-controlling interests after acquisition of control");

- disposals of shares with loss of control result in the inclusion in the disposal gain or loss of the change in fair value calculated on the full amount of the shareholding at the transaction date. Any residual shareholding retained will therefore be measured at its fair value at the time of loss of control.

IAS 27 Revised has no effect on the Group's financial statements at 31 December 2010.

A.1.1.2. Other standards and interpretations applicable from 1 January 2010

The other new Standards and Interpretations applicable from 1 January 2010 have no material impact on the ASF Group's financial statements at 31 December 2010: These are mainly:

- IFRS 2 Amendment "Group Cash-settled Share-based Payment Transactions" (incorporating IFRIC 8 and IFRIC 11) published in June 2009;
- IFRS 5 – Amendments published in May 2008 under the IFRS annual improvements procedure;
- IAS 39 Amendment "Eligible Hedged Items" (partially adopted by the European Union);
- IFRIC 17 "Distributions of Non-cash Assets to Owners";
- IFRIC 18 "Transfers of Assets from Customers";
- the Amendments published in April 2009 under the IFRS annual improvements procedure.

A.1.2. Standards and Interpretations adopted by the IASB but not yet applicable at 31 December 2010

The Group has not applied early the following Standards and Interpretations of which application is not mandatory at 1 January 2010:

- IFRS 9 "Financial Instruments";
- IAS 24 Amended "Related Party Disclosures";
- IFRIC 14 Amendment "Prepayments of a Minimum Funding Requirement";
- IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments";
- IAS 32 Amendment "Classification of Rights Issues";
- certain Amendments published in May 2010 under the IFRS annual improvements procedure.

The ASF Group is currently analysing the impacts and practical consequences of the application of these Standards and Interpretations.

A.2. Consolidation methods

A.2.1. Consolidation scope

There have been no acquisitions or disposals in 2010.

Companies of which ASF holds, whether directly or indirectly, the majority of voting rights enabling control to be exercised, are fully consolidated. This applies to Escota, Radio Trafic FM (RTFM), Jamaican Infrastructure Operator (JIO), Truck Etape and Openly.

Companies over which the Group exercises significant influence are accounted for using the equity method. This applies to the shareholdings in TransJamaican Highway and Axxès.

The consolidated financial statements include the financial statements of all companies with revenue of more than €2 million, and of subsidiaries whose revenue is below this figure but whose impact on the Group's financial statements is material.

The Group's consolidation scope has not changed in 2010:

	31/12/2010			31/12/2009		
(number of companies)	Total	France	Foreign	Total	France	Foreign
Full consolidation	6	5	1	6	5	1
Equity method	2	1	1	2	1	1
Total	**8**	**6**	**2**	**8**	**6**	**2**

A.2.2. Intragroup transactions

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

- for the full amount if the transaction is between two subsidiaries;
- 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.

A.2.3. Translation of the financial statements of foreign subsidiaries and establishments

In most cases, the functional currency of companies is their local currency.

The financial statements of foreign companies of which the functional currency is different from that used in preparing the Group's consolidated financial statements are translated at the closing rate for balance sheet items and at the average rate for the period for income statement items. Any resulting translation differences are recognised under translation differences in consolidated reserves.

A.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 other financial expenses in the income statement.

Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivatives used in connection with long-term finance of investments in foreign subsidiaries that is neither expected nor likely to be repaid in the foreseeable future, or as hedges of investments in foreign subsidiaries, are recorded under currency translation differences in equity.

A.2.5. Transactions between shareholders, acquisitions and disposals of non-controlling interests after acquisition of control

Acquisitions or disposals of non-controlling interests, with no change of control, are considered as transactions with the Group's shareholders. Under this approach, the difference between the consideration paid to increase the percentage shareholding in entities that are already controlled and the supplementary share of the equity thus acquired is recorded under consolidated equity. Similarly, a decrease in the Group's percentage holding in an entity that continues to be controlled is booked in the accounts through equity, with no impact on profit or loss.

A.3. Measurement rules and methods

A.3.1. Use of estimates

The preparation of financial statements under the IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in those financial statements.

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.

2009 and 2010 were marked by an economic and financial crisis of which the scale and duration beyond 31 December 2010 cannot be accurately forecast. The consolidated financial statements for the year have been prepared with reference to this immediate environment, in particular as regards the estimates given below.

A.3.1.1. Values used in impairment tests

The assumptions and estimates made to determine the recoverable amount of intangible assets and property, plant and equipment relate in particular to the assessment of market prospects, needed to estimate the cash flows, and discount rates adopted. Any change in these assumptions could have a material effect on the recoverable amount and could entail a change in the impairment losses to recognise.

A.3.1.2. Measurement of share-based payment expenses under IFRS 2

The Group recognises a share-based payment expense relating to the granting to its employees of share options (offers to subscribe to or purchase shares), performance share plans and shares under the group savings scheme. This expense is measured on the basis of actuarial calculations using estimated behavioural assumptions based on observation of past behaviour.

A.3.1.3. Measurement of retirement benefit obligations

The Group is involved in defined contribution and defined benefit retirement plans. Its obligations in connection with these plans are measured actuarially based on assumptions such as the discount rate, the return on the investments dedicated to these plans, future increases in wages and salaries, employee turnover, mortality rates and the rate of increase of health expenses.

These assumptions are generally updated annually. Details of the assumptions used and how they are determined are given in Note C.13.1. "Provisions for retirement benefit obligations". The Group considers that the actuarial assumptions used are appropriate and justified in the current conditions. Obligations may, however, change if assumptions change.

A.3.1.4. Measurement of provisions

The factors that have a material influence on the amount of provisions mainly relate to forecasts for major maintenance expenditures over several years, used as a basis for the provisions for the obligation to maintain the condition of concession assets. These forecasts are estimated taking account of indexation clauses included in construction contracts (mainly the TP01 and TP09 indices) and discount factors to determine their present value.

A.3.1.5. Measurement of financial instruments at fair value

Fair value is determined on the basis of the following three models or levels:

- **Level 1:** quoted prices on an active market: whenever quoted prices on an active market are available, these are used in priority to determine market value. Marketable securities and some listed bond loans are measured in this way;
- **Level 2:** internal model using internal measurement techniques with observable factors: these techniques use the usual mathematical computation methods, which incorporate observable market data (forward prices, yield curves, etc). The calculation of the fair value of most derivative financial instruments (swaps, caps, floors, etc), traded on markets is made on the basis of models commonly used by market participants to price such financial instruments.

  Every quarter, the internally calculated values of derivative instruments are checked for consistency with the values sent to us by the counterparties;
- **Level 3:** internal model using non-observable factors: this model applies only for holdings of unlisted shares, which, in the absence of an active market, are measured at their cost of acquisition plus transaction costs.

A.3.2. Revenue

Consolidated revenue is recognised in accordance with IAS 18 and IAS 11. The method for recognising revenue in respect of concession contracts is explained in Note A.3.4. "Concession contracts" below. Revenue comprises:

- payments received on road infrastructures operated under concessions and ancillary income such as fees for use of commercial premises, and revenue from the rental of telecommunication infrastructures and parking facilities; and
- revenue in respect of the construction of new concession infrastructure recognised on a stage of completion basis in accordance with IAS 11.

A.3.3. Revenue from ancillary activities

Revenue from ancillary activities is recognised in accordance with IAS 18. It comprises rental income, sales of equipment, materials and merchandise, study work and fees other than that recorded under revenue.

A.3.4. Concession contracts

The Group recognises income and expense relating to concession contracts in accordance with interpretation IFRIC 12.

Under the terms of this Interpretation, the operator has a twofold activity:

- a construction activity in respect of its obligations to design, build and finance a new asset that it makes available to the grantor: revenue is recognised on a stage of completion basis in accordance with IAS 11;
- an operating and maintenance activity in respect of the assets under the concession: revenue is recognised in accordance with IAS 18.

In return for its activities, the operator receives consideration from either:

- **users: the intangible asset model applies**. The operator has a right to receive tolls (or other payments) from users in consideration for the financing and construction of the infrastructure. The intangible asset model also applies whenever the concession grantor remunerates the concession operator on the basis of the extent of use of the infrastructure by users, but with no guarantees as to the amounts that will be paid to the operator (under a simple *pass through or shadow toll* agreement).

  Under this model, the right to receive toll payments (or other remuneration) is recognised in the concession operator's balance sheet under "Concession intangible assets". This right corresponds to the fair value of the asset under concession plus the borrowing costs capitalised during the construction phase. It is amortised over the term of the arrangement in a manner that reflects the pattern in which the asset's economic benefits are consumed by the entity, starting from the entry into service of the asset.

  This method applies to ASF and Escota.

- **the grantor: the financial asset model applies**. The operator has an unconditional contractual right to receive payments from the grantor, irrespective of the amount of use made of the infrastructure.

  Under this model, the operator recognises a financial asset, attracting interest, in its balance sheet, in consideration for the services it provides (designing, building, operation or maintenance). Such financial assets are recognised in the balance sheet under *Loans and receivables*, for the amount of the fair value of the infrastructure on first recognition and subsequently at amortised cost. The receivable is settled by means of the grantor's payments received. The financial income calculated on the basis of the effective interest rate, equivalent to the project's internal rate of return, is recognised under operating income.

  This model does not apply to the ASF Group's companies.

In the case of **mixed models**, the operator is remunerated partly by users and partly by the grantor. The part of the investment that is covered by an unconditional right to receive payments from the grantor, is recognised as a financial receivable up to the amount guaranteed. The unguaranteed balance, of which the amount is dependent on the extent of use of the infrastructure, is recognised as an intangible asset. On the basis of an analysis of existing contracts, this model does not apply to the ASF Group's companies.

A.3.5. Share-based payments

The measurement and recognition methods for share subscription and purchase plans, the *plans d'épargne groupe* – group savings schemes – and performance share plans, are defined by IFRS 2 *Share-based Payment*. The granting of share options, performance shares and offers to subscribe to the group savings scheme represent a benefit granted to their beneficiaries and therefore constitute supplementary remuneration borne by the Group. Because such transactions do not give rise to monetary transactions, the benefits granted in this way are recognised as expenses in the period in which the rights are acquired, with a corresponding increase in equity. Benefits are measured on the basis of the fair value at the grant date of the equity instruments granted. The Monte Carlo binomial model is considered to be the most reliable and long-lasting method for measuring this fair value because it allows a larger number of scenarios to be modelled, by including in particular the valuation of assumptions about beneficiaries' behaviour on the basis of observation of historical data.

A.3.5.1. VINCI share subscription or purchase option plans

Options to subscribe to or purchase shares have been granted to Group employees and senior executives. For some of these plans, definitive vesting of share subscription or purchase option plans is conditional on performance conditions being met. The fair value of options is determined, at grant date, using the Monte Carlo measurement method, taking account of the impact of the market performance condition if applicable.

A.3.5.2. VINCI performance share plans

Performance shares subject to vesting conditions have been granted to Group employees and senior executives. As these are plans under which the final vesting of the performance shares is dependent on the realisation of conditions relating to market performance and/or financial criteria, the fair value of the VINCI performance shares has been estimated, at grant date, using a Monte Carlo simulation model in order to incorporate the impact of the market performance condition and according to the likelihood of the financial criteria being met, as recommended by IFRS 2.

The number of performance shares measured at fair value in the calculation of the IFRS 2 expense is adjusted at each balance sheet date for the impact of the change in the likelihood of the financial criteria being met.

A.3.5.3. VINCI group savings scheme

Under the group savings scheme, three times a year, VINCI issues new shares in France reserved for VINCI Group employees with a subscription price that includes a discount of 10% against the average stock market price of the VINCI share during the last 20 business days preceding the authorisation by the Board of Directors. This discount is considered as a benefit granted to the employees; its fair value is determined using the Monte Carlo valuation model at the date on which the subscription price is announced to the employees. As certain restrictions apply to the shares acquired by the employees under these plans regarding their sale or transfer, the fair value of the benefit to the employee takes account of the fact that the shares acquired cannot be freely disposed of for five years, other than in certain specific circumstances.

The Group recognises the benefits granted in this way to its employees as an expense over the vesting period, with a corresponding increase of consolidated equity.

Benefits granted under share option plans, performance share plans and the group savings scheme are implemented as decided by VINCI's Board of Directors after approval by the Shareholders General Meeting, and are not, in general, systematically renewed. As their measurement is not directly linked to VINCI business lines' operations, the Group has considered it appropriate not to include the corresponding expense in the operating profit from ordinary activities, which is an indicator of performance, but to report it on a separate line, labelled *Share-based payment expense (IFRS 2)*, in operating profit.

A.3.6. Cost of net financial debt

The cost of net financial debt includes:

- the cost of gross financial debt, which includes the interest expense calculated at the effective interest rate, gains and losses on interest-rate derivatives allocated to gross financial debt, whether designated as hedges for accounting purposes or not;
- the line item *financial income from cash management investments*, which comprises the return on investments of cash and cash equivalents. Investments of cash and cash equivalents are measured at fair value through profit or loss.

A.3.7. Other financial income and expenses

Other financial income and expenses mainly comprises the effects of discounting to present value, dividends received from unconsolidated entities, and capitalised borrowing costs.

Borrowing costs borne during the construction of concession assets are included in the cost of those assets. They are determined as follows:

- to the extent that funds are borrowed specifically for the purpose of constructing an asset, the borrowing costs eligible for capitalisation on that asset are the actual borrowing costs incurred during the period less any investment income arising from the temporary investment of those borrowings;
- when borrowing is not intended to finance a specific project, the interest eligible for capitalisation on an asset is determined by applying a capitalisation rate to the expenditure on that asset. This capitalisation rate is equal to the weighted average of the costs of borrowing funds for construction work, other than those specifically intended for the construction of given assets.

A.3.8. Income tax

Income tax is computed in accordance with the tax legislation in force in the countries where the income is taxable.

In accordance with IAS 12, deferred tax is recognised on the temporary differences between the carrying amount and the tax base of assets and liabilities. It is calculated using the latest tax rates enacted or substantially enacted at the date of closing the accounts. The effects of a change in the tax rate from one period to another are recognised in the income statement in the period in which the change occurs.

Deferred tax relating to items recognised directly under equity, in particular share-based payment expenses (under IFRS 2), is also recognised under equity.

Whenever subsidiaries have distributable reserves, a deferred tax liability is recognised in respect of the probable distributions that will be made in the foreseeable future. Moreover, shareholdings in equity-accounted entities give rise to recognition of a deferred tax liability in respect of all the differences between the carrying amount and the tax base of the shares.

Net deferred tax is determined on the basis of the tax position of each entity or group of entities included in the tax group under consideration and is shown under assets or liabilities for its net amount per taxable entity. Deferred tax is reviewed at each balance sheet date to take account in particular of the impact of changes in tax law and the prospects for recovery. Deferred tax assets are only recognised if their recovery is probable.

Deferred tax assets and liabilities are not discounted.

A.3.9. Earnings per share

Basic earnings per share is the net profit for the period after non-controlling interest, divided by the weighted average number of shares outstanding during the period less treasury shares.

In calculating diluted earnings per share, the average number of shares outstanding is adjusted for the dilutive effect of equity instruments issued by the Company, in particular share subscription or purchase options and performance shares.

A.3.10. Concession intangible assets

Concession intangible assets correspond to the concession operator's right to operate the asset under concession in consideration for the investment expenditures incurred for the design and construction of the asset. This operator's right corresponds to the fair value of the construction of the asset under concession plus the borrowing costs capitalised during the construction phase. It is amortised over the term of the arrangement in a manner that reflects the pattern in which the asset's economic benefits are consumed by the entity, starting from the date when the right to operate starts to be used (see Note A.3.4. "Concession contracts").

A.3.11. Other intangible assets

This is mainly computer software. These assets are measured at cost less cumulative amortisation and impairment losses and are amortised on a straight-line basis over their useful life.

A.3.12. Grants related to assets

Grants related to assets are presented in the balance sheet as a reduction of the amount of the asset for which they were received.

A.3.13. Property, plant and equipment

Items of property, plant and equipment are recorded at their acquisition or production cost less cumulative depreciation and any impairment losses. They are not revalued. They also include concession operating assets that are not controlled by the grantor but that are necessary for operation of the concession such as buildings intended for use in the operation, equipment for toll collection, signing, data transmission and video-surveillance, and vehicles and equipment.

Depreciation is generally calculated on a straight-line basis over the period of use of the asset. Accelerated depreciation may however be used when it appears more appropriate to the conditions under which the asset is used. For certain complex assets comprising various components, in particular buildings and constructions, each component of the asset is depreciated over its own period of use.

The estimated periods of use of the various categories of items of property, plant and equipment are as follows:

Constructions:	
- Structure	between 20 and 30 years
- General technical installations	between 5 and 10 years
Plant and machinery	between 4 and 15 years
Computer equipment	between 3 and 5 years
Transport and handling equipment	between 2 and 10 years
Fixtures and fittings	between 5 and 10 years
Office furniture and equipment	between 3 and 10 years

Depreciation commences as from the date when the asset is ready to enter service.

A.3.14. Impairment of non-financial non-current assets

Under certain circumstances, impairment tests must be performed on intangible and tangible fixed assets. For intangible assets with an indefinite useful life, goodwill and construction work in progress, a test is performed at least annually and whenever there is an indication of a loss of value. For other fixed assets, a test is performed only when there is an indication of a loss of value.

Assets to be tested for impairment are grouped within cash-generating units that correspond to homogeneous groups of assets that generate identifiable cash inflows from their use. Whenever the recoverable value of a cash-generating unit is less than its carrying amount, an impairment loss is recognised in operating profit or loss. The recoverable amount of a cash-generating unit is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. The discount rate is determined, for each cash-generating unit, taking account of its geographical location and the risk profile of its business.

A.3.15. Shareholdings in equity-accounted entities

Equity-accounted investments in associates are initially recognised at cost of acquisition, including any goodwill arising. Their carrying amount is then increased or decreased to recognise the Group's share of the entity's profits or losses after the date of acquisition. Whenever losses are greater than the value of the Group's net investment in the equity-accounted entity, these losses are not recognised unless the Group has entered into a commitment to recapitalise the entity or has made payments on its behalf.

If there is an indication that an investment may be impaired, its recoverable value is tested as described in Note A.3.14. "Impairment of non-financial non-current assets". Impairment losses shown by this impairment test are recognised as a deduction from the carrying amount of the corresponding investments.

In order to present the Group's operational performance in the best way possible, the profit or loss of equity-accounted entities is reported on a specific line, between the lines *operating profit from ordinary activities* and *operating profit*.

A.3.16. Other financial assets and fair value of derivatives (non-current assets)

Other non-current financial assets comprise available-for-sale securities, the part at more than one year of loans and receivables measured at their amortised cost and the fair value of derivative financial instruments designated as hedges for accounting purposes and maturing in more than one year (see Note A 3.24.2. "Fair value of derivative financial instruments, (assets and liabilities)").

A.3.16.1. Available-for-sale securities

"Available-for-sale securities" comprises the Group's shareholdings in unconsolidated entities.

At the balance sheet date, available-for-sale securities are measured at their fair value. The fair value of shares in listed companies is determined on the basis of the stock market price at that balance sheet date. If the fair value of unlisted securities cannot be determined reliably, they continue to be measured at their original cost, i.e. their cost of acquisition plus transaction costs.

Changes in fair value are recognised directly in equity.

Whenever there is an objective indication that this asset is impaired, the corresponding loss is recognised in profit or loss and may not be reversed.

- **For securities quoted on an active market,** a long-lasting or material decline in fair value below their cost is an objective indication of their impairment. The factors considered by the Group in assessing the long-lasting or material nature of a decline in fair value are generally the following:
  - the impairment is long-lasting whenever the closing stock market price has been lower than the cost of the security for more than 18 months;
  - the impairment is material whenever, at the balance sheet date, there has been a 30% fall in the spot price compared with the cost of the financial asset.
- **For unlisted securities,** the factors considered are the decrease in value of the share of equity held and the absence of prospects for profit.

A.3.16.2. Loans and receivables at amortised cost

"Loans and receivables at amortised cost" mainly comprises receivables connected with shareholdings, current account advances to equity-accounted or unconsolidated entities, guarantee deposits, and loans and receivables.

When first recognised, these loans and receivables are recognised at their fair value plus the directly attributable transaction costs. At each balance sheet date, these assets are measured at their amortised cost using the effective interest method.

If there is an objective indication of impairment of these loans and receivables, an impairment loss is recognised at the balance sheet date. The impairment loss, corresponding to the difference between the carrying amount and the recoverable amount (i.e. the present value of the expected cash flows discounted using the original effective interest rate), is recognised in profit or loss. This loss may be reversed if the recoverable value increases subsequently and if this favourable change can objectively be linked to an event arising after recognition of the impairment loss.

A.3.17. Inventories and work in progress

Inventories and work in progress are recognised at their cost of acquisition or of production by the entity. Inventories mainly comprise the necessary supplies for the maintenance and upkeep of motorways, spare parts for equipment (toll booths, electrical equipment, transport, machinery) computer and office supplies. At each balance sheet date, they are measured at the lower of cost and net realisable value.

A.3.18. Trade and other operating receivables

"Trade and other operating receivables" are current financial assets and are initially measured at their fair value, which is generally their nominal value, unless the effect of discounting is material. At each balance sheet date, receivables are measured at their amortised cost less any impairment losses taking account of any likelihood of non-recovery.

An estimate of the likelihood of non-recovery is made at each balance sheet date and an impairment loss is recognised if necessary. The likelihood of non-recovery is assessed either taking a group of receivables together or individually, depending on the case, taking account in particular of overdue payments and credit guarantees received.

A.3.19. Other financial assets and fair value of derivatives (current assets)

"Other current financial assets" comprises the fair value of derivative financial instruments (assets) not designated as hedges, the part at less than one year of the fair value of derivative financial instruments (assets) designated as hedges and the part at less than one year of loans and receivables reported under other non-current financial assets (see Note A.3.24.2. "Fair value of derivative financial instruments (assets and liabilities)").

A.3.20. Cash management financial assets

"Cash management financial assets" comprises investments in monetary and bond securities, and units in UCITS, made with a short-term management objective, that do not satisfy the IAS 7 criteria for recognition as cash (see Note A 3.21. "Cash and cash equivalents"). As the ASF Group adopts fair value as being the best reflection of the performance of these assets, they are measured and recognised at their fair value, and changes in fair value are recognised directly through profit or loss.

Purchases and sales of cash management financial assets are recognised at their transaction date.

Their fair value is determined using commonly used valuation models or, for non-listed cash management assets, at the present value of future cash flows. In assessing the fair value of listed instruments, the Group uses the market price at the balance sheet date or the cash-in-value of UCITS.

A.3.21. Cash and cash equivalents

This item comprises current accounts at banks and cash equivalents corresponding to short-term, liquid investments subject to negligible risks of fluctuations of value. Cash equivalents comprise in particular monetary UCITS and certificates of deposit with maturities not exceeding three months at the origin. Bank overdrafts are not included in cash and are reported under current financial liabilities.

The Group has adopted the fair value method to assess the return on its financial instruments. Changes in fair value are recognised directly in profit or loss.

Their fair value is determined using commonly used valuation models or, for non-listed cash management assets, at the present value of future cash flows. In assessing the fair value of listed instruments, the Group uses the market price at the balance sheet date or the net asset value of UCITS.

A.3.22. Non current provisions

Non-current provisions comprise provisions for retirement benefit obligations and other non-current provisions.

A.3.22.1. Provisions for retirement benefit obligations

Provisions are taken in the balance sheet for obligations connected with defined benefit retirement plans, for both current and former employees (people with deferred rights or who have retired). These provisions are determined using the projected unit credit method on the basis of actuarial assessments made at each annual balance sheet date. The actuarial assumptions used to determine the obligations vary depending on the economic conditions of the country where the plan is operated. Each plan's obligations are recognised separately.

For defined benefit plans financed under external management arrangements (i.e. pension funds or insurance policies), the surplus or shortfall of the fair value of the assets compared with the present value of the obligations is recognised as an asset or liability in the balance sheet, after deduction of cumulative actuarial gains and losses and any past service cost not yet recognised in profit or loss.

Past service cost corresponds to the benefits granted either when an entity adopts a new defined benefit plan or when it changes the level of benefit of an existing plan. Whenever new rights to benefit are acquired, as from the adoption of the new plan or the change of an existing plan, the past service cost is recognised immediately in profit or loss. Conversely, whenever adoption of a new plan or a change in a plan gives rise to the acquisition of rights after its implementation date, past service costs are recognised as an expense on a straight-line basis over the average period remaining until the corresponding rights are fully vested.

Actuarial gains and losses result from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and what has actually occurred).

Cumulative unrecognised actuarial gains and losses that exceed 10% of the higher of the present value of its defined benefit obligation and the fair value of the plan assets are recognised in profit or loss on a straight-line basis over the average expected remaining working lives of the employees in that plan.

For defined benefit plans, the expense recognised under operating profit or loss comprises the current service cost, the amortisation of past service cost, the amortisation of any actuarial gains and losses and the effects of any reduction or winding up of the plan. The interest cost (cost of discounting) and the expected yield on plan assets are recognised under other financial income and expenses.

That part of provisions for retirement benefit obligations that matures within less than one year is shown under other current liabilities.

A.3.22.2. Other non-current provisions

These comprise provisions for other employee benefits, measured in accordance with IAS 19, and those provisions that are not directly linked to the operating cycle, measured in accordance with IAS 37. These are recognised whenever, at the balance sheet date, the Group has a legal or constructive present obligation towards third parties arising from a past event, whenever it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and whenever a reliable estimate can be made of the amount of the obligation. These provisions are measured at their present value, corresponding to the best estimate of the outflow of resources required to settle the obligation.

The part at less than one year of other employee benefits is reported under *other current payables*. The part at less than one year of provisions not directly linked to the operating cycle is reported under *current provisions*.

A.3.23. Current provisions

Current provisions are provisions directly linked to each business line's own operating cycle, whatever the expected time of settlement of the obligation. They are recognised in accordance with IAS 37 (see above). They also include the part at less than one year of provisions not directly linked to the operating cycle.

Provisions are taken for contractual obligations to maintain the condition of infrastructure under concession, principally to cover the expense of major road repairs (surface courses, etc) bridges, tunnels and hydraulic infrastructure. Provisions are calculated on the basis of maintenance expense plans spanning several years, which are updated annually. These expenses are reassessed on the basis of appropriate indices (mainly the TP01 and TP09 indices). Provisions are also taken whenever recognised signs of defects are encountered on identified infrastructures.

These provisions are recognised at their present value. The effect of discounting provisions is recognised under other financial expenses.

Provisions for disputes connected with operations mainly relate to disputes with customers, sub-contractors, joint contractors or suppliers. Restructuring provisions include the cost of plans and measures for which there is a commitment whenever these have been announced before the year end.

Provisions for other current liabilities mainly comprise provisions for individual dismissals and for other risks related to operations.

A.3.24. Bonds and other loans and financial debt (current and non-current)

A.3.24.1. Bond loans, other loans and borrowings

These are recognised at amortised cost using the effective interest method. The effective interest rate is determined after taking account of redemption premiums and issuance expenses. Under this method, the interest expense is measured actuarially and reported under the cost of gross financial debt.

The benefit of a government loan at a significantly below-market rate of interest, which is in particular the case for project finance granted by public-sector organisations, is treated as a government grant and recognised as a reduction of the debt and the related investments, in accordance with IAS 20.

Financial instruments that comprise both a debt component and an equity component, such as bonds convertible into shares, are recognised in accordance with IAS 32. The carrying amount of the hybrid instrument is apportioned between its debt component and its equity component, the equity component being defined as the difference between the fair value of the hybrid instrument and the fair value of the debt component. The debt component corresponds to the fair value of a debt with similar characteristics but without an equity component. The value attributed to the separately recognised equity component is not altered during the term of the instrument. The debt component is measured using the amortised cost method over its estimated term. Issuance costs are allocated proportionately between the debt and equity components.

The part at less than one year of borrowings is included in current borrowings.

A.3.24.2. Fair value of derivative financial instruments (assets and liabilities)

The Group uses derivative financial instruments to hedge its exposure to market risks (mainly interest rates). Most interest rate derivatives used by ASF are designated as hedging instruments. Hedge accounting is applicable in particular if the conditions provided for in IAS 39 are satisfied:

- at the time of setting up the hedge, there is a formal designation and documentation of the hedging relationship;
- the effectiveness of the hedging relationship must be demonstrated from the outset and at each balance sheet date, prospectively and retrospectively.

The fair value of derivative financial instruments designated as hedges of which the maturity is greater than one year is reported in the balance sheet under *Other non-current financial assets* or *Other loans and borrowings (non-current)*. The fair value of other derivative instruments not designated as hedges and the part at less than one year of the fair value of instruments designated as non-current hedges are reported under *Fair value of current derivative financial instruments (assets)* or *Fair value of current derivative financial instruments (liabilities)*.

Financial instruments designated as hedging instruments

Derivative financial instruments designated as hedging instruments are systematically recognised in the balance sheet at fair value (see Note A.3.1.5. "Measurement of financial instruments at fair value"). Nevertheless, their recognition varies depending on whether they are designated as:

- a fair value hedge of an asset or a liability or of an unrecognised firm commitment;
- a cash flow hedge; or
- a hedge of a net investment in a foreign entity.

Fair value hedge

A fair value hedge enables the exposure to the risk of a change in the fair value of a financial asset, a financial liability or unrecognised firm commitment to be hedged.

Changes in the fair value of the hedging instrument are recognised in profit or loss for the period. The change in value of the hedged item attributable to the hedged risk is recognised symmetrically in profit or loss for the period (and adjusted to the carrying amount of the hedged item). Except for the ineffective part of the hedge, these two revaluations offset each other within the same line items in the income statement.

Cash flow hedges

A cash flow hedge allows exposure to fluctuations in future cash flows associated with a recognised asset or liability, or a highly probable forecast transaction, to be hedged.

Changes in the fair value of the derivative financial instrument are recognised in equity for the effective part and in profit or loss for the period for the ineffective part. Cumulative gains or losses in equity are taken to profit or loss under the same line item as the hedged item – i.e. under operating income and expenses for cash flows from operations and under financial income and expense otherwise – when the hedged cash flow affects profit or loss.

If the hedging relationship is interrupted because it is no longer considered effective, the cumulative gains or losses in respect of the derivative instrument are retained in equity and recognised symmetrically with the cash flow hedged. If the future cash flow is no longer expected, the gains and losses previously recognised in equity are taken to profit or loss.

Hedge of a net investment in a foreign entity

A hedge of a net investment denominated in a foreign currency hedges the exchange rate risk on functional currencies, relating to the net investment in a consolidated foreign subsidiary. In a similar way as for cash flow hedges, the effective portion of the changes in the value of the hedging instrument is recorded in equity under currency translation reserves and the portion considered as ineffective is recognised in profit or loss. The change in the value of the hedging instrument recognised in translation differences is reversed through profit or loss when the foreign entity in which the initial investment was made is disposed of.

Derivative financial instruments not designated as hedging instruments Derivative financial instruments that are not designated as hedging instruments are reported in the balance sheet at fair value and changes in their fair value are recognised through profit or loss.

A.3.24.3. Put options granted to minority shareholders

Put options (options to sell) granted to the minority shareholders of certain Group subsidiaries are recognised under financial liabilities for the present value of the exercise price of the option and as a corresponding reduction of consolidated equity (non-controlling interest and equity attributable to equity holders of the parent for the surplus, if any).

A.3.25. Trade payables

Trade and other operating payables are current financial liabilities initially measured at their fair value, which is generally their nominal value, unless the effect of discounting is material. At each balance sheet date, trade payables are measured at amortised cost.

A.3.26. Off-balance sheet commitments

The Group's off-balance sheet commitments are monitored through a specific annual or six-monthly report.

Off-balance sheet commitments are reported in the appropriate Notes, as dictated by their nature.

A.3.27. Segment information

The Group is managed as a single business line, the collection of toll payments, to which ancillary payments are connected for commercial premises, rental of fibre optic facilities, telecommunication equipment, and heavy goods vehicle parking facilities.

B. Notes to the income statement

B.1. Revenue

(in € millions)	2010	2009
Revenue - tolls	3,006.0	2,899.5
Fees for use of commercial premises	44.2	42.5
Fees for optical fibres, telecommunications and other	23.9	25.0
Revenue excluding revenue from construction work	**3,074.1**	**2,967.0**
Revenue from construction of new infrastructure assets	676.2	427.3
Revenue	**3,750.3**	**3,394.3**

Breakdown of revenue in France and abroad, by Group company:

2010

	Revenue - France						Outside France	
(in € millions)	ASF	Escota	RTFM	Truck Etape	Openly	Total	Jamaican Infrastructure Operator	Revenue 2010
Revenue - tolls	2,382.8	623.2				3,006.0		3,006.0
Fees for use of commercial premises	37.7	6.5				44.2		44.2
Fees for optical fibres, telecommunications and other	10.8	3.1	2.1	0.2	2.5	18.7	5.2	23.9
Revenue excluding revenue from construction work	**2,431.3**	**632.8**	**2.1**	**0.2**	**2.5**	**3,068.9**	**5.2**	**3,074.1**
Proportion of revenue - France	79.2%	20.6%	0.1%	0.0%	0.1%	100%		
Proportion of total revenue	79.1%	20.6%	0.1%	0.0%	0.1%	99.8%	0.2%	100%
Revenue from construction of new infrastructure assets	**568.6**	**107.6**				**676.2**		**676.2**
Revenue	**2,999.9**	**740.4**	**2.1**	**0.2**	**2.5**	**3,745.1**	**5.2**	**3,750.3**

2009

	Revenue - France						Outside France	
(in € millions)	ASF	Escota	RTFM	Truck Etape	Openly	Total	Jamaican Infrastructure Operator	Revenue 2009
Revenue - tolls	2,299.3	600.2				2,899.5		2,899.5
Fees for use of commercial premises	36.2	6.3				42.5		42.5
Fees for optical fibres, telecommunications and other	11.7	3.2	2.9	0.2	2.3	20.3	4.7	25.0
Revenue excluding revenue from construction work	**2,347.2**	**609.7**	**2.9**	**0.2**	**2.3**	**2,962.3**	**4.7**	**2,967.0**
Proportion of revenue - France	79.2%	20.6%	0.1%	0.0%	0.1%	100.0%		
Proportion of total revenue	79.1%	20.5%	0.1%	0.0%	0.1%	99.8%	0.2%	100.0%
Revenue from construction of new infrastructure assets	**314.3**	**113**				**427.3**		**427.3**
Revenue	**2,661.5**	**722.7**	**2.9**	**0.2**	**2.3**	**3,389.6**	**4.7**	**3,394.3**

B.2. Operating profit

(in € millions)	2010	2009
Revenue excluding revenue from construction work	**3,074.1**	**2,967.0**
Revenue from construction of new infrastructure assets	676.2	427.3
Revenue	**3,750.3**	**3,394.3**
Revenue from ancillary activities	**7.5**	**6.7**
Purchases consumed	(32.1)	(28.8)
External services	(185.5)	(165.9)
Temporary employees	(4.2)	(4.0)
Subcontracting	(14.7)	(10.5)
Construction costs	(676.2)	(427.3)
Taxes and levies	(390.8)	(395.9)
Employment costs	(360.7)	(370.2)
Other operating income and expenses	0.1	3.1
Depreciation and amortisation (*)	(541.7)	(558.0)
Net provision charges (**)	19.8	11.3
Operating expenses	**(2,186.0)**	**(1,946.2)**
Operating profit from ordinary activities	**1,571.8**	**1,454.8**
Share-based payment expense (IFRS 2)	(3.7)	(3.2)
Profit / (loss) of equity-accounted entities	(0.7)	0.3
Operating profit	**1,567.4**	**1,451.9**

(*) Including reversals of amortisation relating to investment grants.
(**) Comprises expenses and reversals of non-current provisions (see Note C.13.2. "Other non-current provisions") and of current provisions (see Note C.14.3. "Breakdown of current provisions").

Operating profit from ordinary activities measures the operating performance of the Group's subsidiaries before the effects of share-based payments (IFRS 2) and profit or loss of equity accounted entities.

It was €1,571.8 million at 31 December 2010, up 8% from 31 December 2009 (€1,454.8 million) (respectively 51.1% and 49% of revenue excluding the construction of new infrastructure).

Operating profit, after taking account of share-based payment expenses and the profit or loss of equity-accounted entities, amounted to €1,567.4 million at 31 December 2010 compared with €1,451.9 million at 31 December 2009 (51% and 48.9% respectively of revenue excluding construction revenue), an 8% increase.

B.2.1. Other operating income and expenses

Other operating income and expenses breaks down as follows:

(in € millions)	2010	2009
Operating grants and insurance settlements received	1.8	2.9
Net losses on disposal of operating tangible and intangible fixed assets	(1.7)	0.2
Other operating income and expenses	**0.1**	**3.1**

B.2.2. Depreciation and amortisation

Net depreciation and amortisation breaks down as follows:

(in € millions)	2010	2009
Concession intangible assets	440.6	454.2
Other intangible assets	8.7	8.5
Property, plant and equipment	92.4	95.3
Depreciation and amortisation	**541.7**	**558.0**

B.2.3. Share-based payments

The expense relating to benefits granted to employees has been assessed at €3.7 million in respect of 2010 (compared with €3.2 million in respect of 2009), of which €1.4 million was in respect of VINCI performance share plans (compared with €1.7 million in respect of 2009), (see Note C.12. "Share-based payments").

B.3. Financial income and expenses

The breakdown of financial income and expenses by accounting category is as follows:

2010

(in € millions)	Cost of net financial debt	Other financial income and expenses	Equity
Liabilities at amortised cost [1]	(491.2)		
Assets and liabilities at fair value through profit or loss (fair value option)	1.3		
Derivatives designated as hedges: assets and liabilities	32.1		(31.3)
Derivatives at fair value through profit or loss (trading): assets and liabilities	(2.6)		
Subtotal: net financial debt	**(460.4)**		**(31.3)**
Loans and receivables		0.2	
Available-for-sale financial assets		0.5	(0.5)
Effect of discounting to present value		(23.0)	
Capitalised borrowing costs		40.8	
Total financial income and expenses	**(460.4)**	**18.5**	**(31.8)**

(1) Including €0.9 million in respect of expenses and fees on credit lines included in the amortised cost calculation.

2009

(in € millions)	Cost of net financial debt	Other financial income and expenses	Equity
Liabilities at amortised cost [1]	(498.8)		
Assets and liabilities at fair value through profit or loss (fair value option)	2.6		
Derivatives designated as hedges: assets and liabilities	5.1		(33.9)
Derivatives at fair value through profit or loss (trading): assets and liabilities	(1.3)		
Subtotal: net financial debt	**(492.4)**		**(33.9)**
Loans and receivables		0.6	
Available-for-sale financial assets		(0.4)	1.3
Effect of discounting to present value		(42.2)	
Capitalised borrowing costs		25.2	
Total financial income and expenses	**(492.4)**	**(16.8)**	**(32.6)**

(1) Including €0.9 million in respect of expenses and fees on credit lines included in the amortised cost calculation.

The presentation of net financial debt by accounting category is defined in Note C.15. "Net financial debt".

The cost of net financial debt amounted to €460.4 million at 31 December 2010 compared with €492.4 million at 31 December 2009, a 6.5% decrease. This net decrease of €32 million of the net financial debt from 2009 was mainly due to the favourable effect of:

- the decrease in short-term rates on floating and floating rates and
- rates applied to new bond issues in 2010, which were globally lower than the average rate of debts redeemed during the period.

Other financial income and expenses amounted to net income of €18.5 million in 2010 compared with net expense of €16.8 million in 2009, and includes in particular:

- capitalised borrowing costs in respect of concession construction work in progress amounting to €40.8 million at 31 December 2010 against €25.2 million at 31 December 2009; and
- the effect of discounting provisions, debts and receivables at more than one year to present value, which relates mainly to provisions for retirement benefit obligations, for €5.3 million at 31 December 2010 (the same as at 31 December 2009) and to provisions for the obligation to maintain the condition of concession assets, for €17.7 million at 31 December 2010 (€36.9 million at 31 December 2009).

The decrease in the cost of discounting arises mainly from the smaller fall in discount rates at 31 December 2010 used to determine the present value of obligations to maintain the condition of concession assets, compared to 31 December 2009.

Gains and losses on derivative financial instruments allocated to financial debt (and designated as hedges) break down as follows:

(in € millions)	2010	2009
Net interest received from derivatives designated as fair value hedges	60.3	34.7
Change in value of derivatives designated as fair value hedges	46.7	11.0
Change in value of the adjustment to fair value hedged financial debt	(47.1)	(10.9)
Reserve recycled through profit or loss in respect of cash flow hedges	(26.1)	(29.3)
Ineffectiveness of cash flow hedges	(1.7)	(0.4)
Gains and losses on derivative instruments allocated to net financial debt	**32.1**	**5.1**

Details of derivative financial instruments are given in Note C.16. "Management of financial risks".

B.4. Income tax

The income tax expense amounted to €390.4 million at 31 December 2010, against €314.5 million at 31 December 2009.

B.4.1. Breakdown of net tax expense

Income tax breaks down as follows:

(in € millions)	2010	2009
Current tax	(394.8)	(330.3)
Deferred tax	4.4	15.8
Income tax	**(390.4)**	**(314.5)**

The current tax expense (excluding provisions for tax expenses and provision reversals) recognised for the year was €394.7 million (€336.6 million in 2009), of which €295.6 million was for ASF (€250.4 million in 2009) and €98.9 million for Escota (€85.8 million in 2009).

B.4.2. Effective tax rate

The difference between the tax calculated using the standard tax rate in force in France and the amount of tax effectively recognised in the year can be analysed as follows:

(in € millions)	**2010**	**2009**
Profit or loss before tax and profit or loss of equity-accounted entities	1,126.2	942.4
Theoretical tax rate in France	34.43%	34.43%
Theoretical tax expense expected	**(387.8)**	**(324.5)**
Permanent differences and miscellaneous	(2.6)	10.0
Tax expense recognised	**(390.4)**	**(314.5)**
Effective tax rate (excluding Group's share in equity-accounted entities)	34.67%	33.37%
Effective tax rate excluding effect of share-based payments and profit or loss of equity-accounted entities	34.55%	33.26%

The permanent differences shown in the effective tax rate reconciliation include in particular the effects of provisions for potential tax liabilities (see Note C.14.3. "Breakdown of current provisions") and the effects connected with the non-deductibility for tax purposes of certain components of the share-based payment expense for €2.3 million at 31 December 2010, compared with –€3.4 million at 31 December 2009.

B.4.3. Breakdown of deferred tax assets and liabilities

		Changes			
(in € millions)	31/12/2010	Profit or loss	Equity	Other	31/12/2009
Deferred tax assets					
Carryforward tax losses and tax credits					
Retirement and other employee benefit obligations	20.3	0.8			19.5
Provisions for holiday pay	10.2	0.1			10.1
Other provisions	8.4	(3.1)			11.5
Statutory profit-sharing	10.4	1.1			9.3
Fair value adjustment on financial instruments	56.8	0.9	10.8		45.1
Other	7.0	2.9			4.1
Total	**113.1**	**2.7**	**10.8**	**0.0**	**99.6**
Deferred tax liabilities					
Concession intangible assets (capitalised borrowing costs and other)	223.7	(0.8)			224.5
Concession tangible fixed assets	19.5				19.5
Tax-deductible archaeological excavation costs	4.4	0.4			4.0
Tax-regulated amortisation and depreciation expense	7.4	0.4			7.0
Provisions for major maintenance (discounting)	12.4	(3.2)			15.6
Fair value adjustment on available-for-sale assets	0.3		(0.1)		0.4
Other	6.8	(0.7)			7.5
Total	**274.5**	**(3.9)**	**(0.1)**	**0.0**	**278.5**
Net deferred tax asset or liability	**(161.4)**				**(178.9)**
Net deferred tax	**(161.4)**	**6.6**	**10.9**	**0.0**	**(178.9)**

B.5. Earnings per share

The number of shares outstanding has remained at 230,978,001 since 2002. The Company has not purchased any of its own shares. The Company has not issued any instrument that could give rights to shares. As a result, the weighted number of shares to take into consideration when calculating basic and diluted earnings per share in 2010 and 2009 is 230,978,001. Basic and diluted earnings per share are the same.

C. Notes to the balance sheet

C.6. Concession intangible assets

(in € millions)	Cost of infrastructures	Advances and Outstandings	Investment grants	Total
Gross				
1/1/2009	**16,288.3**	**535.2**	**(278.0)**	**16,545.5**
Acquisitions in the year	56.7	395.8	(6.3)	446.2
Disposals and retirements during the year	(1.0)			(1.0)
Other movements	79.5	(74.7)		4.8
31/12/2009	**16,423.5**	**856.3**	**(284.3)**	**16,995.5**
Acquisitions in the year	54.5	674.9	(26.8)	702.6
Disposals and retirements during the year	(2.5)			(2.5)
Other movements	108.7	(132.5)		(23.8)
31/12/2010	**16,584.2**	**1,398.7**	**(311.1)**	**17,671.8**
Amortisation				
1/1/2009	**5,745.7**	**0.0**	**(89.6)**	**5,656.1**
Amortisation for the period	462.0		(7.8)	454.2
Disposals and retirements during the year				
Other movements				
31/12/2009	**6,207.7**	**0.0**	**(97.4)**	**6,110.3**
Amortisation for the period	448.2		(7.6)	440.6
Disposals and retirements during the year	(1.8)			(1.8)
Other movements				
31/12/2010	**6,654.1**	**0.0**	**(105.0)**	**6,549.1**
Net				
1/1/2009	**10,542.6**	**535.2**	**(188.4)**	**10,889.4**
31/12/2009	**10,215.8**	**856.3**	**(186.9)**	**10,885.2**
31/12/2010	**9,930.1**	**1,398.7**	**(206.1)**	**11,122.7**

The ASF Group's investments in new concession projects during the period amounted to €702.6 million (€446.2 million in 2009).

Borrowing costs included during 2010 in the cost of concession assets before their entry into service amounted to €40.8 million (€25.2 million in 2009).

Concession assets under construction amounted to €1,398.7 million at 31 December 2010 (€856.3 million at 31 December 2009).

The main features of concession contracts reported using the intangible asset model and related commitments are described in Note D. "Main features of concession contracts".

C.7. Other intangible assets

Changes in the period were as follows:

(in € millions)	Software	Patents, licences and other	Total
Gross			
1/1/2009	**105.0**	**18.9**	**123.9**
Acquisitions in the year	3.1	6.9	10.0
Disposals and retirements during the year	(1.0)	(0.1)	(1.1)
Other movements	9.4	(9.5)	(0.1)
31/12/2009	**116.5**	**16.2**	**132.7**
Acquisitions in the year	2.6	10.2	12.8
Disposals and retirements during the year	(0.2)		(0.2)
Other movements	7.5	(7.9)	(0.4)
31/12/2010	**126.4**	**18.5**	**144.9**
Amortisation and impairment losses			
1/1/2009	**90.8**	**8.5**	**99.3**
Amortisation for the period	8.5		8.5
Disposals and retirements during the year	(0.9)		(0.9)
31/12/2009	**98.4**	**8.5**	**106.9**
Amortisation for the period	8.7		8.7
Disposals and retirements during the year	(0.3)		(0.3)
31/12/2010	**106.8**	**8.5**	**115.3**
Net			
1/1/2009	**14.2**	**10.4**	**24.6**
31/12/2009	**18.1**	**7.7**	**25.8**
31/12/2010	**19.6**	**10.0**	**29.6**

C.8. Property, plant and equipment

Changes in the period were as follows:

(in € millions)	Concession tangible fixed assets	Advances and outstandings on concession tangible fixed assets	Investment grants on concession tangible fixed assets	Other property, plant and equipment	Investment grants	Total
Gross						
1/01/2009	**1,808.8**	**96.4**	**(5.1)**	**10.5**	**0.0**	**1,910.6**
Acquisitions in the year	30.5	51.5	(0.3)	0.3		82.0
Disposals and retirements during the year	(21.4)					(21.4)
Other movements	42.3	(47.0)				(4.7)
31/12/2009	**1,860.2**	**100.9**	**(5.4)**	**10.8**	**0.0**	**1,966.5**
Acquisitions in the year	38.3	49.3		0.5		88.1
Disposals and retirements during the year	(27.9)			(4.2)		(32.1)
Other movements	40.6	(16.7)				23.9
31/12/2010	**1,911.2**	**133.5**	**(5.4)**	**7.1**	**0.0**	**2,046.4**
Depreciation						
1/01/2009	**1,170.0**	**0.0**	**(4.9)**	**2.1**	**0.0**	**1,167.2**
Depreciation for the period	95.0		(0.2)	0.5		95.3
Impairment losses				5.6		5.6
Disposals and retirements during the year	(20.5)					(20.5)
Other movements				0.2		0.2
31/12/2009	**1,244.5**	**0.0**	**(5.1)**	**8.4**	**0.0**	**1,247.8**
Depreciation for the period	91.5			0.9		92.4
Impairment losses						
Reversals of impairment losses				(3.1)		(3.1)
Disposals and retirements during the year	(26.5)					(26.5)
Other movements						
31/12/2010	**1,309.5**	**0.0**	**(5.1)**	**6.2**	**0.0**	**1,310.6**
Net						
1/01/2009	**638.8**	**96.4**	**(0.2)**	**8.4**	**0.0**	**743.4**
31/12/2009	**615.7**	**100.9**	**(0.3)**	**2.4**	**0.0**	**718.7**
31/12/2010	**601.7**	**133.5**	**(0.3)**	**0.9**	**0.0**	**735.8**

Property, plant and equipment includes assets under construction not yet in service for €133.5 million at 31 December 2010 (€100.9 million at 31 December 2009).

C.9. Shareholdings in equity-accounted entities

C.9.1. Changes during the year

(in € millions)	31/12/2010	31/12/2009
Value of shares at start of the year	**5.8**	**6.4**
Group share of profit/(loss) for the year	(0.7)	0.3
Dividends paid	(0.9)	(0.9)
Currency translation differences	0.1	
Provision for liabilities	1.4	
Value of shares at end of year	**5.7**	**5.8**

C.9.2. Financial information on equity-accounted entities

At both 31 December 2010 and 31 December 2009, shareholdings in equity accounted entities relate to Transjamaïcan Highway and Axxès.

The main financial data at 31 December of each year for these companies is as follows (Group's portion):

	31/12/2010		31/12/2009	
(in € millions)	TransJamaican Highway	Axxès	TransJamaican Highway	Axxès
% held	**34.0%**	**35.5%**	**34.0%**	**35.5%**
Attributable share				
Revenue	8.7	267.1	8.3	238.6
Operating profit	4.4	1.6	4.3	1.5
Net profit/(loss) for the year	(1.8)	1.1	(0.3)	1.1
Value of investments in equity-accounted entities				
Carrying amount of shares in parent company accounts	6.2	2.7	6.2	2.7
Cost of shares in parent company accounts	6.2	2.7	6.2	2.7
Other balance sheet items, attributable share				
Equity	(1.4)	3.9	0.4	3.8
Current assets	6.6	84.8	7.0	74.2
Non-current assets	58.2	1.1	55.1	1.8
Current liabilities	1.8	79.8	3.2	70.8
Non-current liabilities	64.4	2.2	58.5	1.4

C.10. Other financial assets and fair value of derivatives (non-current assets)

(in € millions)	31/12/2010	31/12/2009
Shares in subsidiaries and associates at fair value	4.1	4.5
Investments in unlisted subsidiaries and associates	0.6	0.6
Available-for-sale financial assets (gross)	**4.7**	**5.1**
Impairment allowances		
Available-for-sale financial assets (net)	**4.7**	**5.1**
Loans and receivables at amortised cost	8.2	7.1
Total	**12.9**	**12.2**
Fair value of derivative financial instruments (non-current assets)	156.5	106.8
Other financial assets and fair value of derivatives (non-current assets)	**169.4**	**119.0**

Available-for-sale financial assets break down as follows at 31 December of each year:

(in € millions)	31/12/2010	31/12/2009
Prado-Carénage tunnel	4.1	4.5
Other	0.6	0.6
Available-for-sale financial assets	**4.7**	**5.1**

Available-for-sale financial assets amounted to €4.7 million at 31 December 2010 (€5.1 million at 31 December 2009). These relate to listed shareholdings for €4.1 million and unlisted shareholdings for €0.6 million, in subsidiaries that do not meet ASF's minimum financial criteria for consolidation.

Long-term loans and receivables mainly relate to the companies' statutory employee housing loans. Loans and receivables measured at amortised cost break down by maturity date as follows:

(in € millions)	31/12/2010	Between 1 and 5 years	After 5 years
Loans	5.9	0.8	5.1
Other loans and receivables	2.3	0.9	1.4
Loans and receivables at amortised cost	**8.2**	**1.7**	**6.5**

(in € millions)	31/12/2009	Between 1 and 5 years	After 5 years
Loans	7.1	2.3	4.9
Other loans and receivables			
Loans and receivables at amortised cost	**7.1**	**2.3**	**4.9**

The part at less than one year of other non-current financial assets is included under other current financial assets for €0.8 million at 31 December 2010 (€0.6 million at 31 December 2009).

The fair value of derivative financial instruments (current assets) forms an integral part of net financial debt (see Note C.16. "Management of financial risks").

C.11. Changes in equity (excluding share-based payment)

C.11.1. Shares

The number of shares outstanding has remained at 230,978,001 since 2002 (see Note B.5. "Earnings per share"). The Company has not purchased any of its own shares. The Company has issued no instruments that could give rights to shares.

C.11.2. Distributable reserves

Changes in the distributable reserves of ASF S.A. are as follows:

(in € millions)	31/12/2010	31/12/2009
Free of corporate income tax liabilities	1.2	0.4
Distributable reserves (*)	**1.2**	**0.4**

(*) Before allocation of the interim dividend of €247.1 million paid in 2010 and of €226.4 million paid in 2009.

The statutory reserve of ASF S.A. amounted to €2.9 million at 31 December 2010, the same amount as at 31 December 2009.

C.11.3. Transactions recognised directly in equity

The following table give details of these movements by type of financial instrument, after tax:

(in € millions)	31/12/2010	31/12/2009
Available-for-sale financial assets		
Reserve at beginning of period	1.3	
Changes in fair value in the period	(0.5)	1.3
Gross reserves before tax effect at balance sheet date (I)	**0.8**	**1.3**
Cash flow hedges		
Reserve at beginning of period	(116.8)	(82.9)
Changes in fair value in the period	(40.1)	(36.3)
Fair value items recognised in profit or loss	8.8	2.3
Gross reserves before tax effect at balance sheet date (II)	**(148.1)**	**(116.8)**
Total gross reserves before tax effect at balance sheet date (I) + (II)	**(147.3)**	**(115.5)**
Associated tax effect	50.7	39.8
Reserve net of tax	**(96.6)**	**(75.7)**

The changes in fair value relating to cash flow hedges recorded in equity relate mainly to the hedging of future loan issues (acquisition of deferred start interest rate swaps). These transactions are described in Note C.16.1.3. "Cash flow hedges".

In total, the tax associated with items recognised directly in equity had a positive impact of €10.9 million in 2010 (compared with a positive impact of €11.3 million in 2009).

C.11.4. Dividends

In May 2010, ASF paid a dividend of €383.4 million, corresponding to most of the distributable reserves and profits.

On 26 August 2010, the Board of Directors meeting to finalise the condensed interim consolidated financial statements at 30 June 2010, decided to pay an interim dividend of €247.1 million in respect of 2010, amounting to a dividend of €1.07 for each of the 230,978,001 shares representing the share capital, compared with an interim dividend of €0.98 paid in respect of 2009.

The dividends paid in respect of 2010 and 2009 break down as follows:

	2010	2009
Interim dividend (paid in September 2010 with respect to 2010) (paid in September 2009 with respect to 2009)		
Amount *(in millions of euros)* (I)	247.1	226.4
Per share in euros	1.07	0.98
Final dividend (paid in May 2010 in respect of 2009)		
Amount *(in millions of euros)* (II)		383.4
Per share in euros		1.66
Total net dividend per share		
Amount *(in millions of euros)* (I) + (II)	247.1	609.8
Per share in euros	1.07	2.64

The Shareholders' Ordinary General Meeting to be held on 12 April 2011 will be asked to approve the dividend paid in respect of 2010 (see Note F. "Appropriation of earnings for 2010").

C.11.5. Non-controlling interests

No non-controlling interests were acquired during 2010.

At 31 December 2010, non-controlling interests in Escota (0.71%) amounted to €3.6 million (€3.5 million at 31 December 2009) and in Jamaican Infrastructure Operator (49%) to €0.4 million (€0.2 million at 31 December 2009).

C.12. Share-based payments

Equity compensation benefits paid by VINCI to ASF Group employees

Since the acquisition of the ASF Group by VINCI in March 2006, the employees of ASF and Escota regularly benefit from the share purchase option, share subscription and performance share plans and the group savings scheme of the parent company, VINCI.

The aggregate expense recognised at 31 December 2010 in respect of share-based payments amounted to €3.7 million, of which €1.9 million was in respect of the group savings scheme, compared with €3.2 million at 31 December 2009, of which €1.4 million was in respect of the 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. For France, VINCI issues new shares reserved for employees three times a year at a subscription price that includes a discount of 10% against the average stock market price over 20 trading days. Subscribers benefit from an employer's contribution with an annual maximum of €3,500 per person. The benefits granted in this way to employees of the Group 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: four months;
- length of period during which funds are frozen: five years from the end of the subscription period.

C.13. Non-current provisions

(in € millions)	Notes	31/12/2010	31/12/2009
Provisions for retirement benefit obligations	C.13.1.	31.4	24.6
Other non-current provisions	C.13.2.	55.5	59.0
Total		**86.9**	**83.6**

C.13.1. Provisions for retirement benefit obligations

At 31 December 2010, provisions for retirement benefit obligations amounted to €31.9 million (including €31.4 million at more than one year) compared with €25.1 million at 31 December 2009 (including €24.6 million at more than one year). They comprise provisions for lump-sums on retirement and provisions for obligations for supplementary retirement benefits. The part at less than one year of these provisions, amounting to €0.5 million at 31 December 2010 and 31 December 2009, is reported under other current payables.

The ASF Group retirement benefit obligations covered by provisions in the consolidated balance sheet relate to lump-sums paid on retirement and supplementary defined benefit pension schemes to which some Group employees are entitled.

Provisions have been calculated using the following assumptions:

	31/12/2010	31/12/2009
Discount rate	5.0%	3.25% - 5.1%
Inflation rate	2.1%	1.9%
Rate of salary increases	0% - 3.1% - 3.8% - 4.1%	2.6% - 3.8% - 4.1%
Rate of pension increases		2.5%
Probable average remaining working life of employees	12.2 - 15.7 - 19.6	15.1 - 15.5

Discount rates have been determined on the basis of the yield on private-sector prime-category bonds (rating AA or above) whose maturities correspond to the plans' expected cash flows. The discount rate finally adopted is a single rate equivalent to the application of the various rates depending on maturities.

The other actuarial assumptions (economic and demographic) have been determined in accordance with the conditions in force in France adapted to take account of the new legislation following the Pensions Reform Act of 9 November 2010, which increased the statutory retirement age to 67.

The preferred method used to determine the expected return on plan assets is the building block method, which breaks the expected return down to the main asset classes: money market investments, investments in bonds and investments in equities. The target allocation of funds is then applied to calculate a weighted average return on assets. In the specific case of funds invested in an insurance company's "general account" funds, the expected yield has been determined by also taking account of the specific features of each contract, in particular regarding past and forecast net yields.

Plan financial assets are measured at their fair value, amounting to €33 million at 31 December 2010 compared with €30.5 million at 31 December 2009.

The breakdown was as follows:

	31/12/2010	31/12/2009
	Eurozone	Eurozone
Breakdown of financial assets		
Shares	21%	22%
Bonds	74%	74%
Monetary securities	2%	1%
Property	1%	1%
Other	2%	2%
Total	100%	100%
Average rate of return assumed	**4.50%**	**4.35%**

On the basis of the above actuarial assumptions, the retirement benefit obligations, for the part provided for, and the retirement benefit expenses recognised break down as follows:

Reconciliation of obligations and provisions in the balance sheet

	31/12/2010	31/12/2009
(in € millions)	France	France
Present value of retirement benefit obligations	(64.3)	(56.1)
including transfer of CATS for		
Fair value of plan assets	33.0	30.5
including transfer of CATS for	*0.6*	
Surplus (or deficit)	**(31.3)**	**(25.6)**
including transfer of CATS for		
Provisions recognised in balance sheet		
Assets recognised in balance sheet	31.9	25.1
including transfer of CATS for	*(0.6)*	
Items not recognised in balance sheet	**(0.6)**	**0.5**
including transfer of CATS for		
Actuarial gains and losses	1.2	
including transfer of CATS for		
Past service cost	3.4	3.3

Changes in the period

(in € millions)	31/12/2010	31/12/2009
Present value of retirement benefit obligations		
Balance at the beginning of the year	**56.1**	**52.7**
including obligations covered by plan assets for		
Current service cost	3.5	3.3
Cost for the year of discounting	3.1	3.0
Benefits paid during the year	(1.4)	(0.5)
Actuarial gains and losses	(0.4)	(2.4)
Settlement of rights		
Effect of plan curtailments and alterations		
Changes in consolidation scope and miscellaneous	3.4	
Balance at the end of the year	**64.3**	**56.1**
including obligations covered by plan assets for		
Plan assets		
Balance at the beginning of the year	**30.5**	**28.9**
Expected return on plan assets	1.6	1.2
Actuarial gains and losses		
Contributions paid to funds	0.5	0.5
Benefits paid during the year	(0.2)	(0.1)
Settlement of rights		
Changes in consolidation scope and miscellaneous	0.6	
Balance at the end of the year	**33.0**	**30.5**
Amounts not recognised in balance sheet		
Balance at the beginning of the year	**0.5**	**3.0**
New elements	1.2	0.3
Amortisation for the year	(2.3)	(2.8)
Effects of plan curtailments and alterations		
Balance at the end of the year	**(0.6)**	**0.5**
Actuarial gains and losses as percentage of obligations	*-0.9%*	*0.9%*

Historical data on the obligation, fair value of financial assets and effects of experience adjustments

(in € millions)	31/12/2010	31/12/2009	31/12/2008	31/12/2007	31/12/2006
Value of plan assets and liabilities					
Present value of retirement benefit obligations	64.3	56.1	52.7	36.6	44.8
Fair value of plan assets	(33.0)	(30.5)	(28.9)	(29.7)	(35.2)
Surplus (or deficit)	31.3	25.6	23.8	6.9	9.6
Experience adjustments					
Effect of experience gains and losses onretirement benefit obligation	(1.0)	(0.3)	2.4	(1.3)	(3.3)
Percentage of retirement benefit obligations	*-1.6%*	*-0.5%*	*4.6%*	*-3.6%*	*-7.4%*
Effect of experience gains and losses on plan assets	(0.8)	(0.1)	(2.1)		
Percentage of plan assets	*2.4%*	*0.2%*	*7.3%*		

The increase in actuarial gains and losses arises mainly from the decrease in discount rates used at 31 December 2010 and an updating of the employee turnover tables used to calculate bonuses paid when employees retire.

The ASF Group estimates payments to be made in 2011 in respect of retirement benefit obligations towards employees at €1.6 million.

Expenses recognised in respect of defined benefit plans

(in € millions)	2010	2009
Rights acquired by employees during the year	3.5	3.3
Discounting of acquired rights to present value	3.1	3.0
Expected return on plan assets	(0.8)	(1.2)
Amortisation of actuarial gains and losses	(0.1)	(0.3)
Amortisation of past service cost – rights not vested		
Other	1.7	(0.9)
Total	**7.4**	**3.9**

Sensitivity of the 2011 expense to discount rates and the return on assets is as follows:

(in € millions)	0.50%	-0.50%
Discount rate	(3.4)	4.0
Rate of return on assets	0.2	(0.2)

C.13.2. Other non-current provisions

Changes in other non-current provisions reported in the balance sheet were as follows in 2010 and 2009:

(in € millions)	Opening balance	Provisions taken	Provisions used	Other reversals not used	Change in accounting policy	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Translation differences	Closing balance
1/01/2009	**175.9**	**62.2**	**(37.6)**	**(135.5)**	**0.0**	**0.0**	**9.1**	**0.0**	**74.1**
Other employee benefits	71.7	5.4	(7.9)	(10.8)					58.4
Other liabilities	19.2	14.8	(2.4)	(12.9)					18.7
Discounting of non-current provisions	(0.1)	(0.6)							(0.7)
Reclassification of the part at less than one year of non-current provisions	(16.7)						(0.7)		(17.4)
31/12/2009	**74.1**	**19.6**	**(10.3)**	**(23.7)**	**0.0**	**0.0**	**(0.7)**	**0.0**	**59.0**
Other employee benefits	58.4	5.7	(8.0)			0.6			56.7
Other liabilities	18.7	7.1	(3.5)	(4.7)					17.6
Discounting of non-current provisions	(0.7)	(0.5)							(1.2)
Reclassification of the part at less than one year of non-current provisions	(17.4)						(0.2)		(17.6)
31/12/2010	**59.0**	**12.3**	**(11.5)**	**(4.7)**	**0.0**	**0.6**	**(0.2)**	**0.0**	**55.5**

Other employee benefits

Other employee benefits Long-service bonuses and medical expense cover

The provisions have been calculated using the following actuarial assumptions:

	31/12/2010	31/12/2009	31/12/2008
Discount rate	5.0%	3.25% - 5.1%	4.4% - 5.6%
Inflation rate	2.1%	1.9%	2.0%
Rate of salary increases	1.8% - 6.8% - 4.1%	1.9% - 2.6% - 4.1%	1.8% - 4.1%
Rate of change of medical expenses	0% - 6%	0% - 6%	0% - 6%

At 31 December 2010, these provisions amounted to €29.7 million (including €28 million at more than one year) against €27.9 million at 31 December 2009 (including €25.6 million at more than one year). The part at less than one year was €1.7 million at 31 December 2010 and €2.3 million at 31 December 2009 and is reported under other current payables.

At 31 December 2010, provisions for medical expenses cover amounted to €27.4 million (including €25.9 million at more than one year) compared with €25.5 million at 31 December 2009 (including €23.5 million at more than one year). They have been calculated on the basis of a rate of increase for medical expenses of 0% in 2010 (as in 2009) for ASF and of 6% in 2010 (as in 2009) for Escota. A change of 1% in this rate would entail a change of €2.1 million in the total obligation.

Items not recognised (the difference between the observed amount of obligations and the provisions recognised in the balance sheet) amounted to €8.2 million at 31 December 2010 compared with €11.6 million at 31 December 2009 and result mainly from changes in discount rates and trends in medical expenses. These items are amortised over the average expected remaining period of service of members of this plan.

Agreements on early retirement for employees ("CATS" agreements)

The provisions have been calculated using the following actuarial assumptions:

	31/12/2010	31/12/2009	31/12/2008
Discount rate	2.51%	3.25%	4.40%
Increase in the ceiling used in calculating social security contributions	2.5% - 2.75%	2.75%	2.75%
Increase in wages and salaries before pre-retirement	2% - 2.9%	2.6% - 2%	2.60%
Increase in wages and salaries during pre-retirement	1.10%	1.10%	1.10%
Increase in health and providence insurance contributions	0% - 2%	0% - 6%	0%
Increase in housing allowance	1.00%	1.00%	1.00%

At 31 December 2010, these provisions amounted to €27 million (including €19.4 million at more than one year) against €30.5 million at 31 December 2009 (including €23.5 million at more than one year). This is net of the fair value of plan financial assets amounting to €3.7 million at 31 December 2010 compared with €4.1 million at 31 December 2009.

Provisions for other liabilities

Provisions for other liabilities, not directly linked with the operating cycle, amounted to €8.1 million at 31 December 2010 (part at more than one year) compared with €9.4 million at 31 December 2009 (part at more than one year).

Employee training rights

The Act of 4 May 2004 gives employees of French businesses the right to a minimum of 20 hours of training a year, which can be carried forward and accumulated over a period of six years. Expenditure under this individual right to training is considered as an expense for the period and does not give rise to the recognition of a provision, other than in exceptional cases. Group employees have acquired rights to hours of training as follows:

	31/12/2010	31/12/2009
Individual entitlement to training (hours, cumulative)	755,214	703,509

C.14. Current operating assets and liabilities and current provisions

C.14.1. Change in current operating assets and liabilities

(in € millions)	31/12/2010	31/12/2009	Change
Inventories and work in progress (net)	9.1	8.9	0.2
Trade and other operating receivables	341.8	325.4	16.4
Other current assets	37.6	36.9	0.7
Inventories and operating receivables (I)	**388.5**	**371.2**	**17.3**
Trade payables	(74.6)	(58.9)	(15.7)
Other current payables	(626.5)	(535.3)	(91.2)
Trade and other operating payables (II)	**(701.1)**	**(594.2)**	**(106.9)**
Total (I+II)	**(312.6)**	**(223.0)**	**(89.6)**

The component parts of the working capital requirement by maturity are:

		Within 1 year				
(in € millions)	31/12/2010	1 to 3 months	3 to 6 months	6 to 12 months	Between 1 and 5 years	After 5 years
Inventories and work in progress (net)	9.1	0.9	0.6	1.2	6.4	
Trade and other operating receivables (*)	341.8	310.4	5.9	18.6	6.0	0.9
Other current assets	37.6	14.7	14.6	6.7	0.4	1.2
Inventories and operating receivables (I)	**388.5**	**326.0**	**21.1**	**26.5**	**12.8**	**2.1**
Trade payables	(74.6)	(48.7)	(8.3)	(17.6)		
Other current payables (*)	(364.1)	(203.2)	(47.7)	(31.4)	(36.1)	(45.7)
Trade and other operating payables (II)	**(438.7)**	**(251.9)**	**(56.0)**	**(49.0)**	**(36.1)**	**(45.7)**
Total (I+II)	**(50.2)**	**74.1**	**(34.9)**	**(22.5)**	**(23.3)**	**(43.6)**

(*) Excluding receivables and payables relating to non-current assets.

(in € millions)	31/12/2009	Within 1 year: 1 to 3 months	Within 1 year: 3 to 6 months	Within 1 year: 6 to 12 months	Between 1 and 5 years	After 5 years
Inventories and work in progress (net)	8.9	0.7	0.7	1.4	6.1	
Trade and other operating receivables (*)	325.4	285.3	7.6	24.3	7.3	0.9
Other current assets	36.9	14.5	14.3	6.4	0.4	1.3
Inventories and operating receivables (I)	**371.2**	**300.5**	**22.6**	**32.1**	**13.8**	**2.2**
Trade payables	(58.9)	(38.5)	(6.5)	(13.9)		
Other current payables (*)	(535.3)	(378.0)	(22.1)	(44.7)	(38.6)	(51.9)
Trade and other operating payables (II)	**(594.2)**	**(416.5)**	**(28.6)**	**(58.6)**	**(38.6)**	**(51.9)**
Total (I+II)	**(223.0)**	**(116.0)**	**(6.0)**	**(26.5)**	**(24.8)**	**(49.7)**

(*) Excluding receivables and payables relating to non-current assets.

C.14.2. Breakdown of trade receivables

Trade receivables and any allowances were as follows:

(in € millions)	31/12/2010	31/12/2009
Trade receivables invoiced	82.1	89.5
Allowances against trade receivables	(6.3)	(7.7)
Trade receivables, net	**75.8**	**81.8**

At 31 December 2010, trade receivables between 6 and 12 months past due amounted to €1 million (the same figure as at 31 December 2009), and have been depreciated to €0.4 million. Trade receivables more than one year past due amounted to €6 million at 31 December 2010 (€7.1 million at 31 December 2009) and have been depreciated to €3.5 million (€4.6 million at 31 December 2009).

C.14.3. Breakdown of current provisions

Changes in current provisions reported in the balance sheet were as follows in 2010 and 2009:

(in € millions)	Opening	Provisions taken	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Translation differences	Closing
1/01/2009	**336.4**	**81.6**	**(78.2)**	**0.0**	**0.0**	**(14.0)**	**0.0**	**325.8**
Obligation to maintain the condition of concession assets	305.7	94.9	(42.7)	(19.5)				338.4
Restructuring	2.9	1.2	(2.9)					1.2
Other current liabilities	10.5	5.9	(4.0)	(4.2)				8.2
Reclassification of the part at less than one year of non-current provisions	6.7					1.9		8.6
31/12/2009	**325.8**	**102.0**	**(49.6)**	**(23.7)**	**0.0**	**1.9**	**0.0**	**356.4**
Obligation to maintain the condition of concession assets	338.4	62.4	(57.1)	(0.9)				342.8
Restructuring	1.2	0.7	(1.2)					0.7
Other current liabilities	8.2	3.2		(3.9)				7.5
Reclassification of the part at less than one year of non-current provisions	8.6						(0.3)	8.3
31/12/2010	**356.4**	**66.3**	**(58.3)**	**(4.8)**	**0.0**	**0.0**	**(0.3)**	**359.3**

Current provisions (including the part at less than one year of non-current provisions) are directly related to the operating cycle. They amounted to €359.3 million at 31 December 2010, compared with €356.4 million at 31 December 2009, and mainly relate to provisions for the obligation to maintain the condition of assets under concession.

Such provisions mainly cover the expenses incurred by ASF and Escota for road repairs (surface coatings, etc) bridges, tunnels and hydraulic infrastructure and relate to ASF for €295.2 million at 31 December 2010 (€295.3 million at 31 December 2009) and Escota for €47.6 million at 31 December 2010 (€43.1 million at 31 December 2009).

C.15. Net financial debt

At 31 December 2010, the ASF Group's net financial debt was €10.2 billion (compared with €10.1 billion at 31 December 2009). This change derives mainly from free operating cash flow in 2010.

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

			31/12/2010					31/12/2009				
Accounting categories	*(in € millions)*	**Notes**	**Non-current**	**Ref.**	**Current (*)**	**Ref.**	**Total**	**Non-current**	**Ref.**	**Current (*)**	**Ref.**	**Total**
Liabilities at amortised cost	Bonds	C.15.1.	(3,775.1)	(1)	(130.9)	(3)	(3,906.0)	(3,073.3)	(1)	(111.3)	(3)	(3,184.6)
	Other bank loans and other financial debt	C.15.1.	(5,624.2)	(2)	(788.7)	(3)	(6,412.9)	(6,267.2)	(2)	(998.0)	(3)	(7,265.2)
	Long-term financial debt		**(9,399.3)**		**(919.6)**		**(10,318.9)**	**(9,340.5)**		**(1,109.3)**		**(10,449.8)**
	Other current financial liabilities				(110.0)	(3)	(110.0)					
	Bank overdrafts	C.15.2.2.										
	Financial current accounts, liabilities											
	I - Gross financial debt		**(9,399.3)**		**(1,029.6)**		**(10,428.9)**	**(9,340.5)**		**(1,109.3)**		**(10,449.8)**
	including impact of fair value hedges, for		*(152.2)*				*(152.2)*	*(105.9)*				*(105.9)*
Loans and receivables	Financial current accounts, assets											
Assets at fair value through profit or loss (fair value option)	Cash management financial assets	C.15.2.2.			0.3	(6)	0.3			0.4	(6)	0.4
	Cash equivalents	C.15.2.2.			40.3	(7)	40.3			218.4	(7)	218.4
	Cash	C.15.2.2.			13.5	(7)	13.5			10.7	(7)	10.7
	II - Financial assets				**54.1**		**54.1**			**229.5**		**229.5**
Derivatives	Derivative financial instruments - liabilities	C.16.	(60.6)	(4)	(38.6)	(5)	(99.2)	(39.8)	(4)	(53.7)	(5)	(93.5)
	Derivative financial instruments - assets	C.16.	156.5	(8)	87.3	(9)	243.8	106.8	(8)	86.4	(9)	193.2
	III - Derivative financial instruments		**95.9**		**48.7**		**144.6**	**67.0**		**32.7**		**99.7**
	Net financial debt (I + II + III)		**(9,303.4)**		**(926.8)**		**(10,230.2)**	**(9,273.5)**		**(847.1)**		**(10,120.6)**

(*) Current part including accrual.

Reconciliation of net financial debt with balance sheet items:

(in € millions)	Ref.	31/12/2010	31/12/2009
Bonds	(1)	(3,775.1)	(3,073.3)
Other loans and borrowings	(2)	(5,624.2)	(6,267.2)
Current borrowings	(3)	(1,029.6)	(1,109.3)
Fair value of derivative financial instruments (non-current liabilities)	(4)	(60.6)	(39.8)
Fair value of derivative financial instruments (current liabilities)	(5)	(38.6)	(53.7)
Cash management financial assets	(6)	0.3	0.4
Cash and cash equivalents	(7)	53.8	229.1
Fair value of derivative financial instruments (non-current assets)	(8)	156.5	106.8
Fair value of derivative financial instruments (current assets)	(9)	87.3	86.4
Net financial debt		**(10,230.2)**	**(10,120.6)**

C.15.1. Detail of long-term financial debt

Issues of bonds under the EMTN programme

ASF made issues of bonds in two tranches during 2010, under its EMTN programme, for €650 million nominal, comprising:

- a public issue of €500 million on 12 April 2010 at 4.125%, for 10 years;
- a assimilation issue of €150 million nominal on 20 September 2010 on the same terms and at the same maturity, with a re-offer rate of 3.455%.

Redemption of CNA loans made to the ASF Group

In 2010 the ASF Group repaid €818.1 million against various loans taken out with CNA at an average rate of approximately 5.17%, compared with €466.5 million in 2009 corresponding to various loans taken out with CNA at an average rate of approximately 6.74%.

Net long-term financial debt at 31 December 2010 was as follows:

(in € millions)	31/12/2010						31/12/2009	
	Currency	Contractual interest rate	Maturity	Nominal remaining due	Carrying amount	including accrued interest not matured	Nominal remaining due	Carrying amount
Bonds	**EUR**			**3,629.6**	**3,906.0**	**130.9**	**2,979.6**	**3,184.6**
ASF Bond issue 2010	EUR	4.1%	April 2020	650.0	668.3	19.5		
ASF 2009 inflation-linked private placement	EUR	4.785% + i (*)	February 2019	200.0	218.0	8.5	200.0	215.3
ASF Bond issue 2009	EUR	7.4%	March 2019	969.6	1,037.7	56.2	969.6	1,020.7
ASF Bond issue 2007	EUR	5.6%	July 2022	1,575.0	1,736.7	43.9	1,575.0	1,711.2
ASF Private placement 2009	EUR	5.8%	September 2024	185.0	195.4	2.7	185.0	187.4
ASF Private placement 2007	EUR	Euribor 3 month + 0.75%	September 2027	50.0	49.9	0.1	50.0	50.0
Other bank loans and other financial debt	**EUR**			**6,228.5**	**6,412.9**	**147.4**	**7,044.2**	**7,265.2**
CNA loans				**3,881.5**	**4,050.3**	**115.8**	**4,598.3**	**4,805.4**
ASF and Escota CNA 1996	EUR	6.7%	February 2010				153.9	163.2
ASF and Escota CNA 1998	EUR	4.5%	April 2010				502.4	517.2
ASF and Escota CNA 1995	EUR	7.5%	June 2010				66.5	69.0
ASF and Escota CNA 1997 to 2001	EUR	5.9%	June 2011	498.5	517.2	16.9	498.5	521.5
ASF and Escota CNA 1996	EUR	6.7%	September 2011	68.6	70.0	1.4	68.6	69.9
ASF and Escota CNA 1997 to 2000	EUR	5.8%	October 2012	405.9	410.8	4.7	405.9	410.8
ASF and Escota CNA 1998 to 2001	EUR	5.9%	March 2013	397.7	423.4	18.0	397.7	426.6
ASF CNA 1999 to 2002	EUR	4.4%	May 2014	450.0	452.7	12.3	450.0	450.1
ASF CNA 2000 to 2001	EUR	6.0%	October 2015	382.5	410.2	4.2	382.5	414.5
ASF CNA 2001 inflation-linked	EUR	3.9% + i (*)	July 2016	396.3	403.8	6.8	390.3	397.0
ASF and Escota CNA 2002	EUR	5.3%	January 2017	532.0	555.4	25.7	532.0	555.1
ASF CNA 2004 to 2005	EUR	4.5%	March 2018	750.0	806.8	25.8	750.0	810.5
CNA/EIB loans	**EUR**			**1,088.9**	**1,118.8**	**27.7**	**1,184.2**	**1,214.6**
ASF CNA/EIB 1998	EUR	4.6%	December 2010				95.3	95.6
ASF CNA/EIB 2001	EUR	5.1%	October 2011	70.0	70.7	0.7	70.0	70.7
Escota CNA/EIB 2002	EUR	6.2%	April 2013 to 2015	142.8	149.3	6.5	142.8	149.2
Escota CNA/EIB 1998	EUR	4.8%	December 2013	8.5	8.6		8.5	8.5

(following)	31/12/2010						31/12/2009	
(in € millions)	Currency	Contractual interest rate	Maturity	Nominal remaining due	Carrying amount	including accrued interest not matured	Nominal remaining due	Carrying amount
ASF CNA/EIB 1999	EUR	5.6%	December 2014	160.0	161.8	0.5	160.0	162.0
Escota CNA/EIB 2000	EUR	6.0%	December 2014	20.0	20.1	0.1	20.0	20.1
ASF CNA/EIB 2002	EUR	6.2%	April 2015 to 2017	412.6	431.3	18.8	412.6	431.4
ASF CNA/EIB 2000	EUR	6.1%	December 2015	70.0	71.2	0.3	70.0	71.3
ASF CNA/EIB 2000	EUR	Euribor 3 months	December 2015	53.0	53.0		53.0	53.0
ASF CNA/EIB 2001	EUR	5.1%	November 2016	75.0	75.4	0.4	75.0	75.4
ASF CNA/EIB 2001	EUR	5.1%	November 2016	77.0	77.4	0.4	77.0	77.4
EIB loans	**EUR**			**500.0**	**488.2**	**3.7**	**500.0**	**486.9**
ASF EIB 2005	EUR	3.8%	May 2012 to 2025	150.0	153.4	3.4	150.0	153.4
ASF EIB 2005	EUR	3.8%	December 2012 to 2025	100.0	100.2	0.2	100.0	100.2
ASF EIB 2008	EUR	Euribor 3 month + 0.36%	June 2014 to 2028	50.0	46.9		50.0	46.7
ASF EIB 2008	EUR	Euribor 3 month + 0.36%	June 2014 to 2028	200.0	187.7	0.1	200.0	186.6
Other loans	**EUR**			**2.3**	**2.3**	**0.0**	**5.9**	**5.9**
Other loans	EUR		December 2011	2.3	2.3		5.9	5.9
Revolving credit facilities	**EUR**			**755.8**	**753.3**	**0.2**	**755.8**	**752.4**
ASF Term loan	EUR	Euribor 1 month + 0.20%	December 2013	755.8	753.3	0.2	755.8	752.4
Long-term financial debt				**9,858.1**	**10,318.9**	**278.3**	**10,023.8**	**10,449.8**

(*) i: inflation rate.

C.15.2. Resources and liquidities

At 31 December 2010, the Group's available resources amounted to €3.05 billion, including €54.1 million net cash managed (see Note C.15.2.2. "Net cash managed") and €3 billion of unused confirmed medium-term bank credit facilities (see Note C.15.2.3 "Revolving credit facilities"). The refinancing of the ASF Group's existing debt is assured until 2012.

C.15.2.1. Maturity of financial debt and associated interest payments

The Group's debt and associated interest payments, on the basis of the interest rates at 31 December 2010, break down as follows, by maturity date:

	31/12/2010							
(in € millions)	Carrying amount	Capital and interest cash flows	within 3 months	between 3 and 6 months	between 6 months and 1 year	between 1 and 2 years	between 3 and 5 years	after 5 years
Bonds	**(3,906.0)**	**(5,856.3)**	**(81.5)**	**(27.1)**	**(99.7)**	**(208.2)**	**(624.6)**	**(4,815.2)**
Share capital	(3,906.0)	(3,629.6)						(3,629.6)
Interest payment cash flows		(2,226.7)	(81.5)	(27.1)	(99.7)	(208.2)	(624.6)	(1,185.6)
Other bank loans and other financial debt	**(6,412.9)**	**(7,612.8)**	**(86.8)**	**(592.7)**	**(241.7)**	**(668.1)**	**(3,217.3)**	**(2,806.2)**
Share capital	(6,412.9)	(6,228.5)		(498.5)	(140.9)	(423.8)	(2,651.4)	(2,513.9)
Interest payment cash flows		(1,384.3)	(86.8)	(94.2)	(100.8)	(244.3)	(565.9)	(292.3)
Subtotal: long-term borrowing	**(10,318.9)**	**(13,469.1)**	**(168.3)**	**(619.8)**	**(341.4)**	**(876.3)**	**(3,841.9)**	**(7,621.4)**
Other bank loans and other financial debt	**(110.0)**	**(110.0)**	**(110.0)**					
Share capital	(110.0)	(110.0)	(110.0)					
Interest payment cash flows								
Subtotal: short-term borrowing	**(110.0)**	**(110.0)**	**(110.0)**					
Bank overdrafts								
Financial current accounts, liabilities								
I Financial debt	(10,428.9)	(13,579.1)	(278.3)	(619.8)	(341.4)	(876.3)	(3,841.9)	(7,621.4)
II Financial assets	**54.1**							
Interest rate derivatives-liabilities	(99.2)	(178.8)	(2.2)	(3.2)	(17.4)	(23.3)	(94.1)	(38.6)
Interest rate derivatives-assets	243.8	711.2	18.1	12.6	39.7	65.6	196.9	378.3
III Derivative financial instruments	**144.6**	**532.4**	**15.9**	**9.4**	**22.3**	**42.3**	**102.8**	**339.7**
Net financial debt (I + II + III)	**(10,230.2)**	**(13,046.7)**	**(262.4)**	**(610.4)**	**(319.1)**	**(834.0)**	**(3,739.1)**	**(7,281.7)**

At 31 December 2010, the average maturity of the Group's medium and long-term financial debt was 6.6 years, compared with 6.9 years at 31 December 2009.

The repayment of the capital portion of long-term financial debt due in 2011 (€639.4 million) will be made in the following periods:

- €498.5 million in the second quarter of 2011;
- €68.6 million in the third quarter of 2011;
- €72.3 million in the last quarter of 2011.

C.15.2.2. Net cash managed

Net cash and cash equivalents managed, including cash management financial assets, breaks down as follows:

(in € millions)	31/12/2010	31/12/2009
Cash equivalents	**40.3**	**218.4**
Marketable securities and mutual funds (UCITS)	33.5	218.4
Negotiable debt securities with an original maturity of less than 3 months	6.8	
Cash	**13.5**	**10.7**
Bank overdrafts		
Net cash and cash equivalents	**53.8**	**229.1**
Current cash management financial assets	**0.3**	**0.4**
Marketable securities and mutual funds (UCITS)		
Negotiable debt securities and bonds with an original maturity of less than 3 months	0.3	0.4
Net cash managed	**54.1**	**229.5**

The investment vehicles used by the Group are mainly monetary mutual funds (UCITS) and negotiable debt securities, in particular short-term notes issued by banks (bon de caisse) and bonds. They are measured and recognised at their fair value (see Notes A.3.20. "Cash management financial assets" and A.3.21. "Cash and cash equivalents").

These various financial assets (cash equivalents and cash management financial assets) are managed involving limited risk to capital and are managed through a system to monitor performance and related risks.

C.15.2.3. Revolving credit facilities

The ASF Group has a syndicated credit facility of €1 billion maturing in 2012, subject to various financial covenants described in Note C.15.2.4. "Financial covenants" set up by a rider in February 2006 in the context of its privatisation. On 18 December 2006, ASF also agreed 7-year financing with a banking syndicate, for a total of €2 billion in the form of revolving credit. This is subject to ratios equivalent to those applying to the CNA loans.

At 31 December 2010, none of the above credit facilities were being used.

The amounts authorised and used, and the maturities of ASF's revolving credit lines are as follows:

			Maturity		
(in € millions)	Amount used at 31/12/2010	Amounts authorised at 31/12/2010	Within 1 year	Between 1 and 5 years	After 5 years
Syndicated loan		1,000		1,000	
Revolving credit facility		2,000		2,000	
Total		**3,000**		**3,000**	

Drawings made in 2010 against these confirmed credit lines complied with the initial contractual terms and conditions.

C.15.2.4. Financial covenants

Some financing agreements include early repayment clauses applicable in the event of non-compliance with financial ratios. As described below:

(in € millions)	Finance agreements	Authorised amounts	Amounts used	Ratios	Thresholds	Ratios at 31/12/2010
ASF	CNA	4,970.4	4,970.4	Consolidated net financial debt to consolidated Ebitda	≤ 7	4.9
				Consolidated Ebitda to consolidated financial expenses	> 2.2	4.5
	Syndicated term loan	755.8	755.8	Consolidated net financial debt (*) to consolidated cash flow from operations before tax and financing costs	≤ 7	4.8
	Syndicated credit line	2,000.0		Consolidated cash flow from operations before tax and financing costs to consolidated financial expenses	≥ 2.2	4.6
	Syndicated credit line	1,000.0		Consolidated net financial debt to consolidated cash flow from operations before tax and financing costs	≤ 7	4.9
				Consolidated cash flow from operations before tax and financing costs to consolidated financial expenses	> 2.2	4.6

Ebitda = gross operating profit defined as the difference between operating income and operating expenses excluding depreciation, amortisation and provisions.
Cash flows (used in)/from operations before tax and financing costs.
(*) Excluding derivatives designated as cash flow hedges.

The above ratios were all met at 31 December 2010.

C.15.2.5. Credit ratings

At 31 December 2010, the Group's credit ratings were:

	Ratings		
Agency	**Long-term**	**Outlook**	**Short-term**
Standard & Poor's	BBB+	Stable	A2
Moody's	Baa1	Stable	P2

C.16. Management of financial risks

Given the level of its net financial debt and of the associated financial income and expense, ASF Group has instituted a system to manage and monitor the various financial risks to which it is exposed, principally interest rate risk.

The management and limiting of these financial risks at ASF is mainly done by the Group's Finance Department, in accordance with the management policies agreed by the corporate management bodies and under the rules set out in the VINCI Group Treasury and Finance guidelines. In application of these rules, responsibility for identifying, measuring and hedging financial risks lies with the Treasury Committee which meets regularly to analyse the main exposures and decide on hedging strategies.

The tools used to monitor financial instruments are as the same as those used by VINCI, which enables information to be centralised.

In order to manage its exposure to market risks, the Group uses derivative financial instruments, which are recognised in the balance sheet at their fair value.

At the balance sheet date, the fair value of derivative financial instruments breaks down as follows:

		31/12/2010				
(in € millions)	**Notes**	**Non-current asset**	**Current asset**	**Non-current liability**	**Current liability**	**Net**
Interest rate derivatives: fair value hedges	C.16.1.2.	155.9	51.6	(8.0)		199.5
Interest rate derivatives: cash flow hedges	C.16.1.3.	0.6		(52.6)	(1.0)	(53.0)
Interest rate derivatives not designated as hedges for accounting purposes	C.16.1.4.		35.7		(37.6)	(1.9)
Interest rate derivatives [1]		156.5	87.3	(60.6)	(38.6)	144.6
Total derivative financial instruments		**156.5**	**87.3**	**(60.6)**	**(38.6)**	**144.6**

(1) Fair value of derivatives (current part) including accrued interest not matured.

		31/12/2009				
(in € millions)	**Notes**	**Non-current asset**	**Current asset**	**Non-current liability**	**Current liability**	**Net**
Interest rate derivatives: fair value hedges	C.16.1.2.	104.5	40.6	(3.3)		141.8
Interest rate derivatives: cash flow hedges	C.16.1.3.	2.3	0.4	(36.5)	(8.0)	(41.8)
Interest rate derivatives not designated as hedges for accounting purposes	C.16.1.4.		45.4		(45.7)	(0.3)
Interest rate derivatives [1]		106.8	86.4	(39.8)	(53.7)	99.7
Total derivative financial instruments		**106.8**	**86.4**	**(39.8)**	**(53.7)**	**99.7**

(1) Fair value of derivatives (current part) including accrued interest not matured.

C.16.1. Interest rate risk

Interest rate risk is managed with two timescales: the long term, aiming to ensure and maintain the concession's economic equilibrium, and the short term, with an objective of optimising the average cost of debt within the budget framework and depending on the situation in financial markets.

Over the long term, the objective is to maintain over time a breakdown between fixed and floating-rate that can change depending on the debt level, measured by the ratio of net debt to cash flows from operations before tax and financing costs.

To hedge its interest rate risk, the Group uses derivative financial instruments in the form of options or swaps of which the start may be deferred. These derivatives may be designated as hedges or not, in accordance with the IFRS.

The tables below show the breakdown at the balance sheet date of long-term debt between fixed rate, capped floating-rate or inflation-linked debt, and the part at floating-rate before and after taking account of derivative financial instruments:

	Breakdown between fixed and floating rate before hedging										
	Fixed rate			Inflation-linked			Floating rate			Total	
(in € millions)	debt	proportion	rate	debt	proportion	rate	debt	proportion	rate	debt [1]	rate
ASF	7,652.1	82%	5.49%	596.3	6%	4.77%	1,106.0	12%	1.19%	9,354.4	4.94%
Escota	549.4	100%	5.78%							549.4	5.78%
31/12/2010	**8,201.5**	**83%**	**5.51%**	**596.3**	**6%**	**4.77%**	**1,106.0**	**11%**	**1.19%**	**9,903.8**	**4.98%**
31/12/2009	8,379.3	83%	5.62%	590.2	6%	4.57%	1,088.3	11%	0.92%	10,057.8	5.05%

	Breakdown between fixed and floating rate before hedging										
	Fixed rate			Capped floating +inflation-linked			Floating rate			Total	
(in € millions)	debt	proportion	rate	debt	proportion	rate	debt [1]	proportion	rate	debt [1]	rate
ASF	6,414.8	69%	4.92%	1,400.3	15%	2.64%	1,539.3	16%	3.06%	9,354.4	4.27%
Escota	549.4	100%	5.78%							549.4	5.78%
31/12/2010	**6,964.2**	**70%**	**4.99%**	**1,400.3**	**14%**	**2.64%**	**1,539.3**	**16%**	**3.06%**	**9,903.8**	**4.36%**
31/12/2009	7,497.7	75%	5.21%	1,163.5	12%	2.82%	1,396.6	14%	3.11%	10,057.8	4.64%

(1) Long-term financial debt at amortised cost + accrued interest not matured + impact of fair value hedges and EIB restatement.
For 2010: 9,903.8 + 278.3 + 136.8 = €10,318.9 million.

C.16.1.1. Sensitivity to interest rate risk

The Group's income statement is exposed to changes in interest rates arising from:

- the cash flows connected with floating-rate debt;
- fixed-rate financial instruments recognised in the balance sheet at fair value through profit or loss;
- derivative financial instruments that are not designated as hedges. These mainly comprise net call option positions of which the maximum loss over the life of the transaction is equal to the premium paid.

On the other hand, fluctuations in the value of derivatives designated as cash flow hedges are recognised directly in equity and do not have an impact on profit or loss.

The analysis below has been prepared assuming that the amount of the financial debt and derivatives at 31 December 2010 remains constant over one year.

The consequence of a variation in interest rates of 50 basis points at the balance sheet date would be an increase or decrease of equity and pre-tax profit for the amounts shown below. For the purpose of this analysis, the other variables are assumed to remain constant.

	31/12/2010			
	Profit or loss		Equity	
	Impact of sensitivity calculation –50 bp	Impact of sensitivity calculation +50 bp	Impact of sensitivity calculation –50 bp	Impact of sensitivity calculation +50 bp
Floating rate debt after hedging (accounting basis)	14.7	(14.7)		
Derivatives not considered for accounting purposes as hedges	(0.1)	0.4		
Derivatives designated as cash flow hedges			(24.4)	23.6
Total	**14.6**	**(14.3)**	**(24.4)**	**23.6**

C.16.1.2 Fair value hedges

At the balance sheet date, details of the instruments designated as fair value hedges were as follows:

	31/12/2010						
(in € millions)	between 1 and 2 years	between 3 and 5 years	after 5 years	Notional	Fair value, assets	Fair value, liabilities	Total
Fixed receiver/floating payer interest rate swap			2,287.0	2,287.0	207.5	(8.0)	199.5
Interest,rate derivatives: fair value hedges [(1)]			**2,287.0**	**2,287.0**	**207.5**	**(8.0)**	**199.5**

(1) Fair value of derivatives including accruals.

	31/12/2009						
(in € millions)	between 1 and 2 years	between 2 and 5 years	after 5 years	Notional	Fair value, assets	Fair value, liabilities	Total
Fixed receiver/floating payer interest rate swap			1,637.0	1,637.0	145.1	(3.3)	141.8
Interest rate derivatives: fair value hedges [(1)]			**1,637.0**	**1,637.0**	**145.1**	**(3.3)**	**141.8**

(1) Fair value of derivatives including accruals.

These transactions hedge ASF's issues of fixed-rate bonds.

C.16.1.3. Cash flow hedges

The Group is exposed to fluctuations in interest rate on its floating rate debt and sets up floating rate lender/fixed rate borrower swaps designated as cash flow hedges to hedge this risk.

Hedging of contractual cash flows

The Group has set up interest-rate swaps that serve to render interest payments on floating-rate debt fixed. Contractual cash flows relating to swaps are paid symmetrically with the hedged interest payment flows. The amount deferred in equity is recognised in profit or loss in the period when the interest payment cash flow affects profit or loss.

Hedging of highly probable cash flows

ASF has set up deferred start swaps with maturities of up to 2017. These serve to fix the interest payments on future issues of debt considered as highly probable. At 31 December 2010, the portfolio of these swaps was €698.7 million.

At the balance sheet date, details of the instruments designated as cash flow hedges were as follows:

	31/12/2010							
(in € millions)	within 1 year	between 1 and 2 years	between 2 and 5 years	after 5 years	Notional	Fair value, assets	Fair value, liabilities	Total
Floating receiver/fixed payer interest rate swap			405.0	293.7	698.7		(20.6)	(20.6)
Interest rate derivatives: hedging of highly probable forecast cash flows (1)			**405.0**	**293.7**	**698.7**		**(20.6)**	**(20.6)**
Floating receiver/fixed payer interest rate swap	500.0		153.0	200.0	853.0		(33.0)	(33.0)
Interest rate options (caps, floors and collars)			200.0		200.0	0.6		0.6
Interest rate derivatives: hedging of contractual cashflows (1)	**500.0**		**353.0**	**200.0**	**1,053.0**	**0.6**	**(33.0)**	**(32.4)**
Total	**500.0**	**0.0**	**758.0**	**493.7**	**1,751.7**	**0.6**	**(53.6)**	**(53.0)**

(1) Fair value of derivatives including accruals.

At 31 December 2009, details of the instruments designated as cash flow hedges were as follows:

	31/12/2009							
(in € millions)	within 1 year	between 1 and 2 years	between 2 and 5 years	after 5 years	Notional	Fair value, assets	Fair value, liabilities	Total
Floating receiver/fixed payer interest rate swap				943.7	943.7	0.2	(11.1)	(10.9)
Interest rate derivatives: hedging of highly probable forecast cash flows (1)				**943.7**	**943.7**	**0.2**	**(11.1)**	**(10.9)**
Floating receiver/fixed payer interest rate swap	710.8			200.0	910.8	0.4	(28.9)	(28.5)
Interest rate options (caps, floors and collars)	200.0		200.0		400.0	2.1	(4.5)	(2.4)
Interest rate derivatives: hedging of contractual cash flows (1)	**910.8**		**200.0**	**200.0**	**1,310.8**	**2.5**	**(33.4)**	**(30.9)**
Total	**910.8**	**0.0**	**20**	**1,143.7**	**2,254.5**	**2.7**	**(44.5)**	**(41.8)**

(1) Fair value of derivatives including accruals.

The following table shows the periods when the Group expects the cash flows associated with the deferred start swaps in place on 31 December 2010 to occur:

	Position at 31/12/2010				
		Expected cash flows			
(in € millions)	Fair value	within 1 year	between 1 and 2 years	between 2 and 5 years	after 5 years
Deferred start floating/fixed rate swap Euros	(20.6)	(18.6)	(2.0)		
Total interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows	**(20.6)**	**(18.6)**	**(2.0)**	**0.0**	**0.0**

The following table shows the periods when the Group expects the cash flows associated with the deferred start swaps in place on 31 December 2009 to occur:

	Position at 31/12/2009				
		Expected cash flows			
(in € millions)	Fair value	within 1 year	between 1 and 2 years	between 2 and 5 years	after 5 years
Deferred start floating/fixed rate swap Euros	(10.9)	(2.0)	(8.9)		
Total interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows	**(10.9)**	**(2.0)**	**(8.9)**	**0.0**	**0.0**

The following table shows the periods when the Group expects the amounts recorded in equity at 31 December 2010 for the existing or unwound instruments designated as cash flow hedges to have an impact on profit or loss:

	Position at 31 December 2010				
	Amount before tax recognised in equity	Amount recycled in profit or loss			
(in € millions)		within 1 year	between 1 and 2 years	between 2 and 5 years	after 5 years
Interest rate derivatives designated for accounting purposes as hedges of contractual cash flows	(32.7)	(4.0)	(3.2)	(10.0)	(15.5)
Interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows	(115.4)	(14.9)	(18.5)	(56.5)	(25.5)
Total interest rate derivatives designated for accounting purposes as cash flow hedges	**(148.1)**	**(18.9)**	**(21.7)**	**(66.5)**	**(41.0)**

C.16.1.4 Description of non-hedging transactions

At 31 December 2010, instruments not designated as hedges were as follows:

	31/12/2010							
(in € millions)	within 1 year	between 1 and 2 years	between 2 and 5 years	after 5 years	Notional	Fair value, assets	Fair value, liabilities	Total
Interest rate derivatives not designated as hedges for accounting purposes (1)	145.0	575.0	800.0		1,520.0	35.7	(37.6)	(1.9)

(1) Fair value of derivatives, including accrued interest for –€0.12 million.

At 31 December 2009, instruments not designated as hedges were as follows:

	31/12/2009							
(in € millions)	within 1 year	between 1 and 2 years	between 2 and 5 years	after 5 years	Notional	Fair value, assets	Fair value, liabilities	Total
Interest rate derivatives not designated as hedges for accounting purposes (1)		145.0	1,335.0	40.0	1,520.0	45.4	(45.7)	(0.3)

(1) Fair value of derivatives, including accrued interest for –€4 million.

These transactions are mainly swaps or options with short maturities and mirror swaps (symmetrical positions that generate no risk of fluctuation of fair value in the income statement).

C.16.2. Foreign currency exchange rate risk

C.16.2.1. Nature of the Group's risk exposure

The Group's operations are mainly located in France. Transactions outside the eurozone are generally effected in local currency.

Nevertheless, ASF may find itself exposed to foreign exchange risk whenever, exceptionally, financing is realised in foreign currencies. This risk is generally hedged by cross currency swaps. At 31 December 2010, ASF had no debts denominated in foreign currency.

C.16.3. Credit and counterparty risk

The ASF Group is exposed to credit risk in the event of default by customers. It is exposed to counterparty risk in respect of its investments of cash, commitments received, acquisition of negotiable debt securities, marketable securities, and unused authorised credit facilities, financial receivables and derivative financial instruments.

The Group has set up procedures to manage and limit credit risk and counterparty risk.

Trade receivables

Regarding its exposure to trade receivables risk, ASF considers that the concentration of credit risk connected with trade receivables is extremely limited because of the large number of customers. Trade receivables are broken down in Note C.14.2. "Breakdown of trade receivables."

Financial instruments

Financial instruments are set up with financial institutions that meet the Group's credit rating criteria. The Group has also set up a system of counterparty limits to manage its counterparty risk. This system allocates maximum risk amounts by counterparty, defined taking account of their credit ratings as published by Standard & Poor's and Moody's. These limits are regularly monitored and updated by the Group Finance Department at Treasury Committee meetings on the basis of a quarterly, consolidated report.

The Group Finance Department also distributes instructions to the subsidiaries laying down the authorised limits by counterparty and the list of authorised UCITS.

C.17. Carrying amount and fair value of financial assets and liabilities by accounting category

The following table shows the carrying amount and the fair value of financial assets and liabilities, in the balance sheet, by accounting category as defined in IAS 39:

31/12/2010	Accounting categories (*)							Measured at fair value			
(in € millions) **Balance sheet headings and instrument classes**	**Financial instruments through profit or loss**	**Derivatives designated as hedges**	**Assets measured at fair value (fair value option)**	**Available-for-sale financial assets**	**Loans and receivables**	**Liabilities at amortised cost**	**Total carrying amount for the class**	**Level 1: quoted prices and cash**	**Level 2: internal model using observable factors**	**Level 3: internal model using non observable factors (***)**	**Fair value of the class**
Investments in listed subsidiaries and associates				4.1			4.1	4.1			4.1
Investments in unlisted subsidiaries and associates				0.6			0.6			0.6	0.6
I - Non-current financial assets				**4.7**			**4.7**	**4.1**		**0.6**	**4.7**
Interest rate derivatives: fair value hedges		207.5					207.5		207.5		207.5
Interest rate derivatives: designated as cash flow hedges		0.6					0.6		0.6		0.6
Interest rate derivatives not designated as hedges for accounting purposes	35.7						35.7		35.7		35.7
II - Derivative financial instruments -assets	**35.7**	**208.1**					**243.8**		**243.8**		**243.8**
III - Trade receivables					**341.8**		**341.8**		**341.8**		**341.8**
Cash management financial assets not cash equivalents			0.3				0.3		0.3		0.3
Cash equivalents			40.3				40.3		40.3		40.3
Cash			13.5				13.5		13.5		13.5
IV - Current financial assets			**54.1**				**54.1**		**54.1**		**54.1**
Total assets	**35.7**	**208.1**	**54.1**	**4.7**	**341.8**	**0.0**	**644.4**	**4.1**	**639.7**	**0.6**	**644.4**
Bonds						(3,906.0)	(3,906.0)	(3,779.4)	(272.5)		(4,051.9)
Other bank loans and other financial debt						(6,412.9)	(6,412.9)	(3,792.8)(**)	(3,087.5)		(6,880.3)
V - Long term financial debt						**(10,318.9)**	**(10,318.9)**	**(7,572.2)**	**(3,360.0)**		**(10,932.2)**
Interest rate derivatives: fair value hedges		(8.0)					(8.0)		(8.0)		(8.0)
Interest rate derivatives: designated as cash flow hedges		(53.6)					(53.6)		(53.6)		(53.6)
Interest rate derivatives not designated as hedges for accounting purposes	(37.6)						(37.6)		(37.6)		(37.6)
VI - Derivative financial instruments-liabilities	**(37.6)**	**(61.6)**					**(99.2)**		**(99.2)**		**(99.2)**
VII - Trade payables					**(74.6)**		**(74.6)**		**(74.6)**		**(74.6)**
Other current financial liabilities						(110.0)	(110.0)		(110.0)		(110.0)
Bank overdrafts											
VIII – Other current financial liabilities						(110.0)	(110.0))		(110.0)		(110.0)
Total liabilities	**(37.6)**	**(61.6)**	**0.0**	**0.0**	**(74.6)**	**(10,428.9)**	**(10,602.7)**	**(7,572.2)**	**(3,643.8)**	**0.0**	**(11,216.0)**
Total	**(1.9)**	**146.5**	**54.1**	**4.7**	**267.2**	**(10,428.9)**	**(9,958.3)**	**(7,568.1)**	**(3,004.1)**	**0.6**	**(10,571.6)**

(*) The Group has no held-to-maturity financial assets.
(**) Listed price of loans issued by CNA.
(***) See Note A.3.16. "Other financial assets and fair value of derivatives (non-current assets)".

31/12/2009	Accounting categories (*)							Measured at fair value			
(in € millions)											
Balance sheet headings and instrument classes	**Financial instruments through profit or loss**	**Derivatives designated as hedges**	**Assets measured at fair value (fair value option)**	**Available-for-sale financial assets**	**Loans and receivables**	**Liabilities at amortised cost**	**Total carrying amount for the class**	**Level 1: quoted prices and cash**	**Level 2: internal model using observable factors**	**Level 3: internal model using non observable factors (***)**	**Fair value of the class**
Investments in listed subsidiaries and associates				4.5			4.5	4.5			4.5
Investments in unlisted subsidiaries and associates				0.6			0.6			0.6	0.6
I - Non-current financial assets				5.1			**5.1**	4.5		**0.6**	5.1
Interest rate derivatives: fair value hedges		145.1					145.1		145.1		145.1
Interest rate derivatives: designated as cash flow hedges		2.7					2.7		2.7		2.7
Interest rate derivatives not designated as hedges for accounting purposes	45.4						45.4		45.4		45.4
II - Derivative financial instruments-assets	**45.4**	**147.8**					193.2		193.2		193.2
III - Trade receivables					325.4		325.4		325.4		325.4
Cash management financial assets not cash equivalents			0.4				0.4		0.4		0.4
Cash equivalents			218.4				218.4		218.4		218.4
Cash			10.7				10.7		10.7		10.7
IV - Current financial assets			**229.5**				229.5		**229.5**		**229.5**
Total assets	**45.4**	**147.8**	**229.5**	**5.1**	**325.4**	**0.0**	**753.2**	**4.5**	**748.1**	**0.6**	**753.2**
Bonds						(3,184.6)	(3,184.6)	(3,065.2)	(311.5)		(3,376.7)
Other bank loans and other financial debt						(7,265.2)	(7,265.2)	(**) (4,519.2)	(3,427.7)		(7,946.9)
V - Long term financial debt						**(10,449.8)**	**(10,449.8)**	**(7,584.4)**	**(3,739.2)**		**(11,323.6)**
Interest rate derivatives: fair value hedges		(3.3)					(3.3)		(3.3)		(3.3)
Interest rate derivatives: designated as cash flow hedges		(44.5)					(44.5)		(44.5)		(44.5)
Interest rate derivatives not designated as hedges for accounting purposes	(45.7)						(45.7)		(45.7)		(45.7)
VI - Derivative financial instruments-liabilities	**(45.7)**	**(47.8)**					(93.5)		(93.5)		(93.5)
VII - Trade payables					(58.9)		(58.9)		(58.9)		(58.9)
Other current financial liabilities											
Bank overdrafts											
VIII – Other current financial liabilities											
Total liabilities	**(45.7)**	**(47.8)**	**0.0**	**0.0**	**(58.9)**	**(10,449.8)**	**(10,602.2)**	**(7, 584.4)**	**(3,891.6)**	**0.0**	**(11,476.0)**
Total	**(0.3)**	**100.0**	**229.5**	**5.1**	**266.5**	**(10,449.8)**	**(9,849.0)**	**(7,579.9)**	**(3,143.5)**	**0.6**	**(10,722.8)**

(*) The Group has no held-to-maturity financial assets.
(**) Listed price of loans issued by CNA.
(***) See Note A.3.16. "Other financial assets and fair value of derivatives (non-current assets)".

The methods of measuring the fair value of financial assets and liabilities have not altered in 2010.

D. Main features of concession contracts

D.18. Concession contracts – intangible asset model

D.18.1. Main features of concession contracts (see Note A.3.4. "Concession contracts")

The main features of the contracts for the concessions accounted for using the intangible asset model and operated by ASF and Escota are as follows:

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration	Consolidation method	Accounting model
ASF Group							
ASF (2,714 km of which 22 km atproject stage and 53 km under construction)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Nil	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value.	End of contract in 2033	Full consolidation	Intangible asset
Escota (459 km toll motorways in France)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Nil	Infrastructure returned to grantor for no consideration at the end of the contract, unless purchased before term by the grantor on the basis of the economic value.	End of contract in 2027	Full consolidation	Intangible asset

In accordance with the asset impairment rules, no loss of value has been recognised in the financial statements at 31 December 2010, nor at 31 December 2009. It should be noted that the owned assets of the Puymorens tunnel operation are not considered as a cash generating unit.

D.18.2. Commitments made under concession contracts (see Note A.3.4. "Concession contracts")

Contractual investment and renewal obligations

Under their concession contracts, ASF and Escota have undertaken to carry out certain investments in infrastructure that they will operate as concession operators. The corresponding assets break down as follows:

(in € millions)	31/12/2010	31/12/2009
ASF	2,858.9	2,921.9
including Lyons to Balbigny, for	*963.3*	*1,217.6*
Escota	342.7	348.3
Total	**3,201.6**	**3,270.2**

These amounts do not include maintenance expenditure on infrastructure operated under concessions.

The Group's investments are financed by drawings on its available credit facilities, by taking out new loans from the European Investment Bank (EIB) or by making issues on the bond market.

E. Other notes

E.19. Transactions with related parties

Transactions with related parties are:

- remuneration and similar benefits paid to members of the governing and management bodies;
- transactions with companies in which VINCI exercises significant influence or joint control.

These transactions are conducted on the basis of market prices.

E.19.1 Remuneration and similar benefits paid to members of the governing and management bodies

The remuneration of the Group's Company Officers is determined by the Board of Directors following proposals from the Remuneration Committee.

The table below shows the remuneration and similar benefits, on a full-year basis, granted by ASF S.A. and the companies that it controls to persons who, at the balance sheet date are (or, during the year, have been), members of the Group's governing bodies and executive committee. The corresponding amounts have been recognised and expenses in 2010 and 2009 as follows:

(in € millions)	31/12/2010	31/12/2009
Remuneration	2.4	2.1
Employer's social charges	2.3	1.2
Post-employment benefits	0.1	
Allowance paid at end of contract		
Share-based payments (*)	1.1	0.6
Directors' fees		

(*) This amount is determined in accordance with IFRS 2 Share-based Payment and as described in Note C.12. "Share-based payments".

The aggregate amount of retirement benefit obligations (contractual lump sums payable on retirement and any supplementary defined benefit schemes) in favour of members of the Group's governing bodies and executive committee for which provisions have been taken amounted to €0.5 million at 31 December 2010 (€0.1 million at 31 December 2009).

E.19.2 Transactions with the VINCI Group

Transactions in 2010 and 2009 between the ASF Group and the VINCI Group break down as follows:

(in € millions)	31/12/2010	31/12/2009
Concession fixed assets in progress	7.2	3.1
Trade receivables	12.8	0.1
Dividend payments	792.8	457.3
Trade payables	42.5	28.7
Other current payables	11.5	2.4
Tax liabilities payable	47.7	61.5
Current borrowings	110.0	
Revenue and revenue from ancillary activities	5.7	1.0
Fees	10.5	10.8
Other external expenses	218.3	108.0

E.19.3 Other transactions with related parties

The information on equity-accounted entities is given in Note C.9.2. "Financial information on equity-accounted entities".

Given the consolidation of the largest subsidiaries, there are no longer any material transactions with related parties other than the VINCI Group.

E.20. Statutory Auditors' fees

(in € millions)	Deloitte & Associés network				KPMG network			
	2010	%	2009	%	2010	%	2009	%
Audit								
Statutory audit	0.2	100%	0.3	100%	0.1	100%	0.2	100%
ASF SA	0.1	50%	0.2	67%	0.1	100%	0.2	100%
Fully consolidated subsidiaries	0.1	50%	0.1	33%	-	0%	-	0%
Services and directly linked work	-	0%	-	0%	-	0%	-	0%
ASF SA	-	0%	-	0%	-	0%	-	0%
Fully consolidated subsidiaries	-	0%	-	0%	-	0%	-	0%
Sub total, audit	**0.2**	**100%**	**0.3**	**100%**	**0.1**	**100%**	**0.2**	**100%**
Total	**0.2**	**100%**	**0.3**	**100%**	**0.1**	**100%**	**0.2**	**100%**

F. Post-balance sheet events

Price increase on 1 February 2011

Under Rider 14 to the agreement between the French government and Autoroutes du Sud de la France (ASF) for the concession for the construction, maintenance and operation of motorways approved by the Decree dated 7 February 1992 and the technical specifications attached to this agreement,the following has been agreed:

"For the financial years 2011 and 2012, the increase in tolls (excluding VAT) applicable to vehicles in class 1 will include a supplementary increase of 0.35% in 2011 and 0.17% in 2012 in compensation for the increase in the infrastructure tax *(taxe d'aménagement du territoire)* under the initial 2011 Finance Act ".

Escota, for its part, signed Rider 13 to its concession contract with the French government under which the following has been agreed:

"For the financial years 2011 and 2012, the increase in tolls (excluding VAT) applicable to vehicles in class 1 will include a supplementary increase of 0.30% in 2011 and 0.14% in 2012 in compensation for the increase in the infrastructure tax *(taxe d'aménagement du territoire)* under the initial 2011 Finance Act ".

Taking account of this compensation, tolls on the motorway network were increased on 1 February 2011 as follows:

- for ASF, by 2.47% for vehicles of classes 1, 2 and 5, by 3.39% for vehicles of class 3 and by 3.87% for vehicles of class 4;
- for Escota, by 2.49% for vehicles of classes 1, 2 and 5, by 4.19% for vehicles of class 3, by 4.33% for vehicles of class 4 and 1.35% for vehicles of class 5.

Appropriation of earnings for 2010

The Board of Directors finalised the consolidated financial statements for the year ended 31 December 2010, on 24 February 2011. These financial statements will only become definitive when approved by the Shareholders General Meeting. A Resolution will be put to the Shareholders Ordinary General Meeting to pay a dividend of €3.11 per share in respect of this year and from available reserves and unappropriated earnings, for a total amount of €718,341,583.11 from which will be deducted the interim dividend paid by the Board of Directors on 26 August 2010 of €1.07 per share for a total amount of €247,146,461.07 making a final dividend remaining to pay of €2.04 per share, an amount of €471,195,222.04.

G. Disputes and arbitration

Disputes are managed by the Legal Affairs Department, except for those falling within the remit of the Human Resources Department.

The Group ASF is engaged in a certain number of disputes within the framework of its activities. To ASF's knowledge, there is no litigation likely to affect substantially the activity, financial performance, net assets or financial situation of the Group ASF. Besides, the current disputes were the object, where necessary and considering insurance covers, of consistent provisions that the company considered sufficient given the current state of affairs of those cases.

Report of the Statutory Auditors

KPMG Audit
A Department of KPMG S.A.

1 cours Valmy
92923 Paris La Défense Cedex
France

Deloitte & Associés

185, avenue Charles-de-Gaulle – B.P. 136
92524 Neuilly-sur-Seine Cedex
France

Autoroutes du Sud de la France (ASF)
A French limited liability company (Société Anonyme)

9, place de l'Europe
Head office: 92851 Rueil-Malmaison Cedex
Share capital: €29,343,640.56

Report of the Statutory Auditors on the consolidated financial statements

Year ended 31 December 2010

To the Shareholders,

Pursuant to our appointment by your General Meeting, we present our report, for the period ended 31 December 2010 on:

- the audit of the accompanying consolidated financial statements of Autoroutes du Sud de la France (ASF);
- the justification of our assessments; and
- the specific verification required by law.

The consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements, based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit in such a way as to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit consists in examining, by sampling or other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. It also consists in assessing the accounting principles used, significant estimates made and the overall presentation of the financial statements. We believe that the information that we have collected provides a sufficient and appropriate basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the assets and liabilities, and the results of the group formed by the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.

II. Justification of our assessments

As required by article L.823-9 of the French Commercial Code relating to the justification of our assessments, we inform you of the following:

- As stated in Note A.3.1. to the consolidated financial statements (Use of estimates), the ASF Group uses estimates prepared on the basis of information available at the time of preparing its consolidated financial statements, in a context of economic and financial crisis of which the scale and duration beyond 31 December 2010 cannot be accurately forecast.
- The Group ASF constitutes provisions to cover its obligations to maintain the condition of infrastructure under concession according to the method described in Notes A.3.1.4. " Measurement of provisions " and in A.3.23. " Current provisions " to the consolidated financial statements. We appreciated the data and the hypotheses on which these provisions were taken as well as their financial impacts.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole and have therefore contributed to the formation of our opinion, given in the first part of this report.

III. Specific verification

We have also verified as required by law and in accordance with the professional standards applicable in France, the information about the Group given in the Management Report. We have no comments to make as to its fair presentation and its conformity with the consolidated financial statements.

The Statutory Auditors

Paris La Défense and Neuilly-sur-Seine, 25 February 2011

KPMG Audit	Deloitte & Associés
A Department of KPMG S.A.	
Benoît Lebrun	**Mansour Belhiba**

This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

Statement by the person responsible for the financial report for the year

Person responsible for the financial report for the year

Pierre Coppey, Chairman and Chief Executive Officer of ASF SA.

Statement by the person responsible for the financial report for the year

I certify that, to the best of my knowledge, the consolidated financial statements for the year ended 31 December 2010 have been prepared in accordance with the applicable financial reporting standards and give a true and fair view of the assets and liabilities, financial position and results of the operations of the company and of the group formed by the companies included in the consolidated financial statements, and that the management report for the year faithfully presents the important events that have occurred during the 2010 financial year, their impact on the financial statements, the main transactions between related parties and a description of the main risks and uncertainties in respect of the financial year.

Rueil-Malmaison, 24 February 2011

Pierre Coppey

Chairman and CEO

This document was printed in France by an Imprim'Vert certified printer on recyclable, chlorine-free and PEFC certified paper produced from sustainably managed forests.

Designed & published by Labrador +33 (0)1 53 06 30 80

Legal deposit: February 2011 - RCS ASF Nanterre 572 139 996

Head office
9, place de l'Europe
92851 Rueil-Malmaison Cedex
Tel.: +33 (0)1 72 71 90 00
www.asf.fr

AUTOROUTES