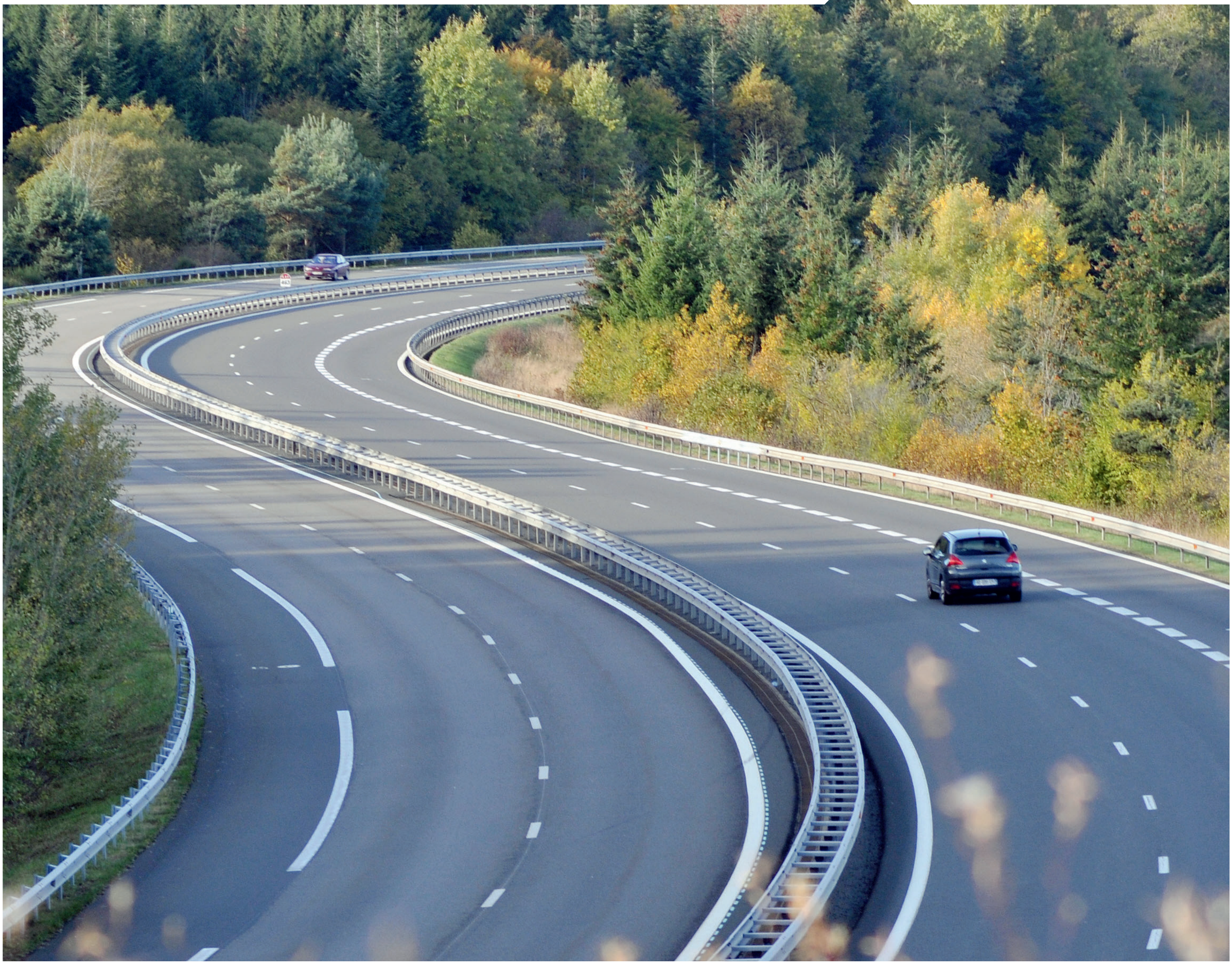
ASF

FINANCIAL REPORT

2011



2011 Annual financial report

VINCI AUTOROUTES

2011 Annual Financial Report

Summary

Management report

Key events

2011 was a very busy year for ASF Group, focused on developing its strategic businesses.

Satisfactory progress was made on all its construction sites, in particular:

- the Balbigny–La-Tour-de-Salvagny section extending the A89: work is on schedule, on a site involving 1,400 people. The decks of six viaducts are being completed and 90% of the earthworks have been completed. The studies and the development work for installing operating equipment and systems in the tunnels have also made progress.

  All those working on the project were deeply saddened by the tragic death of a geologist on 21 September;
- on the A63 project, the progress made should enable the three-lane dual carriageway to be opened to traffic in June 2012, with final delivery of the A63/A64 interchange coming several months ahead of the initial timing;
- the same should also be the case on the A9 motorway, where bridge and tunnel widening on the Perpignan Nord–Perpignan Sud section has been completed.

Following the public inquiry held between 15 June and 15 July 2011, the French Transport Minister confirmed on 29 September 2011 that the A9 improvement works would go ahead and on 21 October 2011 asked for the resumption of the compulsory purchase procedures and archaeological digs, which were suspended in March 2009.

In the area of the **environment**, more than a thousand projects are under way, from rehabilitation of rest areas (with work on toilet facilities and accessibility for people with reduced mobility), to the opening of new car-sharing car parks (on the A7), protection from noise, protection of the water resource and free-flow remote toll collection, where vehicles do not need to stop, thus reducing CO_2 emissions.

Another concrete result of this environmental approach is the increase in ISO 14001 certification initiatives at operational level. Four regional operating divisions and the Construction Division are now certified. The Languedoc-Roussillon, Sud-Atlantique Pyrenees and Ouest-Atlantique operating divisions are seeking to obtain this certification by mid-2012.

Last spring, ASF and Escota proposed to the concession grantor, the French government, to implement a biodiversity programme that would position them as key players in the sustainable economy, following on from the recommendations of the Grenelle symposium on the environment and the National Biodiversity Strategy launched in 2011 by the Minister.

In the area of **services**, these companies have applied the VINCI Autoroutes plan, resulting in particular in:

- the sale of 240,000 tag subscriptions, almost double the number in the previous year. Today, VINCI Autoroutes accounts for 41% of the total remote payment tags in France;
- distribution of the VINCI Autoroutes smartphone application, which was one of the great successes of the summer, with more than 230,000 downloads;
- the organisation of summer and winter holiday events at the network's service areas, which were enjoyed by 460,000 customers.

Despite a deteriorated economic environment and traffic levels that grew by only 0.5% compared with 2010, the ASF Group improved its financial performance and in particular its Ebitda, which stands at more than 69% of revenue.

The financial markets have recognised the Group's financial health and the quality of its management, in particular showing their confidence when a €500 million bond was issued in September 2011.

Safety remains a key issue for the ASF Group.

Employee safety statistics were better in 2011 than in the previous year.

However, 2011 was marked by a dreadful accident near Toulouse on 6 November, in which one of our motorway workers was seriously injured, when he was hit by a car of which the driver had lost control.

A month earlier, another motorway worker had to be taken to hospital, near Montauban, after miraculously surviving an accident caused by a car driver who was drowsy.

Customer safety: 2011 will leave mixed results. Although the total number of accidents on our network fell, the increase in the number of people killed puts this improvement into perspective.

Traffic

ASF and Escota saw traffic levels increase in 2011 by 0.5% from the previous year:

- +0.5% for light vehicles, which accounted for 86.8% of total traffic;
- +0.3% for heavy vehicles.

The weak growth in light vehicle traffic can be explained by the strong increase in fuel prices (with a 17% rise for diesel between October 2010 and April 2011).

Heavy vehicle traffic at the start of 2011 was up compared with 2010 but that trend gradually reversed as a result of the decline in manufacturing production at the end of the year.

Users travelled 35,443 million kilometres on the ASF and Escota networks in 2011 compared with 35,283 million in 2010, an 0.5% increase.

Distance travelled *(in millions of kilometres)*	2011				2010				Change 2011 against 2010	
	ASF	Escota	ASF+Escota	%	ASF	Escota	ASF+Escota	%	Amount	%
Light vehicles	24,654	6,091	30,745	86.7%	24,537	6,060	30,597	86.7%	148	0.5%
Heavy vehicles	4,079	619	4,698	13.3%	4,070	616	4,686	13.3%	12	0.3%
Light + heavy	**28,733**	**6,710**	**35,443**	**100.0%**	**28,607**	**6,676**	**35,283**	**100.0%**	**160**	**0.5%**

The annual average daily traffic on the network as a whole was 31,910 vehicles per day in 2011 compared with 31,772 vehicles per day in 2010, an 0.4% increase.

Prices

Toll rates on the motorway network increased on 1 February 2011 under contractual arrangements, as follows:

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

Toll revenue

Toll revenue amounted to €3,103.1 million in 2011, up 3.2% from the €3,006 million recorded in 2010, breaking down as follows:

(in € millions)	2011			2010			Change
	ASF	Escota	ASF+Escota	ASF	Escota	ASF+Escota	2011 against 2010
Revenue – tolls	2,455.4	647.7	3,103.1	2,382.8	623.2	3,006.0	3.2%

The number of payment transactions increased by 1.4% to 675.8 million in 2011 (666.8 million in 2010).

The use of automatic payment lanes increased by 6.8% to 632.3 million transactions in 2011 (591.9 million in 2010).

The proportion of transactions made on automatic lanes increased significantly in 2011 to 93.6% (88.8% in 2010).

This remarkable increase was due to:

- the construction of new automatic payment lanes and the improved attractiveness of existing lanes; 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)*	2011	2010	Change 2011 against 2010	Breakdown 2011	Breakdown 2010
Manual payments	**43.5**	**74.9**	**-42.0%**	**6.4%**	**11.2%**
Automatic payments	356.5	335.0	6.4%	52.8%	50.2%
ETC payments	275.8	256.9	7.4%	40.8%	38.5%
Sub-total automatic and ETC	**632.3**	**591.9**	**6.8%**	**93.6%**	**88.8%**
Total	**675.8**	**666.8**	**1.4%**	**100.0%**	**100.0%**

There were 981,289 subscribers to the light vehicle tag payment system for the two companies at 31 December 2011, which corresponds to 1,222,636 tags in circulation (compared with 801,868 subscribers and 1,004,019 tags at 31 December 2010).

	2011			2010			Change 2011 against 2010	
	ASF	Escota	ASF+Escota	ASF	Escota	ASF+Escota	Amount	%
Number of customers	764,345	216,944	981,289	590,978	210,890	801,868	179,421	22.4%
Number of tags	915,714	306,922	1,222,636	706,211	297,808	1,004,019	218,617	21.8%

Investments

ASF and Escota made investments of €1,042.8 million in 2011, compared with €802.9 million in the previous year, as shown below:

Type of investment *(in € millions)*	2011			2010			% change
	ASF	Escota	ASF+Escota	ASF	Escota	ASF+Escota	(Group)
Construction of new sections*	418.4		418.4	372.6		372.6	12.3%
Supplementary investments on motorways in service*	349.8	212.3	562.1	214.9	151.8	366.7	53.3%
Operating tangible fixed assets*	43.1	19.2	62.3	40.6	23.0	63.6	-2.0%
Total	**811.3**	**231.5**	**1,042.8**	**628.1**	**174.8**	**802.9**	**29.9%**

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

New sections

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

Progress of work remains overall in line with expected delivery of the full section at the end of 2012.

Civil engineering work continues, following completion of the boring of the de la Bussière and Chalosset tunnels (2 x 1,000 metres and 2 x 700 metres respectively) in the spring of of 2011 and of the Violay tunnel (2 x 3,900 metres) mid-August 2011. The first tunnel, Chalosset, was made available in December 2011 to allow installation of equipment to begin.

Construction of the Brévenne, Buvet, Gonon, Bernand, Rey and Valletier viaducts is finished. Work on the deck of the Goutte Vignole viaduct was started mid-December 2011 and work on its superstructure will continue until the spring of 2012.

Road surfacing materials are being delivered and surfacing is 25% complete in the Loire and Rhône *départements*.

Construction of the district operating buildings and the toll plazas has started at Tarare Ouest, Balbigny and St Romain de Popey and the first canopy has been installed at the Tarare Ouest toll plaza.

A87 Sorges–Mûrs Erigné (7 km)

Road-widening work is nearing completion (including drainage and anti-noise screens).

The new viaduct on the Loire entered service in the summer of 2011 and the diversion of traffic on to it enabled renovation work to start on the existing viaduct at the end of October 2011.

Work on improvement work has started. Surfacing will be carried out mid-2012, after the work on the existing viaduct.

Widening and capacity improvement

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

Work on the Biarritz–Ondres section (18 km) remains on track for an expected opening to traffic of the three-lane dual carriageway in June 2012, several months ahead of the contractual deadlines (31 December 2013 for Biarritz–Bayonne Nord, 31 December 2016 for Bayonne Nord–Ondres).

Work on the A63–RD1 interchange has been completed, also ahead of schedule (Note: the RD1 links to the A64 in the Bayonne–Anglet–Biarritz sector).

Two lanes of the new viaduct on the Adour, inaugurated in May 2011, have been open to traffic since mid-October 2011, to enable the heavy renovation phases on the existing viaduct to be carried out.

Progress on the southern section, between Biriatou and Biarritz (22 km), remains conditional on the discussions between the French government and the local authorities regarding the Saint-Jean-de-Luz Sud toll plaza.

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

Work on widening bridges from the outside on the Perpignan Nord–Perpignan Sud section (including the Têt viaduct) is complete.

Major works on the widening to three-lane dual carriageway (earthworks, hydraulics, communications restoration and civil engineering – including noise barriers and ground-mounted and overhead signs) have been under way since July 2011 and are progressing as planned.

The target entry into service of the three-lane dual carriageway Perpignan Nord–Perpignan Sud section remains 30 June 2013, at the latest, in accordance with ASF's contractual commitment.

Regarding the following section, from Perpignan Sud to Le Boulou, the compulsory purchase procedures are complete and all the necessary land for the project is now arranged. The procedures required before work starts should be finished at the beginning of 2013.

A9: relief motorway for the A9 at Montpellier (23 km)

The Minister for the Ecology, Sustainable Development, Transport and Housing has confirmed, by means of a Ministerial Decision on 29 September 2011, that the project to improve the A9, declared as being in the public interest on 30 April 2007, would go ahead. This project consists in building a relief A9 three-lane dual carriageway over a 23 km stretch, of which 12 km is along a completely new route. The existing A9 motorway should be converted to an urban highway where it crosses Montpellier.

Since then, on 21 October 2011, the French Transport Minister has asked for resumption of the compulsory purchase procedures and archaeological digs, suspended in March 2009.

Other investments on motorways in service

Montgiscard interchange

This new interchange was inaugurated on 14 November 2011 and entered service on 15 November 2011, at the same time as the link between the RN 113 and the RD 16 roads built by the Haute Garonne local authority.

The scheduling for carrying out these two interrelated operations was carefully coordinated, in particular during the last two years of work.

Perthus toll plaza

In connection with the pre-litigation procedure launched by the European Commission against France, under article 22 of EC Regulation 562/2006, which requires Member States to remove all obstacles to fluid traffic flow at road crossing points at internal borders, ASF carried out a provisional first phase of work in the autumn of 2010, (involving removal of the superstructure, dismantling Customs and Police shelters, and conversion to two-lane dual carriageway).

A second phase of work (involving the definitive reorganisation) was then ordered by the authorities on 29 June 2011, following finalisation with Customs of a dynamic traffic management system.

The corresponding work was started at the end of August 2011 and completed on 20 December 2011 when delivery was taken of the dynamic HGV verification management system.

Escota's investments related in particular to:

- work to render the tunnels on the A8 bypassing Nice as far as La Turbie and between La Turbie and the Italian border compliant with the new safety rules;
- work to widen the A8 to three-lane dual carriageway on the Chateauneuf-Le-Rouge–Saint-Maximin section, and to widen the A50 to three-lane dual carriageway on the La Ciotat–Bandol section.

Financing

ASF made several issues of bonds and secondary issues during 2011, under its EMTN programme, for a face value of €643.9 million, comprising:

- an issue of €500 million on 23 September 2011 at 4% fixed, for 7 years;
- a 21-year private placement of ¥15 billion (equivalent to €143.9 million) on 20 October 2011.

ASF also took out a 7 year floating rate bank loan of €100 million on 22 July 2011.

Main transactions with related parties

The main transactions with related parties are shown in Note E.19. "Related party transactions" to the 2011 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. "Financial risk management" to the 2011 consolidated financial statements.

1. Revenue

(in € millions)	2011	2010	% change
Revenue – tolls	3,103.1	3,006.0	3.2%
Fees for use of commercial premises	43.6	44.2	-1.4%
Fees for optical fibres, telecommunications and other	23.5	23.9	-1.7%
Revenue excluding revenue from works	**3,170.2**	**3,074.1**	**3.1%**
Concession operating companies' revenue from works	845.5	676.2	25.0%
Revenue	**4,015.7**	**3,750.3**	**7.1%**

The ASF Group's consolidated revenue for 2011 and 2010 breaks down as follows:

(in € millions)	2011	2010	% change
Revenue – tolls	**3,103.1**	**3,006.0**	**3.2%**
of which, ASF	2,455.4	2,382.8	3.0%
of which, Escota	647.7	623.2	3.9%
Fees for use of commercial premises	**43.6**	**44.2**	**-1.4%**
of which, ASF	36.5	37.7	-3.2%
of which, Escota	7.1	6.5	9.2%
Fees for optical fibres, telecommunications and other	**23.5**	**23.9**	**-1.7%**
of which, ASF	10.6	10.8	-1.9%
of which, Escota	3.3	3.1	6.5%
of which, RTFM	1.9	2.1	-9.5%
of which, Truck Etape	0.3	0.2	50.0%
of which, Openly	2.4	2.5	-4.0%
of which, Jamaican Infrastructure Operator	5.0	5.2	-3.8%
Revenue excluding revenue from works	**3,170.2**	**3,074.1**	**3.1%**
of which, ASF	2,502.5	2,431.3	2.9%
of which, Escota	658.1	632.8	4.0%
of which, RTFM	1.9	2.1	-9.5%
of which, Truck Etape	0.3	0.2	50.0%
of which, Openly	2.4	2.5	-4.0%
of which, Jamaican Infrastructure Operator	5.0	5.2	-3.8%
Concession operating companies' revenue from works	**845.5**	**676.2**	**25.0%**
of which, ASF	673.9	568.6	18.5%
of which, Escota	171.6	107.6	59.5%
Revenue	**4,015.7**	**3,750.3**	**7.1%**
of which, ASF	3,176.4	2,999.9	5.9%
of which, Escota	829.7	740.4	12.1%
of which, RTFM	1.9	2.1	-9.5%
of which, Truck Etape	0.3	0.2	50.0%
of which, Openly	2.4	2.5	-4.0%
of which, Jamaican Infrastructure Operator	5.0	5.2	-3.8%

Revenue (excluding construction revenue) for ASF and Escota breaks down as follows:

	2011			2010			Change 2011 against 2010	
Revenue *(in € millions)*	ASF	Escota	ASF+Escota	ASF	Escota	ASF+Escota	Amount	%
Revenue from tolls	2,455.4	647.7	3,103.1	2,382.8	623.2	3,006.0	97.1	3.2%
Fees for use of commercial premises	36.5	7.1	43.6	37.7	6.5	44.2	(0.6)	-1.4%
Fees for use of optical fibres and telecommunication pylons	10.6	3.3	13.9	10.8	3.1	13.9		0.0%
Total revenue	**2,502.5**	**658.1**	**3,160.6**	**2,431.3**	**632.8**	**3,064.1**	**96.5**	**3.1%**

Consolidated revenue for 2011 (excluding revenue from construction work) of ASF and Escota alone, was €3,160.6 million, up 3.1% compared with 2010 (€3,064.1 million).

1.1. Revenue from tolls

Toll revenue increased by 3.2% to €3,103.1 million in 2011 from €3,006 million in 2010.

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

- effect of traffic on comparable network: +0.5%
- effect of prices and rebates: +2.7%

Toll receipts break down by payment method as follows:

	2011			2010			Change	
Revenue *(in € millions)*	ASF	Escota	ASF+Escota	ASF	Escota	ASF+Escota	2011 against 2010	%
Immediate payment	293.2	111.5	404.7	326.7	118.1	444.8	(40.1)	-9.0%
Account holders	26.2	110.9	137.1	26.5	104.0	130.5	6.6	5.1%
ETC payments	1,061.5	192.0	1,253.5	972.7	174.0	1,146.7	106.8	9.3%
Bank cards	890.3	192.6	1,082.9	867.4	186.5	1,053.9	29.0	2.8%
Accreditive cards	183.4	40.3	223.7	188.8	40.2	229.0	(5.3)	-2.3%
Recharged expenses	0.8	0.4	1.2	0.7	0.4	1.1	0.1	9.1%
Revenue – tolls	**2,455.4**	**647.7**	**3,103.1**	**2,382.8**	**623.2**	**3,006.0**	**97.1**	**3.2%**

1.2. Revenue from commercial premises

Revenue from commercial premises amounted to €43.6 million in 2011 compared with €44.2 million in 2010, a 1.4% decrease.

1.3. Revenue from optical fibre and pylon rentals

Revenue from rental of optical fibre and pylons remained stable at €13.9 million for 2011, the same as in 2010.

2. Results

2.1. Operating income

Operating income was €1,649 million in 2011, a 5.2% increase (of €81.6 million) compared with 2010 (€1,567.4 million) mainly as a result of the €96.1 million increase in operating revenue.

Operating expenses, up 8.9%, amounted to €2,380.1 million in 2011 (€2,186 million in 2010) and included in particular construction costs incurred to build assets under concession, which increased 25% from €676.2 million in 2010 to €845.5 million in 2011.

Excluding these construction costs, operating expenses amounted to €1,534.6 million in 2011 compared with €1,509.8 million in 2010, an 1.6% increase.

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

- the 10% decrease in **net purchases consumed** from €32.1 million in 2010 to €28.9 million in 2011. This €3.2 million decrease relates to the expenses induced by the winter weather conditions in 2011, which were particularly favourable compared with 2010;
- the 18.9% increase in **external expenses** (external services, temporary labour, subcontracting and construction costs) from €880.6 million in 2010 to €1,047 million in 2011, an increase of €166.4 million, including in particular construction costs incurred to build assets under concession, which increased 25% from €676.2 million in 2010 to €845.5 million in 2011.

  Excluding these construction costs, external expenses were down by 1.4% (€2.9 million), falling from €204.4 million in 2010 to €201.5 million in 2011;
- the 7.7% increase in **taxes and levies** from €390.8 million in 2010 to €420.7 million in 2011, mainly due to the increase in the infrastructure tax *(taxe d'aménagement du territoire).*
- the 2.6% decrease in **employment costs** from €360.7 million in 2010 to €351.4 million in 2011.
- the 2.1% increase in net **depreciation and amortisation charges** which stood at €553.1 million in 2011 compared with €541.7 million in 2010.

  The bulk of this comprises the special concession amortisation charge net of reversals of grants relating to investments made since December 2010, which increased from €440.6 million in 2010 to €452.5 million in 2011.

  Depreciation and amortisation of property plant and equipment used in operations and of intangible assets decreased from €101.1 million in 2010 to €100.6 million in 2011;
- a decrease in the income represented by **net provision charges,** which represented income of €18 million in 2011 compared with income of €19.8 million in 2010;
- an increase in **share-based payments expense**, from €3.7 million in 2010 to €4.7 million in 2011;
- an increase in the share of **profit or loss of companies accounted for under the equity method**, which amounted to a profit of €5.6 million in 2011 compared with a loss of €0.7 million in 2010 (see Note C.9.2. "Financial information on companies accounted for under the equity method").

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

The cost of net financial debt rose 1.8% from €460.4 million in 2010 to €468.9 million in 2011.

This net increase of €8.5 million in the cost of net financial debt from 2010 was mainly due to the unfavourable effect of:

- the increase in the average amount of debt outstanding in 2011 compared with 2010 and
- the increase in short-term rates on floating and capped floating rates;
- which was partially offset by the rates applied to new bond issues made in 2011, which were lower overall than the average rate of debts repaid during the period.

Other financial income and expense amounted to net income of €53.6 million in 2011 compared with net income of €18.5 million in 2010. This change arose mainly from the cost of discounting the provision for the obligation to maintain the condition of concession assets, standing at €6 million in 2011 compared with €17.7 million in 2010, and the capitalised borrowing costs on concession assets under construction, which increased from €40.8 million in 2010 to €59.4 million in 2011.

2.3. Income tax

The tax expense, corresponding to current and deferred tax, was €443.5 million for 2011, up 13.6% compared with 2010 (€390.4 million). The effective tax rate for 2011 is 36.1% (34.7% in 2010).

This increase of the tax rate results mainly of the application in 2011 of an extra tax of 5% based on the tax owed by French companies whose turnover exceeds €250 million.

2.4. Net income

The net income attributable to owners of the parent amounted to €788.8 million in 2011, up 7.5% compared with 2010 (€733.7 million).

Earnings per share stood at €3.415 in 2011 compared with €3.176 in 2010.

Profit attributable to non-controlling interests was €1.4 million in 2011, the same as in 2010.

3. Balance sheet

Total non-current assets amounted to €12,752.8 million net at 31 December 2011, an increase of €689.6 million from 31 December 2010 (€12,063.2 million).

This increase was mainly connected with the increase in 2011 in the gross amount of construction and operating assets acquired (€1,043.5 million) being greater than that of depreciation and amortisation expenses (€553.1 million).

It also reflects the increase in the fair value of derivative financial instruments (assets) of €193.7 million and the €7.5 million increase in holdings in companies accounted for under the equity method.

Total current assets, standing at €560.9 million at 31 December 2011, were up €24 million (from €536.9 million at 31 December 2010) mainly because of the increases of €14.8 million in cash and cash equivalents, €11.4 million in other non-operating current assets, €3.2 million in other operating current assets, €7.5 million in trade receivables and €0.3 million in inventories and work in progress. This increase was partially offset by the decreases of €6.9 million in current tax assets, €6.2 million in the fair value of current derivative assets and €0.1 million in cash management assets.

Equity decreased by €589.6 million to stand at €102.2 million at 31 December 2011 (compared with €691.8 million at 31 December 2010). This was mainly due to the payment of final and interim dividends for €1,330.4 million, the net income for the period attributable to owners of the parent (€788.8 million) and other changes for €0.5 million, combined with the negative impact on reserves of the fair value of instruments hedging cash flows of €43.4 million, share-based payments for €4.1 million and non-controlling interests for €1 million.

Total non-current liabilities were €10,263.1 million at 31 December 2011 (€9,721.4 million at 31 December 2010), an increase of €541.7 million. This was mainly due to the increase in bonds (for €839.1 million) and in the fair value of non-current liability derivatives (for €45 million), together with the decreases of €321.7 million in other loans and financial debts, €17.7 million in non-current deferred tax liabilities, €2.1 million in non-currents provisions and €0.9 million in other non-current liabilities.

Total non-current liabilities amounted to €2,948.4 million at 31 December 2011, up €761.5 million from 31 December 2010 (€2,186.9 million). This increase was mainly due to the increase of €692.7 million in the short-term portion of loans and of €123.9 million in other non-operating current liabilities following the significant increase in investments, offset by the decreases of €13.1 million in other operating liabilities, €18.3 million in current tax payables, €9.4 million in the fair value of current liability derivatives, €7.6 million in current provisions and €6.7 million in trade payables.

After taking account of these various items, the **Group's net financial debt** at 31 December 2011 amounted to €11,273.7 million, compared with €10,230.2 million at 31 December 2010, an increase of €1,043.5 million.

4. Cash flows

The Group's statement of cash flows shows a **closing net balance of cash and cash equivalents** of €68.6 million, up €14.8 million from the opening balance of €53.8 million.

This change breaks down as follows:

- the Group's **cash flow from operations before tax and financing costs** was €2,185.4 million in 2011, nearly 4% more than in 2010 (€2,102.2 million);
- **cash flows from operating activities** stood at €1,223.7 million in 2011, nearly 1.2% more than in 2010 (€1,209.1 million);
- **net cash flows used in investing activities** amounted to €859.7 million in 2011, up nearly 29.1% compared with 2010 (€665.7 million);
- **net cash flows used in financing activities** were an outflow of €349.2 million in 2011 compared with an outflow of €718.7 million in 2010. These mainly comprise dividend payments to ASF shareholders (€1,330.4 million), the proceeds of new loans (€639.8 million), the repayment of loans and credit lines for a total of €637.6 million, and the positive change in cash management assets and other current financial debts for €981.4 million.

5. Parent company financial statements

5.1. Revenue

Revenue recorded in ASF's individual financial statements amounted to €2,502.5 million in 2011, a 2.9% increase compared with 2010 (€2,431.3 million in 2010).

5.2. Net income

The 2011 net income was €914 million, up 27.3% compared with 2010 (€718.2 million).

This includes in particular the dividend of €331.7 million received from the subsidiary Escota in 2011 (compared with €160.8 million in 2010).

Consolidated financial statements

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Consolidated income statement for the period

(in € millions)	Notes	2011	2010
Revenue*	**B.1.**	**3,170.2**	**3,074.1**
Concession operating companies' revenue from works		845.5	676.2
Total revenue		4,015.7	3,750.3
Revenue from ancillary activities		12.5	7.5
Operating expenses		(2,380.1)	(2,186.0)
Operating income from ordinary activities	**B.2.**	**1,648.1**	**1,571.8**
Share-based payment expense (IFRS 2)	C.12.	(4.7)	(3.7)
Profit/(loss) of companies accounted for under the equity method		5.6	(0.7)
Operating income	**B.2.**	**1,649.0**	**1,567.4**
Cost of gross financial debt		(470.3)	(461.7)
Financial income from cash investments		1.4	1.3
Cost of net financial debt	**B.3.**	**(468.9)**	**(460.4)**
Other financial income	B.3.	62.7	41.3
Other financial expense	B.3.	(9.1)	(22.8)
Income tax expense	B.4.	(443.5)	(390.4)
Net income		**790.2**	**735.1**
Net income attributable to owners of the parent		1.4	1.4
Net income attributable to owners of the parent		**788.8**	**733.7**
Earnings per share attributable to owners of the parent			
Basic earnings per share *(in €)*	B.5.	3.415	3.176
Diluted earnings per share *(in €)*	B.5.	3.415	3.176

* *Excluding concession companies' revenue derived from works.*

Consolidated comprehensive income statement for the period

(in € millions)	Notes	2011	2010
Net income (including non-controlling interests)		**790.2**	**735.1**
Financial instruments: changes in fair value	B.3. - C.11.3.	(66.9)	(31.8)
of which:			
Available-for-sale financial assets		*0.1*	*(0.5)*
*Cash flow hedge (effective part)**		*(67.0)*	*(31.3)*
Currency translation differences		0.5	0.2
Income tax**	C.11.3.	23.5	10.9
Income and expenses recognised directly in equity		**(42.9)**	**(20.7)**
including part transferred to net income		*(9.0)*	*(5.8)*
Total comprehensive income		**747.3**	**714.4**
of which:			
Attributable to owners of the parent		*745.9*	*713.0*
Attributable to non-controlling interests		*1.4*	*1.4*

* *Changes in the fair value of cash flow hedges (interest-rate hedges) are recognised in equity for the effective portion. Cumulative gains and losses in equity are taken to profit or loss at the time when the cash flow affects profit or loss.*

** *+€23.5 million of tax effects relating to changes in the fair value of financial instruments (+€10.9 million at 31 December 2010), including –€0.1 million relating to available-for-sale financial assets (+€0.1 million at 31 December 2010) and +€23.6 million relating to cash flow hedges (effective part) (+€10.8 million at 31 December 2010).*

Consolidated balance sheet – assets

(in € millions)	Notes	31/12/2011	31/12/2010
Non-current assets			
Concession intangible assets	C.6.	11,560.0	11,122.7
Other intangible assets	C.7.	41.4	29.6
Property, plant and equipment	C.8.	775.4	735.8
Investments in companies accounted for under the equity method	C.9.	13.2	5.7
Other non-current financial assets	C.10.	12.6	12.9
Fair value of derivative financial instruments (non-current assets)	C.15.	350.2	156.5
Total non-current assets		**12,752.8**	**12,063.2**
Current assets			
Inventories and work in progress	C.14.	9.4	9.1
Trade receivables	C.14.	232.4	224.9
Other current operating assets	C.14.	157.6	154.4
Other current non-operating assets		11.5	0.1
Current tax assets		0.1	7.0
Fair value of derivative financial instruments (current assets)	C.15.	81.1	87.3
Cash management financial assets	C.15.	0.2	0.3
Cash and cash equivalents	C.15.	68.6	53.8
Total current assets		**560.9**	**536.9**
Total assets		**13,313.7**	**12,600.1**

Consolidated balance sheet – equity and liabilities

(in € millions)	Notes	31/12/2011	31/12/2010
Equity			
Share capital		29.3	29.3
Share premium			
Consolidated reserves		(579.6)	21.2
Currency translation reserves		0.7	0.2
Net income for the period attributable to owners of the parent		788.8	733.7
Amounts recognised directly in equity	C.11.3.	(140.0)	(96.6)
Equity attributable to owners of the parent		**99.2**	**687.8**
Non-controlling interests		3.0	4.0
Total equity		**102.2**	**691.8**
Non-current liabilities			
Non-current provisions	C.13.	84.8	86.9
Bonds	C.15.	4,614.2	3,775.1
Other loans and borrowings	C.15.	5,302.5	5,624.2
Fair value of derivative financial instruments (non-current liabilities)	C.15.	105.6	60.6
Other non-current liabilities		12.3	13.2
Deferred tax liabilities (non-current)	B.4.3.	143.7	161.4
Total non-current liabilities		**10,263.1**	**9,721.4**
Current liabilities			
Current provisions	C.14.	351.7	359.3
Trade payables	C.14.	67.9	74.6
Other current operating liabilities	C.14.	341.2	354.3
Other current non-operating liabilities		396.1	272.2
Fair value of derivative financial instruments (current liabilities)	C.15.	29.2	38.6
Current tax liabilities		40.0	58.3
Current borrowings	C.15.	1,722.3	1,029.6
Total current liabilities		**2,948.4**	**2,186.9**
Total equity and liabilities		**13,313.7**	**12,600.1**

Consolidated cash flow statement

(in € millions)		Notes	2011	2010
Consolidated net income for the period (including non-controlling interests)			**790.2**	**735.1**
Depreciation and amortisation			553.1	541.7
Net increase/(decrease) in provisions			1.7	
Share-based payments (IFRS 2) and other restatements			(2.0)	13.4
Gain or loss on disposals			(4.7)	1.7
Share of profit or loss of companies accounted for under the equity method, dividends received from unconsolidated entities and profit or loss from operations classified as held for sale			(5.9)	0.3
Capitalised borrowing costs			(59.4)	(40.8)
Cost of net financial debt recognised			468.9	460.4
Current and deferred tax expense recognised			443.5	390.4
Cash flows (used in)/from operations before tax and financing costs			**2,185.4**	**2,102.2**
Changes in operational WCR and current provisions		C.14.	(54.5)	(17.6)
Income taxes paid			(446.0)	(406.3)
Net interest paid			(461.2)	(470.2)
Dividends received from companies accounted for under the equity method				1.0
Cash flows (used in)/from operating activities	**I**		**1,223.7**	**1,209.1**
Purchases of property, plant and equipment, and intangible assets			*(19.4)*	*(13.4)*
Proceeds from sales of property, plant and equipment, and intangible assets				*1.8*
Net operating investments			**(19.4)**	**(11.6)**
Operating cash flow			**1,204.3**	**1,197.5**
Investments in concession fixed assets (net of grants received)			*(841.2)*	*(655.0)*
Proceeds from sales of concession fixed assets				
Growth investments in concessions			**(841.2)**	**(655.0)**
Free cash flow (after investments)			**363.1**	**542.5**
Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)				
Net effect of changes in scope of consolidation				
Net financial investments				
Other			0.9	0.9
Net cash flows (used in)/from investing activities	**II**		**(859.7)**	**(665.7)**
Dividends paid				
- to shareholders of ASF		C.11.4.	*(1,330.4)*	*(630.6)*
- to non-controlling interests			*(2.4)*	*(1.1)*
Proceeds from new long-term borrowings		C.15.	639.8	654.8
Repayments of long-term loans		C.15.	(637.6)	(821.6)
Change in cash management assets and other financial debts			981.4	79.8
Net cash flows (used in)/from financing activities	**III**		**(349.2)**	**(718.7)**
Change in net cash	**I +II +III**		**14.8**	**(175.3)**
Net cash and cash equivalents at beginning of period		**C.15.**	**53.8**	**229.1**
Other changes				
Net cash and cash equivalents at end of period		**C.15.**	**68.6**	**53.8**
Increase/(decrease) of cash management financial assets			(981.4)	(79.8)
(Proceeds from)/repayment of loans			(2.2)	166.8
Other changes			(74.7)	(21.3)
Change in net financial debt			**(1,043.5)**	**(109.6)**
Net financial debt at beginning of period		**C.15.**	**(10,230.2)**	**(10,120.6)**
Net financial debt at end of period		**C.15.**	**(11,273.7)**	**(10,230.2)**

Consolidated statement of changes in equity

	Equity attributable to owners of the parent								
(in € millions)	Share capital	Share premium	Consolidated reserves	Net income for the period	Currency translation reserves	Amounts recognised directly in equity	Total attributable to owners of the parent	Non-controlling interests	Total
Balance at 1/1/2010	**29.3**		**28.8**	**627.0**		**(75.7)**	**609.4**	**3.7**	**613.1**
Net income for the period				733.7			733.7	1.4	735.1
Income and expenses for the period 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 payments (IFRS 2)			(4.0)				(4.0)		(4.0)
Balance at 31/12/2010	**29.3**		**21.2**	**733.7**	**0.2**	**(96.6)**	**687.8**	**4.0**	**691.8**
Net income for the period				788.8			788.8	1.4	790.2
Income and expenses recognised directly in equity					0.5	(43.4)	(42.9)		(42.9)
Total comprehensive income for the period				**788.8**	**0.5**	**(43.4)**	**745.9**	**1.4**	**747.3**
Allocation of net income and dividend payments			(596.7)	(733.7)			(1,330.4)	(2.4)	(1,332.8)
Share-based payments (IFRS 2)			(4.1)				(4.1)		(4.1)
Balance at 31/12/2011	**29.3**		**(579.6)**	**788.8**	**0.7**	**(140.0)**	**99.2**	**3.0**	**102.2**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A. Accounting policies and measurement

A.1. General principles

Pursuant to Regulation (EC) No 1606/2002 of 19 July 2002, the ASF Group's consolidated financial statements for the year ended 31 December 2011 have been prepared under the International Financial Reporting Standards (IFRS) as endorsed by the European Union at 31 December 2011.

The accounting policies retained at 31 December 2011 are the same as those used in preparing the consolidated financial statements at 31 December 2010, except for the Standards and Interpretations adopted by the European Union applicable as from 1 January 2011 (see Note A.1.1. "New Standards and Interpretations applicable from 1 January 2011").

The consolidated financial statements were finalised by the Board of Directors on 2 February 2012 and will be submitted to the Shareholders' General Meeting for approval on 20 March 2012.

A.1.1. New Standards and Interpretations applicable from 1 January 2011

The other new Standards and Interpretations applicable from 1 January 2011 have no material impact on the ASF Group's consolidated financial statements at 31 December 2011: These are mainly:

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

A.1.2. Standards and Interpretations adopted by the IASB but not yet applicable at 31 December 2011

The Group has not applied early the following Standards and Interpretations of which application is not mandatory at 1 January 2011:

Standards on consolidation methods:

- IFRS 10 "Consolidated Financial Statements";
- IFRS 11 "Joint Arrangements";
- IFRS 12 "Disclosure of Interests in Other Entities";
- IAS 27 Revised "Consolidated and Separate Financial Statements";
- IAS 28 Revised "Interests in Associates and Joint Ventures".

Other Standards:

- IFRS 7 Amended "Disclosures —Transfers of Financial Assets";
- IFRS 9 "Financial Instruments";
- IFRS 13 "Fair Value Measurement";
- IAS 1 Amended "Presentation of Items of Other Comprehensive Income";
- IAS 12 Amended "Deferred Tax: Recovery of Underlying Assets";
- IAS 19 Amended "Employee Benefits".

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 2011.

Companies in 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 under 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 2011:

	2011			2010		
(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 companies accounted for under the equity method 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 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 expense in the income statement.

Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivative instruments used as 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

In accordance with IAS 27 Revised, 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 interest 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.

2011 is marked by an economic and financial crisis of which the scale and duration beyond 31 December 2011 cannot be accurately forecast. The consolidated financial statements for the period 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 defined benefit 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 fair value. Marketable securities and some listed bond issues 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 mainly comprises rental income, sales of equipment, materials and merchandise, study work and fees other than those recognised in revenue.

A.3.4. Concession contracts

Under the terms of IFRIC 12, a concession 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 **bifurcated 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 (in the form of grants or rental) 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.

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 its companies' operations, the Group has considered it appropriate not to include the corresponding expense in the operating income from ordinary activities, which is an indicator of the companies' performance, but to report it on a separate line, labelled Share-based payment expense (IFRS 2), in operating income.

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 (stock market performance or financial criteria) being met. The fair value of options is determined, at grant date, using the Monte Carlo valuation model, taking account of the impact of the market performance condition if applicable. The Monte Carlo model 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.3.5.2. 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 shares may be dependent on the realisation of financial criteria, the fair value of the VINCI shares has been estimated, at grant date, taking account of 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, VINCI issues new shares in France three times a year 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 in consolidated equity.

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 expense

Other financial income and expense 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 companies accounted for under the equity method 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 income for the period after non-controlling interests, 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

For concessions that have recently entered service, the amortisation is calculated using the progressive, straight-line or diminishing-balance method, on the basis of the forecast traffic levels included in the business plan. In the particular case of the motorway operating companies ASF and Escota, the straight-line method is used.

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 several 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. According to IAS 36, the criteria retained to appreciate the indications of loss of value will be indifferently external criteria (i.e. significant evolution of the market's data) or internal criteria (i.e. significant decrease of the turnover).

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 income. 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. Investments in companies accounted for under the equity method

Investments in companies accounted for under the equity method 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 company, these losses are not recognised unless the Group has entered into a commitment to recapitalise the company 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 companies accounted for under the equity method is reported on a specific line, between the lines "operating income from ordinary activities" and "operating income".

These shareholdings are those in companies in which the Group has significant influence.

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 receivables and other current operating liabilities

Trade receivables and other current operating liabilities are current financial assets 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 in the light of payment delays and guarantees obtained.

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 net asset 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 income 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 expense.

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 liabilities". 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, restructuring of slow lanes, 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 expense.

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 period 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 financial debt

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 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;
- 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 portion of the hedge, these two revaluations offset each other within the same line items in the income statement.

Cash flow hedge

A cash flow hedge allows exposure to variability in future cash flows associated with an existing 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 portion and in profit or loss for the period for the ineffective portion. 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 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. Information by operating segments

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)	2011	2010
Revenue – tolls	3,103.1	3,006.0
Fees for use of commercial premises	43.6	44.2
Fees for optical fibres, telecommunications and other	23.5	23.9
Revenue excluding revenue from works	**3,170.2**	**3,074.1**
Concession operating companies' revenue from works	845.5	676.2
Revenue	**4,015.7**	**3,750.3**

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

2011

	Revenue – France						Revenue outside France	
(in € millions)	ASF	Escota	RTFM	Truck Etape	Openly	Total	Jamaican Infrastructure Operator	Revenue 2011
Revenue – tolls	2,455.4	647.7				3,103.1		3,103.1
Fees for use of commercial premises	36.5	7.1				43.6		43.6
Fees for optical fibres, telecommunications and other	10.6	3.3	1.9	0.3	2.4	18.5	5.0	23.5
Revenue excluding revenue from works	**2,502.5**	**658.1**	**1.9**	**0.3**	**2.4**	**3,165.2**	**5.0**	**3,170.2**
Proportion of revenue – France	79.1%	20.8%	0.1%	0.0%	0.1%	100.0%		
Proportion of total revenue	78.9%	20.8%	0.1%	0.0%	0.1%	99.8%	0.2%	100.0%
Concession operating companies' revenue from works	**673.9**	**171.6**				**845.5**		**845.5**
Revenue	**3,176.4**	**829.7**	**1.9**	**0.3**	**2.4**	**4,010.7**	**5.0**	**4,015.7**

2010

	Revenue – France						Revenue 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 works	**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%	100.0%		
Proportion of total revenue	79.1%	20.6%	0.1%	0.0%	0.1%	99.8%	0.2%	100.0%
Concession operating companies' revenue from works	**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**

B.2. Operating income

(in € millions)	2011	2010
Revenue*	**3,170.2**	**3,074.1**
Concession operating companies' revenue from works	845.5	676.2
Total revenue	4,015.7	3,750.3
Revenue from ancillary activities	**12.5**	**7.5**
Purchases consumed	(28.9)	(32.1)
External services	(184.1)	(185.5)
Temporary employees	(5.2)	(4.2)
Subcontracting and construction costs	(857.7)	(690.9)
Taxes and levies	(420.7)	(390.8)
Employment costs	(351.4)	(360.7)
Other operating income and expenses	3.0	0.1
Depreciation and amortisation	(553.1)	(541.7)
Net provision expense	18.0	19.8
Operating expenses	**(2,380.1)**	**(2,186.0)**
Operating income from ordinary activities	**1,648.1**	**1,571.8**
*% of revenue**	*52.0%*	*51.1%*
Share-based payment expense (IFRS 2)	(4.7)	(3.7)
Profit/(loss) of companies accounted for under the equity method	5.6	(0.7)
Operating income	**1,649.0**	**1,567.4**
*% of revenue**	*52.0%*	*51.0%*

* *Excluding concession companies' revenue derived from works.*

Operating income from ordinary activities measures the operating performance of the Group's subsidiaries before taking account of expenses related to share-based payments (IFRS 2), and the share of the profit or loss of companies accounted for under the equity method.

B.2.1. Other operating income and expenses

Other operating income and expenses breaks down as follows:

(in € millions)	2011	2010
Operating grants and insurance settlements received	1.1	1.8
Net losses on disposal of operating tangible and intangible fixed assets	1.9	(1.7)
Other operating income and expenses	**3.0**	**0.1**

B.2.2. Depreciation and amortisation

Net depreciation and amortisation breaks down as follows:

(in € millions)	2011	2010
Concession intangible assets	452.5	440.6
Other intangible assets	9.5	8.7
Property, plant and equipment	91.1	92.4
Depreciation and amortisation	**553.1**	**541.7**

B.3. Financial income and expense

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

2011

(in € millions)	Cost of net financial debt	Other financial income and expense	Equity
Liabilities at amortised cost	(492.9)		
Assets and liabilities at fair value through profit or loss (fair value option)	1.4		
Derivatives designated as hedges: assets and liabilities	28.2*		(67.0)
Derivatives at fair value through profit or loss (trading): assets and liabilities	(5.6)		
Loans and receivables			
Available-for-sale financial assets		3.3	0.1
Effect of discounting to present value		(9.1)	
Capitalised borrowing costs		59.4	
Total financial income and expense	**(468.9)**	**53.6**	**(66.9)**

* *Details of results on hedging instruments are shown in the table "result of derivatives allocated to financial debt (hedging instruments)" below.*

2010

(in € millions)	Cost of net financial debt	Other financial income and expense	Equity
Liabilities at amortised cost	(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)		
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 expense	**(460.4)**	**18.5**	**(31.8)**

* *Details of results on hedging instruments are shown in the table "result of derivatives allocated to financial debt (hedging instruments)" below.*

The cost of net financial debt amounted to €468.9 million at 31 December 2011 up 1.8% from €460.4 million at 31 December 2010.

This net increase of €8.5 million in the cost of net financial debt from 2010 was mainly due to the effect of:

- the increase in the average amount of debt outstanding in 2011 compared with 2010;
- the increase in short-term rates on floating and capped-floating rates and
- partially offset by the rates applied to new bond issues in 2011, which were globally lower than the average rate of debts redeemed during the period.

Other financial income and expense amounted to net income of €50.7 million in 2011 compared with net income of €18.5 million in 2010. This item includes in particular:

- the capitalised borrowing costs in respect of concession construction work in progress amounting to €59.4 million at 31 December 2011 against €40.8 million at 31 December 2010; and
- the effect of discounting provisions, debts and receivables at more than one year to present value for €9.1 million at 31 December 2011 (€23 million at 31 December 2010), relating mainly to provisions for retirement benefit obligations for €4.9 million at 31 December 2011 (€5.3 million at 31 December 2010) and to provisions for the obligation to maintain the condition of concession assets for €6 million at 31 December 2011 (€17.7 million at 31 December 2010);
- the dilution profit due to the capital increase (€2.9 million) of the company TJH (see Note C.9. "Investments in companies accounted for under the equity method").

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

(in € millions)	2011	2010
Net interest received from derivatives designated as fair value hedges	52.8	60.3
Change in value of derivatives designated as fair value hedges	192.8	46.7
Change in value of the adjustment to fair value hedged financial debt	(193.5)	(47.1)
Reserve recycled through profit or loss in respect of cash flow hedges	(23.2)	(26.1)
of which, changes in fair value of derivative instruments hedging cash flows	*(14.1)*	*(8.8)*
Ineffectiveness of cash flow hedges	(0.7)	(1.7)
Gains and losses on derivative instruments allocated to net financial debt	**28.2**	**32.1**

Details of derivative financial instruments are given in Note C.16. "Financial risk management".

B.4. Income tax

The income tax expense amounted to €443.5 million at 31 December 2011, (€390.4 million at 31 December 2010).

B.4.1. Breakdown of net tax expense

Income tax breaks down as follows:

(in € millions)	2011	2010
Current tax	(435.0)	(394.8)
Deferred tax	(8.5)	4.4
Income tax	**(443.5)**	**(390.4)**

The current tax expense (excluding provisions for tax expenses and provision reversals) recognised for the year was €434.5 million (€394.7 million in 2010), of which €329.2 million was for ASF (€295.6 million in 2010) and €105.1 million for Escota (€98.9 million in 2010).

B.4.2. Effective tax rate

The effective tax rate was 36.1% in 2011 compared with 34.7% in 2010.

This increase of the tax rate results mainly from the application on the year ending 2011 of an extra charge of 5% on the tax owed by the French companies if their turnover exceeds €250 million.

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)	2011	2010
Profit or loss before tax and profit or loss of companies accounted for under the equity method	1,228.1	1,126.2
Theoretical tax rate in France	36.10%	34.43%
Theoretical tax expense expected	**(443.3)**	**(387.8)**
Permanent differences and miscellaneous	(0.2)	(2.6)
Tax expense recognised	**(443.5)**	**(390.4)**
Effective tax rate (excluding Group's share in companies accounted for under the equity method)	36.11%	34.67%
Effective tax rate excluding effect of share-based payments and profit or loss of companies accounted for under the equity method	35.98%	34.55%

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 €2.7 million at 31 December 2011, compared with €2.3 million at 31 December 2010.

B.4.3. Breakdown of deferred tax assets and liabilities

		Changes			
(in € millions)	31/12/2011	Profit or loss	Equity	Other	31/12/2010
Deferred tax assets					
Tax loss carryforwards and tax credits					
Retirement and other employee benefit obligations	19.6	(0.7)			20.3
Provisions for holiday pay	11.7	1.5			10.2
Other provisions	9.0	0.6			8.4
Statutory profit-sharing	10.6	0.2			10.4
Fair value adjustment on financial instruments	80.9	0.6	23.5		56.8
Other	7.8	0.8			7.0
Total	**139.6**	**3.0**	**23.5**	**0.0**	**113.1**
Deferred tax liabilities					
Concession intangible assets (capitalised borrowing costs and other)	227.7	4.0			223.7
Concession tangible fixed assets	20.3	0.8			19.5
Tax-deductible archaeological excavation costs	4.7	0.3			4.4
Tax-regulated amortisation and depreciation expense	7.4				7.4
Provisions for major maintenance (discounting)	15.1	2.7			12.4
Fair value adjustment on available-for-sale assets	0.3				0.3
Other	7.8	1.0			6.8
Total	**283.3**	**8.8**	**0.0**	**0.0**	**274.5**
Net deferred tax asset or liability	**(143.7)**				**(161.4)**
Net deferred tax	**(143.7)**	**(5.8)**	**23.5**	**0.0**	**(161.4)**

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 2011 and 2010 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 in progress	Investment grants	Total
Gross				
01/01/2010	**16,423.5**	**856.3**	**(284.3)**	**16,995.5**
Acquisitions in the period	54.5	674.9	(26.8)	702.6
Disposals and retirements during the period	(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**
Acquisitions in the period	70.0	835.0	(13.3)	891.7
Disposals and retirements during the period	(1.2)			(1.2)
Other movements	262.7	(263.5)		(0.8)
31/12/2011	**16,915.7**	**1,970.2**	**(324.4)**	**18,561.5**
Amortisation				
01/01/2010	**6,207.7**	**0.0**	**(97.4)**	**6,110.3**
Amortisation during the period	448.2		(7.6)	440.6
Disposals and retirements during the period	(1.8)			(1.8)
Other movements				
31/12/2010	**6,654.1**	**0.0**	**(105.0)**	**6,549.1**
Amortisation during the period	460.6		(8.1)	452.5
Disposals and retirements during the period	(0.1)			(0.1)
Other movements				
31/12/2011	**7,114.6**	**0.0**	**(113.1)**	**7,001.5**
Net				
01/01/2010	**10,215.8**	**856.3**	**(186.9)**	**10,885.2**
31/12/2010	**9,930.1**	**1,398.7**	**(206.1)**	**11,122.7**
31/12/2011	**9,801.1**	**1,970.2**	**(211.3)**	**11,560.0**

The investments for the period, excluding capitalised borrowing costs, amounted to €832.3 million (€661.8 million in 2010).

Borrowing costs included during 2011 in the cost of concession assets before their entry into service amounted to €59.4 million (€40.8 million in 2010).

Concession intangible assets in progress amounted to €1,970.2 million at 31 December 2011 (€1,510.4 million for ASF and €459.8 million for Escota), compared with €1,398.7 million at 31 December 2010 (€917.8 million for ASF and €480.9 million for Escota).

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			
01/01/2010	**116.5**	**16.2**	**132.7**
Acquisitions in the period	2.6	10.2	12.8
Disposals and retirements during the period	(0.2)		(0.2)
Other movements	7.5	(7.9)	(0.4)
31/12/2010	**126.4**	**18.5**	**144.9**
Acquisitions in the period	3.1	16.2	19.3
Disposals and retirements during the period	(0.6)		(0.6)
Other movements	6.7	(4.7)	2.0
31/12/2011	**135.6**	**30.0**	**165.6**
Amortisation and impairment losses			
01/01/2010	**98.4**	**8.5**	**106.9**
Amortisation during the period	8.7		8.7
Disposals and retirements during the period	(0.3)		(0.3)
31/12/2010	**106.8**	**8.5**	**115.3**
Amortisation during the period	9.5		9.5
Disposals and retirements during the period	(0.6)		(0.6)
31/12/2011	**115.7**	**8.5**	**124.2**
Net			
01/01/2010	**18.1**	**7.7**	**25.8**
31/12/2010	**19.6**	**10.0**	**29.6**
31/12/2011	**19.9**	**21.5**	**41.4**

C.8. Property, plant and equipment

Changes in the period were as follows:

(in € millions)	Concession tangible fixed assets	Advances and in progress on concession tangible fixed assets	Investment grants on concession tangible fixed assets	Other property, plant and equipment	Investment grants	Total
Gross						
01/01/2010	**1,860.2**	**100.9**	**(5.4)**	**10.8**	**0.0**	**1,966.5**
Acquisitions in the period	38.3	49.3		0.5		88.1
Disposals and retirements during the period	(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**
Acquisitions in the period	39.2	93.0	(0.1)	0.5	(0.1)	132.5
Disposals and retirements during the period	(37.9)			(0.1)		(38.0)
Other movements	35.1	(36.2)				(1.1)
31/12/2011	**1,947.6**	**190.3**	**(5.5)**	**7.5**	**(0.1)**	**2,139.8**
Depreciation						
01/01/2010	**1,244.5**	**0.0**	**(5.1)**	**8.4**	**0.0**	**1,247.8**
Depreciation during the period	91.5			0.9		92.4
Impairment losses						
Reversals of impairment losses				(3.1)		(3.1)
Disposals and retirements during the period	(26.5)					(26.5)
Other movements						
31/12/2010	**1,309.5**	**0.0**	**(5.1)**	**6.2**	**0.0**	**1,310.6**
Depreciation during the period	90.6		(0.1)	0.6		91.1
Impairment losses						
Reversals of impairment losses						
Disposals and retirements during the period	(37.1)			(0.2)		(37.3)
Other movements						
31/12/2011	**1,363.0**	**0.0**	**(5.2)**	**6.6**	**0.0**	**1,364.4**
Net						
01/01/2010	**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**
31/12/2011	**584.6**	**190.3**	**(0.3)**	**0.9**	**(0.1)**	**775.4**

Property, plant and equipment includes assets under construction not yet in service for €190.3 million at 31 December 2011 (€133.5 million at 31 December 2010).

C.9. Investments in companies accounted for under the equity method

C.9.1. Changes during the year

(in € millions)	31/12/2011	31/12/2010
Value of shares at start of the period	**5.7**	**5.8**
Group share of profit/(loss) for the period	5.6	(0.7)
Dividends paid		(0.9)
Changes in consolidation scope and translation differences*	3.3	0.1
Reclassification under provisions of attributable shares in equity-accounted companies' negative net assets	(1.4)	1.4
Value of shares at end of period	**13.2**	**5.7**

* *Following the increase in the share capital of TransJamaican Highway (see Note C.9.2. "Financial information on companies accounted for under the equity method").*

C.9.2. Financial information on companies accounted for under the equity method

At both 31 December 2011 and 31 December 2010, shareholdings in companies accounted for under the equity method relate to TransJamaican Highway and Axxès.

The main financial data at 31 December of each year for these companies is as follows (portion attributable to parent):

	31/12/2011		31/12/2010	
(in € millions)	TransJamaican Highway	Axxès	TransJamaican Highway	Axxès
% held	**12.6%***	**35.5%**	**34.0%**	**35.5%**
Income statement				
Revenue	3.2	298.6	8.7	267.1
Operating income	5.2	1.8	4.4	1.6
Net income for the period	4.9	1.3	(1.8)	1.1
Value of investments accounted for under the equity method				
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
Balance sheet				
Non-current assets	28.0	1.3	58.2	1.1
Current assets	2.3	93.9	6.6	84.8
Equity	8.1	5.2	(1.4)	3.9
Non-current liabilities	21.4	1.8	64.4	2.2
Current liabilities	0.8	88.2	1.8	79.8
Net financial debt	**(19.3)**	**23.6**	**(58.1)**	**20.9**

* *Following the increase in the share capital of TransJamaican Highway on 13 January 2011 to which ASF did not subscribe, ASF's percentage shareholding fell from the initial 34%to 25.2% and the percentage interest from 34% to 12.6%.*

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

(in € millions)	31/12/2011	31/12/2010
Shares in subsidiaries and affiliates at fair value	4.2	4.1
Investments in unlisted subsidiaries and affiliates	0.6	0.6
Available-for-sale financial assets (gross)	**4.8**	**4.7**
Impairment loss		
Available-for-sale financial assets (net)	**4.8**	**4.7**
Loans and receivables at amortised cost	7.8	8.2
Total	**12.6**	**12.9**
Fair value of derivative financial instruments (non-current assets)	350.2	156.5
Other financial assets and fair value of derivatives (non-current assets)	**362.8**	**169.4**

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

(in € millions)	31/12/2011	31/12/2010
Prado-Carénage tunnel	4.2	4.1
Other	0.6	0.6
Available-for-sale financial assets	**4.8**	**4.7**

Available-for-sale financial assets amounted to €4.8 million at 31 December 2011 (€4.7 million at 31 December 2010). These relate to listed shareholdings for €4.2 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)	31/12/2011	Between 1 and 5 years	After 5 years
Loans and receivables at amortised cost	**7.8**	**1.7**	**6.1**

(in € millions)	31/12/2010	Between 1 and 5 years	After 5 years
Loans and receivables at amortised cost	**8.2**	**1.7**	**6.5**

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

The part at less than one year of other non-current financial assets is included under other current financial assets for €1.7 million at 31 December 2011 (€0.8 million at 31 December 2010).

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 not issued any instrument that could give rights to shares.

C.11.2. Distributable reserves

Changes in the distributable reserves of ASF SA are as follows:

(in € millions)	31/12/2011	31/12/2010
Free of corporate income tax liabilities	1.1	1.2
Distributable reserves*	**1.1**	**1.2**

* *Before allocation of the interim dividends of €859.2 million paid in 2011 and of €247.1 million paid in 2010.*

The statutory reserve of ASF SA amounted to €2.9 million at 31 December 2011, the same amount as at 31 December 2010.

C.11.3. Transactions recognised directly in equity

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

(in € millions)		31/12/2011	31/12/2010
Available-for-sale financial assets			
Reserve at beginning of period		0.8	1.3
Changes in fair value in the period		0.1	(0.5)
Gross reserve before tax effect at balance sheet date	I	**0.9**	**0.8**
Cash flow hedge			
Reserve at beginning of period		(148.1)	(116.8)
Changes in fair value in the period		(81.1)	(40.1)
Fair value items recognised in profit or loss		14.1	8.8
Gross reserve before tax effect at balance sheet date	II	**(215.1)**	**(148.1)**
Total gross reserve before tax effect at balance sheet date	I + II	**(214.2)**	**(147.3)**
Associated tax effect		74.2	50.7
Reserve net of tax		**(140.0)**	**(96.6)**

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".

C.11.4. Dividends

In May 2011, ASF paid a dividend of €471.2 million, corresponding to most of its distributable reserves and profits.

On 25 August 2011, the Board of Directors meeting to finalise the condensed interim consolidated financial statements at 30 June 2011, decided to pay an interim dividend of €247.86 million in respect of 2011, amounting to a dividend of €1.19 for each of the 230,978,001 shares representing the share capital, compared with an interim dividend of €1.07 paid in respect of 2010.

On 8 December 2011, the Board of Directors decided to pay a further interim dividend of €584.37 million, based on financial data derived from an interim balance sheet covering the period from 1 January to 8 December 2011, amounting to a dividend of €2.53 for each of the 230,978,001 shares representing the share capital, as an interim dividend in respect of 2011.

The dividends paid in respect of 2011 and 2010 break down as follows:

		2011	2010
Interim dividend(s)			
Amount *(in € millions)*	I	859.2	247.1
Per share in euros		3.72	1.07
Final dividend			
Amount *(in € millions)*	II		471.2
Per share in euros			2.04
Total net dividend per share			
Amount *(in € millions)*	I + II	859.2	718.3
Per share in euros		3.72	3.11

The Shareholders' Ordinary General Meeting to be held on 20 March 2012 will be asked to approve the dividend paid in respect of 2011 (see Note G. "Appropriation of 2011 net income").

C.11.5. Non-controlling interests

No non-controlling interests were acquired during 2011.

At 31 December 2011, non-controlling interests in Escota (0.71%) amounted to €2.6 million (€3.6 million at 31 December 2010) and in Jamaican Infrastructure Operator (49%) to €0.4 million (€0.4 million at 31 December 2010).

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 2011 in respect of share-based payments amounted to €4.7 million, of which €1.5 million was in respect of the group savings scheme, compared with €3.7 million at 31 December 2010, of which €1.9 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	31/12/2011	31/12/2010
Provisions for retirement benefit obligations	C.13.1.	35.9	31.4
Other non-current provisions	C.13.2.	48.9	55.5
Total		**84.8**	**86.9**

C.13.1. Provisions for retirement benefit obligations

At 31 December 2011, provisions for retirement benefit obligations amounted to €36.8 million (including €35.9 million at more than one year) compared with €31.9 million at 31 December 2010 (including €31.4 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 was €0.9 million at 31 December 2011 and €0.5 million at 31 December 2010, and is reported under other current payables.

The ASF Group retirement benefit obligations covered by provisions in the 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:

	31/12/2011	31/12/2010
Discount rate	5.0%	5.00%
Inflation rate	2.2%	2.1%
Rate of salary increases	0%-3.2%-3.8%-4.1%	0%-3.1%-3.8%-4.1%
Rate of pension increases		
Probable average remaining working life of employees	14.1-14.7-15.1	12.2-15.7-19.6

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 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 €34.4 million at 31 December 2011 compared with €33 million at 31 December 2010.

The breakdown was as follows:

	31/12/2011	31/12/2010
	Eurozone	Eurozone
Breakdown of financial assets		
Shares	21%	21%
Property	1%	1%
Bonds	72%	74%
Monetary securities	5%	2%
Other	1%	2%
Total	100%	100%
Average rate of return assumed	**3.50%**	**4.50%**
Plan assets *(in € millions)*	**34.4**	**33.0**
Plan assets *(in %)*	**50.5%**	**51.3%**

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

	31/12/2011	31/12/2010
(in € millions)	France	France
Present value of retirement benefit obligations	**(68.1)**	**(64.3)**
including transfer of CATS for		
Fair value of plan assets	34.4	33.0
including transfer of CATS for	*0.3*	*0.6*
Surplus (or deficit)	**(33.7)**	**(31.3)**
including transfer of CATS for		
Provisions recognised in balance sheet	**36.8**	**31.9**
including transfer of CATS for	*(0.3)*	*(0.6)*
Assets recognised in balance sheet		
including transfer of CATS for		
Items not recognised in balance sheet		
Actuarial gains and losses	**(3.1)**	**(0.6)**
Past service cost		
Assets not recognised in balance sheet		

Changes in the period

(in € millions)	31/12/2011	31/12/2010
Present value of retirement benefit obligations		
Balance at the beginning of the period	**64.3**	**56.1**
of which, obligations covered by plan assets		
Current service cost	3.6	3.5
Cost for the period of discounting	3.3	3.1
Benefits paid during the period	(0.5)	(1.4)
Actuarial gains and losses	(2.6)	(0.4)
Past service cost		
Settlement of rights and plan curtailments		
Changes in consolidation scope and miscellaneous		3.4
Balance at the end of the period	**68.1**	**64.3**
of which, obligations covered by plan assets		
Plan assets		
Balance at the beginning of the period	**33.0**	**30.5**
Expected return on plan assets	0.7	1.6
Actuarial gains and losses		
Contributions paid to funds	0.5	0.5
Benefits paid during the period	(0.4)	(0.2)
Settlement of rights and plan curtailments		
Changes in consolidation scope and miscellaneous	0.6	0.6
Balance at the end of the period	**34.4**	**33.0**
Amounts not recognised in balance sheet		
Balance at the beginning of the period	**(0.6)**	**0.5**
New items	(2.6)	1.2
Effect of changes in assumptions		
Effect of experience gains and losses on retirement benefit obligations		
Effect of experience gains and losses on plan assets		
Disposals and retirements during the period	0.1	(2.3)
Exchange rate and other changes		
Plan curtailments		
Balance at the end of the period	**(3.1)**	**(0.6)**
of which, actuarial gains and losses		
of which, past service cost		
Actuarial gains and losses as a percentage	*-4.6%*	*-0.9%*

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

(in € millions)	31/12/2011	31/12/2010	31/12/2009	31/12/2008	31/12/2007
Value of plan assets and liabilities					
Present value of retirement benefit obligations	68.1	64.3	56.1	52.7	36.6
Fair value of plan assets	(34.4)	(33.0)	(30.5)	(28.9)	(29.7)
Surplus (or deficit)	33.7	31.3	25.6	23.8	6.9
Experience adjustments					
Effect of experience gains and losses on retirement benefit obligations	(2.0)	(1.0)	(0.3)	2.4	(1.3)
Percentage of retirement benefit obligations	*-2.9%*	*-1.6%*	*-0.5%*	*4.6%*	*-3.6%*
Effect of experience gains and losses on plan assets	(0.4)	(0.8)	(0.1)	(2.1)	
Percentage of plan assets	*1.2%*	*2.4%*	*0.2%*	*7.3%*	

ASF Group estimates the payments to be made in 2012 in respect of retirement benefit obligations at approximately €1.5 million for benefits paid to retired employees and approximately €0.3 million to contributions payable to fund managing bodies.

Expenses recognised in respect of defined benefit plans

(in € millions)	31/12/2011	31/12/2010
Rights acquired by employees during the period	3.6	3.5
Discounting of acquired rights to present value	3.3	3.1
Expected return on plan assets	(0.7)	(0.8)
Amortisation of actuarial gains and losses	0.1	(0.1)
Amortisation of past service cost – rights not vested		
Past service cost – rights vested		
Other	(1.1)	1.7
Total	**5.2**	**7.4**

Sensitivity of the 2012 expense to discount rates and the return on assets is as follows:

(in € millions)	0.50%	-0.50%
Discount rate	(3.6)	4.0
Rate of return on assets	0.2	(0.4)

C.13.2. Other non-current provisions

Changes in other non-current provisions reported in the balance sheet were as follows in 2011 and 2010:

(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
01/01/2010	**74.1**	**19.6**	**(10.3)**	**(23.7)**	**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)**	**0.6**	**(0.2)**	**0.0**	**55.5**
Other employee benefits	56.7	2.2	(8.0)		0.3			51.2
Other liabilities	17.6	6.8	(0.6)	(4.3)	(1.3)			18.2
Discounting of non-current provisions	(1.2)	(0.2)						(1.4)
Reclassification of the part at less than one year of non-current provisions	(17.6)					(1.5)		(19.1)
31/12/2011	**55.5**	**8.8**	**(8.6)**	**(4.3)**	**(1.0)**	**(1.5)**	**0.0**	**48.9**

Other employee benefits

Long-service bonuses and medical expense cover

The provisions have been calculated using the following actuarial assumptions:

	31/12/2011	31/12/2010
Discount rate	5.0%	5.00%
Inflation rate	2.2%	2.1%
Rate of salary increases	1.8%-2.1%	1.8%-6.8%-4.1%
Rate of change of medical expenses	0%-6%	0%-6%

At 31 December 2011, these provisions amounted to €31.2 million (including €29.2 million at more than one year) against €29.7 million at 31 December 2010 (including €28 million at more than one year). The part at less than one year was €2 million at 31 December 2011 and €1.7 million at 31 December 2010, and is reported under other current liabilities.

At 31 December 2011, provisions for medical expenses cover amounted to €29 million (including €27.3 million at more than one year) compared with €27.4 million at 31 December 2010 (including €25.9 million at more than one year). They have been calculated on the basis of a rate of increase for medical expenses of 0% in 2011 (as in 2010) for ASF and of 6% in 2011 (as in 2010) for Escota. A change of 1% in this rate would entail a change of €4.1 million in the total obligation.

Unrecognised items (the difference between the observed amount of obligations and the provisions recognised in the balance sheet) amounted to €6.6 million at 31 December 2011 compared with €8.2 million at 31 December 2010 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:

	31/12/2011	31/12/2010
Discount rate	2.9%	2.51%
Increase in the ceiling used in calculating social security contributions	2.5%-2.75%	2.5%-2.75%
Increase in wages and salaries before pre-retirement	2%-3.2%	2%-2.9%
Increase in wages and salaries during pre-retirement	1.1%	1.1%
Increase in health and providence insurance contributions	0%-2%	0%-2%
Increase in housing allowance	1%	1%

At 31 December 2011, these provisions amounted to €20 million (including €14 million at more than one year) against €27 million at 31 December 2010 (including €19.4 million at more than one year). This is net of the fair value of plan financial assets amounting to €3.2 million at 31 December 2011 compared with €3.7 million at 31 December 2010.

Provisions for other liabilities

Provisions for other liabilities, not directly linked with the operating cycle, amounted to €5.7 million at 31 December 2011 (part at more than one year) compared with €8.1 million at 31 December 2010 (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:

	31/12/2011	31/12/2010
Individual entitlement to training (hours, cumulative entitlement)	769,312	755,214

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

C.14.1. Change in current operating assets and liabilities

(in € millions)	31/12/2011	31/12/2010	Change	
			Changes in operating WCR	Other changes
Inventories and work in progress (net)	9.4	9.1	0.3	
Trade receivables	232.4	224.9	7.5	
Other current operating assets	157.6	154.4	9.5	(6.3)
Inventories and operating receivables (I)	**399.4**	**388.4**	**17.3**	**(6.3)**
Trade payables	(67.9)	(74.6)	6.7	
Other current operating liabilities	(341.2)	(354.3)	13.1	
Trade and other operating payables (II)	**(409.1)**	**(428.9)**	**19.8**	**0.0**
Working capital requirement (excluding current provisions) (I + II)	**(9.7)**	**(40.5)**	**37.1**	**(6.3)**
Current provisions	**(351.7)**	**(359.3)**	**17.4**	**(9.8)**
of which, part at less than one year of non-current provisions:	(11.2)	(8.3)	(2.9)	
Working capital requirement (including current provisions)	**(361.4)**	**(399.8)**	**54.5**	**(16.1)**

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

(in € millions)	31/12/2011	Maturity				
		Within 1 year				
		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)	9.4	0.9	0.7	1.3	6.5	
Trade receivables	232.4	230.8	0.7	0.2	0.5	0.2
Other current operating assets	157.6	115.0	18.7	13.8	8.1	2.0
Inventories and operating receivables (I)	**399.4**	**346.7**	**20.1**	**15.3**	**15.1**	**2.2**
Trade payables	(67.9)	(38.4)	(28.5)	(1.0)		
Other current operating liabilities	(341.2)	(174.6)	(48.7)	(31.1)	(40.0)	(46.8)
Trade and other operating payables (II)	**(409.1)**	**(213.0)**	**(77.2)**	**(32.1)**	**(40.0)**	**(46.8)**
Working capital requirement connected with operations (I+II)	**(9.7)**	**133.7**	**(57.1)**	**(16.8)**	**(24.9)**	**(44.6)**

(in € millions)	31/12/2010	Maturity				
		Within 1 year				
		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 receivables	224.9	193.5	5.9	18.6	6.0	0.9
Other current operating assets	154.4	131.5	14.6	6.7	0.4	1.2
Inventories and operating receivables (I)	**388.4**	**325.9**	**21.1**	**26.5**	**12.8**	**2.1**
Trade payables	(74.6)	(48.7)	(8.3)	(17.6)		
Other current operating liabilities	(354.3)	(193.4)	(47.7)	(31.4)	(36.1)	(45.7)
Trade and other operating payables (II)	**(428.9)**	**(242.1)**	**(56.0)**	**(49.0)**	**(36.1)**	**(45.7)**
Working capital requirement connected with operations (I+II)	**(40.5)**	**83.8**	**(34.9)**	**(22.5)**	**(23.3)**	**(43.6)**

C.14.2. Breakdown of trade receivables

Trade receivables and allowances were as follows:

(in € millions)	31/12/2011	31/12/2010
Trade receivables invoiced	78.1	82.1
Allowances against trade receivables	(5.8)	(6.3)
Trade receivables, net	**72.3**	**75.8**

At 31 December 2011, trade receivables between 6 and 12 months past due amounted to €1.6 million (compared with €1 million at 31 December 2010). €0.6 million of allowances have been taken in consequence (€0.4 million at 31 December 2010). Trade receivables more than one year past due amounted to €5.2 million at 31 December 2011 (€6 million at 31 December 2010) and provisions of €2.9 million have been taken (€3.5 million at 31 December 2010).

C.14.3. Breakdown of current provisions

Changes in current provisions reported in the balance sheet were as follows in 2011 and 2010:

(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
01/1/2010	**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 costs	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**
Obligation to maintain the condition of concession assets	342.8	49.1	(52.4)	(6.5)				333.0
Restructuring costs	0.7		(0.7)					
Other current liabilities	7.5	2.0	(1.3)	(2.0)	1.3			7.5
Reclassification of the part at less than one year of non-current provisions	8.3					2.9		11.2
31/12/2011	**359.3**	**51.1**	**(54.4)**	**(8.5)**	**1.3**	**2.9**	**0.0**	**351.7**

Current provisions (including the part at less than one year of non-current provisions) are directly connected with the operating cycle. They amounted to €351.7 million at 31 December 2011, against €359.3 million at 31 December 2010, and mainly relate to provisions to maintain the condition of assets under concession.

Such provisions mainly cover the expenses incurred by ASF and Escota for road repairs (surface coatings, restructuring of slow lanes, etc.) bridges, tunnels and hydraulic infrastructure and relate to ASF for €282.5 million at 31 December 2011 (€295.2 million at 31 December 2010) and Escota for €50.5 million at 31 December 2011 (€47.6 million at 31 December 2010).

C.15. Net financial debt

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

At 31 December 2011, the ASF Group's net financial debt was €11.3 billion (€10.2 billion at 31 December 2010).

			31/12/2011					31/12/2010				
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.	(4,614.2)	(1)	(137.2)	(3)	(4,751.4)	(3,775.1)	(1)	(130.9)	(3)	(3,906.0)
	Other bank loans and other financial debt	C.15.1.	(5,302.5)	(2)	(554.7)	(3)	(5,857.2)	(5,624.2)	(2)	(788.7)	(3)	(6,412.9)
	Long-term financial debt		**(9,916.7)**		**(691.9)**		**(10,608.6)**	**(9,399.3)**		**(919.6)**		**(10,318.9)**
	Other current financial liabilities				(1,030.4)	(3)	(1,030.4)			(110.0)	(3)	(110.0)
	Bank overdrafts	C.15.2.2.										
	Financial current accounts, liabilities											
	I - Gross financial debt		**(9,916.7)**		**(1,722.3)**		**(11,639.0)**	**(9,399.3)**		**(1,029.6)**		**(10,428.9)**
	including impact of fair value hedges, for		*(345.7)*				*(345.7)*	*(152.2)*				*(152.2)*
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.			0.2	(6)	0.2			0.3	(6)	0.3
	Cash equivalents	C.15.2.2.			27.2	(7)	27.2			40.3	(7)	40.3
	Cash	C.15.2.2.			41.4	(7)	41.4			13.5	(7)	13.5
	II - Financial assets				**68.8**		**68.8**			**54.1**		**54.1**
Derivatives	Derivative financial instruments – liabilities	C.16.	(105.6)	(4)	(29.2)	(5)	(134.8)	(60.6)	(4)	(38.6)	(5)	(99.2)
	Derivative financial instruments – assets	C.16.	350.2	(8)	81.1	(9)	431.3	156.5	(8)	87.3	(9)	243.8
	III - Derivative financial instruments		**244.6**		**51.9**		**296.5**	**95.9**		**48.7**		**144.6**
	Net financial debt (I + II + III)		**(9,672.1)**		**(1,601.6)**		**(11,273.7)**	**(9,303.4)**		**(926.8)**		**(10,230.2)**

* *Current part including accrued interest not matured*

Reconciliation of net financial debt with balance sheet items:

(in € millions)	Ref:	31/12/2011	31/12/2010
Bonds	(1)	(4,614.2)	(3,775.1)
Other loans and borrowings	(2)	(5,302.5)	(5,624.2)
Current borrowings	(3)	(1,722.3)	(1,029.6)
Fair value of derivative financial instruments (non-current liabilities)	(4)	(105.6)	(60.6)
Fair value of derivative financial instruments (current liabilities)	(5)	(29.2)	(38.6)
Cash management financial assets	(6)	0.2	0.3
Cash and cash equivalents	(7)	68.6	53.8
Fair value of derivative financial instruments (non-current assets)	(8)	350.2	156.5
Fair value of derivative financial instruments (current assets)	(9)	81.1	87.3
Net financial debt		**(11,273.7)**	**(10,230.2)**

C.15.1. Detail of long-term financial debt

Issues of bonds under the EMTN programme

ASF made several issues of bonds and secondary instruments during 2011, under its EMTN programme, for a face value of €643.9 million, comprising:

- an issue of €500 million on 23 September 2011 at 4.0% fixed, for 7 years;
- a 21-year private placement of ¥15 billion (equivalent to €143.9 million) on 20 October 2011.

ASF also took out a 7 year floating rate bank loan of €100 million on 22 July 2011.

Redemption of CNA loans to the ASF Group

In 2011 the ASF Group repaid €637.1 million against various loans taken out with CNA at an average rate of approximately 5.90%, compared with €818.1 million in 2010 corresponding to various loans taken out with CNA at an average rate of approximately 5.17%.

Details of the main long-term financial debts at 31 December 2011 are shown below:

		31/12/2011					31/12/2010	
(in € millions)	Currency	Contractual interest rate	Maturity	Nominal remaining due	Carrying amount	of which, accrued interest not matured	Nominal remaining due	Carrying amount
Bonds	**EUR**			**4,273.5**	**4,751.4**	**137.2**	**3,629.6**	**3,906.0**
Of which								
ASF Bond issue 2011	EUR	4.0%	September 2018	500.0	507.8	5.6		
ASF Bond issue 2010	EUR	4.1%	April 2020	650.0	717.9	19.2	650.0	668.3
ASF Bond issue 2009	EUR	7.4%	March 2019	969.6	1,070.7	56.0	969.6	1,037.7
ASF Bond issue 2007	EUR	5.6%	July 2022	1,575.0	1,805.7	43.8	1,575.0	1,736.7
Other bank loans and other financial debt	**EUR**			**5,700.4**	**5,857.2**	**128.5**	**6,228.5**	**6,412.9**
CNA loans				**3,323.3**	**3,463.5**	**97.5**	**3,881.5**	**4,050.3**
Of which								
ASF and Escota - CNA 1997 to 2001	EUR	5.9%	June 2011	0.0	0.0	0.0	498.5	517.2
ASF and Escota - CNA 1997 to 2000	EUR	5.8%	October 2012	405.9	410.6	4.7	405.9	410.8
ASF and Escota - CNA 1998 to 2001	EUR	5.9%	March 2013	397.7	419.9	18.0	397.7	423.4
ASF - CNA 1999 to 2002	EUR	4.4%	May 2014	450.0	455.3	12.3	450.0	452.7
ASF - CNA 2000 to 2001	EUR	6.0%	October 2015	382.5	405.7	4.2	382.5	410.2
ASF - CNA 2001 inflation-linked	EUR	3.9% + i*	July 2016	405.2	413.3	6.9	396.3	403.8
ASF and Escota - CNA 2002	EUR	5.3%	January 2017	532.0	555.7	25.7	532.0	555.4
ASF - CNA 2004 to 2005	EUR	4.5%	March 2018	750.0	803.0	25.7	750.0	806.8
CNA/EIB loans	**EUR**			**1,018.9**	**1,047.6**	**26.9**	**1,088.9**	**1,118.8**
Of which								
ASF - CNA/EIB 2002	EUR	6.2%	April 2015 to 2017	412.6	431.4	18.7	412.6	431.3
EIB loans	**EUR**			**500.0**	**489.7**	**3.8**	**500.0**	**488.2**
Other loans	**EUR**			**2.4**	**2.4**	**0.0**	**2.3**	**2.3**
Credit facilities	**EUR**			**855.8**	**854.0**	**0.3**	**755.8**	**753.3**
Of which								
ASF bilateral term loan	EUR	Euribor 1 month + 0.225%	December 2013	755.8	754.3	0.2	755.8	753.3
Long-term financial debt				**9,973.9**	**10,608.6**	**265.7**	**9,858.1**	**10,318.9**

* *i: inflation rate.*

C.15.2. Resources and liquidities

At 31 December 2011, the Group's available resources amounted to €2.07 billion, including €68.8 million net cash managed (see Note C.15.2.2. "Net cash managed") and €2 billion of unused confirmed medium-term bank credit facilities (see Note C.15.2.3. "Revolving credit facilities").

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 2011, break down as follows, by maturity date:

	31/12/2011							
(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	**(4,751.4)**	**(6,532.9)**	**(81.8)**	**(29.4)**	**(122.0)**	**(233.2)**	**(699.7)**	**(5,366.8)**
Capital	(4,751.4)	(4,273.5)						(4,273.5)
Interest payment cash flows		(2,259.4)	(81.8)	(29.4)	(122.0)	(233.2)	(699.7)	(1,093.3)
Other bank loans and other financial debt	**(5,857.2)**	**(6,810.4)**	**(88.4)**	**(73.7)**	**(513.9)**	**(1,405.4)**	**(2,666.6)**	**(2,062.4)**
Capital	(5,857.2)	(5,700.4)		(10.7)	(415.5)	(1,179.9)	(2,194.1)	(1,900.2)
Interest payment cash flows		(1,110.0)	(88.4)	(63.0)	(98.4)	(225.5)	(472.5)	(162.2)
Subtotal: long-term borrowing	**(10,608.6)**	**(13,343.3)**	**(170.2)**	**(103.1)**	**(635.9)**	**(1,638.6)**	**(3,366.3)**	**(7,429.2)**
Commercial paper								
Other current financial liabilities	(1,030.4)	(1,031.2)	(1,031.2)					
Bank overdrafts								
Financial current accounts, liabilities								
I Financial debt	**(11,639.0)**	**(14,374.5)**	**(1,201.4)**	**(103.1)**	**(635.9)**	**(1,638.6)**	**(3,366.3)**	**(7,429.2)**
Financial current accounts, assets								
Current cash management assets	0.2							
Cash equivalents	27.2							
Cash	41.4							
II Financial assets	**68.8**	**Including cash management current financial assets at less than three months for €27.4 million**						
Derivative financial instruments – liabilities	(134.8)	(160.0)	(2.3)	(2.2)	(15.7)	(32.0)	(78.1)	(29.7)
Derivative financial instruments – assets	431.3	612.1	13.6	9.2	40.3	62.5	180.6	305.9
III Derivative financial instruments	**296.5**	**452.1**	**11.3**	**7.0**	**24.6**	**30.5**	**102.5**	**276.2**
Net financial debt (I + II + III)	**(11,273.7)**	**(13,922.4)**	**(1,190.1)**	**(96.1)**	**(611.3)**	**(1,608.1)**	**(3,263.8)**	**(7,153.0)**
Trade payables	**67.9**	**67.9**	**38.4**	**28.5**	**1.0**			

At 31 December 2011, the average maturity of the Group's medium and long-term financial debt was 6.3 years, compared with 6.6 years at 31 December 2010.

The repayment of the capital portion of long-term financial debt due in 2012 (€426.2 million) will be made in the following periods:

- €10.7 million in the first quarter of 2012;
- €415.5 million in the last quarter of 2012.

C.15.2.2. Net cash managed

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

(in € millions)	31/12/2011	31/12/2010
Cash equivalents	**27.2**	**40.3**
Marketable securities and mutual funds (UCITS)	12.9	33.5
Negotiable debt securities with an original maturity of less than 3 months	14.3	6.8
Cash	**41.4**	**13.5**
Bank overdrafts		
Net cash and cash equivalents	**68.6**	**53.8**
Current cash management financial assets	**0.2**	**0.3**
Marketable securities and mutual funds (UCITS)		
Negotiable debt securities and bonds with an original maturity of less than 3 months	0.2	0.3
Net cash managed	**68.8**	**54.1**

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

ASF has a €2 billion syndicated bank credit line maturing in December 2013 subject to financial covenants (see Note C.15.2.4. "Financial covenants").

At 31 December 2011, the credit facility described above was not being used.

The amount authorised and used and maturity profile of ASF's revolving credit facility at 31 December 2011 are as follows:

			Maturity		
(in € millions)	Amount used at 31/12/2011	Amount authorised at 31/12/2011	Within 1 year	Between 1 and 5 years	After 5 years
Revolving credit facility		2,000		2,000	
Total		**2,000**		**2,000**	

ASF also has a €1.5 billion credit line with VINCI, maturing in February 2012 and automatically renewable. At 31 December 2011, this line was used for €1,030 million.

C.15.2.4. Financial covenants

Some financing agreements include early repayment clauses applicable in the event of non-compliance with financial ratios, of which the main ones are described below:

(in € millions)	Finance agreements	Authorised amounts	Amounts used	Ratios*	Thresholds	Ratios at 31/12/2011
ASF	CNA *(Caisse Nationale des Autoroutes)*	4,342.2	4,342.2	Consolidated net financial debt to consolidated Ebitda	≤ 7	5.2
				Consolidated Ebitda to consolidated financial expenses	> 2.2	4.7
	Syndicated term loan	755.8	755.8	Consolidated net financial debt** to consolidated cash flow from operations before tax and financing costs	≤ 7	5.1
	Syndicated credit line 2013	2,000.0		Consolidated cash flow from operations before tax and financing costs to consolidated financial expenses	≥ 2.2	4.7

* *Ebitda = gross operating income defined as the difference between operating income and operating expenses excluding depreciation, amortisation and provisions.*
** *Excluding derivatives designated as cash flow hedges.*

The above ratios were all met at 31 December 2011.

C.15.2.5. Credit ratings

At 31 December 2011, 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. Financial risk management

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 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:

		31/12/2011				
(in € millions)	**Notes**	**Non-current asset**	**Current asset**	**Non-current liability**	**Current liability**	**Net**
Interest rate derivatives designated as fair value hedges	C.16.1.2.	350.2	53.7	(3.6)	(0.5)	399.8
Interest rate derivatives designated as cash flow hedges	C.16.1.3.		0.1	(102.0)	(0.6)	(102.5)
Interest rate derivatives not designated as hedges for accounting purposes	C.16.1.4.		27.3		(28.1)	(0.8)
Interest rate derivatives*		350.2	81.1	(105.6)	(29.2)	296.5
Total derivative financial instruments		**350.2**	**81.1**	**(105.6)**	**(29.2)**	**296.5**

* *The current part includes accrued interest not matured, amounting to €52.3 million at 31 December 2011.*

		31/12/2010				
(in € millions)		**Non-current asset**	**Current asset**	**Non-current liability**	**Current liability**	**Net**
Interest rate derivatives designated as fair value hedges	C.16.1.2.	155.9	51.6	(8.0)		199.5
Interest rate derivatives designated as 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*		156.5	87.3	(60.6)	(38.6)	144.6
Total derivative financial instruments		**156.5**	**87.3**	**(60.6)**	**(38.6)**	**144.6**

* *The current part includes accrued interest not matured, amounting to €51.2 million at 31 December 2010.*

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 for accounting purposes or not, in accordance with the IFRSs.

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	7,777.8	81%	5.34%	605.8	6%	5.36%	1,206.6	13%	1.45%	9,590.2	4.85%
Escota	415.3	100%	5.82%							415.3	5.82%
Total at 31/12/2011	**8,193.1**	**82%**	**5.36%**	**605.8**	**6%**	**5.36%**	**1,206.6**	**12%**	**1.45%**	**10,005.5**	**4.89%**
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%

	Breakdown between fixed and floating rate after hedging										
	Fixed rate			Capped floating + inflation-linked			Floating rate			Total	
(in € millions)	Debt	Proportion	Rate	Debt	Proportion	Rate	Debt	Proportion	Rate	Debt(1)	Rate
ASF	5,956.6	62%	4.95%	2,470.4	26%	3.34%	1,163.2	12%	2.51%	9,590.2	4.24%
Escota	415.3	100%	5.82%							415.3	5.82%
Total at 31/12/2011	**6,371.9**	**64%**	**5.01%**	**2,470.4**	**25%**	**3.34%**	**1,163.2**	**12%**	**2.51%**	**10,005.5**	**4.30%**
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%

(1) Long-term financial debt at amortised cost + accrued interest not matured + impact of fair value hedges and EIB restatement.

For 2011: 10,005.5 + 265.7 + 337.4 = €10,608.6 million.

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, taking account of:

- 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 have no effect on profit or loss.

The analysis below has been prepared assuming that the amount of the financial debt and derivatives at 31 December 2011 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.

	31/12/2011			
	Profit or loss		Equity	
	Impact of sensitivity calculation +50 bps	Impact of sensitivity calculation -50 bps	Impact of sensitivity calculation +50 bps	Impact of sensitivity calculation -50 bps
Floating rate debt after hedging (accounting basis)	(24.1)	24.1		
Derivatives not designated for accounting purposes as hedges	0.6			
Derivatives designated as hedges of contractual cash flows			35.6	(36.8)
Total	**(23.5)**	**24.1**	**35.6**	**(36.8)**

C.16.1.2. Fair value hedges

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

	31/12/2011							
(in € millions)	Within 1 year	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				2,787.2	2,787.2	403.9	(4.1)	399.8
Interest rate derivatives: fair value hedges*	**0.0**	**0.0**	**0.0**	**2,787.2**	**2,787.2**	**403.9**	**(4.1)**	**399.8**

* *Fair value of derivatives including accrued interest not matured.*
Including Cross Currency Swaps with a notional of €143.9 million maturing in more than 5 years. The fair value of these derivatives is a negative €2.7 million breaking down as follows:
- *- €8.5 million interest rate impact;*
- *+ €5.8 million exchange rate impact.*

	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
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*	**0.0**	**0.0**	**0.0**	**2,287.0**	**2,287.0**	**207.5**	**(8.0)**	**199.5**

* *Fair value of derivatives including accrued interest not matured.*

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 in which 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 2011, the portfolio of these swaps was €1,199 million.

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

	31/12/2011							
(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	250.0		203.0	300.0	753.0	0.1	(66.3)	(66.2)
Interest rate options (caps, floors and collars)		200.0			200.0			0.0
Interest rate derivatives: hedging of contractual cash flows(1)	**250.0**	**200.0**	**203.0**	**300.0**	**953.0**	**0.1**	**(66.3)**	**(66.2)**
Floating receiver/fixed payer interest rate swap			1,199.0		1,199.0		(36.3)	(36.3)
Interest rate derivatives: hedging of highly probable forecast cash flows(1)	**0.0**	**0.0**	**1,199.0**	**0.0**	**1,199.0**	**0.0**	**(36.3)**	**(36.3)**
Total	**250.0**	**200.0**	**1,402.0**	**300.0**	**2,152.0**	**0.1**	**(102.6)**	**(102.5)**

(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 2011 to occur:

	31/12/2011				
		Expected cash flows			
(in € millions)	Fair value	Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Deferred start floating/fixed rate swap	(36.3)	(12.4)	(23.9)		
Total interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows	**(36.3)**	**(12.4)**	**(23.9)**	**0.0**	**0.0**

At 31 December 2010, details of the instruments designated as cash flow hedges were as follows:

(in € millions)	31/12/2010 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	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 cash flows[1]	**500.0**	**0.0**	**353.0**	**200.0**	**1,053.0**	**0.6**	**(33.0)**	**(32.4)**
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)**
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.

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:

(in € millions)	31/12/2010 Fair value	Expected cash flows Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Deferred start floating/fixed rate swap	(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 amounts recorded in equity at 31 December 2011 for the existing or unwound instruments designated as cash flow hedges to have an impact on profit or loss:

(in € millions)	31/12/2011 Amount before tax recognised in equity	Amount recycled in profit or loss Within 1 year	Between 1 and 2 years	Between 3 and 5 years	After 5 years
Interest rate derivatives designated for accounting purposes as hedges of contractual cash flows	(65.7)	(8.6)	(9.2)	(26.5)	(21.4)
Interest rate derivatives designated for accounting purposes as hedges of highly probable cash flows	(149.4)	(20.4)	(34.4)	(83.8)	(10.8)
Total interest rate derivatives designated for accounting purposes as cash flow hedges	**(215.1)**	**(29.0)**	**(43.6)**	**(110.3)**	**(32.2)**

C.16.1.4. Description of non-hedging transactions

At 31 December 2011, instruments not designated as hedges were as follows:

	31/12/2011							
(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)	875.0	1,300.0	300.0		2,475.0	27.3	(28.1)	(0.8)

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

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 not matured.

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. Operations outside the eurozone are generally financed 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 2011, ASF has a debt denominated in foreign currency (Japanese yen) which is fully hedged.

The amounts of foreign-currency long-term debt break down as follows:

	31/12/2011		31/12/2010	
(in € millions)	Amount	Percentage	Amount	Percentage
Euro	10,467.9	98.7%	10,318.9	100.0%
Other	140.7	1.3%		0.0%
Total long-term borrowings	**10,608.6**	**100.0%**	**10,318.9**	**100.0%**

C.16.3. Credit and counterparty risk

The ASF Group is exposed to credit risk in the event of default by its customers and to counterparty risk in respect of its investments of cash, commitments received, acquisitions of negotiable debt securities, marketable securities, 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 on the basis of a consolidated quarterly reporting system.

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. Book and fair value of financial instruments 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:

31/12/2011	Accounting categories*							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 affiliates				4.2			4.2	4.2			4.2
Investments in unlisted subsidiaries and affiliates				0.6			0.6			0.6	0.6
Loans and financial receivables				7.8			7.8			7.8	7.8
I - Non-current financial assets	**0.0**	**0.0**	**0.0**	**12.6**	**0.0**	**0.0**	**12.6**	**4.2**	**0.0**	**8.4**	**12.6**
Interest rate derivatives designated as fair value hedges		403.9					403.9		403.9		403.9
Interest rate derivatives designated as cash flow hedges		0.1					0.1		0.1		0.1
Interest rate derivatives not designated as hedges for accounting purposes	27.3						27.3		27.3		27.3
II - Derivative financial instruments - assets	**27.3**	**404.0**	**0.0**	**0.0**	**0.0**	**0.0**	**431.3**	**0.0**	**431.3**	**0.0**	**431.3**
III - Trade receivables					**232.4**		**232.4**		**232.4**		**232.4**
Cash management financial assets not cash equivalents			0.2				0.2		0.2		0.2
Cash equivalents			27.2				27.2		27.2***		27.2
Cash			41.4				41.4	41.4			41.4
IV - Current financial assets	**0.0**	**0.0**	**68.8**	**0.0**	**0.0**	**0.0**	**68.8**	**41.4**	**27.4**	**0.0**	**68.8**
Total assets	**27.3**	**404.0**	**68.8**	**12.6**	**232.4**	**0.0**	**745.1**	**45.6**	**691.1**	**8.4**	**745.1**
Bonds						(4,751.4)	(4,751.4)	(4,148.5)	(504.1)		(4,652.6)
Other bank loans and other financial debt						(5,857.2)	(5,857.2)	(3,173.3)**	(3,132.8)		(6,306.1)
V - Long term financial debt	**0.0**	0.0	**0.0**	**0.0**	**0.0**	**(10,608.6)**	**(10,608.6)**	**(7,321.8)**	**(3,636.9)**	**0.0**	(10,958.7)
Interest rate derivatives designated as fair value hedges fair value hedges		(4.1)					(4.1)		(4.1)		(4.1)
Interest rate derivatives designated as cash flow hedges		(102.6)					(102.6)		(102.6)		(102.6)
Interest rate derivatives not designated as hedges for accounting purposes	(28.1)						(28.1)		(28.1)		(28.1)
VI - Derivative financial instruments – liabilities	**(28.1)**	**(106.7)**	**0.0**	**0.0**	**0.0**	**0.0**	**(134.8)**	**0.0**	**(134.8)**	**0.0**	**(134.8)**
VII - Trade payables					**(67.9)**		**(67.9)**		**(67.9)**		**(67.9)**
Other current financial liabilities						(1,030.4)	(1,030.4)		(1,030.4)		(1,030.4)
Bank overdrafts											0.0
VIII - Other current financial liabilities	**0.0**	0.0	**0.0**	**0.0**	**0.0**	(1,030.4)	(1,030.4)	**0.0**	(1,030.4)	**0.0**	(1,030.4)
Total liabilities	**(28.1)**	**(106.7)**	**0.0**	**0.0**	**(67.9)**	**(11,639.0)**	**(11,841.7)**	**(7,321.8)**	**(4,870.0)**	**0.0**	**(12,191.8)**
Total	**(0.8)**	**297.3**	**68.8**	**12.6**	**164.5**	**(11,639.0)**	**(11,096.6)**	**(7,276.2)**	**(4,178.9)**	**8.4**	**(11,446.7)**

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

31/12/2010	**Accounting categories***							**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 affiliates				4.1			4.1	4.1			4.1
Investments in unlisted subsidiaries and affiliates				0.6			0.6			0.6	0.6
Loans and financial receivables				8.2			8.2			8.2	8.2
I - Non-current financial assets	**0.0**	**0.0**	**0.0**	**12.9**	**0.0**	**0.0**	**12.9**	**4.1**	**0.0**	**8.8**	**12.9**
Interest rate derivatives designated as 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**	**0.0**	**0.0**	**0.0**	**0.0**	**243.8**	**0.0**	**243.8**	**0.0**	243.8
III - Trade receivables					**224.9**		**224.9**		**224.9**		**224.9**
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**	**13.5**	**40.6**		**54.1**
Total assets	**35.7**	**208.1**	**54.1**	**12.9**	**224.9**	**0.0**	**535.7**	**17.6**	**509.3**	**8.8**	**535.7**
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	**0.0**	0.0	**0.0**	**0.0**	**0.0**	**(10,318.9)**	**(10,318.9)**	**(7,572.2)**	**(3,360.0)**	**0.0**	(10,932.2)
Interest rate derivatives designated as 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)**	**0.0**	**0.0**	**0.0**	**0.0**	**(99.2)**	**0.0**	**(99.2)**	**0.0**	**(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							0.0				0.0
VIII – Other current financial liabilities	**0.0**	0.0	**0.0**	**0.0**	**0.0**	(110.0)	(110.0)	**0.0**	(110.0)	**0.0**	(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**	**12.9**	**150.3**	**(10,428.9)**	**(10,067.0)**	**(7,554.6)**	**(3,134.5)**	**8.8**	**(10,680.3)**

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

The method of measuring the fair value of financial assets and liabilities has not altered in 2011.

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 at project 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 2011, nor at 31 December 2010. 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)	31/12/2011	31/12/2010
ASF	2,253.1	2,858.9
Escota	176.4	342.7
Total	**2,429.5**	**3,201.6**

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

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

E. Other notes

E.19. Related party transactions

Related party transactions 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 SA 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 expensed in 2011 and 2010 as follows:

(in € millions)	31/12/2011	31/12/2010
Remuneration	2.5	2.4
Employer's social charges	1.9	2.3
Post-employment benefits		0.1
Share-based payments*	2.0	1.1

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

The aggregate amount of provisions for 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 amounted to €0.5 million at 31 December 2011 (the same amount as at 31 December 2010).

E.19.2. Transactions with the VINCI Group

Transactions in 2011 and 2010 between the ASF Group and the VINCI Group break down as follows:

(in € millions)	31/12/2011	31/12/2010
Concession fixed assets in progress	19.5	7.2
Trade receivables	4.1	12.8
Current tax asset	0.1	
Dividend payments	1,330.1	792.8
Trade payables	19.0	42.5
Other current payables	50.5	11.5
Tax liabilities payable	35.5	47.7
Current borrowings	1,030.4	110.0
Revenue and revenue from ancillary activities	9.6	5.7
Fees	10.9	10.5
Other external expenses	372.2	218.7
Income tax expense	429.8	383.1

E.19.3. Other transactions with related parties

The information on companies accounted for under the equity method is given in Note C.9.2. "Financial information on companies accounted for under the equity method".

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

	Deloitte & Associés network				KPMG network			
(in € millions)	2011	%	2010	%	2011	%	2010	%
Audit								
Statutory audit	0.2	100%	0.2	100%	0.1	100%	0.1	100%
ASF SA	0.1	50%	0.1	50%	0.1	100%	0.1	100%
Fully consolidated subsidiaries	0.1	50%	0.1	50%	-	0%	-	0%
Directly linked services and work	-	0%	-	0%	-	0%	-	0%
ASF SA	-	0%	-	0%	-	0%	-	0%
Fully consolidated subsidiaries	-	0%	-	0%	-	0%	-	0%
Subtotal, audit	**0.2**	**100%**	**0.2**	**100%**	**0.1**	**100%**	**0.1**	**100%**
Total	**0.2**	**100%**	**0.2**	**100%**	**0.1**	**100%**	**0.1**	**100%**

F. Note on litigation

Litigation is managed by the Legal Affairs Department, except for cases falling within the remit of the Human Resources Department.

The ASF Group is a party in a certain number of disputes in connection with its activities. To ASF's knowledge, there is no litigation likely to affect substantially the business, financial performance, net assets or financial situation of the ASF Group. Furthermore, provisions that the Company considers sufficient given the current state of affairs have been taken in respect of cases in progress, where necessary and taking account of insurance cover.

G. Post-balance sheet events

Price increase on 1 February 2012

The reference index for the price increase at 1 February 2012 was up by 2.25%.

For ASF:

Excluding the effects of the Pricing Act associated with the next 2012-2016 master plan, the increase under current legislation will be 2.42% for all classes of vehicle.

For Escota:

The average price increase at 1 February 2012 is 2.05%.

Appropriation of 2011 net income

The Board of Directors finalised the consolidated financial statements for the year ended 31 December 2011, on 2 February 2012. 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 €3.96 per share in respect of this year and from available reserves and unappropriated earnings, for a total amount of €914,672,883.96 from which will be deducted the interim dividend paid by the Board of Directors on 25 August 2011 of €1.19 per share, amounting to €274,863,821.19 and on 8 December 2011 of €2.53 per share, amounting to €584,374,342.53 representing a total paid of €3.72 per share amounting to €859,238,163.72, leaving a final dividend remaining to pay of €0.24 per share, an amount of €55,434,720.24.

Report of the Statutory Auditors

KPMG Audit
A Department of KPMG SA

1 cours Valmy
92923 Paris La Défense Cedex
France

DELOITTE & ASSOCIÉS

185, avenue Charles-de-Gaulle
92524 Neuilly-sur-Seine Cedex
France

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

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

Report of the Statutory Auditors on the consolidated financial statements

Period ended 31 December 2011

To the Shareholders,

In accordance with our appointment as Statutory Auditors by your Shareholders' General Meeting, we hereby report to you for the period ended 31 December 2011 on:

- the audit of the accompanying consolidated financial statements of Autoroutes du Sud de la France (ASF);
- the justification of our assessments;
- 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. An audit 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 2011 cannot be accurately forecast;
- the ASF Group recognises provisions to cover its obligations to maintain the condition of assets under concession, using the method described in Notes A.3.1.4. "Measurement of provisions" and A.3.23. "Current provisions" to the consolidated financial statements. We have assessed the data and the assumptions on which these provisions are based and their numerical representation.

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 in accordance with the professional standards applicable in France and as required by law, the information on the Group in the Group 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, 2 February 2012

KPMG Audit *A Department of KPMG SA*	Deloitte & Associés
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

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 2011 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 2011 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, 1 February 2012

Pierre Coppey

Chairman and CEO

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