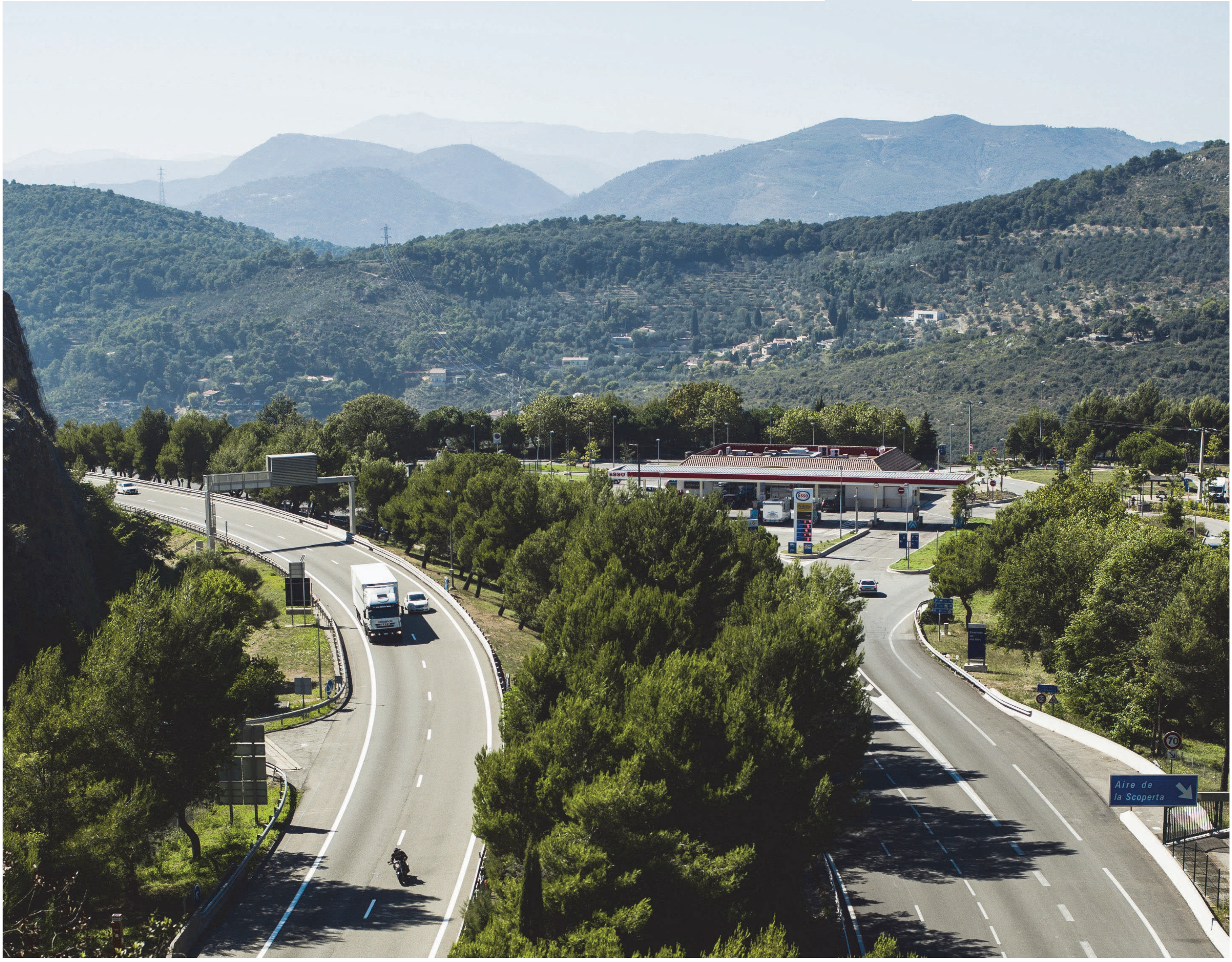
FINANCIAL
REPORT

2016




# Half-year financial report for the six months ended 30 June 2016

# Half-year financial report for the six months ended 30 June 2016

Contents

# **Half-year management report** for the six months ended 30 June 2016

# 1. Key events in the period

On 23 April 2015, amendments to the ASF and Escota concession contracts were published in France's Official Journal, making the motorway stimulus plan's measures enforceable.

Additional undertakings regarding investments to be made by these companies relate to infrastructure works to improve the motorway network, including the widening of the A9, A63 and A61 motorways and the completion of the A50/A57 motorway link in Toulon.

Teams from both companies are today fully engaged in implementing the plan in order to better serve our country's economic activity and the customer users of the network concession.

As part of this initiative, Escota has taken over the operation of the Toulon motorway link, including the A50 tunnel, begun formalities with those employees of *DIRMED* (the Interdepartmental Mediterranean Roads Department) who are interested in joining the company and started the necessary studies for widening the A57 motorway to a three-lane dual carriageway between the Benoît-Malon and Pierreronde interchanges.

Since 1 February 2016, the French Rail and Road Activities Authority *(ARAFER)* has assumed responsibility for the motorways sector. It is tasked with monitoring the financial position of the motorway concessions and checking the contract award procedures.

Pursuant to the provisions of the Macron Act, the composition of the ASF and Escota contract committees was approved by *ARAFER*.

It is to be hoped that the heavy administrative burden as a result of its involvement in this new area, which enforces cumbersome publishing procedures on the companies, will not delay the anticipated impacts of the stimulus plan or hamper the measures taken by the concessions to provide a service which increasingly meets their customers' needs and expectations.

In addition to these contractual amendments, the economic trends noted at the end of 2015 continued in the first six months of 2016.

In the same six-month period, France's GDP (Gross Domestic Product) continued to grow, while its manufacturing output dipped in the first quarter but still maintains its upward trend.

The price of diesel fell 10% in the first six months of 2016 compared to the same period in 2015.

The price of a barrel of oil fell dramatically in January but has been at a steady rate of USD50 since the end of May, thereby returning to its last quarter 2015 level.

Light vehicle traffic felt the full benefit of these factors. However the leap year effect was attenuated by the absence in 2016 of the two long weekends we had in May 2015.

The heavy vehicle traffic also reaped the benefit of these factors, and the increase was heightened further by the upturn of the Spanish economy.

Against this backdrop, the ASF group's light vehicle traffic grew by 3.5% and its heavy vehicle traffic by 5.6%.

Revenue was up 5.1%.

The Group's economic performance improved with an EBITDA to sales ratio up from 73.5% to 74.0%.

With respect to investments, the relief motorway for the A9 at Montpellier, the Group's most significant project during the first half in terms of the amounts involved, moved forward in line with forecasts.

# 2. The Group's activity in the first half of the year

## 2.1. Results

### 2.1.1. Revenue

The ASF group's consolidated revenue for the first halves of 2016 and 2015 breaks down as follows:

| *(in € millions)* | 1st half 2016 | 1st half 2015 | % change |
|---|---|---|---|
| **Toll revenue** | **1,676.6** | **1,589.3** | **5.5%** |
| of which ASF | 1,325.9 | 1,256.6 | 5.5% |
| of which Escota | 350.7 | 332.7 | 5.4% |
| **Fees for use of commercial premises** | **25.7** | **25.2** | **2.0%** |
| of which ASF | 22.1 | 21.7 | 1.8% |
| of which Escota | 3.6 | 3.5 | 2.9% |
| **Fees for optical fibres, telecommunications and other** | **6.6** | **11.9** | **-44.5%** |
| of which ASF | 4.7 | 4.9 | -4.1% |
| of which Escota | 1.9 | 1.9 | 0.0% |
| of which Jamaican Infrastructure Operator(*) | 0.0 | 5.1 | -100.0% |
| **Revenue excluding concession companies' revenue derived from works** | **1,708.9** | **1,626.4** | **5.1%** |
| of which ASF | 1,352.7 | 1,283.2 | 5.4% |
| of which Escota | 356.2 | 338.1 | 5.4% |
| of which Jamaican Infrastructure Operator(*) | 0.0 | 5.1 | -100.0% |
| **Concession companies' revenue derived from works** | **251.0** | **221.5** | **13.3%** |
| of which ASF | 208.2 | 185.6 | 12.2% |
| of which Escota | 42.8 | 35.9 | 19.2% |
| **Total revenue** | **1,959.9** | **1,847.9** | **6.1%** |
| of which ASF | 1,560.9 | 1,468.8 | 6.3% |
| of which Escota | 399.0 | 374.0 | 6.7% |
| of which Jamaican Infrastructure Operator(*) | 0.0 | 5.1 | -100.0% |

*(*) The company Jamaican Infrastructure Operator was sold off at the beginning of 2016 (see Note B.2.1. "Consolidation scope and methods" of the Notes to the condensed half-year consolidated financial statements for the six months ended 30 June 2016).*

Consolidated revenue for the first half of 2016 (excluding revenue from construction work) generated by ASF and Escota alone was €1,708.9 million, up 5.4% compared with the first half of 2015 (€1,621.3 million).

#### Prices

The reference index for the price increase at 1st February 2016 showed an increase of 0.06%.

On this basis, and in accordance with the amendment to the concession arrangement signed on 21 August 2015 by the State, ASF and Escota, the price increase excluding taxes at 1st February 2016 was as follows:

- for ASF: [0.85 i + 1.58], i.e. 1.627% for all vehicle categories;
- for Escota: [0.85 i + 1.13], i.e. 1.177% for all vehicle categories.

#### Traffic

Traffic in the first half of 2016 was affected by the following factors:

- the calendar: the leap year in 2016 brought one extra day but the fact there was no long weekend for 1st and 8 May in 2016 had a negative effect on light vehicle traffic. Conversely, heavy vehicle traffic had three extra days to circulate in the first six months of 2016 compared to 2015;
- the weather, which was exceptionally mild in the winter of 2016, but duller in spring 2016 compared to 2015;
- industrial action in May and June 2016, with traffic lost due to the fuel shortages during the blockades at French refineries and increases during the *SNCF* rail strikes;
- the price of diesel, whose 10.0% drop, on average, in the first half of 2016 compared to the same period in the previous year favoured light-vehicle traffic;
- economic growth in France (+0.6% in the first quarter) and neighbouring countries, especially Spain (+0.8% in the first quarter).

Nevertheless, ASF and Escota achieved a 3.8% increase, on average, in traffic in the first half of 2016 compared with the first half of 2015:

- +3.5% for light vehicles which accounted for 85.4% of total traffic;
- +5.6% for heavy vehicles, which accounted for 14.6% of total traffic.

Users travelled 17,497.7 million kilometres on the ASF and Escota networks in the first half of 2016, compared with 16,862.5 million kilometres in the first half of 2015:

| Distance travelled | 1st half 2016 | | | | 1st half 2015 | | | | Change 1st half 2016/2015 | |
|---|---|---|---|---|---|---|---|---|---|---|
| *(in millions)* | ASF | Escota | ASF + Escota | % | ASF | Escota | ASF + Escota | % | Amount | % |
| Light vehicles | 11,864.7 | 3,075.6 | 14,940.3 | 85.4% | 11,475.8 | 2,965.3 | 14,441.1 | 85.6% | 499.2 | 3.5% |
| Heavy vehicles | 2,231.8 | 325.6 | 2,557.4 | 14.6% | 2,115.4 | 306.0 | 2,421.4 | 14.4% | 136.0 | 5.6% |
| **Light + heavy** | **14,096.5** | **3,401.2** | **17,497.7** | **100.0%** | **13,591.2** | **3,271.3** | **16,862.5** | **100.0%** | **635.2** | **3.8%** |

The annual average daily traffic on the network as a whole was 30,935 vehicles per day in the first half of 2016 compared with 30,090 vehicles per day in the first half of 2015, representing year-on-year growth of 2.8%.

The number of payment transactions rose by 53.9% to 519.8 million in the first half of 2016 (337.8 million in the first half of 2015).

The use of automatic payment lanes increased by 54.0% to 519.7 million transactions in the first half of 2016 (337.4 million in the first half of 2015).

The proportion of transactions made on automatic lanes thus rose to 100.0% in the first half of 2016 (99.9% in the first half of 2015).

Breakdown of ASF and Escota transactions by collection method:

| Type of transaction *(in millions)* | 1st half 2016 | 1st half 2015 | Change 1st half 2016/2015 | 2016 breakdown | 2015 breakdown |
|---|---|---|---|---|---|
| **Manual payments** | **0.1** | **0.3** | **-53.9%** | **0.0%** | **0.1%** |
| Automatic payments | 168.1 | 167.9 | 0.1% | 32.3% | 49.7% |
| ETC payments | 351.6 | 169.5 | 107.4% | 67.6% | 50.2% |
| **Sub-total automatic and ETC** | **519.7** | **337.4** | **54.0%** | **100.0%** | **99.9%** |
| **Total** | **519.8** | **337.8** | **53.9%** | **100.0%** | **100.0%** |

There were 2,033,158 subscribers to the light vehicle tag payment system for the two companies at 30 June 2016, which corresponds to 2,496,495 tags in circulation (compared with 1,762,870 subscribers and 2,147,261 tags at 30 June 2015).

| | 30/06/2016 | | | 30/06/2015 | | | Change at 30 June 2016/2015 | |
|---|---|---|---|---|---|---|---|---|
| | ASF | Escota | ASF + Escota | ASF | Escota | ASF + Escota | Amount | % |
| Number of customers | 1,783,069 | 250,089 | 2,033,158 | 1,521,728 | 241,142 | 1,762,870 | 270,288 | 15.3% |
| Number of tags | 2,142,314 | 354,181 | 2,496,495 | 1,806,846 | 340,415 | 2,147,261 | 349,234 | 16.3% |

## Revenue from tolls

Toll revenue breaks down by payment method as follows:

| | 1st half 2016 | | | 1st half 2015 | | | Change 1st half 2016/2015 | |
|---|---|---|---|---|---|---|---|---|
| Revenue *(in € millions)* | ASF | Escota | ASF + Escota | ASF | Escota | ASF + Escota | Amount | % |
| Immediate payment | 86.6 | 38.5 | 125.1 | 89.6 | 40.3 | 129.9 | (4.8) | -3.7% |
| Account subscribers | 7.5 | 69.1 | 76.6 | 1.2 | 69.7 | 70.9 | 5.7 | 8.0% |
| ETC payments | 747.6 | 139.4 | 887.0 | 691.2 | 121.6 | 812.8 | 74.2 | 9.1% |
| Bank cards | 415.9 | 88.6 | 504.5 | 407.8 | 86.2 | 494.0 | 10.5 | 2.1% |
| Charge cards | 67.7 | 15.0 | 82.7 | 66.2 | 14.8 | 81.0 | 1.7 | 2.0% |
| Onward-invoiced expenses | 0.7 | 0.1 | 0.8 | 0.6 | 0.1 | 0.7 | 0.1 | 9.6% |
| **Toll revenue** | **1,325.9** | **350.7** | **1,676.6** | **1,256.6** | **332.7** | **1,589.3** | **87.3** | **5.5%** |

Toll revenue increased by 5.5% in the first half of 2016 to €1,676.6 million, from €1,589.3 million in the first half of 2015.

This change was due to the combined effect of the following two main factors:
- effect of traffic on an actual network basis: +3.8%;
- effect of prices and rebates: +1.7%.

## Revenue from commercial premises

Revenue from commercial premises amounted to €25.7 million in the first half of 2016 compared with €25.2 million in the first half of 2015, a 2.0% increase.

## Revenue from the rental of optical fibres, pylons and other items

Revenue from ASF and Escota's rental of optical fibre and pylons was €6.6 million in the first half of 2016, down 2.9% on the first half of 2015 (€6.8 million).

### 2.1.2. Operating income

Operating income totalled €934.7 million in the first half of 2016, an increase of 10.2% (€86.2 million) over the €848.5 million achieved in the first half of 2015.

Revenue (excluding works revenue) was up 5.1%, while operating charges (excluding construction charges) fell 0.5%, which is mainly attributable to a decrease in the amortisation expense as a result of the impact of the extension of the duration of the ASF and Escota concessions.

The significant changes in operating expenses were thus the following:

- a 54.7% increase (€39.8 million) in "**external services**": €112.6 million in the first six months of 2016 (€72.8 million for the same period in 2015) mainly attributable to the new Exceptional Voluntary Contribution and an additional expense for infrastructure maintenance;
- a 196.2% (€10.4 million) increase in "**net provision expense**": €15.7 million profit for the first half-year 2016 (€5.3 million profit for the same six-month period in 2015);
- an increase of 3.4% (€6.0 million) in "**taxes and levies**": €184.3 million in the first half of 2016, up from €178.3 million in the first half of 2015;
- a decrease of 9.9% (€36.6 million) in "**depreciation expense**": €333.6 million for the first half-year 2016 (€370.2 million for the same six-month period in 2015), largely as a result of the impact of the extension of the concession contracts' duration (€42.4 million), which was itself offset by the road openings in 2015 and 2016;
- a decrease of 1.3% (€2.0 million) in "**employment costs**": €156.6 million in the first half of 2016 (€158.6 million in the first half of 2015);
- a decrease of 11.5% (€1.5 million) in "**purchases consumed**": €11.5 million in the first half of 2015 (€13.0 million in the first half of 2015).

### 2.1.3. Cost of net financial debt and other financial income and expense

The cost of net financial debt was down 11.8% (€23.3 million) to €174.4 million in the first half of 2016, compared with €197.7 million in the first half of 2015 (see Note D.3. "Financial income and expense" of the Notes to the condensed half-year consolidated financial statements for the six months ended 30 June 2016).

Other financial income and expense resulted in net income of €7.1 million in the first half of 2016, up €3.3 million on the net income of €3.8 million in the year-earlier period (see Note D.3. "Financial income and expense" of the Notes to the condensed half-year consolidated financial statements for the six months ended 30 June 2016).

### 2.1.4. Income tax

The tax expense, corresponding to current and deferred tax, was €262.7 million in the first half of 2016 compared with €251.5 million in the first half of 2015, an increase of 4.5% (see Note D.4. "Income tax expense" of the Notes to the condensed half-year consolidated financial statements for the six months ended 30 June 2016).

### 2.1.5. Net income

Net income attributable to owners of the parent amounted to €504.0 million in the first half of 2016, up 25.3% compared with €402.1 million in the year-earlier period.

Earnings per share amounted to €2.182 in the first half of 2016 compared with €1.741 in the first half of 2015.

The portion attributable to non-controlling interests was €0.7 million in the first half of 2016, down €0.4 million largely due to the disposals at the start of the financial year (see Note B.2.1. "Consolidation scope and methods" of the Notes to the condensed half-year consolidated financial statements for the six months ended 30 June 2016).

## 2.2. Investments

ASF and Escota made investments totalling €294.0 million in the first half of 2016, compared with €259.6 million in the first half of 2015, an increase of €34.4 million:

| Type of investment | 1st half 2016 | | | 1st half 2015 | | | Change 1st half 2016/2015 |
|---|---|---|---|---|---|---|---|
| *(in € millions)* | ASF | Escota | ASF + Escota | ASF | Escota | ASF + Escota | % |
| Construction of new sections(*) | 10.2 | | 10.2 | 10.6 | | 10.6 | -3.9% |
| Supplementary investments on motorways in service(*) | 210.4 | 53.7 | 264.1 | 189.0 | 44.2 | 233.2 | 13.2% |
| Operating tangible fixed assets(*) | 13.7 | 6.0 | 19.8 | 9.8 | 6.0 | 15.8 | 25.0% |
| **Total** | **234.3** | **59.7** | **294.0** | **209.4** | **50.2** | **259.6** | **13.3%** |

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

These investments related mainly to:

## New sections

**A64 – Briscous/Bayonne – Mousserolles (former RD1) (11 km)**
The RD1 was reclassified for motorway use by a decree published on 9 January 2015.

As regards the protection of the water resources, the amendment documentation for the existing infrastructure was approved by a prescription decision of 12 May 2016. An authorisation application is being finalised for the definitive work and compensatory measures.

The roadworks on the existing section, which began in October 2015, continue.

## Widening and capacity improvement

**A9 – Perpignan South/Le Boulou: widening to three-lane dual carriageway (17 km)**
The latest phase of roadworks was completed in May 2016 with the erection of the traffic barriers at the correct level and the application of the final wearing course to the roadbed.

The landscaping work has also been completed.

The safety inspections were carried out by the French Government's Transport Infrastructure Department between 19 and 25 May 2016 and the three-lane dual carriageway was opened to traffic on 30 June 2016.

**A9 – Le Boulou/Le Perthus widening to three-lane dual carriageway (8 km)**
The proposed widening was declared to be of public utility on 26 October 2009 (decision extended on 6 May 2014). All preliminary official authorisations were obtained.

The final ministerial decree awaited on the conservation of protected species was obtained on 3 December 2015.

The archaeological work has been completed and the land required for the roadworks has been purchased.

The project analysis, the diversion of existing services and the initial preparatory work are underway.

The main works contract has been awarded and the large-scale roadworks are due to begin from September 2016.

**A9 – Relief motorway for the A9 at Montpellier (23 km)**
Under the 2012-2016 master plan, the entry into service of the relief A9 at Montpellier is due prior to 31 December 2017.

The work on the Lez-Lironde viaduct is currently being completed for delivery in the summer of 2016.

The large-scale roadworks on the existing section, which began in 2014, continue as planned.

The large-scale earthworks have been completed. Construction of the detour roads and bridges/tunnels continues and the roadworks are underway.

Finally, the environmental upgrading of the existing A9 motorway at Montpellier is in progress.

**A61 – Widening to three-lane dual carriageway: phase 1 (35 km)**
It has been decided that the three-lane dual carriageway section between the A61/A66 junction and the Port Lauragais service station and the section between the no.25 Lézignan interchange and the A61/A9 junction will open to the public 60 months after the declaration of public utility.

The official applications (conservation of habitats of protected species) for the two sections A66/Port Lauragais and Lézignan/A9 are being put together and the preliminary project analysis has begun.

**A63 – Ondres/Biriatou: widening to three-lane dual carriageway (39 km)**
The widening of the Nivelle viaduct was completed on schedule in June 2015.

The large-scale construction work, which commenced in the autumn of 2014, continues with a view to expanding the Biriatou – Biarritz section to a three-lane dual carriageway in early July 2018.

**A63 – Saint-Geours-de-Maremne/Ondres widening to three-lane dual carriageway (27 km)**
The preliminary project analysis is being prepared.

The authorisation applications for the conservation of protected species were submitted to the national committee on 27 June 2016. Decisions are awaited on the prefectural orders.

The public utility enquiries, required under the French Water and Parcelling Act, were conducted between 26 May and 30 June 2015. The relevant permission from the water authorities was granted on 28 December 2015 and the Prefect's Declaration of Public Utility was published on 25 February 2016.

A decision to instruct an archaeological analysis was taken on 19 October 2015. This diagnostic will be carried out in 2016.

Land purchases are still underway.

**A46 south – Widening to three-lane dual carriageway - Studies**
The summary application is being put together for submission to the State in September 2017, subject to definition by the State of the required functions prior to 30 June 2016.

**The Aigrefeuille Interchange (A83)**
The new interchange was opened to the public on 31 March 2016, nine months ahead of the contractual target date.

**Escota's investments related in particular to:**

- ongoing works on the Borne Romaine tunnel on the A8 motorway (between Nice and La Turbie);
- the creation of special heavy vehicle areas on the A8 motorway;
- the modernisation program for all network stations;
- widening to three-lane dual carriageway of the Pas De Trets/Pont de l'étoile section of the A52 motorway.

## 2.3. Financing

ASF contracted the following financing in the first six months of 2016:

- in April 2016, signature of a loan agreement for €390 million, maturing in 2033, with the European Investment Bank (EIB), to finance some of the investments required for the relief motorway for the A9 at Montpellier;
- on 13 May 2016, a bond issue under its EMTN (Euro Medium Term Note) programme for €500 million, maturing in May 2026, with a 1.0% coupon.

In addition, in May 2016 ASF extended the maturity of its €1.7 billion revolving credit facility until May 2021.

## 2.4. Balance sheet

**Total non-current net assets** amounted to €12,930.6 million at 30 June 2016, an increase of €56.8 million compared with 31 December 2015 (€12,873.8 million).

This can be attributed to a €106.2 million increase in the fair value of derivative financial instruments, which was partially offset by the net fall in tangible and intangible investments of €43.3 million. In the first half of 2016, the increase in depreciation and amortisation (€333.6 million) was higher than the gross amount of construction and operating assets acquired (€294.0 million).

A €5.0 million fall in investments in companies accounted for under the equity method as a result of the disposal of TransJamaican Highway in early 2016.

**Total current assets** amounted to €648.8 million at 30 June 2016, up €40.3 million from the 31 December 2015 figure of €608.5 million, mainly attributable to a €35.2 million increase in cash management financial assets and cash and cash equivalents, current tax assets of €8.4 million and a €3.3 million increase in the fair value of derivative financial instruments (current assets).

This increase was in part offset by a €6.1 million fall in trade and other receivables.

**Equity** increased by €489.4 million to €429.8 million at 30 June 2016, compared with a negative figure of €59.6 million at 31 December 2015. This change arose from income for the first half of 2016 attributable to owners of the parent (€504.0 million), which was decreased by variations in amounts recognised directly in equity of €9.1 million, share-based payments of €4.1 million and currency translation differences of €1.4 million.

**Total non-current liabilities** were €10,578.2 million at 30 June 2016 (€11,346.6 million at 31 December 2015), a decrease of €768.4 million. This was mainly due to a net €745.1 million reduction in bonds in issue and other loans and borrowings and a €38.3 million fall in the fair value of derivative financial instruments (non-current liabilities).

This decrease was offset in part by increases of €7.4 million in non-current deferred tax liabilities, €5.8 million in non-current provisions and €1.8 million in other non-current liabilities.

**Total current liabilities** amounted to €2,571.4 million at 30 June 2016, up €376.1 million from 31 December 2015 (€2,195.3 million). This increase was largely due to €485.3 million in current financial liabilities and a change in the fair value of derivative financial instruments (current liabilities) of €2.0 million, offset in part by decreases in current tax liabilities (€56.6 million) and trade payables (€31.7 million), on the one hand, and a decrease of €6.5 million in current provisions and of €16.4 million in other current operating and non-operating liabilities, on the other.

After taking account of these various items, the **Group's net financial debt** at 30 June 2016 amounted to €10,973.7 million, compared with €11,414.5 million at 31 December 2015, a decrease of €440.8 million.

## 2.5. Cash flows

The Group's statement of cash flows shows a closing net balance of cash and cash equivalents of €77.0 million, up €38.8 million from the opening balance of €38.2 million.

This change breaks down as follows:

- **cash flows from operations before tax and financing costs** came to €1,263.8 million in the first half of 2016, up 5.7% from the year-earlier period (€1,195.4 million). As a proportion of revenue, cash flows from operations before tax and financing costs rose from 73.5% in the first half of 2015 to 74.0% in the first half of 2016;
- **cash flows from operating activities** totalled €692.7 million in the first half of 2016, 5.0% less than in the first half of 2015 (€729.4 million);
- **cash flows used in investing activities** amounted to €274.0 million in the first half of 2016, 10.0% less than the first half of 2015 (€249.0 million);
- **net cash flows used in financing activities** totalled €383.6 million in the first half of 2016 compared with an outflow of €504.4 million in the first half of 2015. These flows comprise long-term borrowings and long-term credit facilities granted in the amount of €890.0 million, the repayment of long-term borrowings for a total of €1,228.3 million and the €45.3 million negative impact from cash management assets and other current financial debts.

# 3. Main transactions with related parties

The main transactions with related parties are detailed in Note F.17. "Related Parties transactions" to the half-year financial report for the six months ended 30 June 2016.

# 4. Risk factors

Since toll revenue accounts for virtually all the revenue from operating concessions, the main risks for the ASF group 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 2015 consolidated annual financial report.

# 5. Parent company financial statements

## 5.1. Revenue

ASF's revenue (excluding construction revenue) amounted to €1,352.7 million in the first half of 2016, up 5.4% compared with the first half of 2015 (€1,283.2 million).

## 5.2. Net income

ASF's net income was €364.1 million in the first half of 2016, 15.8% lower than in the year-earlier period (€432.6 million).

The result for the six months ended 30 June 2016 does not include dividends received from its subsidiary Escota, whereas the result for the same period of 2015 included dividends received in the amount of €158.8 million.

# **Condensed half-year consolidated financial statements** for the six months ended 30 June 2016

# HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

## Consolidated income statement for the period

| *(in € millions)* | Note | 1st half 2016 | 1st half 2015 | 2015 |
|---|---|---|---|---|
| **Revenue(1)** | **D.1.** | **1,708.9** | **1,626.4** | **3,519.2** |
| Concession companies' revenue derived from works | | 251.0 | 221.5 | 665.1 |
| Total revenue | | 1,959.9 | 1,847.9 | 4,184.3 |
| Revenue from ancillary activities | | 18.7 | 17.1 | 37.5 |
| Operating expenses | D.2. | (1,041.1) | (1,015.3) | (2,376.4) |
| **Operating income from ordinary activities** | **D.2.** | **937.5** | **849.7** | **1,845.4** |
| Share-based payments (IFRS 2) | D.2. | (1.0) | (0.9) | (4.1) |
| Income/(loss) of companies accounted for under the equity method | | (3.7) | (0.6) | (4.0) |
| Other ordinary operating items | | 0.3 | 0.3 | 0.3 |
| **Ordinary net operating income** | **D.2.** | **933.1** | **848.5** | **1,837.6** |
| Scope effect | | 1.6 | 0.0 | 0.0 |
| **Operating income** | **D.2.** | **934.7** | **848.5** | **1,837.6** |
| Cost of gross financial debt | | (174.7) | (197.9) | (393.0) |
| Financial income from cash investments | | 0.3 | 0.2 | 0.4 |
| **Cost of net financial debt** | **D.3.** | **(174.4)** | **(197.7)** | **(392.6)** |
| Other financial income and expense | D.3. | 7.1 | 3.8 | 16.0 |
| Income taxes | D.4. | (262.7) | (251.5) | (565.7) |
| **Net income** | | **504.7** | **403.2** | **895.3** |
| Net income attributable to non-controlling interests | | 0.7 | 1.1 | 2.2 |
| **Net income attributable to owners of the parent** | | **504.0** | **402.1** | **893.1** |
| **Earnings per share attributable to owners of the parent** | **D.5.** | | | |
| Earnings per share *(in €)* | | 2.182 | 1.741 | 3.867 |
| Diluted earnings per share *(in €)* | | 2.182 | 1.741 | 3.867 |

*(1) Excluding concession companies' revenue derived from works.*

# Consolidated comprehensive income statement for the period

| | | 1st half 2016 | | | 1st half 2015 | | | 2015 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *(in € millions)* | **Note** | **Attributable to owners of the parent** | **Attributable to non-controlling interests** | **Total** | **Attributable to owners of the parent** | **Attributable to non-controlling interests** | **Total** | **Attributable to owners of the parent** | **Attributable to non-controlling interests** | **Total** |
| **Net income** | | **504.0** | **0.7** | **504.7** | **402.1** | **1.1** | **403.2** | **893.1** | **2.2** | **895.3** |
| Financial instruments: changes in fair value | E.10.2. | (8.0) | | (8.0) | 45.5 | | 45.5 | 56.0 | | 56.0 |
| of which: | | | | | | | | | | |
| *Available-for-sale financial assets* | | *(0.8)* | | *(0.8)* | *0.3* | | *0.3* | *0.6* | | *0.6* |
| *Cash flow hedges(1)* | | *(7.2)* | | *(7.2)* | *45.2* | | *45.2* | *55.4* | | *55.4* |
| Translation differences | | (1.4) | | (1.4) | 0.5 | | 0.5 | 0.6 | | 0.6 |
| Tax(2) | E.10.2. | 2.7 | | 2.7 | (15.7) | | (15.7) | (20.8) | | (20.8) |
| **Other comprehensive income that can be recycled in net income at a later date** | | **(6.7)** | | **(6.7)** | **30.3** | | **30.3** | **35.8** | | **35.8** |
| Actuarial gains and losses on retirement benefit obligations | | (5.8) | | (5.8) | (8.9) | | (8.9) | 0.5 | | 0.5 |
| Tax | | 2.0 | | 2.0 | 3.1 | | 3.1 | (0.2) | | (0.2) |
| **Other comprehensive income that cannot be recycled in net income at a later date** | | **(3.8)** | | **(3.8)** | **(5.8)** | | **(5.8)** | **0.3** | | **0.3** |
| **All other comprehensive income recognised directly in equity** | | **(10.5)** | **0.0** | **(10.5)** | **24.5** | **0.0** | **24.5** | **36.1** | **0.0** | **36.1** |
| of which: | | | | | | | | | | |
| *Companies controlled* | | *(10.5)* | | *(10.5)* | *24.5* | | *24.5* | *36.1* | | *36.1* |
| *Companies accounted for under the equity method* | | | | | | | | | | |
| **Total comprehensive income** | | **493.5** | **0.7** | **494.2** | **426.6** | **1.1** | **427.7** | **929.2** | **2.2** | **931.4** |

*(1) 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 hedged cash flow affects profit or loss.*
*(2) Tax effects relating to changes in the fair value of financial instruments used to hedge cash flows (effective portion).*

# Consolidated balance sheet - assets

| *(in € millions)* | Note | 30/06/2016 | 30/06/2015 | 31/12/2015 |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Concession intangible assets | E.6. | 11,575.8 | 11,415.1 | 11,598.1 |
| Other intangible fixed assets | | 30.8 | 35.5 | 31.7 |
| Property, plant & equipment | E.7. | 611.3 | 656.3 | 631.4 |
| Investments in companies accounted for under the equity method | E.8. | 0.0 | 5.0 | 5.0 |
| Other non-current financial assets | E.9. | 16.1 | 16.2 | 17.2 |
| Fair value of derivative financial instruments (non-current assets) | E.14. | 696.6 | 576.7 | 590.4 |
| **Total non-current assets** | | **12,930.6** | **12,704.8** | **12,873.8** |
| **Current assets** | | | | |
| Inventories and work in progress | E.13.1. | 4.5 | 4.6 | 4.9 |
| Trade and other receivables | E.13.1. | 284.2 | 273.6 | 290.3 |
| Other current operating assets | E.13.1. | 133.5 | 95.3 | 132.7 |
| Other current non-operating assets | | 23.3 | 29.9 | 24.2 |
| Current tax assets | | 8.4 | 1.0 | 0.0 |
| Fair value of derivative financial instruments (current assets) | E.14. | 117.9 | 114.4 | 114.6 |
| Cash management financial assets | E.14. | 0.0 | 6.8 | 3.6 |
| Cash and cash equivalents | E.14. | 77.0 | 43.1 | 38.2 |
| **Total current assets** | | **648.8** | **568.7** | **608.5** |
| | | | | |
| **Total assets** | | **13,579.4** | **13,273.6** | **13,482.3** |

# Consolidated balance sheet – equity and liabilities

| *(in € millions)* | Note | 30/06/2016 | 30/06/2015 | 31/12/2015 |
|---|---|---|---|---|
| **Equity** | | | | |
| Share capital | | 29.3 | 29.3 | 29.3 |
| Consolidated reserves | | 53.7 | 268.5 | (835.3) |
| Currency translation reserves | | 0.0 | 1.2 | 1.4 |
| Net income attributable to owners of the parent | | 504.0 | 402.1 | 893.1 |
| Amounts recognised directly in equity | E.10.2. | (159.5) | (161.8) | (150.4) |
| **Equity attributable to owners of the parent** | | **427.6** | **539.3** | **(61.9)** |
| Non-controlling interests | E.10.4. | 2.2 | 4.1 | 2.3 |
| **Total equity** | | **429.8** | **543.5** | **(59.6)** |
| **Non-current liabilities** | | | | |
| Non-current provisions | E.12. | 102.2 | 106.1 | 96.4 |
| Bonds | E.14. | 7,450.2 | 6,816.7 | 6,838.4 |
| Other loans and borrowings | E.14. | 2,739.5 | 3,524.3 | 4,096.4 |
| Fair value of derivative financial instruments (non-current liabilities) | E.14. | 170.3 | 202.9 | 208.6 |
| Other non-current liabilities | | 19.2 | 18.9 | 17.4 |
| Deferred tax liabilities | | 96.8 | 101.4 | 89.4 |
| **Total non-current liabilities** | | **10,578.2** | **10,770.3** | **11,346.6** |
| **Current liabilities** | | | | |
| Current provisions | E.13.2. | 433.5 | 435.8 | 440.0 |
| Trade payables | E.13.1. | 76.2 | 75.4 | 107.9 |
| Fair value of derivative financial instruments (current liabilities) | E.14. | 27.7 | 30.9 | 25.7 |
| Other current operating liabilities | E.13.1. | 367.4 | 362.6 | 383.6 |
| Other current non-operating liabilities | | 189.1 | 149.6 | 189.3 |
| Current tax liabilities | | 0.0 | 0.0 | 56.6 |
| Current financial debts | E.14. | 1,477.5 | 905.1 | 992.2 |
| Short-term bank borrowings | E.14. | 0.0 | 0.4 | 0.0 |
| **Total current liabilities** | | **2,571.4** | **1,959.8** | **2,195.3** |
| | | | | |
| **Total equity and liabilities** | | **13,579.4** | **13,273.6** | **13,482.3** |

# Consolidated cash flow statement

| *(in € millions)* | | 1st half 2016 | 1st half 2015 | 2015 |
|---|---|---|---|---|
| **Consolidated net income for the period (including non-controlling interests)** | | **504.7** | **403.2** | **895.3** |
| Depreciation and amortisation | | 333.6 | 370.2 | 701.5 |
| Increase/(decrease) in provisions | | (0.9) | (17.9) | (17.5) |
| Share-based payments (IFRS 2) and other restatements | | 0.2 | (0.1) | (1.2) |
| Gain or loss on disposals | | (0.8) | 0.4 | 1.8 |
| Share of profit or loss of companies accounted for under the equity method and dividends received from unconsolidated entities | | 3.4 | 0.3 | 3.7 |
| Capitalised borrowing costs | | (13.5) | (9.9) | (21.9) |
| Cost of net financial debt recognised | | 174.4 | 197.7 | 392.6 |
| Current and deferred tax expense recognised | | 262.7 | 251.5 | 565.7 |
| **Cash flows (used in)/from operations before tax and financing costs** | | **1,263.8** | **1,195.4** | **2,520.0** |
| Changes in operating working capital requirement and current provisions | | (54.0) | 1.4 | 5.9 |
| Income taxes paid | | (313.4) | (253.9) | (528.6) |
| Net interest paid | | (203.7) | (213.5) | (368.9) |
| Dividends received from companies accounted for under the equity method | | 0.0 | 0.0 | 0.0 |
| **Cash flows (used in)/from operating activities** | **I** | **692.7** | **729.4** | **1,628.4** |
| *Purchases of property, plant and equipment and intangible assets* | | *(4.2)* | *(4.0)* | *(7.8)* |
| *Disposals of property, plant and equipment and intangible assets* | | *0.0* | *0.1* | *0.1* |
| **Operating investments (net of disposals)** | | **(4.2)** | **(3.9)** | **(7.7)** |
| ***Operating cash flow*** | | **688.5** | **725.5** | **1,620.7** |
| *Investments in concession fixed assets (net of grants received)* | | *(274.3)* | *(253.4)* | *(681.7)* |
| *Proceeds from sales of concession fixed assets* | | *2.5* | *7.3* | *9.2* |
| **Growth investments in concessions** | | **(271.8)** | **(246.1)** | **(672.5)** |
| ***Free cash flow (after investments)*** | | **416.7** | **479.4** | **948.2** |
| *Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)* | | *(3.7)* | *0.0* | *(3.2)* |
| *Proceeds from sales of shares in subsidiaries and affiliates (consolidated and unconsolidated)* | | *6.1* | *0.0* | *0.0* |
| *Net effect of changes in scope of consolidation* | | *(1.5)* | *0.0* | *0.0* |
| **Net financial investments** | | **0.9** | **0.0** | **(3.2)** |
| Other | | 1.1 | 1.0 | 1.2 |
| **Net cash flows (used in)/from investing activities** | **II** | **(274.0)** | **(249.0)** | **(682.2)** |
| Dividends paid | | | | |
| *- to shareholders of ASF* | | *0.0* | *(519.7)* | *(1,628.4)* |
| *- to non-controlling interests* | | *0.0* | *(1.1)* | *(4.0)* |
| Proceeds from new long-term borrowings | | 890.0 | 220.0 | 1,370.0 |
| Repayments of long-term loans | | (1,228.3) | (206.6) | (718.5) |
| Change in cash management assets and other current financial debts | | (45.3) | 3.0 | 3.0 |
| **Net cash flows (used in)/from financing activities** | **III** | **(383.6)** | **(504.4)** | **(977.9)** |
| **Other changes** | **IV** | **3.7** | **(1.7)** | **1.2** |
| **Change in net cash** | **I + II + III + IV** | **38.8** | **(25.7)** | **(30.5)** |
| **Net cash and cash equivalents at beginning of period** | | **38.2** | **68.8** | **68.7** |
| **Net cash and cash equivalents at end of period** | | **77.0** | **43.1** | **38.2** |
| Change in cash management financial assets and other current financial debts | | 45.3 | (3.0) | (3.0) |
| (Proceeds from)/repayment of loans | | 338.3 | (13.4) | (651.5) |
| Other changes | | 18.4 | 62.8 | 30.5 |
| **Change in net financial debt** | | **440.8** | **20.7** | **(654.5)** |
| **Net financial debt at beginning of period** | | **(11,414.5)** | **(10,760.0)** | **(10,760.0)** |
| **Net financial debt at end of period** | | **(10,973.7)** | **(10,739.3)** | **(11,414.5)** |

# Consolidated statement of changes in equity

| *(in € millions)* | Equity attributable to owners of the parent | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Share capital | Consolidated reserves | Net income | Currency translation reserves | Amounts recognised directly in equity | Total attributable to owners of the parent | Non-controlling interests | Total |
| **Equity at 01/01/2015** | **29.3** | **17.2** | **774.5** | **0.8** | **(185.9)** | **635.9** | **4.1** | **640.0** |
| Net income for the period | | | 402.1 | | | 402.1 | 1.1 | 403.2 |
| Other comprehensive income recognised directly in equity of controlled companies | | | | 0.5 | 24.0 | 24.5 | | 24.5 |
| **Total comprehensive income for the period** | | | **402.1** | **0.5** | **24.0** | **426.6** | **1.1** | **427.7** |
| Allocation of net income and dividend payments | | 254.8 | (774.5) | | | (519.7) | (1.1) | (520.8) |
| Share-based payments (IFRS 2) | | (3.5) | | | | (3.5) | | (3.5) |
| **Equity at 30/06/2015** | **29.3** | **268.5** | **402.1** | **1.2** | **(161.9)** | **539.3** | **4.1** | **543.5** |
| Net income for the period | | | 491.0 | | | 491.0 | 1.1 | 492.1 |
| Other comprehensive income recognised directly in equity of controlled companies | | | | 0.1 | 11.5 | 11.6 | | 11.6 |
| **Total comprehensive income for the period** | | | **491.0** | **0.1** | **11.5** | **502.6** | **1.1** | **503.7** |
| Allocation of net income and dividend payments | | (1,108.7) | | | | (1,108.7) | (2.9) | (1,111.6) |
| Share-based payments (IFRS 2) | | 4.9 | | | | 4.9 | | 4.9 |
| **Equity at 31/12/2015** | **29.3** | **(835.3)** | **893.1** | **1.4** | **(150.4)** | **(61.9)** | **2.3** | **(59.6)** |
| Net income for the period | | | 504.0 | | | 504.0 | 0.7 | 504.7 |
| Other comprehensive income recognised directly in equity of controlled companies | | | | (1.4) | (9.1) | (10.5) | | (10.5) |
| **Total comprehensive income for the period** | | | **504.0** | **(1.4)** | **(9.1)** | **493.5** | **0.7** | **494.2** |
| Allocation of net income and dividend payments | | 893.1 | (893.1) | | | 0.0 | 0.0 | 0.0 |
| Share-based payments (IFRS 2) | | (4.1) | | | | (4.1) | | (4.1) |
| Changes in consolidation scope | | | | | | | (0.8) | (0.8) |
| **Equity at 30/06/2016** | **29.3** | **53.7** | **504.0** | **0.0** | **(159.5)** | **427.6** | **2.2** | **429.8** |

# NOTES TO THE CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

# A. Seasonal nature of the business

The first half of the year is affected by the seasonal nature of the Group's business.

In motorway concession companies, traffic volumes are lower in the first half than the second because of high levels of light-vehicle traffic in the summer period. In the last few years, first-half revenue has accounted for 46-47% of the full-year total, depending on the network and the year.

As a result, first-half revenue and earnings cannot be extrapolated over the full year, due mainly to the seasonal nature of the business and application of IFRIC 21 (which specifies how to account for the outflows linked to taxes and levies based in general on the relevant obligating event – see Note A. "Accounting policies and measurement methods" of the 2015 Annual financial report).

The seasonality of the Group's business is reflected in the net use of cash in the first half, which is attributable to the lower level of receipts during this period and the pattern of operating cash flows, the majority of which is generated in the second half of the year.

The impact of seasonal factors has not resulted in any adjustment to the Group's half-year financial statements.

Group income and expenses in respect of ordinary activities that are of a seasonal, cyclical or occasional nature are accounted for using the same accounting methods as those adopted for the full-year financial statements. They are neither brought forward nor deferred at the closing date for the half-year accounts.

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

Risks arising in the first half are provisioned at the end of the period.

# B. Accounting policies, measurement methods and change in accounting method

## B.1. General principles

The accounting policies retained at 30 June 2016 are the same as those used in preparing the consolidated financial statements at 31 December 2015, except for the standards and interpretations adopted by the European Union and mandatory as from 1 January 2016 (see Note B.1.1. "New standards and interpretations applicable from 1 January 2016").

The Group's condensed half-year consolidated financial statements for the six months ended 30 June 2016 have been prepared in accordance with IAS 34 "Interim Financial Reporting". They were approved by the Board of Directors on 27 July 2016. As these are condensed consolidated financial statements, they do not include all the information required by IFRSs for annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 31 December 2015.

The accounting policies adopted in preparing and presenting the condensed half-year consolidated financial statements comply with standards and interpretations (IFRS) as adopted by the European Union at 30 June 2016.

The Group's condensed half-year consolidated financial statements are presented in millions of euros to one decimal place. Rounding to the nearest hundred thousand euros may, in certain cases, give rise to non-material discrepancies in the totals and sub-totals indicated in the tables.

### B.1.1. New standards and interpretations applicable from 1 January 2016

There are no new standards applicable for the first time from 1 January 2016. There are merely a few amendments which must be applied to financial years starting in 2016:

- Amendments to IAS 1 "Disclosure initiative";
- Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortisation";
- Amendments to IAS 19 "Defined Benefit Plans: Employee Contributions";
- Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations";
- Annual improvements, cycles 2010-2012 and 2012-2014.

The presentation of the total comprehensive income takes account of the amendment to IAS 1 "Disclosure initiative".

Specific lines have been added to enable us to present separately for the entities consolidated by the equity method:
- their share of other comprehensive (net) income that can be recycled in net income at a later date;
- their share of other comprehensive (net) income that cannot be recycled in net income at a later date.

At the Group level, the implementation of the other amendments has not had a material impact.

### B.1.2. Standards and interpretations adopted by the IASB but not yet applicable at 30 June 2016

The Group has not applied early any of the following standards or interpretations that might affect it, application of which was not mandatory at 1 January 2016:
- IFRS 9 "Financial Instruments";
- IFRS 15 "Revenue from Contracts with Customers";
- IFRS 16 "Leases";
- Amendments to IAS 7 "Disclosure initiative";
- Amendments to IAS 12 "Recognition of deferred tax assets for unrealised losses";
- Amendments to IFRS 10 and IAS 28 "Sale or contribution of assets between an investor and its associate or joint venture".

The ASF group is currently analysing the impacts and practical consequences of applying these standards.

## B.2. Consolidation methods

### B.2.1. Consolidation scope and methods

In accordance with IFRS 10, companies in which the Group directly or indirectly owns the majority of the voting rights at Shareholders' General Meetings, on the Board of Directors or within the equivalent governing body, giving it the power to govern their operating and financial policies, are generally considered to be controlled companies and are consolidated under the full consolidation method. To determine control, the ASF group performs an in-depth analysis of the governance that has been set up and the rights held by the other shareholders. Whenever necessary, the instruments held by the Group or third parties (potential voting rights, dilutive instruments, convertible instruments, etc.) and which, if exercised, might alter the type of influence wielded by each of the parties, are also studied.

The control analysis is reviewed should any event arise liable to have an impact on the level of control exercised by the Group (change to an entity's share capital distribution or its governance, exercise of a dilutive financial instrument, etc.).

IFRS 11 "Joint Arrangements" concerns all aspects relating to the accounting of jointly controlled entities.

This standard has no impact within the ASF group as the Group has no joint ventures or joint operations.

Associates are entities over which the Group exercises significant influence. They are consolidated by the equity method in accordance with IAS 28. Significant influence is assumed to exist where the Group's shareholding is at least 20%. However, it may exist for smaller percentages, for example where the Group is represented on the Board of Directors or in any equivalent governance body and thus plays a role in developing the entity's operational and financial policies and its strategic directions.

The Group's consolidation scope does not include subsidiaries with material non-controlling interests or individually significant joint ventures or associates. This assessment is based on the effect of these holdings on the Group's financial position, financial performance and cash flows. The ASF group does not have holdings in structured entities as defined by IFRS 12 either.

#### Changes in consolidation scope

In January 2016, ASF sold its shares in the companies Jamaican Infrastructure Operator (JIO) and TransJamaican Highway (TJH). In view of the fact that neither company made a significant impact between 1 January 2016 and the date of disposal, both were removed from the consolidation scope as of 1 January 2016.

In May 2016, the ASF group subscribed to a capital increase by the company Axxès. On completion of this transaction, its percentage owned (42.9%) and the consolidation method remained unchanged.

At 30 June 2016, Escota was the only fully-consolidated company and Axxès (associate) was the only company consolidated using the equity method (at 31 December 2015, Escota and Jamaican Infrastructure Operator (JIO) were fully consolidated and TransJamaican Highway and Axxès were consolidated under the equity method).

### B.2.2. Intragroup transactions

All reciprocal operations and transactions relating to assets and liabilities, income and expenses between companies that are consolidated or accounted for under the equity method are eliminated in the consolidated financial statements.

When a fully consolidated Group company conducts a transaction with a joint venture or associate consolidated by the equity method, the gains and losses resulting from this transaction are not recognised in the Group's consolidated financial statements except to the extent that third parties may hold an interest in the associate.

### B.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 items of other comprehensive income.

### B.2.4. Foreign currency transactions

Transactions in foreign currency are translated into euros at the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into euros at the closing rate. Foreign exchange gains or losses are recognised in profit and loss.

Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivative instruments qualifying as hedges of net investments in foreign subsidiaries are recorded under currency translation differences in equity.

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

In accordance with IFRS 10, acquisitions or disposals of non-controlling interests, with no impact on control, are considered as transactions with the Group's shareholders. The difference between the consideration paid to increase the percentage shareholding in already-controlled entities and the supplementary share of equity thus acquired is recorded under equity attributable to owners of the parent. Similarly, a decrease in the Group's percentage interest in an entity that continues to be controlled is booked in the accounts as a transaction between shareholders, with no impact on profit or loss. Expenses for fees and other costs related to acquisitions and disposals of non-controlling interests without an effect on control, as well as any associated tax effects, are recognised in equity. Cash flows from transactions between shareholders are shown as cash flows from financing operations in the consolidated cash flow statement.

## B.3. Measurement rules and methods

### B.3.1. Use of estimates

The preparation of financial statements under IFRS 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 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.

The consolidated half-year financial statements have been prepared with reference to the immediate environment, including as regards the estimates of the following items:

- profit or loss recognised on the basis of the stage of completion of the construction contracts;
- values used in impairment tests;
- measurement of share-based payment expenses under IFRS 2;
- measurement of retirement benefit obligations;
- measurement of provisions;
- determination of the discount rates to be used when performing impairment tests (IAS 36) and when calculating the present value of provisions (IAS 37) and employee benefits (IAS 19);
- measurement of certain financial instruments at fair value.;
- measurement at fair value of identifiable financial assets and liabilities acquired when business combinations are formed.

### B.3.2. Fair value measurement

The Group mainly uses fair value to measure, on a recurring basis on the balance sheet, derivative instruments, cash and cash equivalents, financial assets held for sale, cash management financial assets and identifiable financial assets and liabilities acquired when business combinations are formed. The fair value of other financial instruments (mainly debt instruments and loans and receivables at amortised cost) is indicated in Note E.16. "Book and fair value of financial instruments by accounting category".

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction.

It is recorded on the main market of the asset or liability (or the most advantageous in the absence of a main market), i.e. that which offers the largest volume and the best level of activity. The fair value of derivative financial instruments includes a counterparty risk assessment for derivative assets and an own credit risk for derivative liabilities.

The Group uses the following measurement methods to determine these fair values:

- market-based approaches, based on observable market prices or transactions;
- revenue-based approaches, which convert the sum of future cash flows to a single discounted amount;
- cost-based approaches, which take the physical, technological and economic obsolescence of the asset being measured into account.

Fair values are prioritised according to three levels:

- level 1: price quoted on an active market. Marketable securities and some available-for-sale financial assets and listed bond issues are measured in this way;
- level 2: Internal model using internal measurement techniques with observable factors: these techniques are based on 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 such as swaps, caps and floors traded over the counter 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 to customer relationships and contracts acquired through business combinations, as well as to holdings of unlisted shares, which, in the absence of an active market, are measured at their cost of acquisition plus transaction costs.

### B.3.3. Specific measurement rules and methods applied by the Group in preparing the interim financial statements

#### B.3.3.1. Estimation of the tax expense

The tax expense for the first half year is determined by applying the Group's estimated average tax rate for the whole of 2016 (including deferred tax) to the pre-tax profit. This rate is adjusted if necessary for the tax effects of exceptional items recognised in the period.

#### B.3.3.2. Retirement benefit obligations

No new comprehensive actuarial assessment is carried out for the condensed half-year consolidated financial statements. The expense for the half year in respect of retirement benefit obligations is half the expense calculated for 2016 on the basis of the actuarial assumptions at 31 December 2015. Impacts arising from changes in assumptions relating to post-employment benefits (discount rate and long-term inflation rate) during the first half of 2016 are recognised under other comprehensive income.

# C. Information by operating segment

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

# D. Notes to the income statement

## D.1. Revenue

| *(in € millions)* | 1st half 2016 | 1st half 2015 | Change 1st half 2016 vs. 1st half 2015 | 2015 |
|---|---|---|---|---|
| Toll revenue | 1,676.6 | 1,589.3 | 5.5% | 3,438.4 |
| Fees for use of commercial premises | 25.7 | 25.2 | 2.0% | 56.0 |
| Fees for optical fibres, telecommunications and other | 6.6 | 11.9 | -44.5% | 24.8 |
| **Revenue excluding concession companies' revenue derived from works** | **1,708.9** | **1,626.4** | **5.1%** | **3,519.2** |
| Concession companies' revenue derived from works | 251.0 | 221.5 | 13.3% | 665.1 |
| **Total revenue** | **1,959.9** | **1,847.9** | **6.1%** | **4,184.3** |

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

### 1st half 2016

| | Revenue generated in France | | Revenue 1st half 2016 |
|---|---|---|---|
| *(in € millions)* | ASF | Escota | |
| Toll revenue | 1,325.9 | 350.7 | 1,676.6 |
| Fees for use of commercial premises | 22.1 | 3.6 | 25.7 |
| Fees for optical fibres, telecommunications and other | 4.7 | 1.9 | 6.6 |
| **Revenue excluding concession companies' revenue derived from works** | **1,352.7** | **356.2** | **1,708.9** |
| Breakdown of total revenue | 79.2% | 20.8% | 100.0% |
| **Concession companies' revenue derived from works** | **208.2** | **42.8** | **251.0** |
| **Total revenue** | **1,560.9** | **399.0** | **1,959.9** |

### 1st half 2015

| | Revenue generated in France | | | Revenue generated outside France | |
|---|---|---|---|---|---|
| *(in € millions)* | ASF | Escota | Total | Jamaican Infrastructure Operator | Revenue 1st half 2015 |
| Toll revenue | 1,256.6 | 332.7 | 1,589.3 | | 1,589.3 |
| Fees for use of commercial premises | 21.7 | 3.5 | 25.2 | | 25.2 |
| Fees for optical fibres, telecommunications and other | 4.9 | 1.9 | 6.8 | 5.1 | 11.9 |
| **Revenue excluding concession companies' revenue derived from works** | **1,283.2** | **338.1** | **1,621.3** | **5.1** | **1,626.4** |
| Breakdown of revenue generated in France | 79.1% | 20.9% | 100.0% | | |
| Breakdown of total revenue | 78.9% | 20.8% | 99.7% | 0.3% | 100.0% |
| **Concession companies' revenue derived from works** | **185.6** | **35.9** | **221.5** | | **221.5** |
| **Total revenue** | **1,468.8** | **374.0** | **1,842.8** | **5.1** | **1,847.9** |

### 2015

| | Revenue generated in France | | | Revenue generated outside France | |
|---|---|---|---|---|---|
| *(in € millions)* | ASF | Escota | Total | Jamaican Infrastructure Operator | Revenue 2015 |
| Toll revenue | 2,736.8 | 701.6 | 3,438.4 | | 3,438.4 |
| Fees for use of commercial premises | 48.7 | 7.3 | 56.0 | | 56.0 |
| Fees for optical fibres, telecommunications and other | 10.5 | 4.3 | 14.8 | 10.0 | 24.8 |
| **Revenue excluding concession companies' revenue derived from works** | **2,796.0** | **713.2** | **3,509.2** | **10.0** | **3,519.2** |
| Breakdown of revenue generated in France | 79.7% | 20.3% | 100.0% | | |
| Breakdown of total revenue | 79.4% | 20.3% | 99.7% | 0.3% | 100.0% |
| **Concession companies' revenue derived from works** | **408.8** | **256.3** | **665.1** | | **665.1** |
| **Total revenue** | **3,204.8** | **969.5** | **4,174.3** | **10.0** | **4,184.3** |

## D.2. Operating income

| *(in € millions)* | 1st half 2016 | 1st half 2015 | 2015 |
|---|---|---|---|
| **Revenue(1)** | **1,708.9** | **1,626.4** | **3,519.2** |
| Concession companies' revenue derived from works | 251.0 | 221.5 | 665.1 |
| Total revenue | 1,959.9 | 1,847.9 | 4,184.3 |
| **Revenue from ancillary activities** | **18.7** | **17.1** | **37.5** |
| Purchases consumed | (11.5) | (13.0) | (25.6) |
| External services | (112.6) | (72.8) | (170.4) |
| Temporary employees | (1.6) | (0.6) | (2.6) |
| Subcontracting (including construction costs of concession companies) | (255.8) | (226.7) | (675.8) |
| Taxes and levies | (184.3) | (178.3) | (488.4) |
| Employment costs | (156.6) | (158.6) | (312.0) |
| Other operating income and expenses | (0.8) | (0.4) | (0.9) |
| Depreciation and amortisation | (333.6) | (370.2) | (701.5) |
| Net provision expense | 15.7 | 5.3 | 0.8 |
| **Operating expenses** | **(1,041.1)** | **(1,015.3)** | **(2,376.4)** |
| **Operating income from ordinary activities** | **937.5** | **849.7** | **1,845.4** |
| *% of revenue(1)* | *54.9%* | *52.2%* | *52.4%* |
| Share-based payments (IFRS 2) | (1.0) | (0.9) | (4.1) |
| Income/(loss) of companies accounted for under the equity method | (3.7) | (0.6) | (4.0) |
| Other ordinary operating items | 0.3 | 0.3 | 0.3 |
| **Ordinary net operating income** | **933.1** | **848.5** | **1,837.6** |
| Scope effect | 1.6 | 0.0 | 0.0 |
| **Operating income** | **934.7** | **848.5** | **1,837.6** |

*(1) Excluding concession companies' revenue derived from works.*

**Operating income from ordinary activities** measures the operating performance of the Group's fully consolidated subsidiaries before taking account of expenses related to share-based payments (IFRS 2). It also excludes the share of the profit/(loss) of companies accounted for under the equity method and other operational items, both ordinary and extraordinary.

**Ordinary net operating income** is intended to show the Group's level of recurring operating performance excluding the impact of the period's non-recurring transactions and events. It is obtained by adding to the operating income from ordinary activities the impacts associated with share-based payments (IFRS 2), income of companies accounted for under the equity method and other current operating income and expenses.

At both 30 June 2016 and 30 June 2015, there are no material non-current items recognised.

## D.3. Financial income and expense

| *(in € millions)* | 1st half 2016 | 1st half 2015 | 2015 |
|---|---|---|---|
| Cost of gross financial debt | (174.7) | (197.9) | (393.0) |
| Financial income from cash investments | 0.3 | 0.2 | 0.4 |
| **Cost of net financial debt** | **(174.4)** | **(197.7)** | **(392.6)** |
| Capitalised borrowing costs | 13.5 | 9.9 | 21.9 |
| Effect of discounting to present value | (6.4) | (6.1) | (5.9) |
| **Other financial income and expense** | **7.1** | **3.8** | **16.0** |

During the first half of 2016, debt financing costs were €174.4 million, down €23.3 million, compared with €197.7 million for the first half of 2015. This fall can mainly be attributed to the drop in the average rate, related to:

- refinancing arranged at a lower rate the loans that had reached maturity and
- the impact of the drop in interest rates on floating-rate debt.

Other financial income and expense resulted in net income of €7.1 million in the first half of 2016 compared with net income of €3.8 million in the year-earlier period. This item comprises:

- borrowing costs included in the cost of non-current assets under construction in the amount of €13.5 million in the first half of 2016, compared with €9.9 million in the first half of 2015;
- the effect of discounting provisions as well as payables and receivables at more than one year for €6.4 million in the first half of 2016, (€6.1 million in the first half of 2015. These stem mainly from provisions for the upkeep of concession assets in the amount of €5.3 million at the close of the first half of 2016 (€5.0 million at the close of the first half of 2015) and provisions for retirement benefit obligations in the amount of €1.1 million at the close of the first half of 2016, unchanged from the year-earlier amount.

## D.4. Income taxes expenses

Income tax expense was €262.7 million in the first half of 2016 (€251.5 million in the first half of 2015).

The effective tax rate, excluding the profit or loss of companies accounted for under the equity method and tax on dividends received from Escota, was close to 34.2% in the first half of 2016 (38.4% in the first half of 2015).

The fall in the tax rate between the first six months of 2015 and the same period in 2016 comes mainly from the discontinuation in 2016 of the exceptional contribution of 10.7% (in effect since 2013).

## D.5. Earnings per share

The Company's capital since 2002 has comprised 230,978,001 shares. The Company holds no treasury shares or instruments convertible into equity. As a result, the weighted number of shares to be taken into consideration when calculating basic and diluted earnings per share in the first half of 2016 and the first half of 2015 is 230,978,001. Basic and diluted earnings per share are the same.

Earnings per share in the first half of 2016 came to €2.18 (€1.74 in the first half of 2015).

# E. Notes to the balance sheet

## E.6. Concession intangible assets

| *(in € millions)* | Cost of infrastructure | Advances and in progress | Investment grants | Total |
|---|---|---|---|---|
| **Gross** | | | | |
| **At 01/01/2015** | **19,847.3** | **666.1** | **(358.9)** | **20,154.5** |
| Acquisitions in the period(*) | 218.9 | 468.1 | (2.8) | 684.2 |
| Disposals and retirements during the period | (2.8) | 0.0 | | (2.8) |
| Other movements | 154.7 | (149.8) | | 4.9 |
| **At 31/12/2015** | **20,218.1** | **984.4** | **(361.7)** | **20,840.8** |
| Acquisitions in the period(*) | 14.6 | 249.6 | (9.0) | 255.2 |
| Disposals and retirements during the period | (2.2) | 0.0 | | (2.2) |
| Other movements | 116.8 | (115.2) | 0.3 | 1.9 |
| **At 30/06/2016** | **20,347.3** | **1,118.8** | **(370.4)** | **21,095.7** |
| | | | | |
| **Depreciation and amortisation** | | | | |
| **At 01/01/2015** | **(8,800.8)** | **0.0** | **139.0** | **(8,661.8)** |
| Amortisation during the period | (590.2) | | 9.0 | (581.2) |
| Disposals and retirements during the period | 0.3 | | | 0.3 |
| **At 31/12/2015** | **(9,390.7)** | **0.0** | **148.0** | **(9,242.7)** |
| Amortisation during the period | (281.1) | | 4.2 | (276.9) |
| Other movements | 0.0 | | (0.3) | (0.3) |
| **At 30/06/2016** | **(9,671.8)** | **0.0** | **151.9** | **(9,519.9)** |
| | | | | |
| **Net** | | | | |
| **At 01/01/2015** | **11,046.5** | **666.1** | **(219.9)** | **11,492.7** |
| **At 31/12/2015** | **10,827.4** | **984.4** | **(213.7)** | **11,598.1** |
| **At 30/06/2016** | **10,675.5** | **1,118.8** | **(218.5)** | **11,575.8** |

*(*) Including capitalised borrowing costs.*

Investments in the first half of 2016, excluding capitalised borrowing costs, amounted to €241.7 million (€662.3 million in 2015).

Borrowing costs included in the cost of concession assets before their entry into service amounted to €13.5 million in the first half of 2016 (€21.9 million in full-year 2015).

Concession intangible assets comprise assets under construction for €1,118.8 million at 30 June 2016 (including €958.5 million for ASF and €160.3 million for Escota), compared with €984.4 million at 31 December 2015 (including €789.5 million for ASF and €194.9 million for Escota). ASF's capital spending has been primarily on the relief motorway for the A9 near Montpellier and the widening of the A63 motorway in France's *Pays Basque* region.

The main features of the concession contracts under the intangible asset model are described in Note D. "Main features of concession contracts" to the 2015 consolidated annual financial report.

The principal agreements under these contracts are described in Note F.18. "Contractual obligations under concession contracts" to this report.

## E.7. Property, plant & equipment

| *(in € millions)* | Tangible fixed assets related to concession contracts | Advances in progress on concession tangible fixed assets | Investment grants on concession tangible fixed assets | Other property, plant and equipment | Total |
|---|---|---|---|---|---|
| **Gross** | | | | | |
| At 31/12/2015 | 2,197.3 | 59.5 | (8.4) | 1.2 | 2,249.6 |
| **At 30/06/2016** | **2,209.6** | **65.8** | **(9.1)** | **0.0** | **2,266.3** |
| | | | | | |
| **Depreciation and amortisation** | | | | | |
| At 31/12/2015 | (1,624.2) | 0.0 | 7.0 | (1.0) | (1,618.2) |
| **At 30/06/2016** | **(1,663.0)** | **0.0** | **8.0** | **0.0** | **(1,655.0)** |
| | | | | | |
| **Net** | | | | | |
| At 31/12/2015 | 573.1 | 59.5 | (1.4) | 0.2 | 631.4 |
| **At 30/06/2016** | **546.6** | **65.8** | **(1.1)** | **0.0** | **611.3** |

## E.8. Investments in companies accounted for under the equity method: associates

### E.8.1. Changes during the period

| *(in € millions)* | 30/06/2016 | 31/12/2015 |
|---|---|---|
| **Value of shares at start of the period** | **5.0** | **5.2** |
| Increase in the share capital of companies accounted for under the equity method | 3.7 | 3.2 |
| Group share of profit or loss for the period | (3.7) | (4.0) |
| Change in consolidation scope and translation differences(*) | (5.0) | 0.6 |
| **Value of shares at end of the period** | **0.0** | **5.0** |

*(*) The company TransJamaican Highway (TJH) was sold off at the beginning of 2016 (see Note B.2.1. "Consolidation scope and methods" of this report).*

### E.8.2. Aggregated financial information

At 30 June 2016, investments in companies accounted for under the equity method relate to Axxès. TransJamaican Highway was sold in January 2016 and was not consolidated for the period.

| | 30/06/2016 | 31/12/2015 | |
|---|---|---|---|
| *(in € millions)* | Axxès | Axxès | TransJamaican Highway |
| **% held** | **42.9%** | **42.9%** | **12.6%** |
| **Income statement** | | | |
| Revenue | 188.4 | 351.0 | 4.3 |
| Net income | (3.7) | (3.2) | (0.8) |
| **Balance sheet** | | | |
| **Net financial debt** | **24.1** | **24.3** | **(27.9)** |

At both 30 June 2016 and 31 December 2015, there were no unrecognised losses against associates.

### E.8.3. Related party transactions

There was no material change in the first half of 2016 in the nature of transactions conducted with related parties from those at 31 December 2015, which are referred to in Note C.9.3. "Transactions between subsidiaries and associates" in the 2015 consolidated annual financial report.

## E.9. Other financial assets and fair value of derivatives (non-current assets)

| *(in € millions)* | 30/06/2016 | 31/12/2015 |
|---|---|---|
| **Available-for-sale financial assets (net)** | **4.7** | **5.6** |
| Loans and receivables at amortised cost | 11.4 | 11.6 |
| **Total** | **16.1** | **17.2** |
| Fair value of derivative financial instruments (non-current assets)(*) | 696.6 | 590.4 |
| **Other financial assets and fair value of derivatives (non-current assets)** | **712.7** | **607.6** |

*(*) See Note E.15. "Financial risk management" of this report.*

Available-for-sale assets amounted to €4.7 million at 30 June 2016, compared to €5.6 million at 31 December 2015. These strictly involved investments in listed subsidiaries and affiliates.

Long-term loans and other receivables, measured at amortised cost, totalled €11.4 million at 30 June 2016. They mainly comprise the companies' participation in employee housing funds.

Net financial debt includes the fair value of derivative financial instruments (non-current assets) (see Note E.14. "Net financial debt" of this report).

The part at less than one year of other non-current financial assets is included under other current operating assets for €1.4 million at 30 June 2016 (€1.6 million at 31 December 2015).

## E.10. Equity

### E.10.1. Shares

The number of shares outstanding has amounted to 230,978,001 since 2002. The Company holds no treasury shares or instruments convertible into equity.

### E.10.2. Transactions recognised directly in equity

| | | 30/06/2016 | | | 31/12/2015 | | |
|---|---|---|---|---|---|---|---|
| *(in € millions)* | | Attributable to owners of the parent | Attributable to non-controlling interests | Total | Attributable to owners of the parent | Attributable to non-controlling interests | Total |
| **Available-for-sale financial assets** | | | | | | | |
| **Reserve at beginning of period** | | **2.3** | **0.0** | **2.3** | **1.7** | **0.0** | **1.7** |
| Changes in fair value in the period | | (0.8) | | (0.8) | 0.6 | | 0.6 |
| **Gross reserve before tax effect at balance sheet date** | **I** | **1.5** | **0.0** | **1.5** | **2.3** | **0.0** | **2.3** |
| | | | | | | | |
| **Cash flow hedge** | | | | | | | |
| **Reserve at beginning of period** | | **(201.0)** | **0.0** | **(201.0)** | **(256.4)** | **0.0** | **(256.4)** |
| Changes in fair value in the period | | (21.7) | | (21.7) | 12.1 | | 12.1 |
| Fair value items recognised in profit or loss | | 14.5 | | 14.5 | 43.3 | | 43.3 |
| **Gross reserve before tax effect at balance sheet date** | **II** | **(208.2)** | **0.0** | **(208.2)** | **(201.0)** | **0.0** | **(201.0)** |
| **Gross reserve before tax effect at balance sheet date (items that may be recycled through profit or loss)** | **I+II** | **(206.7)** | **0.0** | **(206.7)** | **(198.7)** | **0.0** | **(198.7)** |
| Associated tax effect | | 71.1 | | 71.1 | 68.4 | | 68.4 |
| **Reserve net of tax (items that may be recycled through profit or loss)** | **III** | **(135.6)** | **0.0** | **(135.6)** | **(130.3)** | **0.0** | **(130.3)** |
| | | | | | | | |
| **Actuarial gains and losses on retirement benefit obligations** | | | | | | | |
| **Reserve at beginning of period** | | **(20.1)** | **0.0** | **(20.1)** | **(20.4)** | **0.0** | **(20.4)** |
| Actuarial gains and losses recognised in the period | | (5.8) | | (5.8) | 0.5 | | 0.5 |
| Associated tax effect | | 2.0 | | 2.0 | (0.2) | | (0.2) |
| **Reserve net of tax at end of period (items that may not be recycled through profit or loss)** | **IV** | **(23.9)** | **0.0** | **(23.9)** | **(20.1)** | **0.0** | **(20.1)** |
| **Total of transactions recognised directly in equity** | **III+IV** | **(159.5)** | **0.0** | **(159.5)** | **(150.4)** | **0.0** | **(150.4)** |

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. "Description of cash flow hedges" of the 2015 annual consolidated financial report.

### E.10.3. Dividends

The dividends paid by ASF SA in respect of 2015 and 2014 break down as follows:

| | 2015 | 2014 |
|---|---|---|
| **Interim dividend** | | |
| Amount *(in € millions)* **(I)** | 1,108.7 | 256.4 |
| Per share *(in euros)* | 4.80 | 1.11 |
| | | |
| **Final dividend** | | |
| Amount *(in € millions)* **(II)** | | 519.7 |
| Per share *(in euros)* | | 2.25 |
| | | |
| **Total net dividend per share** | | |
| Amount *(in € millions)* **(I) + (II)** | 1,108.7 | 776.1 |
| Per share *(in euros)* | 4.80 | 3.36 |

ASF SA did not make any dividend payments in the first six months of 2016.

### E.10.4. Non-controlling interests

In January 2016, ASF sold shares owned in Jamaican Infrastructure Operator (JIO). The corresponding non-controlling interests were therefore removed from the consolidation scope.

The only non-controlling interests remaining at 30 June 2016 were exclusively those of Escota.

## E.11. 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 benefit from the group savings scheme of the parent company, VINCI. In addition, certain employees benefit from performance share plans.

The expense relating to employee benefits was valued at €1 million for the first half of 2016 (€0.9 million for the first half of 2015).

VINCI's Board of Directors' meeting held on 19 April 2016 decided once again to implement a long-term incentive plan that consists of granting some employees a conditional performance share award. The performance shares will only be allocated definitively after a vesting period of three years. They depend on the employee's presence within the Group until the end of the vesting period and on performance conditions.

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. VINCI issues new shares in France three times a year reserved for VINCI group employees, with a subscription price that includes a 5% discount against the average stock market price of the VINCI share during the last 20 business days preceding the authorisation by the Board of Directors. Subscribers benefit from an employer's contribution, which is capped at an annual maximum of €2,500 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.

## E.12. Non-current provisions

| *(in € millions)* | Note | 30/06/2016 | 31/12/2015 |
|---|---|---|---|
| Provisions for retirement benefit obligations | E.12.1. | 99.6 | 93.2 |
| Other non-current provisions | E.12.2. | 2.6 | 3.2 |
| **Total non-current provisions at more than one year** | | **102.2** | **96.4** |

### E.12.1. Provisions for retirement benefit obligations

At 30 June 2016, provisions for retirement benefit obligations connected with post-employment benefit plans amounted to €102.9 million (including €99.6 million at more than one year) compared with €96.7 million at 31 December 2015 (including €93.2 million at more than one year). They comprise provisions for lump sums on retirement and provisions for obligations for supplementary retirement benefits, and provisions relating to medical expense cover. The part at less than one year of these provisions (€3.3 million at 30 June 2016 and €3.5 million at 31 December 2015) is reported under "other current non-operating liabilities".

The details of employee benefits granted to Group employees are presented in Note C.13.1. "Provisions for retirement benefit obligations" to the 2015 consolidated annual financial report.

The expense recognised for the first half of 2016 in respect of retirement benefit obligations is half the forecast expense for 2016 determined on the basis of actuarial assumptions at 31 December 2015 and in accordance with the provisions of IAS 19.

### E.12.2. Other non-current provisions

Changes in other non-current provisions reported in the balance sheet in relation to the first half of 2016 and full-year 2015 are as follows:

| *(in € millions)* | Opening | Allocated | Used | Other reversals not used | Change in scope and miscellaneous | Change in the part at less than one year | Translation differences | Closing |
|---|---|---|---|---|---|---|---|---|
| **01/01/2015** | **11.1** | **2.3** | **(9.1)** | **(4.9)** | **(0.4)** | **6.3** | **0.0** | **5.3** |
| Other employee benefits | 8.1 | 0.2 | (3.0) | 0.0 | (0.2) | | 0.0 | 5.1 |
| Other liabilities | 1.3 | 0.4 | (0.9) | (0.2) | 0.8 | | 0.0 | 1.4 |
| Reclassification of the part at less than one year | (4.1) | 0.0 | 0.0 | 0.0 | 0.0 | 0.8 | 0.0 | (3.3) |
| **31/12/2015** | **5.3** | **0.6** | **(3.9)** | **(0.2)** | **0.6** | **0.8** | **0.0** | **3.2** |
| Other employee benefits | 5.1 | 0.1 | (1.5) | 0.0 | 0.0 | | 0.0 | 3.7 |
| Other liabilities | 1.4 | 0.5 | (0.2) | (0.1) | 0.0 | | 0.0 | 1.6 |
| Reclassification of the part at less than one year | (3.3) | 0.0 | 0.0 | 0.0 | 0.0 | 0.6 | 0.0 | (2.7) |
| **30/06/2016** | **3.2** | **0.6** | **(1.7)** | **(0.1)** | **0.0** | **0.6** | **0.0** | **2.6** |

#### Other employee benefits

At 30 June 2016, provisions for other employee benefits (long-service benefits, CATS early retirement plan) amounted to €3.7 million (including €2.5 million at more than one year) compared with €5.1 million at 31 December 2015 (including €3.0 million at more than one year).

#### Provisions for other liabilities

Provisions for other liabilities, not directly linked with the operating cycle, amounted to €1.5 million at 30 June 2016 compared to €1.4 million at 31 December 2015.

## E.13. Working capital requirement and current provisions

### E.13.1. Change in the working capital requirement

| | | | | Change between 30/06/2016 and 31/12/2015 | |
|---|---|---|---|---|---|
| *(in € millions)* | 30/06/2016 | 30/06/2015 | 31/12/2015 | Changes in operating WCR | Other changes(*) |
| Inventories and work in progress (net) | 4.5 | 4.6 | 4.9 | (0.1) | (0.3) |
| Trade and other receivables | 284.2 | 273.6 | 290.3 | (3.7) | (2.4) |
| Other current operating assets | 133.5 | 95.3 | 132.7 | 0.6 | 0.2 |
| **Inventories and operating receivables (I)** | **422.2** | **373.5** | **427.9** | **(3.2)** | **(2.5)** |
| Trade payables | (76.2) | (75.4) | (107.9) | 29.5 | 2.2 |
| Other current operating liabilities | (367.4) | (362.6) | (383.6) | 15.6 | 0.6 |
| **Trade and other operating payables (II)** | **(443.6)** | **(438.0)** | **(491.5)** | **45.1** | **2.8** |
| **Working capital requirement (excluding current provisions) (I+II)** | **(21.4)** | **(64.5)** | **(63.6)** | **41.9** | **0.3** |
| | | | | | |
| **Current provisions** | **(433.5)** | **(435.8)** | **(440.0)** | **12.1** | **(5.6)** |
| *of which part at less than one year of non-current provisions* | *(1.4)* | *(0.9)* | *(1.2)* | *(1.4)* | *1.2* |
| **Working capital requirement (including current provisions)** | **(454.9)** | **(500.3)** | **(503.6)** | **54.0** | **(5.3)** |

*(*) Including the sale of Jamaican Infrastructure Operator (see Note B.2.1. "Consolidation scope and methods" in this report).*

### E.13.2. Breakdown of current provisions

Changes in current provisions reported in the balance sheet for the first half of 2016 and full-year 2015 were as follows:

| *(in € millions)* | Opening | Allocated | Used | Other reversals not used | Change in scope and miscellaneous | Change in the part at less than one year | Translation differences | Closing |
|---|---|---|---|---|---|---|---|---|
| **01/01/2015** | **379.6** | **90.2** | **(40.0)** | **(8.0)** | **0.0** | **(5.6)** | **0.0** | **416.2** |
| Obligation to maintain the condition of concession assets | 379.7 | 45.9 | (37.8) | (6.5) | 0.0 | 0.0 | 0.0 | 381.3 |
| Other current liabilities | 35.5 | 35.5 | (8.7) | (4.0) | (0.8) | 0.0 | 0.0 | 57.5 |
| Reclassification of the part at less than one year | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 | 0.0 | 1.2 |
| **31/12/2015** | **416.2** | **81.4** | **(46.5)** | **(10.5)** | **(0.8)** | **0.2** | **0.0** | **440.0** |
| Obligation to maintain the condition of concession assets | 381.3 | 29.6 | (23.5) | 0.0 | 0.0 | 0.0 | 0.0 | 387.4 |
| Other current liabilities | 57.5 | 9.4 | (21.3) | (1.0) | 0.0 | 0.0 | 0.0 | 44.6 |
| Reclassification of the part at less than one year | 1.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 1.5 |
| **30/06/2016** | **440.0** | **39.0** | **(44.8)** | **(1.0)** | **0.0** | **0.3** | **0.0** | **433.5** |

Current provisions (including the part at less than one year of non-current provisions) are directly connected with the operating cycle and mainly comprise provisions for the obligation to maintain the condition of concession assets.

Such provisions mainly cover the expenses to be made by ASF and Escota for road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels and hydraulic infrastructure. They comprised €321.0 million for ASF at 30 June 2016 (€318.8 million at 31 December 2015) and €66.4 million for Escota at 30 June 2016 (€62.5 million at 31 December 2015).

## E.14. Net financial debt

At 30 June 2016, net financial debt, as defined by the Group, stood at €11.0 billion, down €440.8 million from 31 December 2015 (€11.4 million). It can be broken down as follows:

| | | 30/06/2016 | | | | | 31/12/2015 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Accounting categories** | *(in € millions)* | **Non-current** | **Ref.** | **Current(1)** | **Ref.** | **Total** | **Non-current** | **Ref.** | **Current(1)** | **Ref.** | **Total** |
| Financial liabilities at amortised cost | Bonds | (7,450.2) | (1) | (168.5) | (3) | (7,618.7) | (6,838.4) | (1) | (184.0) | (3) | (7,022.4) |
| | Other bank loans and other financial debt | (2,739.5) | (2) | (1,309.0) | (3) | (4,048.5) | (4,096.4) | (2) | (808.2) | (3) | (4,904.6) |
| | **Long-term financial debt(2)** | (10,189.7) | | (1,477.5) | | **(11,667.2)** | (10,934.8) | | (992.2) | | **(11,927.0)** |
| | **I – Gross financial debt** | (10,189.7) | | (1,477.5) | | **(11,667.2)** | (10,934.8) | | (992.2) | | **(11,927.0)** |
| | *of which: impact of fair value hedges* | *(676.2)* | | | | *(676.2)* | *(577.7)* | | | | *(577.7)* |
| **Loans and receivables** | Financial current accounts assets | | | 0.0 | (6) | 0.0 | | | 3.6 | (6) | 3.6 |
| **Financial assets measured at fair value through profit or loss** | Cash equivalents | | | 69.4 | (7) | 69.4 | | | 26.2 | (7) | 26.2 |
| | Cash | | | 7.6 | (7) | 7.6 | | | 12.0 | (7) | 12.0 |
| | **II – Financial assets** | 0.0 | | 77.0 | | **77.0** | 0.0 | | 41.8 | | **41.8** |
| **Derivatives** | Derivative financial instruments - liabilities | (170.3) | (4) | (27.7) | (5) | (198.0) | (208.6) | (4) | (25.7) | (5) | (234.3) |
| | Derivative financial instruments – assets | 696.6 | (8) | 117.9 | (9) | 814.5 | 590.4 | (8) | 114.6 | (9) | 705.0 |
| | **III – Derivative financial instruments** | 526.3 | | 90.2 | | **616.5** | 381.8 | | 88.9 | | **470.7** |
| | **Net financial debt (I + II + III)** | **(9,663.4)** | | **(1,310.3)** | | **(10,973.7)** | **(10,553.0)** | | **(861.5)** | | **(11,414.5)** |

*(1) Current part including accrued interest not matured.*
*(2) Including the part at less than one year.*

Reconciliation of net financial debt with balance sheet items:

| *(in € millions)* | Ref. | 30/06/2016 | 31/12/2015 |
|---|---|---|---|
| Bonds | (1) | (7,450.2) | (6,838.4) |
| Other loans and borrowings | (2) | (2,739.5) | (4,096.4) |
| Current financial debts | (3) | (1,477.5) | (992.2) |
| Fair value of derivative financial instruments (non-current liabilities) | (4) | (170.3) | (208.6) |
| Fair value of derivative financial instruments (current liabilities) | (5) | (27.7) | (25.7) |
| Current financial assets other than cash management assets | (6) | 0.0 | 3.6 |
| Cash and cash equivalents | (7) | 77.0 | 38.2 |
| Fair value of derivative financial instruments (non-current assets) | (8) | 696.6 | 590.4 |
| Fair value of derivative financial instruments (current assets) | (9) | 117.9 | 114.6 |
| **Net financial debt** | | **(10,973.7)** | **(11,414.5)** |

Derivative financial instruments that are not designated as hedges for accounting purposes are reported at fair value as current asset or liability derivatives, whatever their maturity dates.

## E.14.1. Detail of long-term financial debt

At 30 June 2016, long-term financial debt amounted to €11.7 billion, down €259.8 million from 31 December 2015 (€11.9 billion).

ASF contracted the following financing in the first six months of 2016:
- in April 2016, financing for €390 million, maturing in 2033, with the European Investment Bank (EIB), to finance some of the investments required for the relief motorway for the A9 at Montpellier;
- on 13 May 2016, a bond issue under its EMTN (Euro Medium Term Note) programme for €500 million, maturing in May 2026, with a 1.0% coupon.

Alongside this, the main debt repayments made in the first six months of 2016 were:
- repayment of a loan taken out in April with the CNA-EIB for an amount of €137.5 million at a rate of 6.15%;
- repayments of EIB loans for €20.8 million;
- reduction in the credit facility with VINCI of €1,070 million.

### Debt maturity schedule and associated interest payments

At 30 June 2016, the average maturity of the Group's medium-and long-term financial debt was 5.1 years, unchanged from 31 December 2015.

## E.14.2. Resources and liquidity

At 30 June 2016, the Group's available resources amounted to €3.1 billion, including €77.0 million net cash managed (see Note E.14.2.1. "Net cash managed") and €3.0 billion of unused confirmed medium-term credit facilities (see Note E.14.2.2. "Revolving credit facilities").

### E.14.2.1. Net cash managed

Net cash managed, which includes in particular cash management financial assets, breaks down as follows:

| *(in € millions)* | 30/06/2016 | 31/12/2015 |
|---|---|---|
| **Cash equivalents** | **69.4** | **26.2** |
| Marketable securities and mutual funds (UCITS) | 69.4 | 26.2 |
| **Cash** | **7.6** | **12.0** |
| **Net cash and cash equivalents** | **77.0** | **38.2** |
| **Current cash management financial assets** | **0.0** | **0.0** |
| **Balance of cash current accounts** | **0.0** | **3.6** |
| **Net cash managed** | **77.0** | **41.8** |

The investment vehicles used by the Group are monetary mutual funds (UCITS) and negotiable debt securities. They are measured and recognised at their fair value.

Net cash is managed with limited risk to capital. The performance and the risks associated with these investments of net cash are monitored regularly, through a report detailing the yield of the various assets on the basis of their fair value and analysing the associated level of risk.

### E.14.2.2. Revolving credit facilities

ASF has a €1.7 billion revolving credit facility whose maturity was extended to May 2021 with financial covenants (see Note E.14.3.1. "Financial covenants") and an internal revolving credit facility with VINCI for the amount of €2.5 billion, maturing in 2020.

The amount authorised and used and maturity profile of ASF's revolving credit facilities at 30 June 2016 are as follows:

| | | | Maturity | | |
|---|---|---|---|---|---|
| *(in € millions)* | Used at 30/06/2016 | Authorised at 30/06/2016 | within 1 year | between 1 and 5 years | after 5 years |
| Revolving credit facilities | 0.0 | 1,670.0 | | 1,670.0 | |
| VINCI credit facility | 1,130.0 | 2,500.0 | | 2,500.0 | |
| **Total** | **1,130.0** | **4,170.0** | | **4,170.0** | |

## E.14.3. Financial covenants and credit ratings

### E.14.3.1. Financial covenants

Some financing agreements include early repayment clauses applicable in the event of non-compliance with financial ratios. The terms of the covenants linked to current financing agreements at 30 June 2016 remain unchanged from 31 December 2015. These are described in the 2015 consolidated annual financial report under Note C.15.2.4. "Financial covenants".

The relevant ratios were all met at 30 June 2016.

### E.14.3.2. Credit ratings

On 26 May 2016, the Moody's rating agency raised the Group's long-term credit rating from Baa1 to A3, and its short-term rating from P2 to P1.

Accordingly, at 30 June 2016, the Group's credit ratings were as follows:

| | Rating | | |
|---|---|---|---|
| **Agency** | **Long term** | **Outlook** | **Short term** |
| Standard & Poor's | A- | Stable | A2 |
| Moody's | A3 | Stable | P1 |

# E.15. Financial risk management

The Group's risk management policies and procedures are identical to those described in Note C.16. "Financial risk management" in the 2015 consolidated annual financial report. Transactions to set up or unwind hedging instruments during the first-half period did not materially alter the Group's exposure to potential financial risks.

The main risks (interest rate, exchange rate and credit or counterparty risks) are described respectively in Notes C.16.1., C.16.2. and C.16.4. of the 2015 consolidated annual financial report.

## E.16. Book and fair value of financial instruments by accounting category

The method of measuring the fair value of financial assets and liabilities did not change in the first half of 2016.

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:

**30/06/2016**
*(in € millions)*

| | Accounting categories[1] | | | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance sheet headings and classes of instrument** | **Financial instruments at fair value through profit or loss** | **Derivatives designated as hedges** | **Financial assets measured at fair value** | **Available-for-sale financial assets** | **Loans and receivables** | **Financial 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** |
| Listed subsidiaries and affiliates | | | | 4.7 | | | 4.7 | 4.7 | | | 4.7 |
| Unlisted subsidiaries and affiliates | | | | 0.0 | | | 0.0 | | | | 0.0 |
| Loans and financial receivables | | | | 11.4 | | | 11.4 | | 11.4 | | 11.4 |
| **I – Non-current financial assets[2]** | **0.0** | **0.0** | **0.0** | **16.1** | **0.0** | **0.0** | **16.1** | **4.7** | **11.4** | **0.0** | **16.1** |
| **II – Derivative financial instruments – assets** | **37.0** | **777.5** | | | | | **814.5** | | **814.5** | | **814.5** |
| Financial current accounts assets | | | | | | | 0.0 | 0.0 | | | 0.0 |
| Cash management financial assets | | | | | | | 0.0 | | | | 0.0 |
| Cash equivalents | | | 69.4 | | | | 69.4 | 69.4 [3] | | | 69.4 |
| Cash | | | 7.6 | | | | 7.6 | 7.6 | | | 7.6 |
| **III – Current financial assets** | **0.0** | **0.0** | **77.0** | **0.0** | **0.0** | **0.0** | **77.0** | **77.0** | **0.0** | **0.0** | **77.0** |
| **Total assets** | **37.0** | **777.5** | **77.0** | **16.1** | **0.0** | **0.0** | **907.6** | **81.7** | **825.9** | **0.0** | **907.6** |
| | | | | | | | | | | | |
| Bonds | | | | | | (7,618.7) | (7,618.7) | (7,663.7) | (606.6) | | (8,270.3) |
| Other bank loans and other financial debt | | | | | | (4,048.5) | (4,048.5) | (1,384.1)[4] | (2,744.7) | | (4,128.8) |
| **IV – Long-term financial debt** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **(11,667.2)** | **(11,667.2)** | **(9,047.8)** | **(3,351.3)** | **0.0** | **(12,399.1)** |
| **V – Derivative financial instruments – liabilities** | **(20.2)** | **(177.8)** | | | | | **(198.0)** | | **(198.0)** | | **(198.0)** |
| Other current financial debts | | | | | | | 0.0 | | | | 0.0 |
| Financial current accounts liabilities | | | | | | | 0.0 | | | | 0.0 |
| Bank overdrafts | | | | | | | 0.0 | | | | 0.0 |
| **VI – Current financial liabilities** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** |
| **Total liabilities** | **(20.2)** | **(177.8)** | **0.0** | **0.0** | **0.0** | **(11,667.2)** | **(11,865.2)** | **(9,047.8)** | **(3,549.3)** | **0.0** | **(12,597.1)** |
| | | | | | | | | | | | |
| **Total** | **16.8** | **599.7** | **77.0** | **16.1** | **0.0** | **(11,667.2)** | **(10,957.6)** | **(8,966.1)** | **(2,723.4)** | **0.0** | **(11,689.5)** |

*(1) The Group has no held-to-maturity financial assets.*
*(2) See Note E.9. "Other financial assets and fair value of derivatives (non-current assets)"*
*(3) Mainly UCITS.*
*(4) Listed price of loans issued by CNA.*

**31/12/2015**
*(in € millions)*

| | Accounting categories[1] | | | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance sheet headings and classes of instrument** | **Financial instruments at fair value through profit or loss** | **Derivatives designated as hedges** | **Financial assets measured at fair value** | **Available-for-sale financial assets** | **Loans and receivables** | **Financial 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** |
| Listed subsidiaries and affiliates | | | | 5.6 | | | 5.6 | 5.6 | | | 5.6 |
| Unlisted subsidiaries and affiliates | | | | 0.0 | | | 0.0 | | | | 0.0 |
| Loans and financial receivables | | | | 11.6 | | | 11.6 | | 11.6 | | 11.6 |
| **I – Non-current financial assets[2]** | **0.0** | **0.0** | **0.0** | **17.2** | **0.0** | **0.0** | **17.2** | **5.6** | **11.6** | **0.0** | **17.2** |
| **II – Derivative financial instruments – assets** | **32.6** | **672.4** | | | | | **705.0** | | **705.0** | | **705.0** |
| Financial current accounts assets | | | 3.6 | | | | 3.6 | 3.6 | | | 3.6 |
| Cash management financial assets | | | | | | | 0.0 | | | | 0.0 |
| Cash equivalents | | | 26.2 | | | | 26.2 | 26.2 [3] | | | 26.2 |
| Cash | | | 12.0 | | | | 12.0 | 12.0 | | | 12.0 |
| **III – Current financial assets** | **0.0** | **0.0** | **41.8** | **0.0** | **0.0** | **0.0** | **41.8** | **41.8** | **0.0** | **0.0** | **41.8** |
| **Total assets** | **32.6** | **672.4** | **41.8** | **17.2** | **0.0** | **0.0** | **764.0** | **47.4** | **716.6** | **0.0** | **764.0** |
| | | | | | | | | | | | |
| Bonds | | | | | | (7,022.4) | (7,022.4) | (6,937.2) | (574.6) | | (7,511.8) |
| Other bank loans and other financial debt | | | | | | (4,904.6) | (4,904.6) | (1,442.0)[4] | (3,521.5) | | (4,963.5) |
| **IV – Long-term financial debt** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **(11,927.0** | **(11,927.0)** | **(8,379.2)** | **(4,096.1)** | **0.0** | **(12,475.3)** |
| **V – Derivative financial instruments – liabilities** | **(19.6)** | **(214.7)** | | | | | **(234.3)** | | **(234.3)** | | **(234.3)** |
| Other current financial debts | | | | | | | 0.0 | | | | 0.0 |
| Financial current accounts liabilities | | | | | | | 0.0 | | | | 0.0 |
| Bank overdrafts | | | | | | | 0.0 | | | | 0.0 |
| **VI – Current financial liabilities** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** |
| **Total liabilities** | **(19.6)** | **(214.7)** | **0.0** | **0.0** | **0.0** | **(11,927.0)** | **(12,161.3)** | **(8,379.2)** | **(4,330.4)** | **0.0** | **(12,709.6)** |
| | | | | | | | | | | | |
| **Total** | **13.0** | **457.7** | **41.8** | **17.2** | **0.0** | **(11,927.0)** | **(11,397.3)** | **(8,331.8)** | **(3,613.8)** | **0.0** | **(11,945.6)** |

*(1) The Group has no held-to-maturity financial assets.*
*(2) See Note E.9. "Other financial assets and fair value of derivatives (non-current assets)".*
*(3) Mainly UCITS.*
*(4) Listed price of loans issued by CNA.*

# F. Other notes

## F.17. Related party transactions

The Group's related party transactions principally concern:

- remuneration and similar benefits paid to members of the governing and management bodies;
- transactions with companies in the VINCI group scope.

Transactions between related parties are conducted on the basis of market prices.

At the close of the first half of 2016 there were no major changes in the type of transactions conducted by the Group with related parties as compared to 31 December 2015. The latter are mentioned in Note E.19. "Related Parties transactions" in the 2015 consolidated annual financial report.

## F.18. Contractual obligations under concession contracts

### Contractual investment and renewal obligations

ASF and Escota's contractual investment obligations mainly concern the capital spending commitments undertaken as part of the multi-annual plans and the motorway stimulus plan implemented in 2015.

They do not include obligations relating to maintenance expenditure on infrastructure under concession for which provisions have been allocated (see Note E.13.2. "Breakdown of current provisions").

These investments are financed by the issue of bonds in the market, taking out new bank loans, and drawing on available credit facilities.

The corresponding commitments break down as follows:

| *(in € millions)* | 30/06/2016 | 31/12/2015 |
|---|---|---|
| ASF | 1,485.7 | 1,734.8 |
| Escota | 568.4 | 576.9 |
| **Total** | **2,054.1** | **2,311.7** |

### Annual concession performance report

The annual reports for 2015 on compliance with ASF's and Escota's contractual obligations and performance of their master contracts were submitted in June 2016 to the French Government's Transport Infrastructure Department. The companies have met all their commitments.

# G. 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 position 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.

# H. Post-balance sheet events

## H.19. Payment of an interim dividend

In its 27 July 2016 meeting, the Board of Directors approved the condensed half-year consolidated financial statements at 30 June 2016 and decided to pay an interim dividend of €0.62 per share in September 2016.

## H.20. Other post-balance sheet events

There were no post-balance sheet events.

# Report of the Statutory Auditors

DELOITTE & ASSOCIÉS

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

Head office: 12, rue Louis Blériot
92506 Rueil Malmaison Cedex
France
Share capital €29,343,640.56

# Report of the Statutory Auditors on the 2016 half-year financial information

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' General Meeting and with article L.451-1-2 III of the French Monetary and Financial Code, we have:

- carried out a limited review of the accompanying condensed half-year consolidated financial statements of Autoroutes du Sud de la France (ASF) for the six-month period from 1 January 2016 to 30 June 2016;
- examined information provided in the half-year management report.

The Board of Directors was responsible for the preparation of these condensed half-year consolidated financial statements. Our responsibility is to express our conclusion on these financial statements, based on our limited review.

## I. Conclusion on the financial statements

We conducted our limited review in accordance with the prevailing standards of the profession in France. A limited review consists mainly of conducting discussions with the members of management responsible for accounting and financial matters, and carrying out analytical procedures. This work is less extensive than that required by an audit according to the prevailing standards of the profession in France. In consequence, the assurance obtained through a limited review that the financial statements taken as a whole do not contain material misstatements is a moderate assurance, less than that obtained when performing an audit.

On the basis of our limited review, we have not noted any material misstatements that would make the condensed half-year consolidated financial statements non-compliant with IAS 34 "Interim Financial Reporting" as adopted in the European Union.

## II. Specific verification

We have also verified the information in the half-year management report on the consolidated half-year financial statements on which our limited examination of the Group's management was based.

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

The Statutory Auditors
Neuilly-sur-Seine and Paris-La Défense, 27 July 2016

Deloitte & Associés

**Alain Pons**

KPMG Audit
**A department of KPMG SA**
**Philippe Bourhis**

*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 Statutory 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 half-year financial report

**Person responsible for the half-year financial report**

Patrick Priam, Chief Financial Officer, ASF SA

**Statement by the person responsible for the half-year financial report**

I certify that, to the best of my knowledge, the condensed consolidated financial statements for the first half of 2016 presented in the half-year financial report 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 half-year management report faithfully presents the important events that have occurred during the first six months of the year and their impact on the financial statements, the main transactions with related parties and a description of the main risks and uncertainties in respect of the remaining six months of the year.

Rueil-Malmaison, 27 July 2016

**Patrick Priam**

Chief Financial Officer

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