VINCI PLC
Annual Report 2008

Contents

Cover image: Warwick Digital Laboratory, Warwickshire. This page: Newfield and Talbot School, Sheffield.

Our mission is to be the preferred construction, facilities and associated services partner for our clients and to be the benchmark against which our competitors are measured.

Report

Accounts

Company Information

Directors

J O M Stanion	(Chairman & Chief Executive)
D W Bowler	
A M Comba	
D A L Joyce	
R M R Francioli	(Non-executive)
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R E Watts

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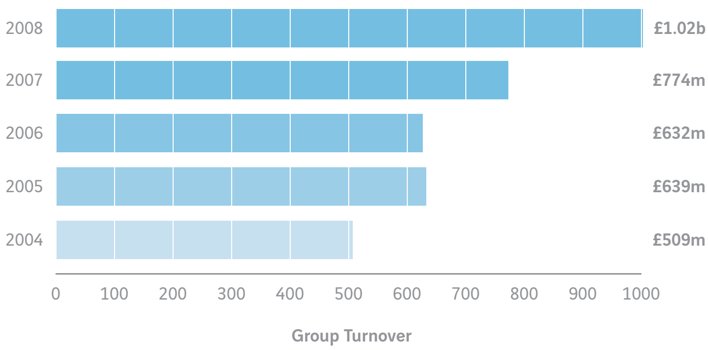
Chief Executive's Report

"...our aim is to provide VINCI PLC with a national platform from which to perform all facets of construction and facilities services from the smallest to the largest project."

John Stanion
Chairman and Chief Executive



The performance of the business will be further enhanced by the Technology Centre, a capability that is unique to the Company, which is dedicated to providing innovative and value adding solutions through a combination of research and development, testing and consultancy skills.

During 2008, the UK economy entered into more difficult circumstances with a noticeable slow down in construction activity, particularly in the private sector where we had fewer opportunities. Turnover in certain sectors of the Group fell by comparison with 2007. In regional contracting, turnover increased as a result of the impact of the acquisition of Stradform and Gordon Durham.

The most important event in the year, however, was the acquisition in September of Taylor Woodrow. This was a transformational step in the development of our construction and facilities business in the UK market.

Taylor Woodrow has a long and prestigious record as one of the UK's foremost construction companies, with particular expertise in managing large and complex building and civil engineering projects. It is also well established in the facilities management market, both in the UK and Europe. Taylor Woodrow's leading market position in key growth sectors of the industry, such as transport infrastructure, with the regionalised building and civil engineering network of our combined business, provides VINCI PLC with a national platform from which to perform all facets of construction and facilities services.

The turnover of the Group increased to over £1 billion during the year, with Taylor Woodrow contributing £207 million in the period from September to December. Profit before tax fell to £16 million compared to £40 million in 2007, but that year's results benefited from approximately £22 million of one-off gains from asset sales and discontinued businesses. The overall cash position of the Group declined to £137 million from £152 million in 2007 after the payment of a £20 million dividend to our parent company. The order book at the end of 2008 increased to £1.4 billion.

Acquisitions and Disposals

At the beginning of 2008, VINCI PLC acquired two regional contractors:

Cardiff-based Stradform Limited also has offices in Swansea and Bristol. The Company undertakes a variety of contracts for a diverse portfolio of clients across Wales and the South West of England.

Based in South Tyneside, Gordon Durham is a well established regional contractor undertaking contracts throughout the North East of England. The Company works principally for the public sector in the areas of social housing, education, health and leisure as well as for national and local developers.

In September 2008, VINCI PLC acquired Taylor Woodrow, one of the UK's leading companies in construction and facilities management (FM). The acquisition of Taylor Woodrow is a significant step in the strategy of developing the Company's presence in the rail, energy infrastructure and FM markets in the UK and expands its regional building activities in health, education, retail and airports as well as increasing its portfolio of PFI and PPP activities.

The performance of the business will be further enhanced by the Technology Centre, a capability that is unique to the Company, which is dedicated to providing innovative and value adding solutions through a combination of research and development, testing and consultancy skills.

In February 2009 Simplex Foundations Limited was sold to Bachy Soletanche Limited.

Review of Operations

At the beginning of 2009, following the acquisition of Taylor Woodrow and the subsequent restructuring, VINCI PLC reorganised its contracting activities by consolidating its operations in the name of VINCI Construction UK Limited (previously called Norwest Holst Limited). The Company comprises six divisions: building, civil engineering, air, facilities, technology and regional contracting. Within each of these divisions, the names and logos of the trading entities will be retained.

Education

The formation of VINCI Education will enable us to build on our existing strength in the education market, established through the Local Education Partnership (LEP) with Sheffield City Council and our extensive track record of delivering traditional and PFI education facilities.

Education

In January 2009, VINCI Education Limited was created to respond specifically to the Government's Building Schools for the Future (BSF) initiative. The formation of VINCI Education will enable us to build on our existing strength in the education market, established through the Local Education Partnership (LEP) with Sheffield City Council and our extensive track record of delivering traditional and PFI education facilities.

Taylor Woodrow, in partnership with Sheffield City Council and Partnerships for Schools, is leading the delivery of the £320 million BSF programme in Sheffield. Four new schools have so far been opened as part of the programme. The first had a contract value of £18 million. The three most recently completed schools cost a total of £50 million to design and construct and will be managed by Taylor Woodrow under a PFI contract for a period of 25 years.

As part of Newport Schools PFI, a £15 million contract is underway to design and build a new primary school in Newport, South Wales. Taylor Woodrow will undertake an £8 million contract to fit-out and provide facilities management at the school for a period of 25 years upon completion.

Two new secondary schools at Edlington and Mexborough were completed as part of the £45 million Doncaster Schools PFI scheme. Taylor Woodrow will provide the facilities management services over a 25 year period.

Contracts awarded in the Education sector include a £50 million contract for the design and construction of a new sixth form college in Luton and a £29 million contract for the design and construction of a new secondary school in East Barnet. A £30 million contract is underway for the design and construction of a three-storey building as part of the campus redevelopment project at Barnet College.

Three contracts to provide student accommodation were completed. These included a £36 million contract for the University of Birmingham, a £55 million contract for Brunel University in Uxbridge, Middlesex and a £32 million contract to design and build new student accommodation for the University of Lancaster.

A £33 million contract was completed for the design and construction of Leicester Grammar School, a two-storey building incorporating a junior school, secondary school and sixth form college.

Other contracts completed include a £3 million contract to design and construct a Centre for Art and Design Technology in Nantgarw, South Wales and a £7 million contract for the redevelopment of Cleeve School in Cheltenham.

Main image: Yewlands School, Sheffield
1. Brunel University Student Accommodation, Uxbridge
2. Sir Thomas Wharton Community College, Doncaster

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In 2008, the scheme for St Helens and Knowsley Teaching Hospitals NHS Trust, delivered the £75 million St Helens Hospital to the local community, with work progressing well on the £200 million Whiston Hospital.

Healthcare

The NewHospitals consortium, led by Taylor Woodrow and Innisfree, is currently working on one of the largest PFI projects of the last 10 years. In 2008, the scheme for St Helens and Knowsley Teaching Hospitals NHS Trust, delivered the £75 million St Helens Hospital to the local community, with work progressing well on the £200 million Whiston Hospital. Taylor Woodrow has the 40 year contract to manage these facilities.

In addition, Taylor Woodrow continues to deliver facilities management services on their 38 year contract for Bromley NHS Trust and on their 25 year contract as part of the South Bucks PFI. Both schemes were previously built by Taylor Woodrow.

As part of Integrated Health Projects (IHP), a joint venture between VINCI Construction UK Limited and Sir Robert McAlpine, the Company was awarded a £16 million contract by the Pennine Acute Hospitals NHS Trust for the construction of a three-storey building at The Royal Oldham Hospital in Manchester. This is the third project awarded to Norwest Holst by the Pennine Acute Hospitals NHS Trust, the most recent being a £29 million contract for the construction of a women and children's unit at North Manchester General Hospital.

A £47 million contract was awarded by the Cwm Taf NHS Trust for the construction of a new hospital in the Cynon Valley to provide Primary Care and Chronic disease management services.

A £23 million contract was awarded by Aintree University Hospitals NHS Foundation Trust for the design and construction of a new four-storey building to provide an elective care centre.

Stradform is underway with a £4 million contract to expand Bristol's Spire Hospital and work is progressing well on the construction of the Circle Bath Hospital, an innovative new hospital near Bath, designed by world-renowned architects Foster and Partners. The design is set to achieve the highest national rating for hospital sustainable design.

Main image: Princess Royal University Hospital, Bromley
1. St Helen's and Knowsley Hospital, Merseyside
2. The Royal Oldham Hospital, Manchester

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Healthcare


The Alan Cumming
Day Surgery Unit
Footpath to Sainsbury Car Park
Farnborough Education Centre
Green Parks House

Retail & Leisure

Tesco's first environmental format store in the UK was completed at Cheetham Hill, North Manchester for which Taylor Woodrow was the design and build contractor. Environmental features of the £19 million contract include a sustainable cladding system and hybrid timber frame with a Combined Heating and Power Unit running on vegetable oil and CO_2 refrigeration.

Retail and Leisure

The Mall is the UK's leading community shopping centre brand with 20 Malls located at the heart of local communities throughout the country. The Building division is currently undertaking a £35 million contract to extend and refurbish the Mall shopping centre in Blackburn.

PEL Interiors successfully completed a £13 million contract for the fit-out of all seven floors of the 200,000 sq ft House of Fraser anchor store in Belfast. A further contract was awarded following the success of the Belfast project in London's Oxford Street and work was completed at the new House of Fraser store in Cabot Circus, Bristol.

In addition, Taylor Woodrow provides facilities management services to all of House of Fraser stores throughout the UK on a £25 million, three year contract.

Work was also completed by PEL Interiors on a £2 million contract to refurbish the formal menswear department in Selfridges and on a £2 million fine dining restaurant for Gordon Ramsay, situated in Terminal 5 at Heathrow Airport. The contract included full service installation and feature lighting rafts as well as retail display units and a reception area.

PEL Interiors was employed by McDonald's to incorporate a new alfresco dining concept as part of a phased re-branding exercise and was awarded a contract to fit-out seven BP Connect sites involving the insertion of Marks & Spencer Simply Food stores.

Taylor Woodrow is one of the Tesco framework suppliers for main contract building services. Tesco's first environmental format store in the UK was completed at Cheetham Hill, North Manchester for which Taylor Woodrow was the design and build contractor. Environmental features of the £19 million contract include a sustainable cladding system and hybrid timber frame with a Combined Heating and Power Unit (CHP) running on vegetable oil and CO_2 refrigeration.

Main image: House of Fraser, Dundrum, Belfast
1. Marks & Spencer, Kew
2. Tesco Cheetham Hill, Manchester

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A £10 million contract was completed by the Building division for the design and construction of a new 5,000 sq metre display hall at The Tank Museum in Bovington, Dorset. The hall will house the biggest and best collection of tanks in the world.

Retail and Leisure (continued)

Taylor Woodrow also completed The Arc Development, Bury St Edmunds. Arranged around two new shopping streets and a public square, this 4.8 hectare mixed use development has extended the former town centre of Bury St Edmunds to provide more shops, cafés and restaurants. The development features a flagship Debenhams department store. Residential accommodation has been included above the retail units and 850 car parking spaces have been provided, 200 of which are underground. The development also includes a new public square and a multi-purpose public venue building.

Taylor Woodrow continued to provide facilities management services on a three year, £32 million contract to all of Nationwide's 800 retail branches across the UK. In an extension to the services provided to Nationwide, the Technology Centre was awarded a Legionella and fire risk assessment contract across their estate.

Crispin & Borst completed a £5 million contract to restore the 18th and 19th century style landscape of Priory Park in Reigate and a £5 million contract to restore Valentine's Mansion, a Grade II Listed 17th century mansion and its gardens in Redbridge, Surrey.

New contracts awarded to Crispin & Borst in the leisure sector included a £3 million contract to redevelop the current visitor centre housed within the Grade II Listed Pepys Building as part of the Discover Greenwich project at the Old Royal Naval College, Greenwich. Also awarded was a £4 million contract to build a two-storey Children's Sports Centre for Westminster City Council and a £4 million contract to extend the Black Lion Leisure Centre in Gillingham, Kent.

Stradform completed a £6 million contract to extend and refurbish the Western Leisure Centre, a Cardiff sports complex that will be used as a training facility for the 2012 Olympic Games.

A £10 million contract was completed by the Building division for the design and construction of a new 5,000 sq metre display hall at The Tank Museum in Bovington, Dorset. The hall will house the biggest and best collection of tanks in the world.

Through a £45 million, three year contract, Taylor Woodrow continued to successfully deliver facilities management services to the retail and corporate estate of DSGi, which includes Dixons and Currys retail stores throughout the UK. DSGi has been one of the first customers to take advantage of the Energy Management service we now offer. This is a capability developed using the skills of the Technology Centre and the TWFM team, enabling clients to maintain functionality whilst significantly reducing energy consumption.

Main image: The Tank Museum, Bovington, Dorset
1. The Arc Development, Bury St Edmunds
2. McDonald's, Stansted

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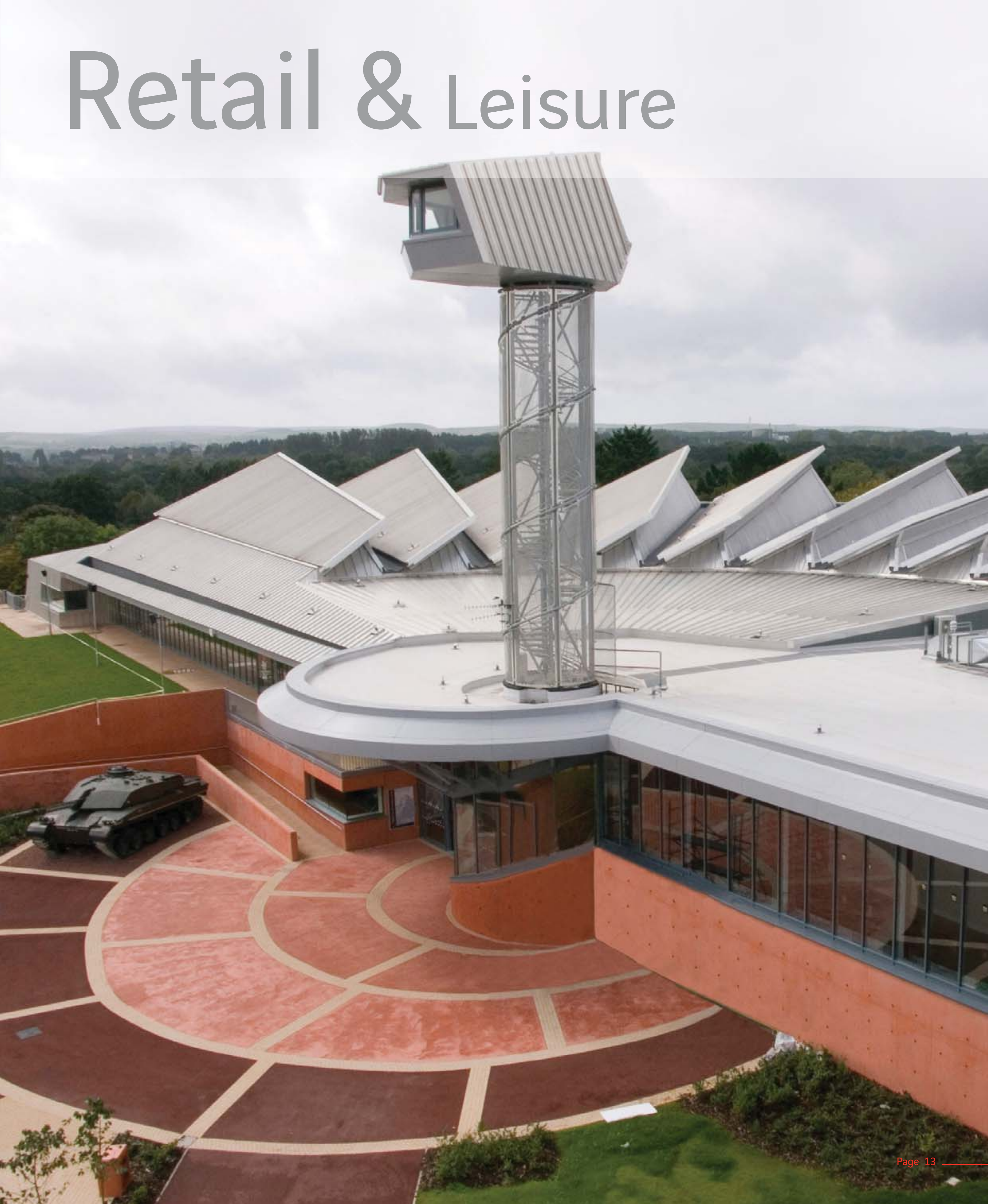
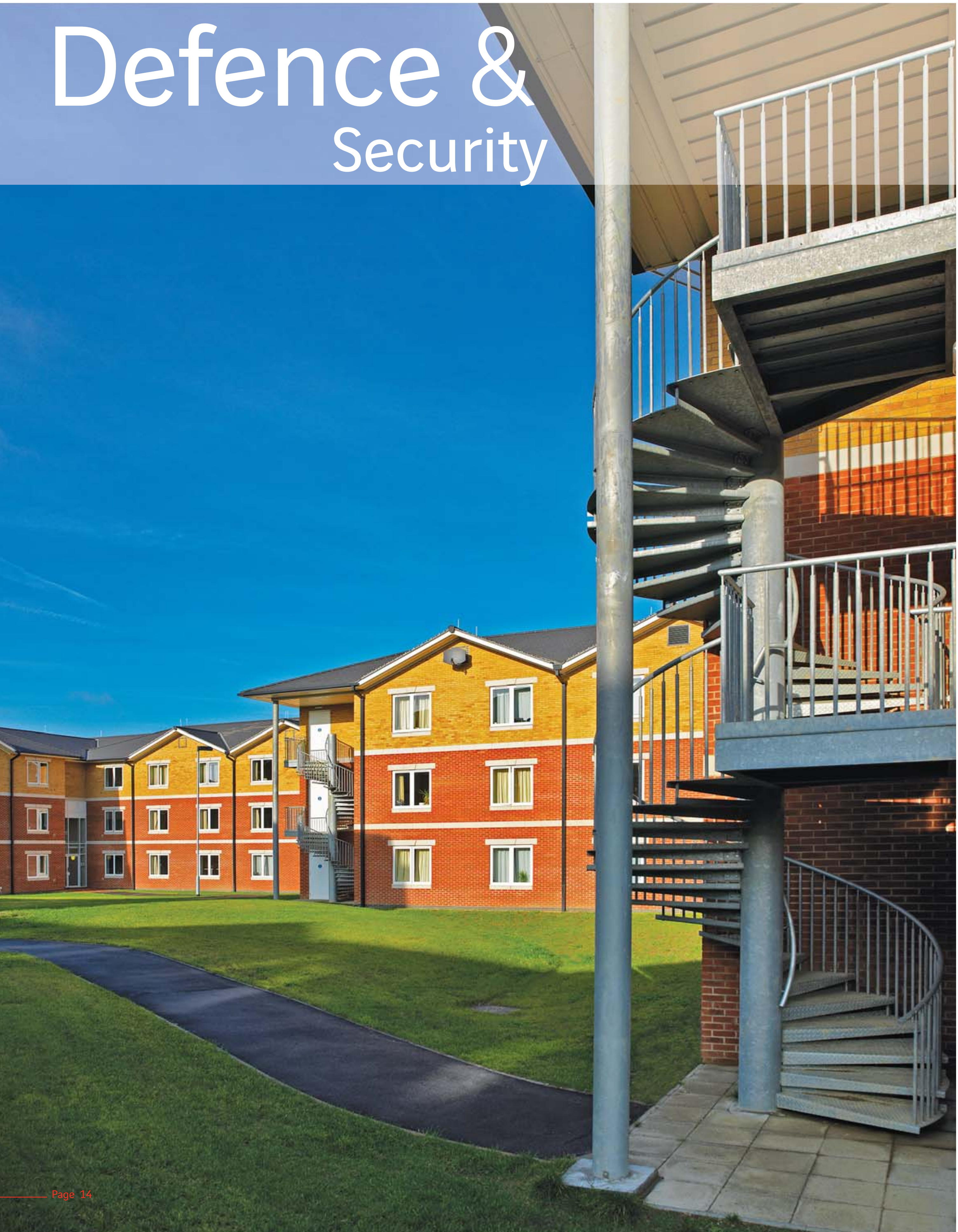
Retail & Leisure



Defence & Security



VSM Estates Limited, a joint venture between VINCI PLC and St Modwen Properties PLC, was awarded the £41 million contract to deliver Phase 3 of a £180 million construction programme at RAF Northolt.

Defence and Security

Stradform made good progress with the construction of the new Divisional Police Headquarters at Cardiff Bay, a £17 million contract undertaken for South Wales Police Authority. The six floor headquarters facility is the largest capital project ever undertaken by South Wales Police and provides a state of the art building with the latest technology.

VSM Estates Limited, a joint venture between VINCI PLC and St Modwen Properties PLC, was awarded the £41 million contract to deliver Phase 3 of a £180 million construction programme at RAF Northolt. This forms part of Project MoDEL, the Ministry of Defence's estate consolidation and redevelopment programme in Greater London.

The contract to deliver the first two phases of the programme was awarded to VSM Estates in August 2006 and is being delivered by the Building division. The Building division has now also been awarded the contract to deliver Phase 3. Work is on schedule for completion towards the end of 2009.

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Main image: Project MoDEL Accommodation, Northolt
1. Project MoDEL Fire Station, Northolt
2. Project MoDEL Air Craft Hangar, Northolt

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The Technology Centre is using its in-house information modelling capabilities to support the planning and management of the works on both the DLR and King's Cross contracts.

Transport Infrastructure

Two contracts were awarded totalling £18 million by English Cities Fund Limited as part of a city centre regeneration scheme in Wakefield called the Westgate Development Area. The contracts include the design and construction of a five-storey car park and the redevelopment of the road network relating to the project.

The Highways Agency extended its Transport facilities management contract with Taylor Woodrow. The current contract commenced in 2005 and originally included the 24/7 maintenance of IT and communication equipment at seven Regional Control Centres and 32 Traffic Officers' Outstations. The service has since been developed to include the procurement and stock management of consumables and equipment for the Highways Agency's Traffic Officer Service vehicle fleet.

Taylor Woodrow also secured an extension to its facilities management contract with Delek Texaco which operates in the Benelux countries.

As part of the regeneration of Walsall Town Centre, work continues on a £12 million contract to upgrade the ring road to dual carriageway.

Work also continues on three contracts as part of the Stratford City Development in East London. All three involve rail associated work, particularly in preparation for the construction of the new Stratford City town centre.

The Civil Engineering division is making good progress on the Docklands Light Railway Three-Car Capacity Enhancement Project.

This involves enhancing DLR infrastructure to allow three-carriage trains to operate as opposed to the current two-carriage trains in response to growing user numbers and to meet passenger demand during the London 2012 Olympic and Paralympic Games. In total, this £208 million design and build project comprises the extension of platforms at 18 stations in order to accept the new three-car trains, the construction of two new viaducts to increase traffic on the network, as well as the reconstruction of two stations: South Quay due for completion in August 2009 and Tower Gateway which was reopened to the public in March 2009 following a seven-month closure.

A contract worth £153 million is being undertaken for Network Rail at London's King's Cross Station. The project includes the restoration of the existing Grade I Listed buildings adjacent to platform eight and the provision of a new concourse including a bespoke diagrid steel roof structure with glazed coverings. This contract has been secured in addition to the ongoing £28 million contract which includes the design, construction, testing and commissioning of a new plant room and service yard.

The Technology Centre is using its in-house information modelling capabilities to support the planning and management of the works on both the DLR and King's Cross contracts.

Main image: Docklands Light Rail Three-Car Capacity Enhancement Project, Beam installation, London
1. & 2. King's Cross Station, Network Rail Project (Artist Impressions)

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Transport
Infrastructure

Transport Infrastructure

Two multi-storey car parks were completed in Bristol and Leicester and a third was awarded for the design and construction of an extension to Multi-storey Car Park 3 at Birmingham International Airport.

Transport Infrastructure

The Civil Engineering division is underway with a £26 million contract for London Underground to provide step free access to Baker Street underground station. The contract includes the provision of an overbridge within the station, the installation of four lifts and the conversion of the existing Marylebone underpass into a dedicated London Underground access route.

In addition, Taylor Woodrow holds the contract to provide hard and soft facilities management services to 14 London Underground stations.

Two car parks were completed in Bristol and Leicester and a third was awarded for the design and construction of an extension to Multi-storey Car Park 3 at Birmingham International Airport. The two completed car parks included a £30 million contract to design and build a multi-storey car park as part of the £500 million redevelopment of Bristol's central shopping area known as Cabot Circus. The second contract was valued at £29 million and comprised the design and construction of a multi-storey car park at the Highcross Quarter in Leicester's city centre as part of a £350 million mixed-use retail and leisure destination.

Main image: Highcross Car Park, Leicester
1. & 2. Cabot Circus Car Park, Bristol

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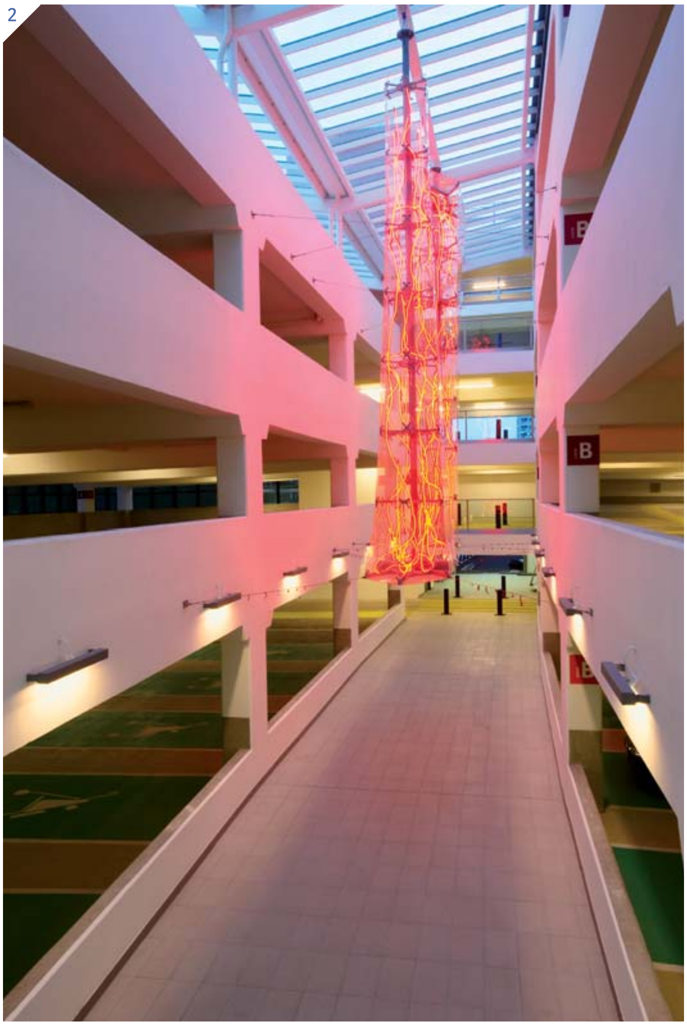

The Project at Terminal 1 was completed in three main phases and the new, fully glazed façade at Heathrow's Terminal 4 was completed and is being promoted by BAA as the benchmark for future bomb blast resistant façades at all of their airports. Sample testing took place at the Company's Technology Centre in Leighton Buzzard.

Air Terminals

Taylor Woodrow was involved in the original construction of Heathrow's Terminal 4 and is currently working on the £100 million project to extend the check-in area. The 6,000 sq metre check-in area will open in late 2009 and forms part of the £200 million project to transform the Terminal.

The first ever A380 link for Heathrow's Terminal 4 was completed in time for January 2009. A huge factor in the successful delivery of the project was the pre-fabrication of all fixed links, bridges and the extension of the link which took place in a compound dedicated to the site team near BA World Cargo.

Also at Heathrow, the Flight Connections Centre (FCC) and Immigration Project at Terminal 1 were completed in three main phases and the new, fully glazed façade at Heathrow's Terminal 4 was completed and is being promoted by BAA as the benchmark for future bomb blast resistant façades at all of their airports. Development and testing took place at the Company's Technology Centre in Leighton Buzzard.

The development of a Baggage Factory scheme and the overhaul of the check-in area are major initiatives that the Company is involved in this year as part of its long standing relationship with BAA at Gatwick Airport. Upgrades to the South Terminal's Central Search Area were completed just before Christmas with the delivery of four new security scanners.

Main image: Heathrow Airport
1. Gatwick Airport
2. Heathrow Airport Link Bridge

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2

Air Terminals

Waste & Energy

The VINCI Construction/Balfour Beatty joint venture will draw on the combined expertise of VINCI Construction Grands Projets, which built 80% of the French nuclear power plants and VINCI Construction UK, particularly through the trading activities of Norwest Holst and Taylor Woodrow.

Waste and Energy

VINCI, through its subsidiaries VINCI Construction Grands Projets and VINCI PLC, signed an exclusive agreement with Balfour Beatty in the form of a 50/50 joint venture to bid on upcoming tenders issued as part of the UK's programme to build the next generation of nuclear power plants. The VINCI Construction/Balfour Beatty joint venture will draw on the combined expertise of VINCI Construction Grands Projets, which built 80% of the French nuclear power plants and VINCI Construction UK, particularly through the trading activities of Norwest Holst and Taylor Woodrow.

The Civil Engineering division is currently constructing concrete LNG storage tanks at South Hook LNG import facility in Milford Haven and on the Isle of Grain in Kent, the latter being the largest above ground LNG storage tanks in the world.

Good progress was made on a £36 million contract forming part of Stage 1 of the Sellafield Silos Direct Encapsulation Project, a project worth a total of £170 million and one of the largest to be undertaken for the British Nuclear Group in recent years.

The Building division completed two contracts for Veolia ES Nottinghamshire Limited, the larger of which was an £8 million contract for the design and construction of a Materials Recycling Facility in Mansfield which has the capacity to process 85,000 tonnes of household waste per annum. The second contract was worth £1 million and involved the design and construction of a Household Waste Recycling Centre in Worksop. The contracts form part of Veolia's PFI agreement with Nottinghamshire County Council to deliver waste management services.

The Building division also completed a £10 million contract which includes the design, construction, completion, testing and commissioning of a combined Material Recovery Facility and Waste Transfer Station at Hollingdean in Brighton. The Hollingdean facility will handle up to 160,000 tonnes of waste per annum, separating recyclable materials and transporting the remaining waste to the incinerator.

Main image: Material Recovery Facility and Waste Recycling Facility, Hollingdean, Brighton
1. Sellafield Silos Direct Encapsulation Project
2. South Hook LNG Tanks

1

2

> "...the business continued to perform well across all divisions, returning a respectable net margin which was not significantly different at the operating level from the previous year after one-off items were excluded."

Outlook

The UK economy is now officially in recession, the length and depth of which is uncertain. However, it is evident that this is no ordinary period of economic slowdown and is a severe event of global magnitude. The fact that the economic downturn is coupled with a withdrawal of credit is causing severe asset value depreciation. This makes it difficult to predict when there will be a recovery in private sector construction.

In the public sector, the level of Government borrowing and spending may be supportable in the short term but is unlikely to be so over the medium to long term. This makes it likely that there will be a reduction in the years ahead in public sector construction work at a time when the private sector may not have recovered sufficiently to balance this effect and maintain overall demand. In the light of this, we will continue to focus on margin and cash flow and remain selective about the work we undertake, whilst maintaining close control of overheads.

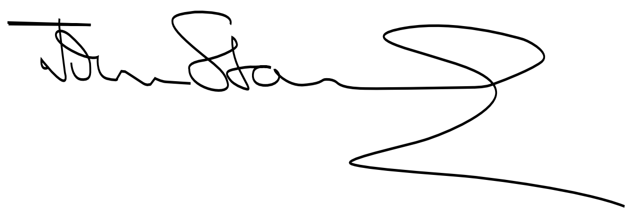
The outlook for civil engineering, facilities management and building over the medium to long term, however, remains positive once economic recovery takes hold. The opportunities ahead include increased investment in infrastructure, particularly in rail transport, energy and waste. The Technology division will be a clear differentiator for the Company, strengthening our ability to provide a total capability in construction and facilities, now and in the future. The possibility that the UK may see new nuclear power stations being developed is one area that we intend to focus on, hence the arrangements we have set up to co-operate with VINCI Construction Grand Projets and Balfour Beatty PLC. Taylor Woodrow has a long track record of nuclear construction, having worked on many of the UK's existing plants.

Conditions in 2008 were noticeably more difficult in the UK construction industry. In addition, there were a number of acquisitions and disposals that radically altered the shape and size of the business and which have required a considerable effort in implementing a reorganisation. This has positioned the Group favourably for the period ahead, with a more efficient and focused structure. All of this has required an enormous effort by management and staff and despite this, the business continued to perform well across all divisions, returning a respectable net margin which was not significantly different at the operating level from the previous year after one-off items were excluded.

In addition to the uncertain economic outlook facing the UK construction industry, a further significant impact on profitability in 2009 and possibly beyond, will be the reduction in financial income that has been an important feature in past years. The reduction in the Bank of England base rate to 0.5% has resulted in cash on deposit earning almost no return and, for so long as this situation applies, the overall level of profitability will be reduced.

VINCI PLC retains a strong position thanks to its balance sheet and cash holdings and we are well placed to ride out the current economic downturn. However, given the potential scale of this recession it is difficult at this stage to predict what the effects will be on the construction sector this year and next. We will remain vigilant and proactive in our response.

On behalf of the Board of Directors, I am extremely grateful for the efforts of all our staff and thank them for their dedication and hard work.



J O M Stanion
Chairman and Chief Executive
VINCI PLC

25th March 2009

Outlook

Corporate Responsibility

In this section of our annual report, a summary is provided of our approach to Corporate Responsibility (CR). A more detailed and comprehensive account of our achievements in 2008 and our commitments for the future can be found in our Corporate Responsibility Report, which can be downloaded from our website: (www.VINCI.plc.uk).

VINCI PLC Highlights 2008

Our People

Our staff turnover has been reduced to 14.51%

Health and Safety

Number of health and safety courses increased in 2008 by 80%

Environment

81% of VINCI PLC is certified to ISO 14001

Civic Involvement

597 of our people spent 180 days involved in charitable activities

Customers and Suppliers

74% of our customers believe we are better than our competitors

Corporate Governance

We achieved 100% statutory compliance

In the current business environment, a strong CR approach is imperative to ensure that companies take a long-term view on creating sustainable value.

The scope of the full CR report covers all VINCI PLC activities during 2008. Due to the relatively late acquisition of Taylor Woodrow in the third quarter of 2008 and also for clarity of reporting, Taylor Woodrow's CR / sustainability activities have not been included. A supplementary report, entitled 'Sustainability Model 2008' has been produced by Taylor Woodrow detailing their performance with regard to sustainability / CR issues. This report is also available on the CR section of our website. Our 2009 CR report will cover all activities including Taylor Woodrow.

Along with the CR and Sustainability Reports, the following additional information is available to download from our CR website:

- CR policies
- CR performance data tables
- Comprehensive list of 2008 achievements and 2009 objectives
- Continually updated CR news stories and case studies
- Latest editions of our award winning internal CR magazine Société
- Feedback page where stakeholders can interact with our site and express their views on our approach

CEO Statement

In the current business environment, a strong CR approach is imperative to ensure that companies take a long-term view on creating sustainable value.

In 2008, we confirmed our commitment to CR and the communities in which we operate by becoming a member of Business in the Community (BITC). A not-for-profit membership organisation, Business in the Community is the leading authority on corporate responsibility, working with more than 800 companies across the UK and Ireland to help meet responsibilities to society. The purpose of the organisation is to mobilise business for good; to inspire, engage, support and challenge companies to continually improve the impact they have on society.

We also completed the BITC CR Index, the UK's leading voluntary benchmark of corporate responsibility, for the first time in 2008. The Index will help us to integrate and improve responsibility throughout our organisation by providing a systematic approach to managing, measuring and reporting on business impacts in society and on the environment.

Measuring ourselves against the index will:

- Help us to focus our attention on key risks and opportunities of responsible business
- Challenge us to determine if we are conducting our activities in a systematic and integrated manner
- Assist us in gap analysis highlighting areas for improvement
- Provide a practical framework for improving performance and communicating progress
- Demonstrate our commitment to transparency and continuous improvement.

To underline our commitment to CR, we set annual objectives by which we measure ourselves in key areas. We recognise the importance of reporting CR activities, to inform stakeholders of our performance.

CEO Statement (continued)

Our strategy to date has been recognised with a 2008 CorpComms Award in the category of 'Best CSR Strategy'. Launched in 2005, CorpComms is a publication dedicated to addressing a variety of topical subjects within the field of corporate communication. More than 250 entries were received for various categories of award, from organisations ranging from small charities to major household names such as Sainsbury's, Cadbury and Centrica.

In 2008, our CR magazine, Société, was voted 'In-House Magazine of the Year' by the International Building Press. The magazine was competing against 27 entries for the In-House category including dedicated PR agencies and professional writers.

To underline our commitment to CR, we set annual objectives by which we measure ourselves in key areas. We recognise the importance of reporting CR activities, to inform stakeholders of our performance. The following information details performance against the objectives we set in 2007 for 2008. The information provided for each of the headings is supported by more detailed facts and figures within the full body of the CR report, along with our objectives for 2009.

People

In 2008, 98% of our business units formulated training plans. This, along with the increased effort to maximise external funding for learning initiatives, increased the amount of grant we claimed back from CITB Construction Skills by 75%, enabling us to invest more in our people.

We believe that our focus on training and development has helped to reduce voluntary turnover from 16% in 2007 to 14.5% last year. The health and well-being of our people is of great importance and our occupational health strategy has helped to ensure that the average number of days absence from work has remained constant at 4.3.

Health and Safety

The continual pursuit of health and safety excellence remains a primary objective. We provided 80% more health and safety related training courses in 2008 than in 2007 (2008: 1,479 days, 2007: 820 days). As part of our ongoing strategy of developing our health and safety culture, we rolled out a 'Behavioural Change' course in 2008 and trained 118 people. This programme will continue throughout 2009.

Our reportable accident incidence and frequency rates have continued to fall over the last five years. Our 2008 figures of 5.5 (incidence rate) and 0.3 (frequency rate) indicate a good level of performance in our industry. Once again, there were no fatalities.

Environment

The acquisition of Taylor Woodrow in 2008 has had an extremely positive impact on our environmental management capabilities. Uniquely for a UK construction company, we now have a Technology Centre with dedicated resources in place, such as qualified assessors for EcoHomes, Code for Sustainable Homes, BREEAM and CEEQUAL. These people all have expertise in practical, market based sustainable engineering solutions.

Our Technology Centre has a remit to continually broaden our portfolio of environmental services to reflect changing technological requirements and market conditions.

Taylor Woodrow drew on the expertise of their sustainability practitioners in the development of a comprehensive company-wide sustainability model. It is our intention to utilise this expertise and incorporate elements of best practice within the sustainability model into our CR approach in 2009.

Stradform was presented with a Silver Green Apple Award for environmental best practice at the Company's £17 million project to build a new Divisional Police Headquarters on the site of the former police station at Cardiff Bay. The Green Apple Awards are now in their fifteenth year and attracted more than 500 nominations last year. They are organised by The Green Organisation, an independent, non-political, non-activist, non-profit environmental group dedicated to recognising, rewarding and promoting environmental best practice around the world.

Community Involvement

23% of our people were involved in charitable activities in 2008, with working days spent on activities almost doubling from 94 to 180. To ensure that we gain valuable feedback from our staff and to promote development in this area, all of our performance appraisals now include a section on social responsibility including community involvement.

We understand that construction organisations play a vital role in the development of local communities through sustained investment and development in the built environment. To ensure a consistent and professional approach in the management of our construction operations in the community, we register our sites with the Considerate Constructors Scheme (CCS). The number of sites that we registered with the Considerate Constructors scheme in 2008 more than doubled (2008: 75 sites, 2007: 31 sites).

Customers and the Supply Chain

The Group has grown significantly in the last year and we now have a broader spread of core competencies in key markets along with an increased number of strategic partnerships with key clients. Our overall customer satisfaction levels increased in 2008, rising from 77% in 2007 to 79% satisfaction. In addition to this, 74% of our customers believe we are better than our competitors (71% in 2007).

We now also have a greater capability to undertake research, development and innovation. Our Technology Centre offers a unique range of skills and disciplines which can provide solutions at every stage of the construction cycle.

The development of a Framework Agreement was one of the key outputs during 2008. Through careful selection of supply chain partners, we have negotiated agreements which incorporate our core values of sustainability and environmental performance. In line with our parent company, we have also included a clause which invites our suppliers to participate in the United Nations 'Global Compact' which features 10 principles in the areas of human rights, employment standards, environmental protection and the fight against corruption. Six of our strategic supply chain partners have signed up to it, with further supply chain partners set to sign up in 2009.

Corporate Governance

We are strongly committed to the principles, values and code of business conduct set out by our parent company, VINCI SA. This delegation of authority to all operational and functional management levels is carried out by complying with VINCI SA's global framework of governance, which is publicly available in the VINCI SA Annual Report.

Our continued strict adherence to corporate governance and business risk controls resulted in 100% statutory compliance again in 2008, with no incidents of financial breaches or irregularities occurring.

In 2008, we produced our first CR report. Within the report, we recognised that our approach to CR would require further development and refinement in the years ahead. As part of our commitment to making CR an integral part of our business we have appointed a Director of Corporate Responsibility whose responsibilities will include monitoring and reporting on the strategic deployment of CR within our organisation, to the Board of VINCI Construction UK. An interview with the Director of Corporate Responsibility is included within the CR report where he further outlines the action we will be taking in 2009 to develop and improve our approach to CR.

In addition to the appointment of a Director of Corporate Responsibility, we have appointed a CR Executive Researcher who is undertaking a research degree (PhD) with a strong focus on CR within the construction sector. The CR Executive Researcher will conduct a six to eight month long internal research project which will examine the status and influence of our CR practices. This project forms part of our commitment to enhancing our understanding of the strategic implications of CR on both organisational performance and business excellence.

Main Challenges for 2009

There will be a number of significant challenges that we, along with the rest of the industry, will face in 2009. The current economic climate has already had an impact on work opportunities and will continue to do so for the foreseeable future. Reduction in work opportunities, combined with an increasingly competitive marketplace, will put considerable pressure on CR initiatives right across the industry.

Despite these economic challenges, we will not relent in our belief that CR remains a high priority for our organisation.

We continue to strongly believe that effective deployment of our CR strategy will ensure that we focus our efforts on exceeding the requirements of all our stakeholders. We have considerable faith that our systematic approach to CR will enable us to effectively differentiate ourselves in the marketplace, reduce business risk and continue to generate goodwill amongst our stakeholders.

Enhanced Business Review

"...the business continued to perform well across all divisions, returning a respectable net margin which was not significantly different at the operating level from the previous year after one off items were excluded. "

Business Risk

The continued success of our business depends upon our ability to identify and manage risks which are inherent in the type of activity we are engaged in. These risks fall into specific areas, all of which have the potential to impact on the success of the business, both at subsidiary and divisional level and on the Group as a whole.

- **Financial Risk**

The principal financial risks that we run are associated with our ability to estimate properly the costs of carrying out the contracts in which we engage, the risk of properly incurring and controlling those costs, our ability to recover our costs under the payment terms of those contracts, the financial standing of our clients, sub-contractors and suppliers in terms of their ability to discharge their obligations to us.

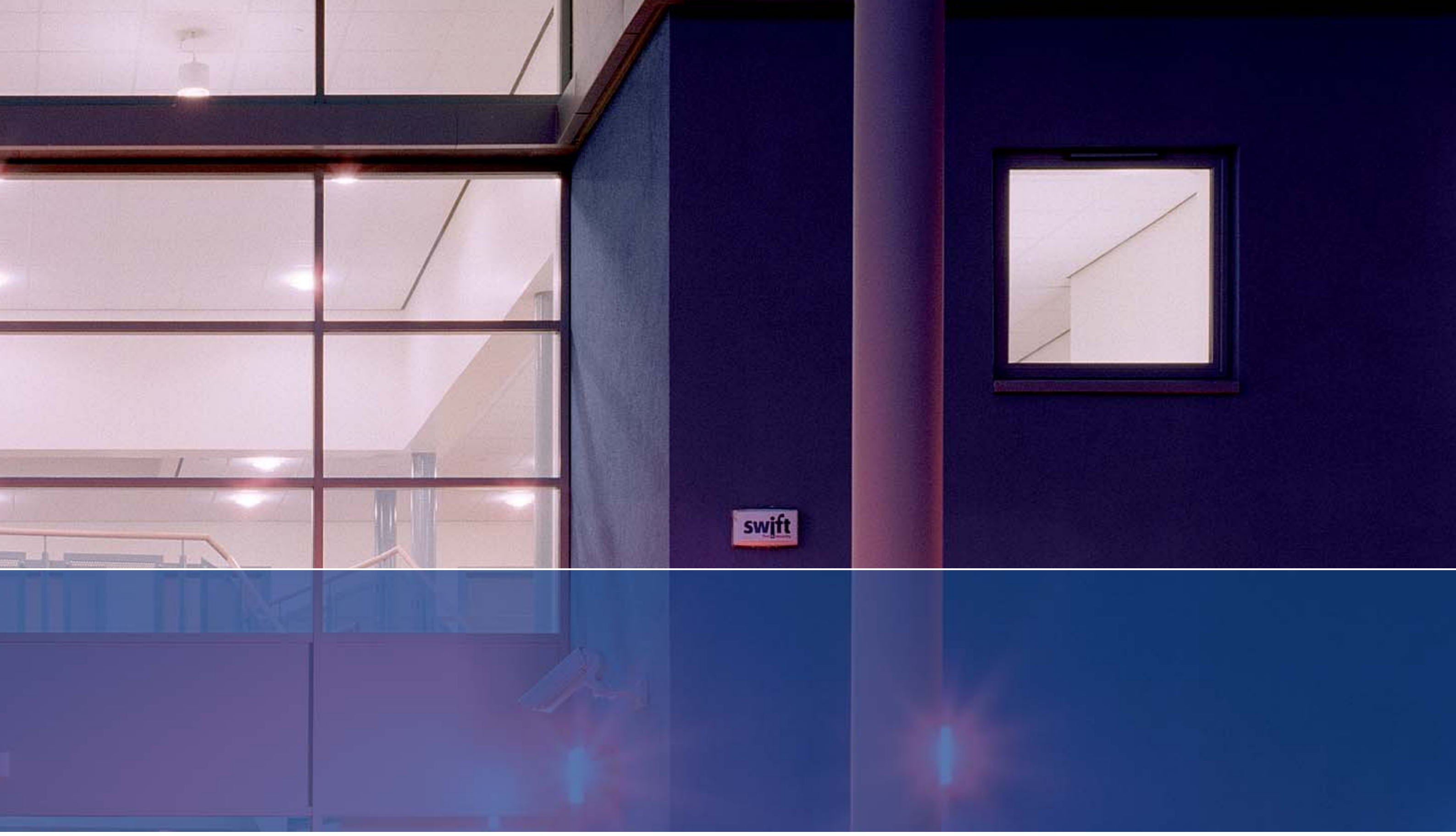
The Group controls these risks in a number of ways. We are highly selective in the type of work that we tender for in terms of the project size, location, complexity and contract duration. These criteria are examined for each of our business units and are specific to them to ensure that their capabilities are used to best effect. We do not chase turnover for turnover's sake, our guiding principle being cash and profit generation. We specialise in certain types of projects in line with the areas where we have proven expertise. Tenders are controlled in accordance with a tender control policy and are authorised by Directors according to their value and type.

Over a certain level of value, tenders are approved by the Chief Operating Officer and the Chief Executive. In accordance with VINCI SA procedures, tenders over set amounts are submitted to the VINCI Risk Committee in Paris for approval.

Contracts in progress are managed and controlled in accordance with Group accounting and commercial control procedures. Monthly accounts are prepared for all sites based upon a Cost Value Reconciliation system that is performed each month. There are rigorous procedures in place for monitoring performance and regular reviews of forecasts for cost to completion and revenue. Profit is taken in accordance with the Group's accounting procedures.

Financial and other checks are performed on suppliers and sub-contractors and the supply chain is largely made up of preferred parties.

We seek to become a preferred contractor with our clients based upon performance and seek to continuously improve upon it.



Investment is subject to strict control procedures and is submitted to VINCI SA for approval. This applies to acquisitions of companies and real estate and to PFI/PPP projects.

We have determined to concentrate our activities in the PFI sector on projects or bundles of projects in the fields of education, public buildings and health. All our current PFI contracts fall into the sector of education, police buildings and hospitals with the exception of Project MoDEL. We may bid in future on transport infrastructure, waste and energy projects.

The Group maintains insurance policies in respect of all known material areas of financial loss other than those described here. VINCI Insurance Services Limited manages all aspects of the Group's insurance policies and monitors and reports on claims. The Group insures certain risks through a captive insurance company - Haldan Indemnity Limited.

The other major financial risk to the Group is the pension fund. We have proactively sought to de-risk the final salary pension scheme through changes in rules and additional contributions in prior years, such that the latest actuarial valuation shows a small deficit of assets over liabilities.

In 2006, the current members of the scheme agreed to a new rule that limits future service salary increases for pension purposes to 3%. The scheme was closed to new members in 2000 and an alternative defined contribution scheme was established in its place.

The residual risks to the final salary scheme are investment performance and mortality rates. The pension fund situation is set out elsewhere in this report and accounts.

The Group's accounting policies are described elsewhere in this report.

- Health and Safety

The Group recognises the importance of the health and safety of all those employed in our offices and on our projects and operates policies to ensure that the risks associated with accidents and health are properly managed and controlled. The Group's approach and performance are set out in the CR report.

- The Environment

The Group recognises the importance of minimising our impact on the environment and is pro-actively managing this as set out in the CR report.

- Human Resources

The people whom we employ are our most important resource. It is essential to the future success of the business that we retain a skilled and motivated workforce and continue to augment it through recruitment. This is set out in the CR report.

J O M Stanion
Chairman and Chief Executive
VINCI PLC

Directors' Report

The Group has considerable financial resources, together with long term contracts with a number of customers and suppliers across different geographic areas and construction activities.

The Directors submit their annual report to the members, together with the audited accounts for the year ended 31st December 2008.

Principal activities and business review

The principal activities of the Group during the year were building, civil engineering and facilities management. A full review of the Group's business and progress is set out within the Chief Executive's report and Enhanced Business Review on pages 4 to 31.

Results and dividends

The profit for the financial year as shown in the Consolidated Income Statement on page 38 amounted to £13,489,000 (2007: £33,637,000). Dividends paid during the year comprise of an interim dividend of £1.055 per share amounting to £20,000,000 (2007: £21,000,000) in respect of the year ended 31st December 2008. The Directors do not propose the payment of a final dividend.

Directors

The present Directors of the Company are set out on Page 2.

The following Directors resigned during the year:

J C Banon	resigned 31st December 2008
Q Davies MP	resigned 5th October 2008
E M M Zeller	resigned 31st December 2008

Indemnity provisions

No qualifying third party provision is in force for the benefit of any director of the Company.

Going concern

The Group has considerable financial resources together with long term contracts with a number of customers and suppliers across different geographic areas and construction activities. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully, despite the current uncertain economic outlook.

After making enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Employees

The Group has continued its policy regarding the employment of disabled persons. Full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Should an employee become disabled while in the Company's employment they are guaranteed consideration for alternative positions within the Group which are within their capabilities. It is the Group's policy to offer training and development opportunities to all employees on the basis of the assessment of training needs.

Communication and involvement

The Directors recognise the importance of good communications with the Group's employees and informing and consulting with them on a regular basis on the performance and objectives of the Group. This is mainly through regular meetings, personal appraisals and e-mail communications.

When practical, employees have the opportunity to participate in VINCI share savings schemes.

Health and safety

Health and safety issues figure prominently at Board level to ensure, as far as possible, the prevention of health risks or accidents to employees, contractors, sub-contractors, members of the public or any other persons who may come into contact with the Group's activities. Health and safety consultative committees operate at all levels and an annual report is produced highlighting trends and statistics in this vital area. The Group is proud of, but not complacent about, its safety record.

Donations

Donations to various United Kingdom branches of national and international charities by the Group amounted to £72,341 during the year (2007: £52,774). No political donations were made (2007: £nil).

Payment of creditors

Whilst the Group does not follow any external code or standard payment practice, the Group's policy with regard to the payment of suppliers is for each business to agree terms and conditions with its suppliers, ensure that suppliers are aware of those terms and, providing the suppliers meet their obligations, abide by the agreed terms of payment. The trade creditor days for the Company for the year ended 31st December 2008 was nil (2007: nil) and for the Group was 49 (2007: 49).

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditors are unaware; and each Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approval

The Report of the Directors was approved by the Board on 25th March 2009 and signed on its behalf by:

J O M Stanion
Chairman and Chief Executive,
VINCI PLC

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law the Directors have elected to prepare both the Group and the Parent Company financial statements in accordance with IFRSs as adopted by the EU and applicable laws.

The Group and Parent Company financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position of the Group and the Parent Company and the performance for that period; the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Parent Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

KPMG LLP, Chartered Accountants
Registered Auditor
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE
25th March 2009

Independent Auditors' Report to the Shareholders

We have audited the Group and Parent Company financial statements (the "financial statements") of VINCI PLC for the year ended 31 December 2008 which comprise the Consolidated Income Statement, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Cash Flow Statements and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The Directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 34.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the Group's affairs as at 31st December 2008 and of its profit for the year then ended;
- the Parent Company financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU as applied in accordance with the provisions of the Companies Act 1985, of the state of the Parent Company's affairs as at 31st December 2008;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Accounts

for the year ending 31st December 2008

Consolidated Income Statement
for the year ended 31st December 2008

	Notes	2008 £000	2007 £000
Revenue	1	1,017,501	774,118
Cost of sales		(931,344)	(702,410)
Gross profit		86,157	71,708
Other operating income	2	1,266	3,586
Administrative expenses	3-5	(80,532)	(60,124)
Share of profit of associates using the equity accounting method-operating	12	182	4,799
Operating profit before net financing income	3	7,073	19,969
Financial income	6	22,423	20,990
Financial expenses	6	(13,338)	(11,855)
Net financing income		9,085	9,135
Share of profit of associates and jointly controlled entities using the equity accounting method	12	44	64
Profit on sale of investments	7	-	11,323
Profit before taxation		16,202	40,491
Taxation	8	(2,713)	(6,854)
Profit from continuing operations		13,489	30,690
Profit from discontinued operations net of tax	17	-	2,947
Profit for the year	22	13,489	33,637

Statements of Recognised Income and Expense

for the year ended 31st December 2008

	Note	Group 2008 £000	2007 £000	Company 2008 £000	2007 £000
Foreign exchange translation differences		30	-	-	-
Net income/(expense) recognised directly in equity		-	-	-	-
Profit for the year		13,489	33,637	26,890	28,705
Total recognised income and expense for the year	22	13,519	33,637	26,890	28,705

Consolidated Balance Sheet

at 31st December 2008

	Notes	2008 £000	2007 £000
Non-current assets			
Property, plant and equipment	11	23,575	16,965
Intangible assets	10	130,097	10,322
Investments in jointly controlled entities	12	7,818	4,855
Investments accounted for using the equity method	12	2,141	2,351
Other investments	13	3,102	-
Deferred tax asset	20	1,399	2,202
		168,132	36,695
Current assets			
Inventories	14	1,699	3,070
Trade and other receivables	15	240,708	171,833
Cash and cash equivalents	16	208,186	181,989
Assets classified as held for sale	17	2,906	-
Employee benefits	21	5,842	625
Tax receivable		6,278	-
		465,619	357,517
Total assets		633,751	394,212
Current liabilities			
Bank overdraft	16	71,287	29,463
Other interest bearing loans and borrowings	19	445	314
Trade and other payables	18	495,340	281,663
Tax payable		-	13,206
Liabilities classified as held for sale	17	3,132	-
		570,204	324,646
Non-current liabilities			
Other interest bearing loans and borrowings	19	1,028	438
Employee benefits	21	331	-
		1,359	438
Total liabilities		571,563	325,084
Net assets		62,188	69,128
Equity attributable to equity holders of the parent			
Issued share capital	22	18,956	18,956
Capital redemption reserve	22	300	300
Retained earnings	22	42,902	49,872
Translation reserve	22	30	-
Total equity		62,188	69,128

The financial statements were approved by the Board on 25th March 2009 and signed on its behalf by:

A M Comba (Director)

Company Balance Sheet
at 31st December 2008

	Notes	2008 £000	2007 £000
Non-current assets			
Property, plant and equipment	11	4,024	5,171
Investments in Group undertakings	12	124,760	34,938
Deferred tax asset	20	-	2,342
		128, 784	42,451
Current assets			
Tax receivable		245	600
Trade and other receivables	15	8,060	4,571
Cash and cash equivalents	16	-	39,892
Employee benefits	21	5,842	625
		14,147	45,688
Total assets		142,931	88,139
Current Liabilities			
Bank overdraft		45,047	-
Other interest bearing loans and borrowings	19	-	177
Trade and other payables	18	41,318	28,857
Tax payable		-	4,460
		86,365	33,494
Non-current liabilities			
Other interest bearing loans and borrowings	19	-	140
Provisions		-	3,677
Deferred tax liabilities	20	458	-
		458	3,817
Total liabilities		86,823	37,311
Net assets		56,108	50,828
Equity attributable to equity holders of the Parent			
Issued share capital	22	18,956	18,956
Capital redemption reserve	22	300	300
Other reserve	22	10,657	10,657
Retained earnings	22	26,195	20,915
Total equity		56,108	50,828

The financial statements were approved by the Board on 25th March 2009 and signed on its behalf by:

A M Comba (Director)

Cash Flow Statements

for the year ended 31st December 2008

	Notes	Group 2008 £000	2007 £000	Company 2008 £000	2007 £000
Cash flows from operating activities					
Profit for the year		13,489	33,637	26,890	28,705
Adjustments for:					
Depreciation, amortisation and impairment		5,430	4,816	(1,628)	7,748
Financial income		(22,423)	(20,990)	(33,146)	(38,947)
Financial expense		13,338	11,855	11,052	9,983
Share of profits in jointly controlled entities and associates		(226)	(4,863)	-	-
Gain on sale of property, plant and equipment		(1,266)	(2,991)	-	(11)
Gain on sale of investments		-	(11,323)	-	(11,434)
Equity settled share-based payment expenses		833	1,532	40	950
Taxation		2,713	6,854	1,538	694
Operating cash flows before movements in working capital and provisions		11,888	18,527	4,746	(2,312)
Decrease/(increase) in trade and other receivables		30,030	(32,461)	(2,889)	(308)
Decrease/(increase) in stock		392	(106)	-	-
(Decrease)/increase in trade and other payables		(37,148)	64,910	(4,827)	3,420
Decrease in provisions and employee benefits		(2,931)	(2,836)	(2,956)	(2,836)
Cash generated from operations		2,231	48,034	(5,926)	(2,036)
Interest paid		(2,457)	(2,104)	(572)	(232)
Tax (paid)/received		(6,189)	(1,908)	(2,805)	2,254
Net cash from operating activities		(6,415)	44,022	(9,303)	(14)
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		2,693	6,584	-	127
Proceeds from sale of investment		-	-	-	14,430
Interest received		9,095	9,296	2,153	2,917
Dividends received		-	-	18,252	24,336
Disposal of subsidiary, net of cash disposed of		-	11,150	-	-
Disposal of division		-	222	-	-
Disposal of jointly controlled entity		-	1,167	-	-
Acquisition of property, plant and equipment		(4,259)	(5,409)	(902)	(3,165)
Subordinated loan to associate entities		(2,527)	(306)	-	-
Acquisition of subsidiaries net of cash acquired	9, 10	4,908	(4,909)	(74,822)	-
Repayment of loan by jointly controlled entity		-	88	-	-
Net cash from investing activities		9,910	17,883	(55,319)	38,645

Cash Flow Statements (continued)

for the year ended 31st December 2008

	Notes	Group 2008 £000	2007 £000	Company 2008 £000	2007 £000
Cash flows from financing activities					
Increase/(decrease) in finance lease obligations	19	747	(250)	(317)	(184)
Dividends paid	20	(20,000)	(21,000)	(20,000)	(21,000)
Net cash from financing activities		(19,253)	(21,250)	(20,317)	(21,184)
Effect of exchange rate fluctuations on cash held		131	-	21	-
Net (decrease)/increase in cash and cash equivalents		(15,627)	40,655	(84,939)	17,447
Cash and cash equivalents at 1st January		152,526	111,871	39,892	22,445
Cash and cash equivalents at 31st December	16	136,899	152,526	(45,047)	39,892

Accounting Policies

VINCI PLC ("the Company") is incorporated in the UK.

Statement of Compliance

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group") and equity account the Group's jointly controlled entities and interest in associates. The parent company financial statements present information about the Company as a separate entity and not about its group.

Basis of preparation

Both the parent company financial statements and the group financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRSs"). In publishing the parent company financial statements here together with the group financial statements, the Company has taken advantage of the exemption in s230 of the Companies Act 1985 not to present its individual income statement and related notes that form a part of these approved financial statements.

At the date of issue of these financial statements IFRIC 12 (Service concession arrangements) was effective but not yet endorsed by the European Union. It has not been applied in these financial statements though no significant impact is expected.

The Group has considered the impact of IFRIC 14 (the limit on a defined benefit asset, minimum funding requirements and their interaction) and there has been no significant impact in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised income and expense of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an associate.

Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's share of the total recognised gains and losses of jointly controlled entities on an equity accounted basis, from the date that joint control commences until the date that joint control ceases.

Current assets held for sale and discontinued operations

A current asset or a group of assets containing a non-current asset (a disposal group) is classified as held for sale if its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale and sale is highly probable within one year.

On initial classification as held for sale, current assets and disposal groups are measured at the lower of previous carrying amount and fair value less costs to sell with any adjustments taken to profit or loss. The same applies to gains and losses on subsequent remeasurement.

Long term contracts

Long term contracts are those extending in excess of 12 months and of any shorter duration which are material to the activity of the period.

Construction contract receivables

Amounts recoverable on contracts are included in receivables and are valued, inclusive of profit, at work executed at contract prices plus variations less payments on account. Profit on long term contracts is recognised once the outcome can be assessed with reasonable certainty. The margin on each contract is the lower of the margin earned to date and forecast at completion. Full provision is made for anticipated future losses and such losses are included in creditors. Where contract payments received exceed amounts recoverable these amounts are included in creditors.

Amounts recoverable normally include claims only when there is a firm agreement with the client, but when assessing anticipated losses on major contracts a prudent and reasonable estimate of claims is taken into account.

Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less impairment losses.

Inventories

Inventories and work in progress are stated at the lower of cost and estimated net realisable value.

Cost is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Impairment

The carrying amounts of the Group's assets other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date. The recoverable amounts are determined from value in use calculations of the cash generating units (CGUs) using cash flow projections based on the latest three year plan approved by VINCI. The main assumptions for each CGU, which relate to sales volume, cost changes and working capital requirements, are based on recent history and expectations of future changes in the market. The discount rate applied to the cash flow forecast is based on a VINCI determined weighted average cost of capital of 10.74%.

An impairment is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Calculation of recoverable amount

The recoverable amount of the Group's investments in held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a held-to-maturity security or receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of an investment in an equity instrument classified as available for sale is not reversed through profit or loss. If the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

Defined benefit plans

The Group's net obligation in respect of defined benefit pension plans and other post employment benefits is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) is deducted. The liability discount rate is the yield at the balance sheet date on AA credit rated bonds that have maturity dates approximating to the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement.

All actuarial gains and losses as at 1st January 2004, the date of transition to Adopted IFRSs, were recognised. In respect of actuarial gains and losses that arise subsequent to 1st January 2004 in calculating the Group's obligation in respect of a plan, to the extent that any cumulative unrecognised actuarial gain or loss exceeds 10 per cent of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that portion is recognised in the income statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

In accordance with Group policy, subsidiary undertakings continue to record the actual contributions that they make in the year.

Share-based payment transactions

The share option programme allows Group employees to acquire shares of the ultimate parent company; these awards are granted by the ultimate parent. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is due only to share prices not achieving the threshold for vesting.

Investments in debt and equity securities

Investments in jointly controlled entities, associates and subsidiaries are carried at cost less impairment. Financial instruments held for trading or designated upon initial recognition or at the IAS 39 transition date if later are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Other investments in debt and equity securities held by the Group are classified as being available for sale and are stated at fair value, with any resultant gain or loss being recognised directly in equity (in the fair value reserve), except for impairment losses and, in the case of monetary items such as debt securities, foreign exchange gains and losses. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Intangible assets

All business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of subsidiaries, associates and Jointly Controlled Entities. In respect of business acquisitions that have occurred since January 2004, goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Identifiable intangibles are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable.

In respect of acquisitions prior to January 2004, goodwill is included on the basis of its deemed cost, which represents the amount recorded under UK GAAP which was broadly comparable save that only separable intangibles were recognised and goodwill was amortised.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

Negative goodwill arising on an acquisition is recognised directly in profit or loss.

Other intangible assets that are acquired by the Group, with the exception of brand names, are stated at cost less accumulated amortisation and impairment losses. Brand name assets are stated at cost less any accumulated impairment losses. They are not amortised but are tested annually for impairment.

Jointly controlled entities and associates

The Group’s share of joint ventures and associates is included on one line except for its share in VSM Estates Limited. Due to the nature of the profit, the Group’s share of the VSM Estates Limited results has been included within operating profit in the consolidated income statement. In the consolidated balance sheet the interests in joint ventures and associates are included as the Group’s share of the net assets of joint ventures and associates plus goodwill on acquisition less related amortisation and impairment write-downs.

Jointly controlled operations

Where a Group company is party to a jointly controlled operation, that company proportionately accounts directly for its share of the income and expenditure, assets, liabilities and cash flows on a line by line basis. Such arrangements are reported in the consolidated financial statements on the same basis.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Certain land and buildings are carried at values that reflect previous revaluations prior to 1st January 2004, the date of transition to adopted IFRSs. These are measured on the basis of deemed cost, being the revalued amount on the date of that revaluation. The valuation has not been updated since 31st March 1989.

Depreciation is provided evenly on the cost (or valuation where appropriate) of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to recoverable amount. Any such write down would be charged to operating profit unless it was a reversal of a past revaluation surplus in which case it would be taken to the statement of total recognised gains and losses. No depreciation is provided on freehold land. The principal anticipated useful lives on a straight line basis are:

Freehold buildings	- twenty five years
Leasehold buildings	- the shorter of twenty five years or remaining life of lease
Plant and machinery	- from two to fifteen years
Motor vehicles	- from three to five years
Computer systems and fixtures and fittings	- from three to ten years

Where assets are financed by leasing agreements which give risk and rewards approximating to ownership (‘finance lease’) the assets are included in the balance sheet at cost less depreciation in accordance with the normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the income statement over the period of the lease in proportion to the balance of capital repayments outstanding.

All other leases are regarded as operating leases and the total payments made under them are charged to the income statement on a straight line basis over the period of the lease.

Pre-contract costs

Pre-contract costs are expensed as incurred until the Group is appointed preferred bidder. Provided the contract is expected to generate sufficient net cash inflows to enable recovery and the award of the contract is probable, pre-contract costs incurred post the appointment as preferred bidder are included in inventories. Where pre-contract bid costs are reimbursed at financial close, the proceeds are initially applied against the asset included in inventories. Any excess recoveries are carried forward as deferred income and released to the income statement over the period of the contract to which the pre-contract costs relate.

Revenue

Revenue is the total amount receivable by the Group in the ordinary course of business with outside customers for goods supplied and services provided excluding VAT and trade discounts. On long term contracts the estimated sales value of work performed in the year is included.

Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Net financing costs

Net financing costs comprise interest payable, financial elements of pensions, finance charges on shares classified as liabilities and finance leases, interest receivable on funds invested, dividend income, foreign exchange gains and losses and gains and losses on hedging instruments that are recognised in the income statement.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

Derivative financial instruments and hedging

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties. The fair value of forward exchange contracts is their quoted market price at the balance sheet date, being the present value of the quoted forward price.

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the income statement.

The associated cumulative gain or loss is removed from equity and recognised in the income statement in the same period or periods during which the hedged forecast transaction affects profit or loss.

Notes to the Accounts
at 31st December 2008

1. Segmental reporting

The activities of the Group were all within the construction industry. The Group's main activities are made up by the building division, the civil engineering division and the facilities management division and are regarded by the Directors as a single class of business. No significant part of the business is outside the United Kingdom.

2. Other Operating Income

	2008 £000	2007 £000
Net gain on disposal of property, plant and equipment	1,266	2,791
Net gain on disposal of inventories	-	795
	1,266	3,586

3. Expenses

Group

Included in the profit are the following:		2008 £000	2007 £000
Operating leases	- plant and machinery	28,403	23,122
Operating leases	- other	5,992	3,326
Amortisation of goodwill		525	303
Depreciation of tangible assets		4,906	4,513
Profit on disposal of property, plant and equipment		-	(200)
Auditors' remuneration	- audit of these financial statements	203	212
Non audit fees	- services relating to information technology	-	85
Non audit fees	- services relating to corporate finance	35	-
Company			
Auditors' remuneration	- audit of these financial statements	22	27

Amounts receivable by the Company's auditors and their associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis.

4. Employees

Group

(i) Staff costs during the year amounted to:		2008 £000	2007 £000
Wages and salaries		136,449	106,529
Social security costs		12,245	9,746
Reorganisation and redundancy costs		6,784	-
Pension costs	– defined contribution scheme	3,385	1,804
	– defined benefit scheme	950	1,588
Share based payments (see note 21)		833	1,532
		160,646	121,199

The average number of employees during the year was as follows:

	2008 No.	2007 No.
Management	128	81
Supervision	1,096	695
Administration	884	561
Operations	2,440	1,548
	4,548	2,885

4. Employees (continued)

Company

(ii) Staff costs during the year amounted to:		2008	2007
		£000	£000
Wages and salaries		7,019	6,935
Social Security costs		606	448
Reorganisation and restructuring costs		164	-
Pension costs	- defined contribution scheme	69	67
	- defined benefit scheme	916	889
Share based payments (see note 21)		40	950
		8,814	9,289

The average number of employees during the year was as follows:

	2008	2007
	No.	No.
Management	16	16
Supervision	30	28
Administration	100	94
Operations	9	7
	155	145

5. Directors' remuneration

	2008	2007
	£000	£000
Emoluments	1,435	1,382
Pension costs	311	406
	1,746	1,788

Two of the directors (2007: 2) are accruing benefits under the Group defined benefit plans and three (2007: 3) under the defined contribution plan. Directors' emoluments disclosed above include the following:

	2008	2007
	£000	£000
Highest paid Director	494	417

The money purchase pension scheme costs relating to the highest paid director were £133,859 (2007: £127,473). The annual pension accruing to the highest paid director under the Group defined benefit scheme is £24,603 (2007: £19,264). The amounts paid to money purchase schemes in 2008 for directors was £215,254 (2007: £406,283).

One of the Directors of the Group and Company exercised share options in 2008. The value of the compensation in share based payments was £264,827.

6. Finance income and expense

		2008		2007
	£000	£000	£000	£000
Group				
Other financial income and similar income				
Return on pension assets	13,167		11,694	
Bank interest	9,095		9,296	
Foreign exchange gains	161		-	
Financial income		22,423		20,990
Financial expenses and similar charges				
Interest on pension obligation		(10,881)		(9,751)
Bank loans and overdrafts		(2,363)		(2,058)
Finance leases		(94)		(46)
Financial expenses		(13,338)		(11,855)
Net financial income		9,085		9,135

7. Profit on disposal of investments

The profit on disposal of investments of £nil (2007: £11,323,000) represents the profit on disposal of the following:

		2008	2007
		£000	£000
(i)	100% of the issued share capital of McGill Services Limited	-	10,221
(ii)	The Group's interest (50%) in Total School Solutions (Sandwell) Holdings Limited	-	880
(iii)	The business assets of the building services division of Rosser & Russell Maintenance Limited	-	222
		-	11,323

8. Taxation

Recognised in income statement:		2008	2007
		£000	£000
UK corporation tax at 28.5%	- current year	2,517	6,485
UK corporation tax at 30%	- prior year	(4,006)	(1,225)
Current taxation		(1,489)	5,260
Deferred taxation		4,202	1,594
Total tax in income statement		2,713	6,854

Reconciliation of effective tax rate	2008	2007
	£000	£000
Profit on ordinary activities before taxation	16,202	40,491
Theoretical tax at UK corporation tax rates 28.5% (2007: 30%)	4,617	12,147
Effects of		
Reduction in opening deferred tax on change of rate	-	148
Release of deferred tax	258	17
Expenditure not tax deductible	1,313	1,291
Adjustment for tax rate differences	(47)	(56)
Movements on deferred tax not provided	636	-
Movement in respect of deferred tax in prior periods	29	(68)
Adjustments in respect of prior periods	(4,006)	(1,225)
Share options tax deductions	(73)	-
Foreign tax	276	-
Group relief	(226)	(875)
Income not chargeable to corporation tax	-	(3,066)
Tax already accounted for in joint ventures	(64)	(1,459)
Actual total taxation charge	2,713	6,854

The standard rate of tax used above is a blended rate due to the change in standard tax rate on 1st April 2008 from 30% to 28%.

9. Acquisitions of subsidiaries

On 10th January 2008, the Group acquired 100% of the share capital and voting rights of Fifehead Limited and its subsidiaries for £6,432,000 satisfied in cash. The company's principal activity is that of construction. In the post acquisition period to 31st December 2008 the subsidiaries contributed net profit of £512,000 to the consolidated net profit and £71,652,000 towards Group revenue for the year. This contribution to Group net profit and revenue would have been substantially the same had the acquisition taken place on 1st January 2008.

Effect of acquisition

The acquisition had the following effect on the Group's assets and liabilities;

	Acquiree's book values £000	Fair value adjustments £000	Acquisition amounts £000
Acquiree's net assets at the acquisition date:			
Property, plant and equipment	471	-	471
Intangible assets	-	2,060	2,060
Trade and other receivables	24,844	(164)	24,680
Cash and cash equivalents	(110)	-	(110)
Trade and other payables	(21,709)	(12,366)	(34,075)
Net identifiable assets and (liabilities)	3,496	(10,470)	(6,974)
Goodwill on acquisition			13,712
Consideration paid (including legal and professional fees of £306,000) satisfied in cash			6,738
Cash acquired			110
Net cash outflow			6,848

The intangible asset recognised on acquisition is attributable to the customer list (£840,000) and the brand name (£1,220,000) acquired.

The fair value of customer list is valued after deducting a fair return determined using the income approach which estimates the fair value based on the earnings and cash flow capacity of the asset. The fair value of the brand name acquired is based on the discounted estimated payments that have been avoided as a result of the brand being owned.

The fair value of trade and other receivables is estimated as the present value of future cashflows discounted at the market rate of interest at the reporting date if the effect is material.

The fair value of trade and other payables is estimated as the present value of future cashflows discounted at the market rate of interest at the reporting date if the effect is material.

9. Acquisitions of subsidiaries (continued)

On 20th February 2008, the Group acquired 100% of the share capital and voting rights of Gordon Durham Holdings Limited and its subsidiaries for £7,954,000 satisfied in cash. The Group's principal activity is that of construction. In the post acquisition period to 31st December 2008 the subsidiaries contributed net profit of £557,000 and £16,793,000 towards Group revenue for the year. If the acquisition had occurred on 1st January 2008, Group revenue would have been increased by £20,152,000 and net profit would have been increased by £668,000.

Effect of acquisition

The acquisition had the following effect on the Group's assets and liabilities;

	Acquiree's book values £000	Fair value adjustments £000	Acquisition amounts £000
Acquiree's net assets at the acquisition date:			
Property, plant and equipment	867	-	867
Intangible assets	-	884	884
Trade and other receivables	2,499	605	3,104
Cash and cash equivalents	4,941	-	4,941
Trade and other payables	(6,133)	-	(6,133)
Net identifiable assets and (liabilities)	2,174	1,489	3,663
Goodwill on acquisition			4,407
Consideration paid (including legal and professional fees of £116,000) satisfied in cash			8,070
Cash acquired			(4,941)
Net cash outflow			3,129

The intangible asset recognised on acquisition is attributable to the customer list (£438,000) and the brand name (£446,000) acquired.

The fair value of customer list is valued after deducting a fair return determined using the income approach which estimates the fair value based on the earnings and cash flow capacity of the asset. The fair value of the brand name acquired is based on the discounted estimated payments that have been avoided as a result of the brand being owned.

The fair value of trade and other receivables is estimated as the present value of future cashflows discounted at the market rate of interest at the reporting date if the effect is material.

The fair value of trade and other payables is estimated as the present value of future cashflows discounted at the market rate of interest at the reporting date if the effect is material.

9. Acquisitions of subsidiaries (continued)

On 9th September 2008, the Group acquired 100% of the share capital and voting rights of Taylor Woodrow Construction and a proportion of the share capital of its subsidiaries and associates as follows for £74,295,000 satisfied in cash.

Name of subsidiary or associate	% of share capital acquired
International Teamwork (Gibraltar) Limited	100%
Taylor Woodrow-Towell Co LLC	50%
Taylor Woodrow Civil Engineering Limited	100%
Sheffield LEP Limited	40%
Paradigm (Sheffield BSF) Holdings Limited	40%
Paradigm (Sheffield BSF) Limited	40%
Taylor Woodrow Construction (Isle of Man) Limited	100%
Taylor Woodrow Construction Southern Limited	100%
Taylor Woodrow Integrated Projects Limited	100%
Taylor Woodrow Management Limited	100%
Taymin (Private) Limited	49%
Taywood Engineering Limited	100%
Newhospitals (St. Helens & Knowsley) Holdings Limited	19.9%

The company's principal activity is that of construction. In the post acquisition period to 31st December 2008 the subsidiaries contributed net profit of £662,000 to the consolidated net profit and £207,180,000 towards Group revenue for the year. If the acquisition had occurred on 1st January 2008 Group revenue would have been increased by £665,157,000 and net profit would have been increased by £2,125,000.

The fair value adjustment within property, plant and equipment was for a property. The fair value adjustment of the property was based on the estimated amount for which the property could be exchanged on the date of valuation between a buyer and seller in an arm's length transaction.

The intangible asset recognised on acquisition is attributable to the brand name (£22,500,000) acquired. The fair value of the brand name acquired is based on the discounted estimated payments that have been avoided as a result of the brand being owned.

The value of the unquoted investments is determined based on the estimated market value less the estimated costs of sale.

The fair value of trade and other receivables is estimated as the present value of future cashflows discounted at the market rate of interest at the reporting date if the effect is material.

The fair value of trade and other payables is estimated as the present value of future cashflows discounted at the market rate of interest at the reporting date if the effect is material. Included within trade and other payables is a fair value adjustment for certain retirement related costs. A provisional figure has been accrued until actuarial information becomes available.

9. Acquisitions of subsidiaries (continued)

Effect of acquisition

The acquisition had the following effect on the Group's assets and liabilities:

	Acquiree's book values £000	Fair value adjustments £000	Acquisition amounts £000
Acquiree's net assets at the acquisition date:			
Property, plant and equipment	9,393	(1,461)	7,932
Intangible assets	-	22,500	22,500
Investments	17	203	220
Trade and other receivables	81,010	2,290	83,300
Cash and cash equivalents	90,007	-	90,007
Trade and other payables	(172,355)	(33,219)	(205,574)
Net identifiable assets and (liabilities)	8,072	(9,687)	(1,615)
Goodwill on acquisition			76,437
Consideration paid (including legal and professional fees of £527,000) satisfied in cash			74,822
Cash acquired			(90,007)
Net cash inflow			(15,185)

10. Intangible assets

Group

	Goodwill	Brand name	Customer List	Total
Cost	£000	£000	£000	£000
At 1st January 2007	5,508	2,448	1,382	9,338
Acquisitions - externally purchased	2,457	1,416	585	4,458
Balance at 31st December 2007	7,965	3,864	1,967	13,796
Cost				
At 1st January 2008	7,965	3,864	1,967	13,796
*Acquisitions - externally purchased	94,856	24,166	1,278	120,300
Balance at 31st December 2008	102,821	28,030	3,245	134,096
Impairment losses and amortisation				
At 1st January 2007	3,021	-	150	3,171
Amortisation for the year	23	-	280	303
Balance at 31st December 2007	3,044	-	430	3,474
Impairment losses and amortisation				
At 1st January 2008	3,044	-	430	3,474
Amortisation for the year	-	-	525	525
Balance at 31st December 2008	3,044	-	955	3,999
Net book value				
At 31st December 2007	4,921	3,864	1,537	10,322
At 31st December 2008	99,777	28,030	2,290	130,097

With the exception of goodwill relating to the facilities management joint venture acquired in 2002, all goodwill was amortised over 20 years. Following the adoption of IFRSs, goodwill is no longer amortised over 20 years but tested annually for impairment. The goodwill relating to the facilities management joint venture has been amortised over the remaining life of the contract of 58 months from acquisition and is now fully amortised.

* Included within the goodwill acquisition during the year is a £300,000 subsequent adjustment of fair values and goodwill reported on Weaver PLC. Weaver PLC was acquired during 2007. The net effect of this adjustment is a further cash outflow on acquisition of £300,000 during the year.

10. Intangible assets (continued)

The acquisitions represent the fair value associated with the intangible assets of Fifehead Limited, Gordon Durham (Holdings) Limited and Taylor Woodrow Construction.

The aggregate carrying amounts of goodwill are allocated to cash generating units as follows:

	2008	2007
	£000	£000
Taylor Woodrow Construction	76,437	-
Stradform Limited	13,712	-
Gordon Durham & Co. Limited	4,407	-
Weaver PLC	2,757	2,457
Crispin & Borst Limited	2,464	2,464
	99,777	4,921

The customer lists for all intangible assets are to be amortised over 5 to 7 years. In assessing the useful life of the brand names, due consideration is given to existing longevity of the various VINCI brands, the indefinite life cycle of the construction industry in which the brands operate and the expected usage of the brand names in the future. In light of these considerations, no factor could be identified that would result in the brand names having a finite useful life and accordingly the brand names are considered to have an indefinite useful life and will be tested annually for impairment.

The amortisation and impairment charge for the year is recognised in the following line items in the income statement:

	2008	2007
	£000	£000
Administrative expenses	525	303

Impairment loss
2007 and 2008
Following the annual impairment test, no goodwill was written off in relation to the Company's investments.

Goodwill in respect of acquisitions made prior to January 1998 is not treated as an intangible asset and was eliminated at the time of acquisition against Group reserves. The cumulative amount of such goodwill was:

	2008	2007
	£000	£000
Positive goodwill eliminated against reserves	1,400	1,400
Negative goodwill added to reserves	(3,227)	(3,227)
	(1,827)	(1,827)

11. Property, plant and equipment

Group	Land and buildings £000	Plant and machinery £000	Motor vehicles £000	Computer systems, fixtures & fittings £000	Total £000
Cost or valuation:					
At 1st January 2007	6,172	21,779	3,686	10,080	41,717
Additions	-	2,214	351	2,844	5,409
Disposals	(60)	(7,672)	(904)	(1,456)	(10,092)
Reclassification	(80)	-	-	80	-
Acquisitions	2,000	765	188	-	2,953
At 31st December 2007	8,032	17,086	3,321	11,548	39,987
Cost or valuation:					
At 1st January 2008	8,032	17,086	3,321	11,548	39,987
Additions	145	844	1,499	1,771	4,259
Disposals	(1,190)	(3,543)	(1,565)	(1,504)	(7,802)
Transfer of assets held for sale	-	(1,341)	(5)	(12)	(1,358)
Acquisitions	7,597	4,538	369	1,272	13,776
At 31st December 2008	14,584	17,584	3,619	13,075	48,862
Depreciation:					
At 1st January 2007	2,693	13,580	1,892	6,161	24,326
Charged	234	1,836	634	1,809	4,513
Disposals	(60)	(4,384)	(647)	(1,405)	(6,496)
Reclassification	(80)	-	-	80	-
Acquisitions	-	566	113	-	679
At 31st December 2007	2,787	11,598	1,992	6,645	23,022
At 1st January 2008	2,787	11,598	1,992	6,645	23,022
Charged	287	1,642	605	2,371	4,905
Disposals	(606)	(3,169)	(1,182)	(1,418)	(6,375)
Transfer of assets held for sale	-	(757)	(4)	(10)	(771)
Acquisitions	194	3,155	239	918	4,506
At 31st December 2008	2,662	12,469	1,650	8,506	25,287
Net Book Value :					
At 31st December 2007	5,245	5,488	1,329	4,903	16,965
At 31st December 2008	11,922	5,115	1,969	4,569	23,575

The fixed assets owned by the Group include the following amounts in respect of assets held under finance lease and hire purchase contracts:

	2008 £000	2007 £000
Net book values:		
Motor vehicles	267	1,538
Depreciation provided in year:		
Motor vehicles	282	254

11. Property, plant and equipment (continued)

Company	Freehold properties	Plant and machinery	Computer systems fixtures and fittings	Motor vehicles	Total
	£000	£000	£000	£000	£000
Cost:					
At 1st January 2007	53	703	5,928	2,579	9,263
Additions	-	345	2,816	4	3,165
Disposals	(53)	-	(118)	(590)	(761)
At 31st December 2007	-	1,048	8,626	1,993	11,667
At 1st January 2008	-	1,048	8,626	1,993	11,667
Additions	-	191	1,243	-	1,434
Transfers in/(out)	-	128	42	(1,980)	(1,810)
At 31st December 2008	-	1,367	9,911	13	11,291
Depreciation:					
As 1st January 2007	53	385	3,185	1,543	5,166
Charged	-	138	1,443	394	1,975
Disposals	(53)	-	(74)	(518)	(645)
At 31st December 2007	-	523	4,554	1,419	6,496
At 1st January 2008	-	523	4,554	1,419	6,496
Charged	-	195	1,854	-	2,049
Transfers in/(out)	-	113	19	(1,410)	(1,278)
As 31 December 2008	-	831	6,427	9	7,267
Net book value:					
At 31st December 2007	-	525	4,072	574	5,171
At 31st December 2008	-	536	3,484	4	4,024

The fixed assets owned by the company include the following amounts in respect of assets held under financial lease and hire purchase contracts:

	2008	2007
	£000	£000
Net book values		
Motor vehicles	-	1,231
Depreciation provided in the year	-	131

12. Investments

Group

The Group owns 50% of the issued share capital of V.B. Limited. The other 50% is owned by Leonardo Investment Holdings Limited. In the Group, this has been accounted for using the equity accounting method.

The Group owns 50% of the issued share capital of V.B Investments (No.2) Limited. The other 50% is owned by Leonardo Investment Holdings Limited. V.B Investments (No.2) Limited is currently an investment holding company and wholly owns Doncaster School Solutions (Holdings) Limited. Doncaster School Solutions Limited is a wholly owned subsidiary of Doncaster School Solutions (Holdings) Limited. At 31st December 2008, Doncaster School Solutions Limited had net liabilities of £6.9m (2007: £1.6m net liabilities). The Group's share of these net liabilities has not been recognised in line with the requirements of IAS 28.

The Group owns 50% of the ordinary shares of VSM Estates Limited but the Group is only entitled to 25% of the company's profits. The other 50% is owned by St. Modwen Properties PLC. Due to this profit sharing arrangement, VSM Estates Limited has been accounted for as a 25% equity investment. The Group's share of the results from VSM Estates Limited of £182,000 (2007: £4,798,000) have been included on a separate line within operating profit.

The Group owns 50% of the ordinary shares of VINCI Environment UK Limited. This company is currently non-trading.

Movements in the investments in the jointly controlled entities are as follows:

	Shares in Jointly controlled entities £000	Loans to Jointly controlled entities £000	Post-acquisition reserves £000	Total £000
Share of net assets				
At 1st January 2007	-	-	29	29
Profits for the year	-	-	4,826	4,826
At 31st December 2007	-	-	4,855	4,855
At 1st January 2008	-	-	4,855	4,855
Profits for the year	-	-	193	193
Transfers from associated undertaking	-	225	-	225
Additions	-	2,545	-	2,545
At 31st December 2008	-	2,770	5,048	7,818

Summary financial information on jointly controlled entities – 100 per cent:

	Non-current assets £000	Current assets £000	Current liabilities £000	Non-current liabilities £000	Income £000	Expenses £000
2008						
V.B. Limited	-	416	(283)	-	645	(624)
V.B. Investments (No.2) Limited	1	4	-	-	-	-
VSM Estates Limited	-	111,683	(18,153)	(73,611)	797	(70)
2007						
V.B. Limited	-	246	(134)	-	416	(363)
V.B. Investments (No.2) Limited	1	4	-	-	-	-
VSM Estates Limited	-	100,338	(36,454)	(44,692)	28,937	(9,745)

The above companies except VSM Estates Limited are involved in the provision of Private Finance Initiatives (PFI). VSM Estates Limited is involved in the development and sale of real estate.

12. Investments (continued)

Under its PFI joint ventures the Group has commitments of £3.7m (2007: £15.7m) that have been contracted but not provided for in the accounts. VINCI (Holdings) Limited owns 20% of the ordinary share capital of V.B. Investments Limited, an investment company. The subsidiary undertakings of V.B. Investments Limited are as follows:

Subsidiary	Holding	Date acquired
WPA Support Services (Holdings) Limited	100% ordinary shares	19th December 2003
Derby School Solutions (Holdings) Limited	100% ordinary shares	23rd December 2004
H&D Support Services (Holdings) Limited	100% ordinary shares	2nd July 2004
DPASS (Holdings) Limited	100% ordinary shares	23rd December 2005
Newport School Solutions (Holdings) Limited	100% ordinary shares	18th April 2008

The Group's share of post-acquisition total recognised profit or loss in the above associates was £70,000 (2007: £37,000).

Summary financial information on associates – 100 per cent:

	Assets £000	Liabilities £000	Equity £000	Revenues £000	Profit / (loss) £000
2008					
V.B. Investments Limited	10,391	(10,341)	50	-	-
WPA Support Services (Holdings) Limited	1	-	1	-	-
H&D Support Services (Holdings) Limited	1	-	1	-	-
Derby School Solutions (Holdings) Limited	1	-	1	-	-
DPASS (Holdings) Limited	50	-	50	-	-
Newport School Solutions (Holdings) Limited	1	-	1	-	-
2007					
V.B. Investments Limited	10,504	(10,454)	50	-	-
WPA Support Services (Holdings) Limited	1	-	1	-	-
H&D Support Services (Holdings) Limited	1	-	1	-	-
Derby School Solutions (Holdings) Limited	1	-	1	-	-
DPASS (Holdings) Limited	50	-	50	-	-

Movement in investments in the associated undertaking are as follows:

	Investments in associated undertakings £000	Loans to associated undertakings £000	Total £000
At 1st January 2007	-	2,096	2,096
Additions	-	306	306
Repayments	-	(88)	(88)
Share of profits in the year	37	-	37
At 31st December 2007	37	2,314	2,351
At 1st January 2008	37	2,314	2,351
Additions	-	63	63
Repayments	-	(81)	(81)
Share of profits in the year	33	-	33
Transfer to jointly controlled entities	-	(225)	(225)
At 31st December 2008	70	2,071	2,141

12. Investments (continued)

Under its associated undertakings, the Group's share of capital commitments is £1.5m (2007: £344,000) that have been contracted for but not provided for in the accounts.

Company

This comprises shares in Group undertakings:

	Total
Cost:	£000
At 1st January 2007	112,778
Transfers in	1,708
Increase in the year	60
Disposals	(4,313)
At 31st December 2007	110,233
At 1st January 2008	110,233
Increase in the year	89,822
At 31st December 2008	200,055
Provisions for impairment:	
At 1st January 2007	70,839
Increase in the year	5,773
Disposals	(1,317)
At 31st December 2007	75,295
At 1st January 2008	75,295
Increase in the year	-
Disposals	-
At 31st December 2008	75,295
Net book value:	
At 31st December 2007	34,938
At 31st December 2008	124,760

The increase in the year represents the acquisition of , and subsequent issue of share capital in, Taylor Woodrow Construction.

During 2007;

(i) The Company sold its investment in McGill Services Limited and transferred in its investment in Holst Facilities Management Limited from McGill Services Limited prior to the disposal.

(ii) VINCI Insurance Services Limited, a direct subsidiary, increased its share capital by £10,000.

(iii) The Company purchased 50% of the issued share capital (£50,000) of VINCI Environment UK Limited. This Company is currently non-trading.

Details of the principal subsidiary undertakings appear on page 84.

13. Other Investments

Group	2008 £000	2007 £000
Financial asset	2,999	-
Equity securities	103	-
	3,102	-

The financial assets represent a sale in the rights to invest in subordinated debt in a PFI project. The amounts are not due from this sale until 2011. This debtor was fair valued at acquisition but is carried at amortised cost and the discount is currently being unwound through the income statement.

The equity securities represent a 19.9% interest in a PFI project. This investment is accounted for at cost as less than 20% of the shares were acquired and no significant influence or control exists.

14. Inventories

Group	2008 £000	2007 £000
Raw materials and consumables	1,358	2,527
Items for resale	341	543
	1,699	3,070

Inventory to the value of £68m was recognised as expenses in the year (2007: £64m).

15. Trade and other receivables

Group	2008 £000	2007 £000
Trade receivables	151,650	100,358
Amounts recoverable on contracts	76,949	62,140
Due from parent and fellow subsidiary undertakings	3,060	2,053
Other receivables	4,392	3,267
Prepayments and accrued income	4,657	4,015
	240,708	171,833

Company	2008 £000	2007 £000
Trade receivables	53	312
Due from parent and fellow subsidiary undertakings	4,623	1,641
Other receivables	1,952	1,455
Prepayments and accrued income	1,432	1,163
	8,060	4,571

At 31st December 2008, trade receivables for the group include retentions of £42,414,000 (2007: 30,865,000) relating to construction contracts.

Included within trade and other receivables is £14,328,000 (2007: £5,228,000) for the Group and £Nil (2007: £Nil) for the Company expected to be recovered in more than 12 months.

16. Cash and cash equivalent/bank overdrafts

	Group 2008 £000	2007 £000	Company 2008 £000	2007 £000
Cash and cash equivalents per balance sheet	208,186	181,989	-	39,892
Bank overdrafts	(71,287)	(29,463)	(45,047)	-
Cash and cash equivalents per cash flow statements	136,899	152,526	(45,047)	39,892

17. Assets classified as held for sale and discontinued operation

The investment in Simplex Foundations Limited is presented as held for sale at 31st December 2008 following the decision of the Group's management to sell its 100% interest. The investment in Simplex Foundations Limited was sold to Bachy Soletanche (a fellow subsidiary of VINCI SA) on 9th February 2009.

	Group 2008 £000	2007 £000	Company 2008 £000	2007 £000
Assets classified as held for sale:				
Property, plant and equipment	587	-	-	-
Trade and other receivables	2,319	-	-	-
	2,906	-	-	-
Liabilities classified within assets held for sale		-	-	-
Bank overdraft	(1,411)			
Trade and other payables	(1,721)	-	-	-
	(3,132)	-	-	-
Net liabilities held for sale	(226)	-	-	-

Discontinued operation –

On 21st December 2007, the Group sold McGill Services Limited for £15,227,000 cash and a pre-tax gain of £10,221,000 was recorded. The Group claimed a Substantial Shareholder Exemption (Sch 7AC TCGA 1992), and hence attributable tax was £Nil, leaving a gain after tax of £10,221,000. During the year ended 31st December 2007, McGill Services Limited had cash outflows from operating activities of £587,000 (2006: inflows of £5,094,000), cash inflows from investing activities of £389,000 (2006: £449,000) and cash outflows from financing activities of £4,139,000.

Results of the discontinued operation -

	2008 £000	2007 £000
Revenue	-	24,192
Expenses	-	(21,227)
Profit before tax	-	2,965
Tax (charge)/credit on profit from ordinary activities	-	(18)
Profit for the year	-	2,947

18. Trade and other payables (current liabilities)

Group	2008 £000	2007 £000
Trade payables	166,319	42,317
Due to parent and fellow subsidiary undertakings	5,688	4,406
Other payables	13,606	7,781
Accruals	184,674	152,511
Payments on account	125,053	74,648
	495,340	281,663

Company	2008 £000	2007 £000
Trade payables	1,013	996
Due to parent and fellow subsidiary undertakings	29,572	12,176
Other payables	3,016	4,362
Accruals	7,717	11,323
	41,318	28,857

Trade payables at 31st December 2008 for the Group include retentions of £34,219,000 (2007: £22,114,000) relating to construction contracts.

Included within trade and other payables is £16,534,000 (2007: £2,965,000) for the Group and £Nil (2007: £Nil) for the Company expected to be payable in more than 12 months.

19. Other interest bearing loans and borrowings

This note provides information about the contractual terms of the Group and Company's interest-bearing loans and borrowings. For more information about the Group and Company's exposure to interest rate and foreign currency risk, see note 23.

	Group 2008 £000	2007 £000	Company 2008 £000	2007 £000
Non-current liabilities				
Finance lease liabilities	1,028	438	-	140
Current liabilities				
Current portion of finance lease liabilities	445	314	-	177

Finance lease liabilities

Finance lease liabilities are payable as follows:

Group	Minimum lease payments 2008 £000	Interest 2008 £000	Principal 2008 £000	Minimum lease payments 2007 £000	Interest 2007 £000	Principal 2007 £000
Less than one year	511	66	445	341	27	314
Between one and five years	1,056	28	1,028	457	19	438
	1,567	94	1,473	798	46	752

Other interest bearing loans and borrowings consist of bank loans and obligations under finance leases.

Company	Minimum lease payments 2008 £000	Interest 2008 £000	Principal 2008 £000	Minimum lease payments 2007 £000	Interest 2007 £000	Principal 2007 £000
Less than one year	-	-	-	187	10	177
Between one and five years	-	-	-	148	8	140
	-	-	-	335	18	317

20. Deferred tax assets and liabilities – Group

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2008	2007	2008	2007	2008	2007
	£000	£000	£000	£000	£000	£000
Property, plant and equipment	-	-	287	678	287	678
Employee benefits	-	-	1,636	188	1,636	188
Other temporary differences	(2,007)	(1,928)	-	-	(2,007)	(1,928)
Share options	(1,315)	(1,140)	-	-	(1,315)	(1,140)
Tax (assets) / liabilities	(3,322)	(3,068)	1,923	866	(1,399)	(2,202)

The Group also has tax losses of £33.6m as at 31st December 2008 (2007: £843,000) which have not been recognised as these may only be set against certain profits arising in specific subsidiaries in future accounting periods. Consequently the Group has unrecognised deferred tax assets of £9.4m as at 31st December 2008 (2007: £236,000).

Movement in deferred tax during the year

	1 January 2008	Recognised in income	Additions/ Disposals	Recognised in equity	31 December 2008
	£000	£000	£000	£000	£000
Property, plant and equipment	678	922	(1,313)	-	287
Employee benefits	188	1,448	-	-	1,636
Other temporary differences	(1,928)	2,065	(2,144)	-	(2,007)
Share options	(1,140)	(233)	57	1	(1,315)
	(2,202)	4,202	(3,400)	1	(1,399)

Movement in deferred tax during the prior year

	1 January 2007	Recognised in income	Additions/ Disposals	Recognised in equity	31 December 2007
	£000	£000	£000	£000	£000
Property, plant and equipment	561	68	49	-	678
Employee benefits	(1,246)	1,434	-	-	188
Other temporary differences	(2,480)	552	-	-	(1,928)
Share options	(1,416)	(460)	-	736	(1,140)
	(4,581)	1,594	49	736	(2,202)

20. Deferred tax assets and liabilities – Company

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2008 £000	2007 £000	Liabilities 2008 £000	2007 £000	Net 2008 £000	2007 £000
Property, plant and equipment	-	(262)	103	-	103	(262)
Other temporary differences	(852)	(1,491)	-	-	(852)	(1,491)
Employee benefits	-	-	1,636	188	1,636	188
Share options	(429)	(777)	-	-	(429)	(777)
Tax (assets)/liabilities	(1,281)	(2,530)	1,739	188	458	(2,342)

Movement in deferred tax during the year

	1 January 2008 £000	Recognised in income £000	Recognised in equity £000	31 December 2008 £000
Property, plant and equipment	(262)	365	-	103
Other temporary differences	(1,491)	639	-	(852)
Employee benefits	188	1,448	-	1,636
Share options	(777)	(13)	361	(429)
	(2,342)	2,439	361	458

Movement in deferred tax during the prior year

	1 January 2007 £000	Recognised in income £000	Recognised in equity £000	31 December 2007 £000
Property, plant and equipment	(203)	(59)	-	(262)
Other temporary differences	(1,837)	346	-	(1,491)
Employee benefits	(1,246)	1,434	-	188
Share options	(1,227)	(285)	735	(777)
	(4,513)	1,436	735	(2,342)

21. Employee Benefits

Pensions

Most pensions and related benefits for monthly paid staff of the Group are provided through the Taylor Woodrow Personal Choice Plan or the VINCI Pension Scheme (VPS).

The Taylor Woodrow Personal Choice Plan is a stakeholder pension scheme administered by Scottish Widows. Contributions are invested on behalf of the members and an annuity is purchased from an insurance company on retirement.

The VINCI Pension Scheme is an externally managed and funded pension scheme. Members of the scheme are contracted out of the State Earnings Related Pension Scheme. Members joining before 1st April 2000 did so on a 'defined benefit' basis. As this scheme is now closed to new members the current service cost will rise as the existing defined benefit members approach retirement. Members entering the scheme from this date join on a 'money purchase' basis whereby contributions are invested on behalf of the member and an annuity is purchased from an insurance company on retirement.

Fifty eight Taylor Woodrow Construction employees are members of the Taylor Woodrow Construction NHS Pension Scheme (TWCNHSPS) which commenced in December 2003. The Actuary has completed his latest valuation with an effective date of 31st December 2008. This disclosed that the market value of the scheme's assets at that date was £1.4m and that the value of the assets was sufficient to cover 88% of the benefits that had accrued to members after allowing for expected future increases in earnings. The actuaries to the scheme calculated the long term funding rate to be 22.2% of pensionable earnings.

The information disclosed below is in respect of the defined benefit plans:

	Group TWC NHSPS 2008 £000	Group & Company VPS 2008 £000	Group & Company VPS 2007 £000
Present value of partly funded defined benefit obligations	1,627	179,982	194,174
Fair value of plan assets	(1,415)	(172,043)	(195,656)
Net obligations/(asset)	212	7,939	(1,482)
Unrecognised actuarial gains and losses	119	(13,781)	857
Recognised liability/(asset) for defined benefit obligations	331	(5,842)	(625)

Movements in present value of defined benefits obligation

	Group TWC NHSPS 2008 £000	Group & Company VPS 2008 £000	Group & Company VPS 2007 £000
At 1st January	-	194,174	191,900
Transferred in on acquisition	1,702	-	-
Current service cost	101	3,110	3,531
Interest cost	25	10,881	9,751
Actuarial gain	(217)	(21,062)	(1,467)
Benefits paid	-	(7,698)	(10,262)
Contributions by members	16	577	721
At 31st December	1,627	179,982	194,174

21. Employee Benefits (continued)

Movements in fair value of plan assets

	Group TWC NHSPS 2008 £000	Group & Company VPS 2008 £000	Group & Company VPS 2007 £000
At 1st January	-	195,656	189,755
Transfer in on acquisition	1,393	-	-
Expected return on plan assets	25	13,142	11,694
Actuarial losses	(98)	(35,705)	(2,619)
Contributions by employer	79	6,071	6,367
Contributions by members	16	577	721
Benefits paid	-	(7,698)	(10,262)
At 31st December	1,415	172,043	195,656

Expense/(credits) recognised in the income statement			
Current service cost	101	3,110	3,531
Interest on defined benefit pension plan obligation	25	10,881	9,751
Expected return on defined benefit pension plan assets	(25)	(13,142)	(11,694)
	101	849	1,588

The net expense/(credit) is recognised in the following line items in the income statement:			
Administrative expenses	101	3,110	3,531
Financial income	-	(2,261)	(1,943)
	101	849	1,588

Cumulative actuarial gains/losses reported in the statement of recognised income and expenses since 1st January 2005, the transition date to adopted IFRSs, are £nil (2007: £nil).

21. Employee benefits (continued)

The fair value of the plan assets and the expected return on those assets were as follows:

	Group TWC NHSPS 2008 Fair value £000	Group & Company VPS 2008 Fair value £000	Group & Company VPS 2007 Fair value £000	Group TWC NHSPS 2008 Expected return %	Group & Company VPS 2008 Expected return %	Group & Company VPS 2007 Expected return %
Equities	819	73,978	97,655	6.9	6.9	7.4
Government debt	279	36,473	35,056	3.9	3.9	4.4
Corporate bonds	279	43,011	43,194	6.0	6.0	5.8
Property	-	4,129	8,403	5.4	5.4	5.9
Other	38	14,452	11,348	5.4	5.4	5.9
	1,415	172,043	195,656			
Actual return on plan assets	(73)	(22,563)	9,075			

There are no investments in the Group's equity, financial instruments or property included in the fair value of the plan assets. The expected rates of return on plan assets are determined by reference to relevant indices. The overall expected rate of return is calculated by weighting the individual rates in accordance with the anticipated balance in the plan's investment portfolio.

Principal actuarial assumptions (expressed as weighted averages):

		Group TWC NHSPS 2008 %	Group & Company VPS 2008 %	Group & Company VPS 2007 %
Discount rate - benefit obligations		6.1	6.5	5.8
Expected rate of return on plan assets		6.6	5.9	6.3
Future salary increases		4.8	3.0	3.0
Inflation		3.8	2.8	3.4
Future pension increases (TWCNHSPS)		3.9	-	-
Future pension increases (VPS)	- in payment (pre-1997 joiners)	-	3.5	3.7
	- in payment (post-1997 joiners)	-	3.0	3.4
	- in deferment	-	3.0	3.4

Life expectancy (years) (TWCNHSPS and VPS)	31.12.08		31.12.07	
	Male	Female	Male	Female
Member age 65 (current life expectancy)	22.6	25.2	19.8	22.8
Member age 45 (life expectancy at 65)	25.4	27.8	21.8	24.6

21. Employee benefits (continued)

History of Plans

	Group TWC NHSPS 2008 £000	Group & Company VPS 2008 £000	Group & Company VPS 2007 £000	Group & Company VPS 2006 £000	Group & Company VPS 2005 £000	Group & Company VPS 2004 £000
Present value of defined benefit obligation	1,627	179,982	194,174	191,900	190,836	163,980
Fair value of plan asset	(1,415)	(172,043)	(195,656)	(189,755)	(163,339)	(132,977)
Deficit/(Asset)	212	7,939	(1,482)	2,145	27,497	31,003

Experience adjustments Group and Company - VPS

	2008 £000	%	2007 £000	%	2006 £000	%	2005 £000	%
Experience adjustments on plan liabilities	(3,562)	2	-	-	2,594	1	21,604	11
Experience adjustments on plan assets	(35,705)	21	(2,619)	1	4,987	3	17,432	10

Experience adjustments Group - TWCNHSPS

	2008 £000	%
Experience adjustments on plan liabilities	(23)	1
Experience adjustments on plan assets	(98)	7

The Group expects to contribute approximately £3.3m to its defined benefit plans in the next financial year.

Defined contribution plans

The Group operates a number of defined contribution pension plans.
The total expense relating to these plans in the current year was £3,385,000 (2007: £1,804,000).

21. Employee benefits (continued)

Share-based payments - Group

The terms and conditions of the grants are as follows, whereby all options are settled by physical delivery of shares in the ultimate parent, VINCI SA:

Date of Grant and number of employees entitled	Number of Instruments	Vesting Conditions	Contractual life of options
Equity settled award to 5 employees on December 17th 2002	140,000	vested	expiry 17.12.12
Equity settled award to 6 employees on March 16th 2005	36,000	vested	expiry 16.03.12
Equity settled award to 26 employees on May 16th 2006	58,000	see below	expiry 16.05.13

In respect of the 2006 scheme, beneficiaries may exercise two thirds of the options two years after receipt and all of the options three years after receipt.

In May 2007 VINCI SA carried out a share capital split, reducing the par value of each share by half and doubling the number of shares in issue. The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price (€) 2008	Number of options 2008	Weighted average exercise price (€) 2007	Number of options 2007
Outstanding at the beginning of period	26.50	277,248	49.73	178,904
Adjustments re prior year	-	(4)	-	(372)
2007 Scrip Issue	-	-	27.23	143,810
Scheme leavers	-	-	(40.32)	(12,000)
Exercised during the period	(15.59)	(18,378)	(29.23)	(33,094)
Outstanding at the end of period	27.28	258,866	26.50	277,248

The weighted average share price at the date of exercise of share options exercised during 2008 was €30 (2007: €54).

The options outstanding at the year end have an exercise price in the range of €12 to €40 and a weighted average contractual life of 4 years.

The total expenses recognised for the period arising from share based payments are as follows:

	2008 £000	2007 £000
Equity settled share based payment expense	833	1,532

21. Employee benefits (continued)

Share based payments - Company

Date of Grant and number of employees entitled	Number of Instruments	Vested Conditions	Contractual life of options
Equity settled award to 5 employees on December 17th 2002	140,000	vested	expiry 17.12.12
Equity settled award to 1 employee on March 16th 2005	6,000	vested	expiry 16.03.12
Equity settled award to 1 employee on May 16th 2006	2,000	see below	expiry 16.05.13

In respect of the 2006 scheme, beneficiaries may exercise two thirds of the options two years after receipt and all of the options three years after receipt. In May 2007 VINCI SA carried out a share capital split, reducing the par value of each share by half and doubling the number of shares in issue. The number and weighted average exercise, price of share options are as follows:

	Weighted average exercise price (€) 2008	Number of options 2008	Weighted average exercise price (€) 2007	Number of options 2007
Outstanding at the beginning of period	16.81	114,272	32.05	90,104
Adjustments re prior year	-	(4)	-	252
2007 scrip issue	-	-	16.85	57,010
Exercised during the period	(15.59)	(18,378)	(29.23)	(33,094)
Outstanding at the end of period	17.05	95,890	16.81	114,272

The weighted average share price at the date of exercise of share options exercised during 2008 was €30 (2007: €54).

The options outstanding at the year end have an exercise price in the range of €12 to €40 and a weighted average contractual life of 4 years. The total expenses recognised for the period arising from share based payments are as follows:

	2008 £000	2007 £000
Equity settled share based payment expense	40	950

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black –Scholes formula. The main assumptions used to determine the fair values of the options in question, in accordance with IFRS 2, were:

Plan	May 2006	March 2005
Volatility (1)	24.19%	23.55%
Expected return on share	6.50%	6.30%
Risk-free interest rate (2)	3.68%	3.17%
Dividend growth rate hoped-for (3)	2.75%	3.52%
Fair value of the option (€)	7.74	5.93

(1) Volatility estimated using a multi-criteria approach based on the mean reversion model applied to a four-year series of daily implied volatilities of the VINCI share;
(2) Rate at 5 years of French government bonds
(3) Average return expected by financial analysts over the three years following the grant date adjusted by a theoretical annual growth rate beyond that period.

Free Share plan-Group and Company

On 2nd January 2007 25 Group employees (Company: 3) were granted a maximum of 32,000 (Company: 3,000) free shares and on 2nd January 2008 20 Group employees (Company: 1) were granted a maximum of 24,000 (Company: 1,200) free shares. Both free share issues are subject to the following vesting conditions;

- The shares are only definitely allocated at the end of a vesting period of two years, which can be extended to three years by the VINCI board.
- The number of shares effectively allocated at the end of the vesting period is determined on the basis of changes in a performance indicator during the period.
- The shares granted must be held for a minimum of two years during which they may not be disposed of.

21. Employee benefits (continued)

The main assumptions used to determine the fair values of these free shares at 2nd January 2007 are the fair value of the share at the grant date of €24.50, a volatility of 21.79% and a risk-free interest rate of 3.76%. At 2nd January 2008 the main assumptions are the fair value of the share at the grant date of €28.20, a volatility of 26.51% and a risk-free interest rate of 4.07%.

During 2007, the Group and Company offered to its employees the Castor Savings Scheme which enables employees, through a trust fund, to participate in the creation of a joint portfolio of shares in the Parent Company, VINCI SA. This entitles the employees who invest the right to a cash payment based on the increase in share price of the Company from grant date until the vesting date, which is a minimum of 5 years.

The fair value of the Castor savings scheme at grant date is determined based on the Black – Scholes formula. The model inputs were the share price of €53.58, the exercise price of €45.10, expected volatility of 22.05%, expected dividends of 2.57%, a term of 5 years and a three month risk free rate of 4.75%.

22. Reconciliation of movement in capital and reserves

Group	Share capital £000	Capital redemption reserve £000	Other reserve £000	Translation reserve £000	Retained earnings £000	Total equity £000
At 1st January 2007	18,956	300	977	-	34,979	55,212
Total recognised income and expense	-	-	-	-	33,637	33,637
Equity settled transactions	-	-	1,532	-	-	1,532
Deferred tax recognised directly in equity	-	-	-	-	(736)	(736)
Tax credit recognised directly in equity	-	-	-	-	483	483
Dividends	-	-	-	-	(21,000)	(21,000)
Transfer between reserves	-	-	(2,509)	-	2,509	-
At 31st December 2007	18,956	300	-	-	49,872	69,128
At 1st January 2008	18,956	300	-	-	49,872	69,128
Total recognised income and expense	-	-	-	30	13,489	13,519
Equity settled transactions	-	-	-	-	(458)	(458)
Deferred tax recognised directly in equity	-	-	-	-	(1)	(1)
Dividends paid	-	-	-	-	(20,000)	(20,000)
At 31st December 2008	18,956	300	-	30	42,902	62,188

22. Reconciliation of movement in capital and reserves (continued)

Company	Share capital reserve £000	Capital redemption £000	Other reserve £000	Retained earnings £000	Total equity £000
At 1st January 2007	18,956	300	11,243	11,926	42,425
Total recognised income and expense	-	-	-	28,705	28,705
Equity settled transactions	-	-	950	-	950
Deferred tax recognised directly in equity	-	-	-	(735)	(735)
Tax credit recognised directly in equity	-	-	-	483	483
Dividends	-	-	-	(21,000)	(21,000)
Transfer between reserves	-	-	(1,536)	1,536	-
At 31st December 2007	18,956	300	10,657	20,915	50,828
At 1st January 2008	18,956	300	10,657	20,915	50,828
Total recognised income and expense	-	-	-	26,890	26,890
Equity settled transactions	-	-	-	(1,251)	(1,251)
Deferred tax recognised directly in equity	-	-	-	(359)	(359)
Dividends paid	-	-	-	(20,000)	(20,000)
At 31st December 2008	18,956	300	10,657	26,195	56,108

Share capital
At 31st December 2008, the authorised, allotted, called up and fully paid share capital comprised 18,956,000 £1 ordinary shares (2007: 18,956,000)

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Capital redemption reserve
The capital redemption reserve reflects the value of shares redeemed by the Company from distributable profits.

Other reserves
The other reserve consists of;
(i) A capital contribution towards share options under IFRS2. This reserve is the distributable capital reserve arising from IFRS2 share based transactions. The Group and Company believe that it better reflects the substance of these transactions to credit retained earnings directly. Accordingly in 2007, the amounts so far recognised have been transferred to retained earnings.

(ii) A non-distributable reserve of £10,657,000 (2007: £10,657,000) that was created as a result of an inter group reorganisation to create a more efficient capital structure. This reserve is at company level only.

Translation reserve
The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

23. Financial Instruments

Exposure to credit, liquidity and market risks arises in the normal course of the Group's and Company's business. The risks are regularly considered and the impact and how to mitigate them assessed.

Fair values of financial instruments

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

Fair values

The fair values for each class of financial assets and financial liabilities together with their carrying amounts shown in the balance sheet are as follows:

	Carrying amount and fair value 2008		Carrying amount and fair value 2007	
	Group £000	Company £000	Group £000	Company £000
Cash and cash equivalents (note 16)	208,186	-	181,989	39,892
Trade and other receivables (note 15)	240,708	8,060	171,833	4,571
Total financial assets	448,894	8,060	353,822	44,463
Bank overdraft (note 16)	(71,287)	(29,463)	(45,047)	-
Trade and other payables (note 18)	(495,340)	(41,318)	(281,663)	(28,857)
Total financial liabilities	(566,627)	(70,781)	(326,710)	(28,857)
Total financial instruments	(117,733)	(62,721)	(27,112)	(15,606)

23. Financial Instruments (continued)

Credit risk

Financial risk management
Credit risk is the risk of financial loss to the Group or Company if a customer or company party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's or Company's receivables from customers and cash held at financial institutions.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the balance sheet date for the Group was £448,894,000 (2007: £353,822,000) and for the Company was £8,060,000 (2007: £44,463,000) being the total of the carrying amount of financial assets shown in the table above.

The Group has strict credit control procedures for accepting new customers, setting credit limits and dealing with overdue accounts.

An impairment loss provision against a trade receivable is created where it is anticipated that its value is not fully recoverable.

Liquidity risk

Financial risk management
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's and Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities as they fall due.

The financial liabilities for the Group and the Company at 31st December comprise bank overdrafts and trade and other payables.

Bank overdrafts are utilised by Group companies to meet their local cash requirements. They are repayable on demand.

Trade and other payables shown as current liabilities are expected to mature within six months of the balance sheet date.

Market risk

Financial risk management
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's or Company's income or the value of its holdings of financial instruments.

Interest rate risk
The Group and Company adopt a policy of ensuring that its exposure to changes in interest rates on bank loans is on a fixed rate basis. Interest rate swaps have been entered into to achieve an appropriate mix of fixed and floating rate exposure within the Group's and Company's policy. At 31st December 2008 the Group had an interest rate swap with a notional contract amount of £48.4m (2007: £6.1m). The swap at 31st December 2008 was on the bank loan on a jointly controlled entity, Doncaster School Solutions Limited which is equity accounted. Cash flows related to the swap are expected to occur until the maturity date of 31st March 2033.

The Group and Company classify interest rate swaps as cash flow hedges and state them at fair value. The net fair value of swaps at 31st December 2008 was £3,451,000 liability (2007: £777,000 liability).

Foreign currency risk
The majority of the Group's and Company's operations are within the UK and so exposure to foreign currency risk is reduced. Where necessary, to minimise currency exposures on sale and purchase transactions, the Group and Company enter into forward foreign exchange contracts. There were no significant outstanding forward foreign exchange contracts at the balance sheet date.

24. Capital commitments

Group	2008	2007
Capital expenditure	£000	£000
Contracted for but not provided in the accounts	63	207

25. Operating leases

Non-cancellable operating lease rentals are payable as follows;

	Group		Company	
	2008	2007	2008	2007
	£000	£000	£000	£000
- within 1 year	10,639	6,777	3,870	2,441
- between 2 and 5 years	20,800	16,294	11,642	6,725
- over 5 years	18,380	15,577	18,380	15,473
	49,819	38,648	33,892	24,639

One of the Group and Company's leased properties is under a sale and leaseback transaction for a period of seventeen years.

26. Contingent liabilities

The Company and certain Group undertakings have entered into guarantees relating to bonds, in the normal course of business, from which no losses are expected to arise.

Joint banking facilities available to the Company, its parent undertaking and certain fellow subsidiary undertakings are secured by cross guarantee. At 31st December 2008, the net Group borrowings were £nil (2007: £nil).

27. Related party transactions

Group

Identity of related parties

The Group has a related party relationship with its subsidiaries (see page 84) associates and joint ventures (see note 12).

Transactions with key management personnel

There are no additional related party transactions with the directors (see note 5).

Other related party transactions

Associates and joint ventures

During the year ended 31st December 2008, associates and joint ventures purchased services from the Group in the amount of £68.3m (2007: £60.7m) and at 31st December 2008 associates and joint ventures owed the Group £4.6m (2007: £13.5m). Transactions with associates and joint ventures are priced on an arm's length basis. No dividends were received from associates and joint ventures in 2008 or in 2007.

Companies under common control

During the year the Group purchased services from fellow subsidiaries of the ultimate parent company, VINCI SA for £15.3m (2007: £8.3m) and fellow subsidiaries purchased services from the Group in the amount of £5.2m (2007: £3.8m). The Parent Company, VINCI Construction charged the Group £3.8m (2007: £2.7m) in royalties.

At 31st December 2008 fellow subsidiaries owed the Group £3.1m (2007: £2.0m) and the Group owed £10.7m (2007: £7.3m) to fellow subsidiaries.

Company

Identity of related parties

The Company has a related party relationship with its subsidiaries and its parent companies. During the year ended 31st December 2008, the Company recharged £17.0m (2007: £16.3m) in management fees and expenses to its subsidiaries. The Company also paid £1.1m (2007: £1.2m) in services purchased from subsidiaries and £3.8m (2007: £2.7m) in royalties paid to its parent company.

At 31st December 2008 the Company was owed £4.6m (2007: £1.6m) by related parties and owed £29.6m (2007: £12.2m) to related parties.

Transactions with key management personnel

There are no additional related party transactions with the directors (see note 5).

28. Subsequent event

On 9th February 2009 the net assets of Simplex Foundations Limited (a wholly owned subsidiary) was transferred to Bachy Soletanche Limited (a fellow subsidiary of VINCI SA). The assets and liabilities of Simplex Foundations are treated as held for sale on the consolidated balance sheet.

29. Ultimate parent undertaking

At 31st December 2008 the ultimate parent undertaking was VINCI, a company incorporated in France. This is the parent undertaking of VINCI CONSTRUCTION, the smallest Group of which the Company is a member and for which Group accounts are prepared.

Copies of the accounts of the above Companies can be obtained from the Company Secretary, VINCI, 1 Cours Ferdinand-de-Lesseps, 92851 Rueil-Malmaison, Cedex, France.

Principal Subsidiary Undertakings
at 31st December 2008

Construction
VINCI Construction UK Limited (formerly Norwest Holst Limited)
Taylor Woodrow Construction
*John Jones (Excavation) Limited
*Crispin & Borst Limited
*PEL Interiors Limited
*Weaver PLC
*Fifehead Limited (Stradform Limited, Stradform (South West) Limited and Stradform (Midlands) Limited)
*Gordon Durham & Co. Limited

Engineering and Support Services
Rosser & Russell Maintenance Limited

Manufacturing
Conren Limited

PFI
VINCI (Holdings) Limited
VINCI Investments Limited
**V.B. Limited
**V.B Investments (No.2) Limited

Group Administration and Services
Haldan Indemnity Limited (Incorporated in Guernsey)
VINCI Fleet Services Limited
VINCI Property Limited
VINCI Insurance Services Limited

VINCI PLC holds 100% of the ordinary share capital and voting rights of the above companies (unless otherwise stated).

*100% of the ordinary share capital and voting rights held by a subsidiary undertaking
** 50% of the ordinary share capital and voting rights held by a subsidiary undertaking

Unless otherwise stated, the above companies are incorporated in Great Britain.

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