Rueil-Malmaison, 31 August 2010

FIRST HALF 2010 FINANCIAL STATEMENTS

- **Increase of revenue and profit**
- **Concessions: improvement in EBITDA**
- **Contracting: operating margin stable**
- **Order book up sharply to record level**
- **Debt reduced €700 million over 12 months**
- **Interim dividend unchanged at €0.52 per share**

VINCI's Board of Directors, chaired by Xavier Huillard, met on 31 August 2010 to finalise the interim financial statements for the six months ended 30 June 2010[1]. The Board also examined the outlook for the full year and approved the payment of an interim dividend in respect of 2010.

Xavier Huillard stated: "*Our first half 2010 performance in France and internationally demonstrates yet again the resilience of our concession-construction business model. VINCI Autoroutes recorded growth in revenue and profit. VINCI Concessions has been awarded the South Europe Atlantic high-speed line, Europe's biggest infrastructure project and has been designated preferred bidder for the Nantes airport, Notre-Dame des Landes. In contracting, our operating margin remained stable at a good level while our order book increased significantly.*"

Key figures (in € millions)	H1 2009	**H1 2010**	Δ 10/09
Revenue[2]	15,155	**15,505**	+2.3%
Operating profit from ordinary activities	1,358	**1,423**	+4.8%
as % of revenue	*9.0%*	***9.2%***	
Net profit attributable to owners of the parent	690	**703**	+1.9%
Net earnings per share (in €)[3]	1.42	**1.34**	(5.6%)
Interim dividend per share (in €)	0.52	**0.52**	-
Cash flow from operations[4]	2,147	**2,229**	+3.8%
as % of revenue	*14.2%*	***14.4%***	
Net financial debt	(15,701)	**(14,992)**	710
Order book at 30 June (in € billions)	24.1	**28.4**	+18%

[1] The auditors have carried out a limited review of the interim financial statements for the six months ended 30 June 2010.
[2] Excluding concession subsidiaries' external construction revenue. In application of IFRIC 12, total revenue including works carried out by non-Group companies amounted to €15,793 million at 30 June 2010, compared with €15,391 million for the first half of 2009, representing a 2.6% increase.
[3] After taking account of dilutive instruments. The decrease to €1.34 of net earnings per share (€1.42 per share for the first half of 2009) is attributable mainly to the full year impact of creation of new shares in 2009 (payment in shares of the final dividend in respect of 2008) and the payment for Cegelec in VINCI shares in 2010. The full year 2010 net earnings per share is expected to show a smaller decline.
[4] Cash flow from operations before cost of debt and tax (EBITDA).

In a still uncertain economic climate, VINCI's companies performed well overall in the first half of 2010, confirming the projections previously announced by the Group.

In Concessions, there was an improvement in the principal economic indicators: light-vehicle traffic remained steady, the upturn in heavy-vehicle traffic was confirmed, and there was growth in revenue and profit.

In Contracting, the operating margin remained stable overall, in line with targets, despite the decline in business on a comparable structure basis. Revenue for the first half of the year rose slightly as a result of the consolidation of Cegelec since mid-April. Increase in order intake, both in France and abroad, during the first half, demonstrate good commercial momentum overall.

Drawing on the synergies between the Group's Contracting and Concessions activities, its positioning in the infrastructure market and its specialised businesses, VINCI won a number of large projects, particularly in emerging markets, driving the order book up to €28.4 billion[5] at 30 June 2010. It increased 18% over 12 months as well as since the beginning of the year, and represented almost 12 months of average business activity. Excluding Cegelec, the order book rose by about 10%.

Consolidated net financial debt remained well under control: over 12 months, it was reduced by €700 million to €15 billion (€13.5 billion excluding project financing). Its increase since 31 December 2009 (€1.3 billion) reflects the seasonal change in operating cash, the cash payment of the final dividend in respect of 2009, growth investments in concessions and external growth.

ASF's €500 million bond issue in March and completion of the financial arrangements for GSM-Rail demonstrate that the Group has good access to suitable sources of financing for its business. VINCI maintained its liquidity at the very high level of almost €12 billion. The Group's investment grade credit rating has been confirmed by the rating agencies (S&P: BBB+; Moody's: Baa1, stable outlook).

Based on its revenue and profit performances during the first half of the year, VINCI anticipates the following for 2010:

- An overall increase of about 5% in consolidated Group revenue, due to the combined effects of an increase in its motorway subsidiaries' toll revenue in the order of 4%, a limited decline (in the order of 4% to 5%) of Contracting revenue on a comparable consolidation scope basis, and a positive impact of about €2.3 billion (€3.5 billion in a full year) of its external growth transactions (mainly Cegelec and Faceo).
- A stabilisation of the French motorway concessions EBITDA/revenue margin compared with 2009. In Contracting, the operating margin should remain generally at the level achieved in 2009, with priority continuing to be given to the quality of projects rather than business volume.
- A stabilisation of the net financial debt at its 30 June 2010 level: the improvement in operating cash flow expected during the second half of the year should offset entirely the impact of growth investments in concessions, external growth transactions (acquisition of Faceo and Tarmac's quarries in Continental Europe) and payment of the interim dividend during the same period.

[5] The SEA and Notre-Dame des Landes airport projects are not yet included in the Group's order book

Half-year results

Revenue

VINCI's consolidated revenue for the first half of 2010 was €15.5 billion, up 2.3% against the first half of 2009. This change is attributable to a limited decline (3%) in business on a comparable structure basis, which was more than offset by the positive impacts of external growth (mainly Cegelec, consolidated since 14 April 2010) and favourable exchange rates.

Following a difficult start to the year due to very severe weather conditions, business picked up in the second quarter, both in France and the international arena, with revenue up 1.7% on a comparable structure basis.

The 4.4% increase in Concessions revenue reflects the good performance of VINCI Autoroutes (up 5%), which was attributable to the continued rise in light-vehicle traffic and faster growth of heavy-vehicle traffic in the second quarter of 2010.

Revenue for the Contracting business lines (construction, roads and energies) was up slightly (1.1%) on an actual structure basis for the first half of the year. On a comparable structure basis, it declined 5.1%. Business picked up sharply in the second quarter after suffering the impact of bad weather in January and February. Second-quarter revenue was stable year-on-year (up 0.6%) on a comparable structure basis.

In France, first-half revenue was €9.5 billion, stable (up 0.4%) on an actual basis against the first half of 2009, down 3.2 % on a comparable structure basis.

Outside France, it rose 5.5% to €6.0 billion on an actual basis, declining 2.6% on a constant consolidation scope and exchange rate basis. The proportion of revenue generated outside France continued to grow, reaching 39% of total revenue and 45% for Contracting activities (37.7% and 43% respectively for the first half of 2009) thanks to growing business activity in emerging economies.

Revenue by business line

(in € millions)	H1 09	H1 10	*Δ 10/09 actual*	*Δ 10/09 comparable*
Concessions	2,297	2,399	*4.4%*	*4.3%*
VINCI Autoroutes	1,877	1,972	*5.0%*	*5.0%*
VINCI Park & Other concessions	419	427	*1.7%*	*1.2%*
Contracting	12,901	13,040	*1.1%*	*-5.1%*
Energies	2,370	2,873	*21.3%*	*-3.1%*
Eurovia	3,464	3,440	*-0.7%*	*-2.1%*
Construction	7,067	6,726	*-4.8%*	*-7.1%*
VINCI Immobilier	223	235	*5.7%*	*5.7%*
Eliminations	(265)	(169)	-	-
Total excluding concession subsidiaries' external construction revenue	**15,155**	**15,505**	***2.3%***	***-3.0%***
Concession subsidiaries' construction revenue	*441*	*529*	*20.1%*	*20.1%*
Intragroup eliminations	*(204)*	*(242)*		
Concession subsidiaries' external construction revenue	*236*	*288*	*21.6%*	*21.5%*
Total	***15,391***	***15,793***	***2.6%***	***-2.6%***

Growth in operating margins and net profit

Operating profit from ordinary activities amounted to €1,423 million for the first half of 2010, up 4.8% on that of the first half of 2009, a higher increase than in revenue.

Operating profit/revenue was thus 9.2%, against 9.0% for the first half of 2009.

Operating profit from ordinary activities by business line

(in € millions)	H1 09	% revenue*	H1 10	% revenue*	*Δ 10/09*
Concessions	856	37.3%	929	38.7%	*8.5%*
VINCI Autoroutes	768	40.9%	839	42.6%	*9.3%*
VINCI Park & Other concessions	88		90		
Contracting	466	3.6%	465	3.6%	*-0.3%*
Energies	122	5.1%	150	5.2%	*23.5%*
Eurovia	36	1.0%	3	0.1%	*-91.5%*
Construction	309	4.4%	312	4.6%	*0.9%*
VINCI Immobilier	12	5.6%	29	12.3%	*133%*
Holding companies	23		0		
Operating profit from ordinary activities	**1,358**	**9.0%**	**1,423**	**9.2%**	***4.8%***
IFRS 2 expense & miscellaneous**	(2)		(9)		
Operating profit	**1,356**	**8.9%**	**1,414**	**9.1%**	***4.2%***

* Excluding concession subsidiaries' external construction revenue.

** Share in profit of equity-accounted entities.

Operating profit from ordinary activities for **Concessions** was €929 million, up 8.5% from €856 million for the first half of 2009. This change is attributable to the increase in VINCI Autoroutes' operating profit from ordinary activities due to growth in toll revenue, careful management of operating expenses and the reduction of amortisation following the one-year extension of the concession contracts as part of the environmental investment programme agreed at the beginning of the year. VINCI Park and other concessions also performed satisfactorily overall considering the economic climate during the period.

The **Contracting** operating profit from ordinary activities and margin remained stable for the first half of 2010 at €465 million (€466 million for the first half of 2009) and 3.6% of revenue respectively, despite the decline in activity on a comparable structure basis. This good performance is in line with the targets announced by the Group at the beginning of the year.

<u>Energies'</u> operating profit from ordinary activities rose sharply (23.5%) to €150 million (€122 million for the first half of 2009). It includes a contribution of €21 million from Cegelec, which was consolidated on 14 April 2010. The business line's margin was 5.2%, close to that at 30 June 2009 (5.1%).

<u>Eurovia</u> posted a decline in operating profit from ordinary activities, which amounted to €3 million and 0.1% of revenue. First-half results, which are not representative in this business, were negatively impacted by the severe weather conditions at the beginning of the year in Europe and North America. There was, however, a sharp upturn in both revenue and profit during the second quarter.

<u>Construction</u>'s operating profit from ordinary activities amounted to €312 million, i.e. 4.6% of revenue, up slightly on the first half of 2009 despite a decline of about 5% in activity. This good performance was achieved thanks to maintaining operating margins at high levels in most divisions, both in France and elsewhere, including Entrepose Contracting, Sogea-Satom, Soletanche Freyssinet and CFE (dredging).

Operating profit, after taking account of share-based payment expenses (IFRS 2) and VINCI's share in the profit of equity-accounted entities, rose 4.2% to €1,414 million at 30 June 2010 (9.1% of revenue), compared with €1,356 million for the first half of 2009 (8.9% of revenue).

The **cost of net financial debt** declined €30 million to €350 million (€380 million at the end of the first half of 2009) as a result of the reduction in the level of debt and, to a lesser extent, the drop in interest rates. The impact of the latter was partly offset by lower returns on investments.

Consolidated net profit attributable to owners of the parent was €703 million for the first half of 2010, up 1.9 % against that for the first half of 2009.

The change in net profit by business line reflects the trends observed in operating profit from ordinary activities.

Net profit by business line

(in € millions)	H1 09	H1 10	Δ 10/09
Concessions	340	374	*9.8%*
VINCI Autoroutes	305	342	*12.2%*
VINCI Park & Other concessions	35	32	
Contracting	302	287	*-5.1%*
Energies	82	96	*17.7%*
Eurovia	17	(5)	*-131%*
Construction	203	196	*-3.6%*
VINCI Immobilier	9	18	*94.8%*
Holding companies	38	24	
Total	**690**	**703**	***1.9%***
as % of revenue	**4.6%**	**4.5%**	

Finance and balance sheet

Cash flow from operations before tax and financing costs increased 3.8% to €2,229 million, against €2,147 million for the first half of 2009. It represented 14.4% of revenue for the first half of 2010, against 14.2% for the same period in 2009.

Concessions, the main contributor, increased its cash flow from operations by 6% to €1,480 million (61.7% of revenue), against €1,396 million for the first half of 2009 (60.8% of revenue). VINCI Autoroutes improved its cash flow from operations by 6.5% to €1,333 million, representing 67.6% of revenue (66.7% for the first half of 2009).

Cash flow from operations generated by Contracting's business activities was down slightly (1.5%) to €721 million, following the general trend of their operating profit. It represented 5.5% of revenue for the first half of 2010.

The **change in working capital requirement and current provisions**, which is generally negative for the first six months of the year due to the seasonality of some of Contracting's activities, was a net outflow of €845 million for the first half of 2010, compared with a net outflow of €757 million for the same period the previous year. This is attributable to changes in consolidation scope (Cegelec), the impact of the upturn in business in the second quarter on accounts receivable and the continued application of the LME Act on modernising the economy (shorter supplier payment terms) in France.

After taking account of interest and income tax paid, cash flow from operating activities amounted to €408 million, compared with €714 million for the first half of 2009.

Investments in operating assets net of disposals were down 11% to €392 million, compared with €442 million for the first half of 2009. This is attributable to certain business activities adapting their production resources to the economic environment.

Free operating cash flow[6] was positive at €16 million for the first half of 2010, compared with €272 million at 30 June 2009.

Growth investments in concessions were €507 million net for the period (€585 million for the first half of 2009). They included €281 million invested in motorways in France and €226 million in other projects currently under construction (mainly the R1 expressway in Slovakia, Locorail rail tunnel under the Port of Antwerp and the A5 motorway in Germany).

Net financial investments amounted to €283 million, compared with €48 million for the first half of 2009. This figure includes €200 million in respect of Cegelec's debt at 14 April 2010. It is to be noted that Cegelec's shares were paid for by 31.5 million VINCI shares (of which 21 million were new shares).

Dividends paid during the six-month period amounted to €625 million (€553 million for the first half of 2009), including €590 million in respect of VINCI's final 2009 dividend.

Capital increases (excluding the Cegelec transaction) represented €232 million (including only €40 million for the payment in shares of the final dividend in respect of 2009). For the first half of 2009, these transactions generated a net contribution to cash of €529 million, of which €367 million for the payment in shares of the final dividend in respect of 2008.

Consolidated **capital employed** amounted to €28.7 billion at 30 June 2010, up €3.2 billion from the end of 2009 and €2.0 million from 30 June 2009 due mainly to the consolidation of Cegelec. Concession companies accounted for 89% of the Group's total capital employed.

Consolidated **equity** stood at €12.1 billion at 30 June 2010, compared with €10.4 billion at 31 December 2008 and €9.7 billion at 30 June 2009.

Net financial debt amounted to €15 billion at the end of June 2010, down €0.7 billion over 12 months (€15.7 billion at 30 June 2009 and €13.7 billion at 31 December 2009). Excluding project financing, net debt amounted to €13.5 billion at 30 June 2010, compared with €14.7 billion at 30 June 2009 and €12.5 billion at 31 December 2009.

The Group's liquidity remained at a very high level, standing at almost €12 billion at 30 June 2010. It comprised net cash and cash equivalents of €4.8 billion and unused confirmed medium-term bank credit facilities of €7.1 billion.

The Group's financial situation has thus been further strengthened, with the net debt-to-equity ratio reduced from 1.6 at 30 June 2009 to 1.2 at 30 June 2010 (1.3 at 31 December 2009) and a debt-to-cash flow ratio (over 12 rolling months) of 3.0 at 30 June 2010, compared with 3.2 at 30 June 2009.

[6] Cash flow from operations after tax and interest paid, changes in working capital requirement and current provisions, and net investments in operating assets.

Parent company results

The parent company's net profit for the first half of 2010 was €978 million, compared with €545 million for the first half of 2009.

Dividend payment

The Board of Directors has decided to pay an interim dividend in respect of 2010 of €0.52 per share, which will be paid in cash on 16 December 2010 (ex-date 13 December 2010).

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Diary

Analysts meeting

The meeting will be held at 08.30 on Wednesday, 1 September at the Pavillon Ledoyen, 1 avenue Dutuit, 75008 Paris.
A simultaneous telephone conference is scheduled on the following numbers:
+33 1 72 00 13 65 (French) and +44 203 367 9453 (English).

This press release and the presentation to analysts are available in French and English on www.vinci.com, together with the French version of the first half 2010 financial report (the English version will be available at a slightly later date).

APPENDIXES

INCOME STATEMENT

(in € millions)	H1 2009	H1 2010	*Δ 10/09*
Revenue	15,391	15,793	*2.6%*
– Revenue excluding concession subsidiaries' external construction revenue	15,155	15,505	*2.3%*
– Concession subsidiaries' external construction revenue	236	288	*21.6%*
Operating profit from ordinary activities	**1,358**	**1,423**	***4.8%***
as % of revenue(1)	*9.0%*	*9.2%*	
Share-based payments (IFRS 2)	(19)	(21)	
Profit/(loss) of associates	17	12	
Operating profit	**1,356**	**1,414**	***4.2%***
Cost of net financial debt	(380)	(350)	
Other financial income/(expenses)	57	8	
Income tax expense	(295)	(315)	
Non-controlling interests	49	54	
Net profit attributable to owners of the parent	**690**	**703**	***1.9%***

(1) % calculated on revenue excluding concessions subsidiaries' construction revenue

CONSOLIDATED BALANCE SHEET

(in € millions)	30 June 2009	31 Dec. 2009	30 June 2010
ASSETS			
Non-current assets – Concessions	26,553	26,681	26,676
Non-current assets – other business activities	4,943	5,057	7,557
Current financial assets	52	35	41
Net cash managed	5,186	6,022	4,795
Total assets	**36,734**	**37,795**	**39,069**
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent	9,103	9,808	11,481
Non-controlling interests	630	632	651
Equity	9,733	10,440	12,132
Non-current provisions and miscellaneous long-term liabilities	1,339	1,401	1,606
Borrowings	20,887	19,706	19,787
WCR and current provisions	4,775	6,248	5,544
Total equity and liabilities	**36,734**	**37,795**	**39,069**
Net financial debt at end of period	**(15,701)**	**(13,684)**	**(14,992)**

CASH FLOW STATEMENT

(in € millions)	H1 2009	H1 2010
Cash flow from operations before tax and financing costs	**2,147**	**2,229**
Changes in WCR and current provisions	(757)	(845)
Income taxes paid	(205)	(538)
Net interest paid	(471)	(438)
Cash flows from operating activities	**714**	**408**
Net investments in operating assets	(442)	(392)
Operating cash flow	**272**	**16**
Investments in concessions and PPP contracts	(585)	(507)
Net financial investments	(48)	(283)
Other cash flows	(10)	(7)
Cash flows before changes in share capital	**(371)**	**(781)**
Share capital increases and decreases	529	232
Changes in treasury shares	-	(5)
Dividends paid	(553)	(625)
Cash flows for the period	**(395)**	**(1,179)**
Other changes	65	(129)
Change in net debt	**(330)**	**(1,308)**
Net debt at end of period	**(15,701)**	**(14,992)**

ORDER BOOK
(in € billions)

	30 June 09	31 Dec. 09	30 June 10	*Δ vs Dec. 09*
Energies	3.4	3.0	5.8	*+90%*
Eurovia	5.6	5.9	6.4	*+7%*
Construction	15.1	15.1	16.2	*+8%*
Total	**24.1**	**24.0**	**28.4**	***+18%***
France	11.3	10.9	13.1	*+20%*
International	12.8	13.1	15.3	*+16%*