# HALF-YEAR FINANCIAL REPORT

AT 30 JUNE 2014

# Management report for the first half year

# First-half management report

In the concessions business, the first half of 2014 brought a continued recovery in French motorway traffic, a sharp rise in airport traffic, opening of 75% of VINCI Park's capital to two investment funds, and the buy-out of non-controlling interests in Cofiroute. The contracting business was resilient, despite problems in the UK construction sector, and adapted well to tougher market conditions, particularly in France following municipal elections.

VINCI's consolidated revenue in the first half of 2014 rose 0.7% on a comparable structure basis to €18.5 billion, with stronger growth of 2.9% outside France. Unadjusted, revenue fell 1.3%, mainly due to the deconsolidation of CFE in late 2013. In the first half of 2014, 37% of revenue came from outside France (41% in contracting and 13% in concessions).

Cash flow from operations before tax and financing costs (Ebitda) was stable at €2.4 billion, equal to 12.9% of revenue.

Operating income from ordinary activities (Ebit) totalled €1.5 billion, up 3.6% with respect to the first half of 2013. Ebit margin rose to 8.3% (7.9% in the first half of 2013).

Operating income was €2.1 billion, including a net boost of €603 million from non-recurring items. They included the gain on the sale of a 75% stake in VINCI Park to new shareholders, which was partly offset by asset write-downs.

Consolidated net income attributable to owners of the parent amounted to €1,323 million, up €575 million compared with the first half of 2013 (€748 million). Earnings per share (after taking account of dilutive instruments) rose 71% to €2.35 (€1.37 in the first half of 2013). Excluding non-recurring items, net income rose 1% to €753 million, equal to €1.34 per share (€1.37 in the first half of 2013).

Net financial debt amounted to €14.9 billion at 30 June 2014, up €1.9 billion relative to 30 June 2013. The €0.8 billion increase relative to 31 December 2013 was due to the buy-out of non-controlling interests in Cofiroute, along with seasonal movements in the operational cash position, investment in motorway concessions, the payment of the 2013 final dividend and share buybacks. The impact of those factors was reduced by the fall in debt arising from the VINCI Park transaction.

In late March 2014, Standard & Poor's upgraded its credit ratings on VINCI, and on its ASF and Cofiroute subsidiaries, from BBB+ to A- with stable outlook. Moody's confirmed its credit ratings of Baa1 with stable outlook.
In the first half of 2014, the Group took advantage of good financial market conditions by carrying out three bond issues and placements, raising a total of €0.7 billion over maturities of between 10 and 15 years. At 30 June 2014, the Group had liquidity of €8.9 billion, comprising €2.9 billion of managed net cash and €6 billion of unused confirmed bank credit facilities. The expiry of those facilities has been extended to 2019 and their terms have been improved.

Order intake in the contracting business amounted to almost €16 billion in the first half of 2014, down 4% year-on-year. Orders included the Nouvelle Route du Littoral (new coast road) project in La Réunion and, in the USA, the North West Corridor in Atlanta and widening work on the I85 motorway in North Carolina. The order book totalled €29.6 billion at end-June, up 0.5% relative to 31 December 2013 and up 0.8% year-on-year, excluding progress with the SEA high-speed rail line project. The order book represents almost 11 months of business activity.

## 1. Key events in the period

### 1.1 Main changes in scope / New contracts

#### New investors in VINCI Park

On 4 June 2014, after receiving authorisation from the relevant competition authorities, VINCI Concessions completed the deal to attract new investors in VINCI Park, one of the world's leading players in parking and urban mobility, namely Ardian and Crédit Agricole Assurances. The deal was aimed at enabling VINCI Park to continue its international development in high-growth markets in regions like North America, Latin America and Asia, and to strengthen its leading position in France and Europe.

The transaction involved the Group selling 100% of VINCI Park to a new holding company in which Ardian owns 37.4%, Crédit Agricole Assurances 37.4% and VINCI Concessions 24.9%, with the remainder of the capital being owned by the company's management. The governance arrangements established with Ardian and Crédit Agricole Assurances mean that VINCI has significant influence over this company, which has been accounted for under the equity method in VINCI's financial statements since the transaction's closing date.

The Group's loss of control over VINCI Park prompted it to recognise a net disposal gain after tax of €690 million. The transaction also reduced the Group's net financial debt by €1.7 billion, including €0.6 billion arising from the deconsolidation of VINCI Park's net financial debt on the closing date.

VINCI Park remained fully consolidated in the Group's consolidated financial statements until 4 June 2014, and contributed €259 million to revenue, €86 million to Ebit and €49 million to net income during that period.

### Buy-out of non-controlling interests in Cofiroute

On 31 January 2014, in accordance with the agreement reached on 20 December 2013, the Group completed the purchase of Colas' 16.67% stake in Cofiroute for €780 million. An earn-out payment of €20 million may be made if certain operational targets are met in 2014 and 2015. Since 31 January 2014, therefore, VINCI has owned 100% of Cofiroute.

### Contracts won by Qatari Diar VINCI Construction (QDVC)

In the first half of 2014, QDVC – a company owned jointly by Qatari Diar (51%) and VINCI Construction Grands Projets (49%) – was awarded two new contracts in Qatar:

- In April, it won a design-build contract worth a total of €850 million, as part of a consortium with Qatari company Bin Omran Trading & Contracting, for the "New Orbital Highway" on the outskirts of Doha. Work started in May 2014 and is scheduled to last for 36 months.
- In June, it won a contract worth a total of €2 billion for the final phase of work on the Lusail light rail transit project, as part of a consortium with Alstom. This light rail system is scheduled to come into service between 2018 and 2020.

These new contract wins by VINCI Construction Grands Projets in Qatar show the strong local position of its QDVC subsidiary which, in the space of 7 years, has become a major player in the Qatari construction sector.

## 1.2 Financing activities

### New corporate financing

In the first half of 2014, ASF carried out the following issues as part of its EMTN programme:

- €600 million 10-year bond issue (coupon of 2.95%) in January 2014;
- Two private placements totalling €120 million in March 2014, with a maturity of 15 years.

### Debt repayments

In May 2014, ASF repaid a total of €450 million of loans from the CNA (Caisse Nationale des Autoroutes), which bore an average interest rate of 4.375%. In April, Escota repaid €48 million of its CNA/EIB loan, which bears interest at 6.18%.

At 30 June 2014, the average maturity of the Group's long-term financial debt was 5.6 years, and the average interest rate was 3.31%.

# 2. Revenue

Revenue totalled €18.5 billion in the first half of 2014, down 1.3% with respect to the first half of 2013. Organic growth of 0.7% was offset by a 0.6% negative exchange-rate effect and a 1.4% negative impact from changes in the consolidation scope, mainly the deconsolidation of CFE in December 2013 and the loss of control over VINCI Park in June 2014, partly offset by the integration of ANA since September 2013.

**Concessions** revenue rose almost 11% (4.6% on a comparable structure basis) to more than €2.8 billion, with a 4.1% increase at VINCI Autoroutes and 12.8% growth at VINCI Airports on a comparable structure basis. **Contracting** revenue (VINCI Energies, Eurovia, VINCI Construction) was €15.6 billion, down 3.2% (up 0.1% on a comparable structure basis).

**In France**, revenue totalled €11.7 billion, down 1.0% relative to the first half of 2013 (down 0.5% on a comparable structure basis). Concessions revenue grew 2.0%, while contracting revenue fell 1.8%.

**Outside France**, revenue declined 1.8% to €6.8 billion, although this represents an increase of 2.9% on a constant structure and exchange rate basis. Of VINCI's total revenue, 37% was generated outside France in the first half of 2014 (41% in contracting).

### Revenue by business line

| | First half 2014 | First half 2013 | 2014/2013 change | |
|---|---|---|---|---|
| *(in € millions)* | | | Actual | Comparable |
| Concessions | 2,853 | 2,577 | +10.7% | +4.6% |
| VINCI Autoroutes | 2,199 | 2,112 | +4.1% | +4.2% |
| VINCI Concessions | 654 | 465 | +40.5% | +6.2% |
| Contracting | 15,620 | 16,129 | (3.2%) | +0.1% |
| VINCI Energies | 4,356 | 4,419 | (1.4%) | (2.1%) |
| Eurovia | 3,641 | 3,603 | +1.1% | +2.2% |
| VINCI Construction | 7,622 | 8,107 | (6.0%) | +0.4% |
| VINCI Immobilier | 281 | 360 | (21.9%) | (21.9%) |
| *Intragroup eliminations* | *(290)* | *(355)* | - | - |
| **Revenue (*)** | **18,464** | **18,711** | **(1.3%)** | **+0.7%** |
| *Concession subsidiaries' works revenue* | *245* | *254* | *(3.6%)* | *(13.2%)* |
| *Intragroup eliminations* | *(91)* | *(82)* | - | - |
| **Concession subsidiaries' revenue derived from works carried out by non-Group companies** | **153** | **172** | **(10.9%)** | **(16.7%)** |
| **Total consolidated revenue** | **18,617** | **18,883** | **(1.4%)** | **+0.6%** |

*(*) Excluding concession subsidiaries' works revenue.*

## CONCESSIONS: €2,853 million (up 10.7% or 4.6% on a comparable structure basis)

**VINCI Autoroutes** (ASF, Escota, Cofiroute and Arcour): revenue rose 4.1% to €2,199 million in the first half of 2014.
Toll revenue increased 4.0% to €2,147 million due to a 2.8% rise in traffic on the intercity network (light vehicles up 2.9%, heavy vehicles up 2.0%), including the ramp-up of the Balbigny – La Tour-de-Salvagny section of the A89. There was also a positive impact from the A86 Duplex (0.1%), and price effects (1.1%).

**VINCI Concessions** generated revenue of €654 million in the first half of 2014, an increase of €189 million. The increase was driven by the integration of ANA, which contributed €234 million to first-half revenue, partly offset by the deconsolidation of VINCI Park on 4 June 2014. On a comparable structure basis, revenue rose 6.2%, mainly because of a 12.8% increase at VINCI Airports, driven by traffic growth in Portugal (9.6%), Cambodia (10.4%) and Nantes (7.1%).

## CONTRACTING: €15,620 million (down 3.2% or up 0.1% on a comparable structure basis)

**In France**, revenue came in down 1.8% at €9,202 million (down 1.5% on a constant structure basis). The SEA project contributed €568 million to revenue in the first half of 2013 (€639 million in the first half of 2013).

**Outside France**, revenue was €6,418 million, representing a fall of 5.1% but an increase of 2.6% on a constant structure and exchange rate basis. Revenue outside France accounted for 41% of the total in the contracting business (42% in the first half of 2013).

### VINCI Energies: €4,356 million (down 1.4% or 2.1% on a comparable structure basis)

In France, revenue was €2,607 million (down 1.7% or down 0.8% on a comparable structure basis). Business levels fell in the industrial segment, and to a lesser extent in infrastructure. VINCI Energies performed well in the telecoms sector and saw a slight recovery in the tertiary sector, particularly at VINCI Facilities.

Outside France, VINCI Energies generated revenue of €1,749 million (down 1.0% or 4.1% on a comparable structure basis). There were wide variations between countries. Revenue fell in Germany, the UK, the Czech Republic, Morocco and Southern Europe. It was stable in Belgium, but rose in Switzerland, the Netherlands and Sweden.

### Eurovia: €3,641 million (up 1.1% or 2.2% on a comparable structure basis)

In France, first-half 2014 revenue was €2,321 million, up 0.6% or 0.5% on a comparable structure basis. Business levels held firm in the traditional roads business, due to good weather conditions and despite decrease of order intake after France's local elections in March. The specialist rail and urban transport businesses continued to post growth, due in particular to the build-up of the LGV SEA Tours-Bordeaux project.

Outside France, Eurovia's revenue rose 2.0% to €1,320 million. It was adversely affected by the strong euro, particularly in Chile and Canada. On a comparable structure basis, revenue rose 5.2%, with strong growth in Central Europe (Poland and the Czech Republic), the USA and UK. However, business levels fell in Chile, Germany and Quebec.

### VINCI Construction: €7,622 million (down 6.0% or up 0.4% on a comparable structure basis)

In France, revenue fell 3.0% to €4,274 million. The decline was mainly the result of lower revenue from the LGV SEA Tours-Bordeaux project, along with a slight decline in French overseas territories, partly offset by good performance in specialist civil engineering activities.

Outside France, revenue was €3,349 million, representing a fall of 9.5% due to the deconsolidation of CFE in late December 2013, but an increase of 5.2% on a constant structure and exchange rate basis. VINCI Construction Grands Projets, Entrepose Contracting, Sogea-Satom's African subsidiaries and Central European subsidiaries posted firm growth. However, Soletanche Freyssinet and VINCI Construction UK saw a fall in business levels.

**VINCI Immobilier**: revenue fell 22% to €281 million in the first half of 2014, reflecting the delayed start and phasing of works in both residential and commercial real-estate projects.

### Revenue by geographical area

| (in € millions) | First half 2014 | % of total | First half 2013 | 2014/2013 change Actual | 2014/2013 change At constant exchange rates |
|---|---|---|---|---|---|
| **France** | **11,687** | **63.3%** | **11,810** | **(1.0%)** | **(1.0%)** |
| Central and Eastern Europe | 698 | 3.8% | 628 | +11.2% | +14.2% |
| United Kingdom | 1,269 | 6.9% | 1,265 | +0.3% | (3.1%) |
| Germany | 1,047 | 5.7% | 1,101 | (4.9%) | (4.9%) |
| Belgium | 221 | 1.2% | 614 | (63.9%) | (63.9%) |
| Other European countries | 950 | 5.1% | 749 | +26.8% | +27.4% |
| **Europe excluding France** | **4,186** | **22.7%** | **4,358** | **(3.9%)** | **(4.5%)** |
| Americas | 779 | 4.2% | 794 | (1.9%) | +7.4% |
| Africa | 924 | 5.0% | 883 | +4.6% | +5.4% |
| Russia, Asia-Pacific and Middle East | 888 | 4.8% | 867 | +2.4% | +11.0% |
| **International excluding Europe** | **2,591** | **14.0%** | **2,544** | **+1.8%** | **+7.9%** |
| **Revenue (*)** | **18,464** | **100.0%** | **18,711** | **(1.3%)** | **(0.7%)** |

*(*) Excluding concession subsidiaries' works revenue.*

# 3. Results

## 3.1 Operating income from ordinary activities / operating income

Operating income from ordinary activities (Ebit) was €1,540 million in the first half of 2014, an increase of 3.6% compared with the year-earlier period (€1,487 million). Group Ebit margin rose from 7.9% in the first half of 2013 to 8.3% in the first half of 2014.

### Operating income from ordinary activities by business line / Operating income

| (in € millions) | First half 2014 | % of revenue (*) | First half 2013 | % of revenue (**) | 2014/2013 change |
|---|---|---|---|---|---|
| Concessions | 1,124 | 39.4% | 997 | 38.7% | +12.8% |
| VINCI Autoroutes | 922 | 41.9% | 891 | 42.2% | +3.5% |
| VINCI Concessions | 202 | 30.9% | 105 | 22.6% | +91.9% |
| Contracting | 396 | 2.5% | 459 | 2.8% | (13.7%) |
| VINCI Energies | 237 | 5.4% | 235 | 5.3% | +1.1% |
| Eurovia | (45) | (1.2%) | (82) | (2.3%) | nm |
| VINCI Construction | 204 | 2.7% | 307 | 3.8% | (33.5%) |
| VINCI Immobilier | 7 | 2.3% | 17 | 4.8% | (62.5%) |
| Holding companies | 13 | | 14 | | |
| **Operating income from ordinary activities (**)** | **1,540** | **8.3%** | **1,487** | **7.9%** | **+3.6%** |
| Share-based payments (IFRS 2) | (42) | | (43) | | |
| Income/(loss) of companies accounted for under the equity method | 24 | | 41 | | |
| Other recurring operating items | 13 | | 7 | | |
| **Recurring operating income** | **1,535** | **8.3%** | **1,492** | **8.0%** | **+2.9%** |
| Non-recurring operating items | 603 | | 3 | | |
| **Operating income** | **2,138** | **11.6%** | **1,495** | **8.0%** | **+43.0%** |

*(*) Excluding concession subsidiaries' works revenue.*
*(**) Operating income from ordinary activities is defined as operating income before the effects of share-based payments (IFRS 2), the income or loss of companies accounted for under the equity method and other recurring and non-recurring operating items.*

In **concessions**, Ebit was €1,124 million, representing 39.4% of revenue, up 12.8% compared with €997 million in the first half of 2013 (38.7% of revenue).

At VINCI Autoroutes, Ebit rose to €922 million from €891 million in the first half of 2013. Ebit margin fell from 42.2% in the first half of 2013 to 41.9% in the first half of 2014. This slight fall was mainly due to the impact of the 50% increase in the "redevance domaniale" state fee in the first half of 2014 (negative impact of €27 million) and higher depreciation charges arising from infrastructure recently brought into service (negative impact of €37 million). These effects were offset by a firm grip on operating expenses and a reduction in winter maintenance costs.

At VINCI Concessions, Ebit was €202 million (€105 million in the first half of 2013). Ebit margin rose from 22.6% to 30.9% due to the integration of ANA and a good performance at VINCI Airports.

In the **contracting** business, Ebit was down 13.7% at €396 million compared with €459 million in the first half of 2013. Ebit margin fell from 2.8% in the first half of 2013 to 2.5% in the first half of 2014. Although international results were good overall, particularly outside Europe, they did not fully make up for losses at VINCI Construction UK and lower margins at VINCI Construction France.

VINCI Energies' Ebit rose 1.1% year-on-year to €237 million in the first half of 2014. Ebit margin rose from 5.3% in the first half of 2013 to 5.4% in the first half of 2014, reflecting robust performance in France and abroad, along with a stronger contribution from VINCI Facilities following restructuring carried out in 2013.

Eurovia made loss of €45 million at the Ebit level in the first half of 2014, as opposed to a loss of €82 million in the year-earlier period. The improvement was the result of stronger margins in Germany and Central Europe and good performances in specialist activities in France. It should be noted that seasonal variations in Eurovia's business mean that its first-half performance is not representative of its full-year performance.

VINCI Construction's Ebit came in at €204 million, down €103 million relative to the first-half 2013 figure of €307 million. Ebit margin fell from 3.8% in the first half of 2013 to 2.7% in the first half of 2014. There were significant losses at VINCI Construction UK. They were mainly due to one project that proved more difficult than expected, leading to overspending and delays, and sufficient compensation for has not been obtained at this stage. The impact of these losses, and of lower activity in the French building segment, was partly offset by strong earnings from specialist civil engineering work and large projects, particularly outside France and at Sogea-Satom in Africa.

**VINCI Immobilier**: Ebit totalled €7 million, resulting in an Ebit margin of 2.3%, as opposed to Ebit of €17 million and Ebit margin of 4.8% in the year-earlier period. The decline was the result of weaker business levels in residential real estate and the phasing of new commercial real-estate projects.

Recurring operating income was €1,535 million, equal to 8.3% of revenue (€1,492 million and 8.0% in the first half of 2013). This item takes into account the following factors:

- Share-based payment expense, which reflects the benefits granted to employees under the Group savings plans, performance share plans and stock option plans. This expense amounted to €42 million (€43 million in the first half of 2013);
- The Group’s share in the income or loss of companies accounted for under the equity method, which was positive at €24 million, down from €41 million in the first half of 2013 because of the Group's smaller stake in CFE;
- Other recurring operating items, producing €13 million of income versus €7 million in the first half of 2013.

Non-recurring operating items produced income of €603 million and included:

- Scope effects and disposals of securities, producing income of €724 million, mainly relating to the pre-tax capital gain on the transaction involving new investors in VINCI Park, as opposed to €4 million of income in the first half of 2013;
- Other non-recurring operating items, including goodwill impairment losses of €121 million, relating mainly to VINCI Construction UK in the UK and NAPC (Eurovia) in India.

After taking account of both recurring and non-recurring items, operating income rose sharply to €2,138 million in the first half of 2014, as opposed to €1,495 million in the first half of 2013.

## 3.2 Net income

Consolidated net income attributable to owners of the parent amounted to €1,323 million, up €575 million compared with the first half of 2013 (€748 million). The first-half 2014 figure includes an after-tax contribution of almost €570 million from non-recurring items.

Earnings per share (after taking account of dilutive instruments) came in at €2.35 in the first half of 2014 (€1.37 in the first half of 2013). Excluding non-recurring items, earnings per share was €1.34 (€1.37 in the first half of 2013).

The cost of net financial debt remained well under control at €304 million (€295 million in the year-earlier period). The slight increase was due to acquisitions pushing up average debt levels, with interest rates remaining relatively stable. The average interest rate on long-term debt was 3.31% at 30 June 2014 (3.39% at 31 December 2013 and 3.34% at 30 June 2013).

Other financial income and expense resulted in a net expense of €23 million, the same as in the first half of 2013.
This figure includes the cost of discounting retirement benefit obligations and provisions for the obligation to maintain the condition of concession assets in the amount of €32 million, compared with €30 million in the first half of 2013, and €8 million of income relating to capitalised borrowing costs on current concession investments (€13 million in the first half of 2013).

Tax totalled €471 million, as opposed to €385 million in the first half of 2013. The increase reflects tax on the capital gain resulting from the VINCI Park disposal, the corporate income surtax introduced in France in the second half of 2013, taking the tax rate from 36.1% to 38%, and the 3% dividend tax. Excluding non-recurring items, the effective tax rate was 36.9% in the first half of 2014, versus 33.8% in the first half of 2013.

Net income attributable to non-controlling interests totalled €17 million, a decrease of €28 million relative to the first-half 2013 figure of €45 million, which included the non-controlling interest in Cofiroute that the Group acquired in January 2014.

# 4. Cash flows

Cash flow from operations before tax and financing costs (Ebitda) totalled €2,387 million in the first half of 2014, stable compared with the first half of 2013 (€2,383 million). Ebitda margin was 12.9% in the first half of 2014, as opposed to 12.7% in the first half of 2013.

Ebitda in the concessions business (74% of the total) rose 8.6% to €1,768 million (€1,628 million in the first half of 2013).
VINCI Autoroutes' Ebitda grew 4.6% to €1,541 million, versus €1,474 million in the first half of 2013. Ebitda margin rose to 70.1% from 69.8% in the year-earlier period.

Ebitda in the contracting business fell to €605 million (€730 million in the first half of 2013), and operating income saw a similar decline. Ebitda margin was 3.9% (4.5% in the first half of 2013).

### Cash flow from operations (Ebitda) by business line

| *(in € millions)* | First half 2014 | % of revenue (*) | First half 2013 | % of revenue (*) | 2014/2013 change |
|---|---|---|---|---|---|
| Concessions | 1,768 | 62.0% | 1,628 | 63.2% | +8.6% |
| VINCI Autoroutes | 1,541 | 70.1% | 1,474 | 69.8% | +4.6% |
| VINCI Concessions | 227 | 34.7% | 154 | 33.1% | +47.2% |
| Contracting | 605 | 3.9% | 730 | 4.5% | (17.2%) |
| VINCI Energies | 249 | 5.7% | 247 | 5.6% | +0.7% |
| Eurovia | 52 | 1.4% | 20 | 0.5% | +167.4% |
| VINCI Construction | 304 | 4.0% | 464 | 5.7% | (34.5%) |
| VINCI Immobilier | 6 | 2.2% | 17 | 4.8% | (63.9%) |
| Holding companies | 9 | | 8 | | |
| **Total** | **2,387** | **12.9%** | **2,383** | **12.7%** | **+0.2%** |

*(*) Excluding concession subsidiaries' works revenue.*

The change in the working capital requirement relating to business activities and current provisions – which is traditionally negative in the first half of the year due to seasonal variations in the contracting business – was negative at €1,208 million in the first half of 2014, versus €881 million in the first half of 2013. The increase reflects higher trade receivables, particularly receivables from public-sector clients in France, the consumption of advance payments on certain large construction projects outside France, and lower inflows at Sogea-Satom in Africa.

Net interest paid totalled €348 million in the first half of 2014, down €24 million relative to the first half of 2013 (€372 million).
Income taxes paid rose slightly to €696 million (€690 million in the first half of 2013).

Cash flow from operating activities (*) totalled €186 million in the first half of 2014, a decrease of €278 million relative to the first-half 2013 figure of €464 million.

After accounting for operating investments net of disposals amounting to €275 million (down 8% relative to the year-earlier figure of €298 million), operating cash flow (**) produced an outflow of €89 million (inflow of €165 million in the first half of 2013).

Growth investments in concessions and PPPs totalled €380 million (€399 million in the year-earlier period). Of this figure, €322 million related to investments by VINCI Autoroutes in France (€348 million in the first half of 2013), including €257 million at ASF and Escota and €64 million at Cofiroute.

Free cash flow, before financial investments, was negative at €469 million, versus an outflow of €233 million in the first half of 2013.

Financial investments net of disposals and other investments flows resulted in a net cash inflow of €774 million. This inflow arose from the VINCI Park transaction (€1,675 million including €644 million from the deconsolidation of net financial debt at 4 June 2014), partly offset by the €780 million spent on buying Colas' 16.67% stake in Cofiroute.
Other financial investment transactions produced an outflow of €121 million (€214 million in the year-earlier period).

Dividends paid in the period totalled €690 million, of which €681 million was distributed by VINCI SA as the final dividend for 2013.

Capital increases resulted in the creation of 8.8 million new shares and totalled €345 million in the first half of 2014, including €303 million relating to Group savings plans and €42 million relating to the exercise of stock options.

*(*) Cash flow from operating activities: cash flow from operations adjusted for changes in operating working capital requirement and current provisions, interest paid, income taxes paid and dividends received from companies accounted for under the equity method.*
*(**) Operating cash flow: cash flow from operating activities adjusted for net investments in operating assets (excluding growth investments in concessions and PPPs).*

To eliminate the dilutive effect of these operations, VINCI pursued its share buy-back programme. In the first half of 2014, it purchased 14 million shares in the market for a total investment of €768 million, at an average price of €54.99 per share. Treasury shares amounted to 9.27% of the total capital at 30 June 2014 (7.44% at 31 December 2013).

As a result of these cash flows, there was a €782 million increase in net financial debt relative to 31 December 2013.

# 5. Balance sheet and net financial debt

Consolidated non-current assets amounted to €36.2 billion at 30 June 2014 (€38.0 billion at 31 December 2013), including €27.9 billion in the concessions business (€29.6 billion at 31 December 2013). The VINCI Park transaction resulted in a €1.3 billion decrease in non-current assets.
After taking account of a net working capital surplus (attributable mainly to the contracting business) of €4.8 billion, down almost €1.9 billion compared with 31 December 2013, consolidated capital employed was €31.4 billion at 30 June 2014, stable relative to 31 December 2013 and up €1.9 billion relative to 30 June 2013. The concessions business accounted for 85% of total capital employed (90% at 31 December 2013).

The Group's consolidated equity totalled €14.3 billion at 30 June 2014. This figure is stable compared with 31 December 2013 and includes €0.1 billion relating to non-controlling interests.
The number of shares in issue, excluding treasury shares, was 553,876,305 at 30 June 2014 (556,953,101 at 31 December 2013).

Consolidated net financial debt at end-June 2014 was €14.9 billion, up €0.8 billion relative to 31 December 2013 (€14.1 billion) and up €1.9 billion relative to 30 June 2013 (€13.0 billion).
For the concessions business, including holding companies, net financial debt stood at €19.5 billion, down €0.5 billion relative to 31 December 2013. The contracting business showed a net cash surplus of €0.5 billion, versus €0.9 billion at 30 June 2013 and €2.1 billion at 31 December 2013. VINCI SA and the other holding companies posted a net financial surplus of €4.2 billion at 30 June 2014, as opposed to €3.9 billion at 31 December 2013.

The ratio of net financial debt to equity was 1.0 at 30 June 2014 (1.0 at 31 December 2013 and 0.9 at 30 June 2013). The ratio of net financial debt to Ebitda on a rolling 12-month basis was 2.7 at 30 June 2014 (2.4 at 31 December 2013 and at 30 June 2013).

Group liquidity at end-June 2014 amounted to €8.9 billion, versus €10.4 billion at end-December 2013 and €11.9 billion at 30 June 2013. The decrease was due to acquisitions carried out in 2013 and 2014 (ANA, Cofiroute and Aéroports de Paris), partly offset by disposals (VINCI Park and CFE). The liquidity figure comprises €2.9 billion of managed net cash and €6.0 billion of unused confirmed bank credit facilities. In the first half of 2014, the expiry dates of those facilities were extended until May 2019.

### Net financial surplus (debt)

| *(in € millions)* | 30/06/2014 | Net financial debt/Ebitda (*) | 30/06/2013 | 31/12/2013 | Change 30/06/2014 vs. 30/06/2013 |
|---|---|---|---|---|---|
| Concessions | (19,492) | x5.5 (*) | (17,589) | (20,010) | (1,903) |
| VINCI Autoroutes | (17,606) | x5.3 | (16,091) | (15,387) | (1,516) |
| VINCI Concessions | (1,886) | X7.7 (*) | (1,498) | (4,622) | (388) |
| Contracting | 531 | - | 887 | 2,129 | (356) |
| VINCI Energies | (396) | - | (288) | (64) | (108) |
| Eurovia | (403) | - | (482) | 26 | 79 |
| VINCI Construction | 1,330 | - | 1,658 | 2,167 | (327) |
| Holding companies and miscellaneous | 4,076 | - | 3,704 | 3,777 | 371 |
| **Total** | **(14,885)** | **x2.7** | **(12,998)** | **(14,104)** | **(1,888)** |

*(*) Calculated on a rolling 12-month basis and adjusted for changes in the consolidation scope (ANA and VINCI Park).*

# 6. Contracting order book

At 30 June 2014, the order book of the contracting business (VINCI Energies, Eurovia and VINCI Construction) stood at €29.6 billion, an increase of 0.5% relative to 31 December 2013, with a 0.1% decline in France and growth of 1.3% outside France. Relative to 30 June 2013 and excluding the SEA project, it was up 0.8%, with no change in France and growth of 1.5% outside France. The order book represents almost 11 months of average business activity.

VINCI Energies' order book at 30 June 2014 amounted to €6.6 billion, up 4% relative to 31 December 2013 (up 2% in France and up 8% outside France) but down 6% relative to 30 June 2013 (down 9% in France and down 1% outside France). It represented around nine months of VINCI Energies' average business activity.

Eurovia's order book stood at €6.2 billion, up 8% since the start of the year (down 0.7% in France but up 14% outside France) but down 5% relative to 30 June 2013 (down 18% in France and up 5% outside France). The order book equalled around nine months of Eurovia's average activity.

VINCI Construction's order book amounted to €16.7 billion, down 3% relative to 31 December 2013 and down 1% relative to 30 June 2013, due to progress with the SEA project. Excluding SEA, the order book fell 1% compared with 31 December 2013 (up 5% in France and down 6% outside France), but rose 6% compared with 30 June 2013 (up 10% in France and up 1% outside France). It represented almost 13 months of VINCI Construction's average business activity.

### Order book (*)

| *(in € billions)* | **30/06/2014** | *of which France* | *of which outside France* | **31/12/2013** | **30/06/2013 (**)** |
|---|---|---|---|---|---|
| VINCI Energies | 6.6 | *4.0* | *2.7* | 6.4 | 7.1 |
| Eurovia | 6.2 | *2.4* | *3.8* | 5.8 | 6.6 |
| VINCI Construction | 16.7 | *9.6* | *7.1* | 17.3 | 16.9 |
| **Contracting** | **29.6** | ***16.0*** | ***13.5*** | **29.4** | **30.6** |

*(*) Unaudited figures.*
*(**) Adjusted for CFE's order book at 30 June 2013 after the move to account for CFE under the equity method.*

# 7. Interim dividend

On 31 July 2014, the Board of Directors decided to pay an interim dividend in respect of 2014 of €1 per share, of which €0.45 is exceptional taking account of non-recurring items recognised during the period.

This interim dividend will be paid in cash on 13 November 2014 (ex-dividend date: 10 November 2014).

The Board of Directors also decided to cancel 23 million treasury shares by 31 December 2014. After this cancellation and based on the number of shares in issue at 30 June 2014, there will be 587.5 million VINCI shares in issue. VINCI would have 33.6 million treasury shares (5.7% of the capital), including 29.2 million allocated to acquisitions and 4.5 million to covering performance share plans and Group savings plans outside France.

# 8. Main transactions with related parties

The main transactions with related parties are described in note G.20 to the condensed half-year consolidated financial statements.

# 9. Risk factors

The main risk factors that VINCI could face are described in Section C “Risk factors” of the Report of the Board of Directors contained in the 2013 registration document.

# Condensed half-year consolidated financial statements at 30 June 2014

# Consolidated financial statements

## Key figures

| *(in € millions)* | First half 2014 | First half 2013 | Change first half 2014/2013 | Full year 2013 |
|---|---|---|---|---|
| **Revenue (*)** | **18,464** | **18,711** | **(1.3%)** | **40,338** |
| Revenue generated in France (*) | 11,687 | 11,810 | (1.0%) | 25,111 |
| *% of revenue (*)* | *63.3%* | *63.1%* | | *62.3%* |
| Revenue generated outside France (*) | 6,777 | 6,902 | (1.8%) | 15,226 |
| *% of revenue (*)* | *36.7%* | *36.9%* | | *37.7%* |
| Operating income from ordinary activities | 1,540 | 1,487 | 3.6% | 3,670 |
| *% of revenue (*)* | *8.3%* | *7.9%* | | *9.1%* |
| Recurring operating income | 1,535 | 1,492 | 2.9% | 3,677 |
| Operating income | 2,138 | 1,495 | 43.0% | 3,767 |
| **Net income for the period attributable to owners of the parent** | **1,323** | **748** | **76.9%** | **1,962** |
| Diluted earnings per share *(in €)* | 2.35 | 1.37 | 71.0% | 3.54 |
| Dividend per share *(in €)* | 1.00 (**) | 0.55 | 81.8% | 1.77 |
| **Cash flow from operations before tax and financing costs** | **2,387** | **2,383** | **0.2%** | **5,596** |
| Operating investments (net of disposals) | (275) | (298) | (7.8%) | (665) |
| Growth investments in concessions and PPPs | (380) | (399) | (4.7%) | (803) |
| **Free cash flow (after investments)** | **(469)** | **(233)** | **101.0%** | **2,180** |
| Equity including non-controlling interests | 14,301 | 14,386 | (85) | 14,260 |
| Net financial debt | (14,885) | (12,998) | (1,888) | (14,104) |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*
*(**) Interim dividend, of which €0.45 is exceptional, to be paid on 13 November 2014.*

## Consolidated income statement for the period

| *(in € millions)* | Notes | First half 2014 | First half 2013 | Full year 2013 |
|---|---|---|---|---|
| **Revenue (*)** | **1-2-3** | **18,464** | **18,711** | **40,338** |
| Concession subsidiaries' revenue derived from works carried out by non-Group companies | | 153 | 172 | 403 |
| Total revenue | | 18,617 | 18,883 | 40,740 |
| Revenue from ancillary activities | | 79 | 118 | 253 |
| Operating expenses | 4 | (17,156) | (17,514) | (37,323) |
| **Operating income from ordinary activities** | **2-3-4** | **1,540** | **1,487** | **3,670** |
| Share-based payments (IFRS 2) | 14 | (42) | (43) | (86) |
| Profit/(loss) of companies accounted for under the equity method | 11 | 24 | 41 | 95 |
| Other recurring operating items | | 13 | 7 | (2) |
| **Recurring operating income** | **4** | **1,535** | **1,492** | **3,677** |
| Non-recurring operating income | 4 | 603 | 3 | 90 |
| **Operating income** | **4** | **2,138** | **1,495** | **3,767** |
| Cost of gross financial debt | | (340) | (334) | (675) |
| Financial income from cash investments | | 36 | 39 | 76 |
| **Cost of net financial debt** | **5** | **(304)** | **(295)** | **(598)** |
| Other financial income and expense | 5 | (23) | (23) | (52) |
| Income tax expense | 6 | (471) | (385) | (1,070) |
| **Net income** | | **1,340** | **793** | **2,046** |
| Net income attributable to non-controlling interests | | 17 | 45 | 84 |
| **Net income attributable to owners of the parent** | | **1,323** | **748** | **1,962** |
| | | | | |
| **Earnings per share attributable to owners of the parent** | | | | |
| Basic earnings per share *(in €)* | 7 | 2.37 | 1.38 | 3.57 |
| Diluted earnings per share *(in €)* | 7 | 2.35 | 1.37 | 3.54 |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*

## Consolidated comprehensive income statement for the period

| *(in € millions)* | First half 2014 Attributable to owners of the parent | First half 2014 Attributable to non-controlling interests | First half 2014 Total | First half 2013 Attributable to owners of the parent | First half 2013 Attributable to non-controlling interests | First half 2013 Total | Full year 2013 Attributable to owners of the parent | Full year 2013 Attributable to non-controlling interests | Full year 2013 Total |
|---|---|---|---|---|---|---|---|---|---|
| **Net income** | **1,323** | **17** | **1,340** | **748** | **45** | **793** | **1,962** | **84** | **2,046** |
| Financial instruments of controlled companies: changes in fair value | (5) | - | (5) | 112 | - | 112 | 87 | - | 87 |
| *of which:* | | | | | | | | | |
| *Available-for-sale financial assets (*)* | - | - | - | *53* | - | *53* | *(33)* | - | *(33)* |
| *Cash flow hedges (**)* | *(5)* | - | *(5)* | *59* | - | *59* | *120* | - | *120* |
| Financial instruments of companies accounted for under the equity method: changes in fair value | (155) | - | (155) | 74 | 7 | 81 | 198 | 47 | 245 |
| Currency translation differences | 15 | - | 15 | (61) | (3) | (65) | (120) | (9) | (129) |
| Tax (***) | 52 | - | 52 | (60) | (2) | (62) | (89) | (15) | (104) |
| **Other comprehensive income that may be recycled subsequently to net income** | **(93)** | **-** | **(93)** | **66** | **2** | **67** | **77** | **22** | **99** |
| Actuarial gains and losses on retirement benefit obligations | (130) | - | (130) | (77) | - | (77) | (44) | (3) | (47) |
| Tax | 34 | - | 34 | 19 | - | 19 | 10 | 1 | 11 |
| **Other comprehensive income that will not be recycled subsequently to net income** | **(96)** | **-** | **(96)** | **(58)** | **-** | **(58)** | **(34)** | **(2)** | **(36)** |
| **Total other comprehensive income recognised directly in equity** | **(189)** | **-** | **(189)** | **7** | **2** | **9** | **42** | **21** | **63** |
| *of which :* | | | | | | | | | |
| *Controlled companies* | *(87)* | - | *(87)* | *(44)* | *(3)* | *(46)* | *(86)* | *(8)* | *(93)* |
| *Companies accounted for under the equity method* | *(102)* | - | *(102)* | *51* | *4* | *55* | *128* | *28* | *156* |
| **Total comprehensive income** | **1,134** | **17** | **1,151** | **755** | **46** | **801** | **2,004** | **105** | **2,109** |

*(*) In the second half of 2013 mainly relating to the reclassification under income of fair value reserves accrued with respect to the Group's stake in Aéroports de Paris, which has been equity-accounted since the end of November 2013.*
*(**) Changes in the fair value of cash-flow hedges (interest rate hedges) are recognised in equity for the effective portion. Cumulative gains and losses in equity are taken to profit or loss at the time when the cash flow affects profit or loss.*
*(***) Positive tax effect of €52 million relating to changes in the fair value of cash flow hedging financial instruments in the first half of 2014 (compared with a negative effect of €43 million, and a negative tax effect of €18 million relating to available-for-sale financial assets in the first half of 2013).*

## Consolidated balance sheet

### Assets

| *(in € millions)* | Notes | 30/06/2014 | 30/06/2013 | 31/12/2013 |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Concession intangible assets | 8 | 24,705 | 23,245 | 25,601 |
| Goodwill | 9 | 6,590 | 6,598 | 7,000 |
| Other intangible assets | | 394 | 434 | 417 |
| Property, plant and equipment | 10 | 4,018 | 4,603 | 4,541 |
| Investment property | | 8 | 10 | 9 |
| Investments in companies accounted for under the equity method | 11 | 1,304 | 844 | 1,265 |
| Other non-current financial assets | 12 | 1,583 | 1,668 | 1,304 |
| Deferred tax assets | | 257 | 235 | 248 |
| **Total non-current assets** | | **38,860** | **37,636** | **40,385** |
| **Current assets** | | | | |
| Inventories and work in progress | 16 | 1,014 | 1,065 | 969 |
| Trade and other receivables | 16 | 11,706 | 11,603 | 10,993 |
| Other current operating assets | 16 | 4,389 | 4,732 | 4,469 |
| Other current non-operating assets | | 48 | 30 | 26 |
| Current tax assets | | 255 | 128 | 76 |
| Other current financial assets | | 381 | 484 | 367 |
| Cash management financial assets | 17 | 190 | 1,309 | 186 |
| Cash and cash equivalents | 17 | 4,409 | 5,928 | 5,605 |
| **Total current assets** | | **22,391** | **25,280** | **22,691** |
| | | | | |
| **Total assets** | | **61,251** | **62,917** | **63,076** |

## Consolidated balance sheet

### Equity and liabilities

| *(in € millions)* | Notes | 30/06/2014 | 30/06/2013 | 31/12/2013 |
|---|---|---|---|---|
| **Equity** | | | | |
| Share capital | 13.1 | 1,526 | 1,497 | 1,504 |
| Share premium | | 8,535 | 8,126 | 8,212 |
| Treasury shares | 13.2 | (2,478) | (1,697) | (1,795) |
| Other equity instruments | | 491 | 491 | 491 |
| Consolidated reserves | | 5,690 | 5,266 | 4,486 |
| Currency translation reserves | | (48) | (3) | (64) |
| Net income for the period attributable to owners of the parent | | 1,323 | 748 | 1,962 |
| Amounts recognised directly in equity | 13.3 | (858) | (750) | (655) |
| **Equity attributable to owners of the parent** | | **14,181** | **13,676** | **14,142** |
| Non-controlling interests | | 120 | 710 | 118 |
| **Total equity** | | **14,301** | **14,386** | **14,260** |
| **Non-current liabilities** | | | | |
| Non-current provisions | 15 | 2,222 | 2,145 | 1,987 |
| Bonds | 17 | 11,833 | 11,381 | 11,320 |
| Other loans and borrowings | 17 | 5,465 | 6,293 | 6,232 |
| Other non-current liabilities | | 132 | 142 | 115 |
| Deferred tax liabilities | | 1,843 | 1,936 | 1,963 |
| **Total non-current liabilities** | | **21,496** | **21,897** | **21,618** |
| **Current liabilities** | | | | |
| Current provisions | 16 | 3,636 | 3,407 | 3,670 |
| Trade payables | 16 | 7,431 | 7,551 | 7,493 |
| Other current operating liabilities | 16 | 10,643 | 11,459 | 11,308 |
| Other current non-operating liabilities | | 318 | 454 | 1,305 |
| Current tax liabilities | | 144 | 203 | 176 |
| Current borrowings | 17 | 3,281 | 3,559 | 3,246 |
| **Total current liabilities** | | **25,454** | **26,634** | **27,198** |
| | | | | |
| **Total equity and liabilities** | | **61,251** | **62,917** | **63,076** |

## Consolidated cash flow statement

| *(in € millions)* | Notes | First half 2014 | First half 2013 | Full year 2013 |
|---|---|---|---|---|
| **Consolidated net income for the period (including non-controlling interests)** | | **1,340** | **793** | **2,046** |
| Depreciation and amortisation | | 1,015 | 992 | 2,060 |
| Net increase/(decrease) in provisions | | 117 | 13 | 34 |
| Share-based payments (IFRS 2) and other restatements | | (36) | (17) | (4) |
| Gain or loss on disposals [1] | | (777) | (11) | (191) |
| Change in fair value of financial instruments | | (8) | - | 3 |
| Share of profit or loss of companies accounted for under the equity method and dividends received from unconsolidated companies | | (31) | (53) | - |
| Capitalised borrowing costs | | (8) | (13) | (21) |
| Cost of net financial debt recognised | 5 | 304 | 295 | 598 |
| Current and deferred tax expense recognised | | 471 | 385 | 1,070 |
| **Cash flow from operations before tax and financing costs** | **2-3** | **2,387** | **2,383** | **5,596** |
| Changes in operating working capital requirement and current provisions | 16.1 | (1,208) | (881) | 6 |
| Income taxes paid | | (696) | (690) | (1,408) |
| Net interest paid | | (348) | (372) | (605) |
| Dividends received from companies accounted for under the equity method | | 50 | 23 | 57 |
| **Cash flows (used in)/from operating activities** | **I** | **186** | **463** | **3,648** |
| *Purchases of property, plant and equipment and intangible assets* | | *(324)* | *(360)* | *(777)* |
| *Proceeds from sales of property, plant and equipment and intangible assets* | | *49* | *62* | *112* |
| Operating investments (net of disposals) | 2 | (275) | (298) | (665) |
| **Operating cash flow** | **2** | **(89)** | **165** | **2,983** |
| *Investments in concession fixed assets (net of grants received)* | | *(372)* | *(363)* | *(765)* |
| *Financial receivables (PPP contracts and others)* | | *(8)* | *(35)* | *(38)* |
| Growth investments in concessions and PPPs | 2 | (380) | (399) | (803) |
| **Free cash flow (after investments)** | **2** | **(469)** | **(233)** | **2,180** |
| *Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)* [2] | | *(169)* | *(49)* | *(1,680)* |
| *Proceeds from sales of shares in subsidiaries and affiliates (consolidated and unconsolidated)* [1] | | *1,270* | *10* | *150* |
| *Net effect of changes in consolidation scope* | | *632* | *4* | *(1,689)* |
| Net financial investments | | 1,733 | (35) | (3,220) |
| Other | | (177) | (179) | (95) |
| **Net cash flows (used in)/from investing activities** | **II** | **900** | **(911)** | **(4,783)** |
| Changes in share capital | | 345 | 691 | 785 |
| Transactions in treasury shares | | (770) | (124) | (222) |
| Non-controlling interests in share capital increases and decreases of subsidiaries | | - | - | - |
| Acquisitions/disposals of non-controlling interests (without acquisition or loss of control) [3] | | (782) | (2) | (3) |
| Dividends paid: | 13.4 | | | |
| *-to shareholders of VINCI SA* | | *(681)* | *(654)* | *(993)* |
| *- to non-controlling interests* | | *(8)* | *(47)* | *(79)* |
| Proceeds from new long-term loans | | 740 | 1,932 | 2,178 |
| Repayments of long-term loans | | (625) | (764) | (2,575) |
| Change in cash management assets and other current financial debts | | 91 | (1,193) | (338) |
| **Net cash flows (used in)/from financing activities** | **III** | **(1,691)** | **(161)** | **(1,247)** |
| Other changes [4] | IV | (671) | (25) | 1,588 |
| | | | | |
| **Change in net cash** | **I+II+III+IV** | **(1,276)** | **(633)** | **(794)** |
| **Net cash and cash equivalents at start of period** | | **4,952** | **5,746** | **5,746** |
| **Net cash and cash equivalents at end of period** | **17** | **3,676** | **5,113** | **4,952** |
| | | | | |
| Increase/(decrease) in cash management financial assets | | (91) | 1,193 | 338 |
| (Proceeds from)/repayment of loans | | (114) | (1,168) | 397 |
| Other changes [4] | | 699 | 137 | (1,518) |
| **Change in net financial debt** | | **(782)** | **(471)** | **(1,577)** |
| **Net financial debt at start of period** | | **(14,104)** | **(12,527)** | **(12,527)** |
| **Net financial debt at end of period** | **17** | **(14,885)** | **(12,998)** | **(14,104)** |

*(1) Mainly corresponding to the disposal of VINCI Park in the first half of 2014.*
*(2) In 2013 including the acquisition of ANA shares for €1.1 billion and the purchase of additional shares in Aéroports de Paris for €0.4 billion.*
*(3) Including the buyout of non-controlling interests in Cofiroute (16.67%) in late January 2014 for €780 million.*
*(4) Other changes related mainly, in the first half of 2014, to the deconsolidation of VINCI Park's net financial debt, and in the second half of 2013 to the assumption of ANA's net financial debt, with ANA being fully consolidated from September 2013.*

## Consolidated statement of changes in equity

| | Equity attributable to owners of the parent | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *(in € millions)* | Share capital | Share premium | Treasury shares | Other equity instruments | Consolidated reserves | Net income | Currency translation reserves | Amounts recognised directly in equity | Total attributable to owners of the parent | Non-controlling interests | Total |
| **Balance at 31/12/2012** | **1,443** | **7,488** | **(1,662)** | **491** | **4,123** | **1,917** | **56** | **(819)** | **13,037** | **730** | **13,768** |
| Net income for the period | | | | | | 748 | | | 748 | 45 | 793 |
| Other comprehensive income recognised directly in the equity of controlled companies | | | | | | | (59) | 16 | (43) | (3) | (46) |
| Other comprehensive income recognised directly in the equity of companies accounted for under the equity method | | | | | | | (2) | 53 | 51 | 4 | 55 |
| **Total comprehensive income for the period** | | | | | | **748** | **(61)** | **69** | **755** | **46** | **801** |
| Increase in share capital | 54 | 638 | | | | | | | 691 | | 691 |
| Decrease in share capital | | | | | | | | | - | | - |
| Transactions in treasury shares | | | (35) | | (88) | | | | (124) | | (124) |
| Allocation of net income and dividend payments | | | | | 1,263 | (1,917) | | | (654) | (47) | (701) |
| Share-based payments (IFRS 2) | | | | | 30 | | | | 30 | - | 30 |
| Impact of acquisitions or disposals of non-controlling interests after acquisition of control | | | | | (2) | | - | | (2) | (2) | (3) |
| Changes in consolidation scope | | | | | - | | - | | | - | - |
| Other | | | | | (61) | | 2 | | (59) | (18) | (77) |
| **Balance at 30/06/2013** | **1,497** | **8,126** | **(1,697)** | **491** | **5,266** | **748** | **(3)** | **(750)** | **13,676** | **710** | **14,386** |
| Net income for the period | | | | | | 1,214 | | | 1,214 | 39 | 1,254 |
| Other comprehensive income recognised directly in the equity of controlled companies | | | | | | | (52) | 10 | (42) | (5) | (47) |
| Other comprehensive income recognised directly in the equity of companies accounted for under the equity method | | | | | | | (6) | 84 | 78 | 24 | 101 |
| **Total comprehensive income for the period** | | | | | | **1,214** | **(58)** | **93** | **1,249** | **58** | **1,308** |
| Increase in share capital | 7 | 87 | | | | | | | 94 | | 94 |
| Decrease in share capital | | | | | | | | | | - | - |
| Transactions in treasury shares | | | (98) | | - | | | | (99) | | (99) |
| Allocation of net income and dividend payments | | | | | (339) | | | | (339) | (32) | (371) |
| Share-based payments (IFRS 2) | | | | | 29 | | | | 29 | - | 29 |
| Impact of acquisitions or disposals of non-controlling interests after acquisition of control | | | | | 2 | | | | 2 | - | 2 |
| Changes in consolidation scope (*) | | | | | (2) | | - | 2 | | (276) | (276) |
| Other (**) | | | | | (470) | | (2) | - | (471) | (343) | (814) |
| **Balance at 31/12/2013** | **1,504** | **8,212** | **(1,795)** | **491** | **4,486** | **1,962** | **(64)** | **(655)** | **14,142** | **118** | **14,260** |
| Net income for the period | | | | | | 1,323 | | | 1,323 | 17 | 1,340 |
| Other comprehensive income recognised directly in the equity of controlled companies | | | | | | | 13 | (99) | (87) | - | (87) |
| Other comprehensive income recognised directly in the equity of companies accounted for under the equity method | | | | | | | 3 | (105) | (102) | - | (102) |
| **Total comprehensive income for the period** | | | | | | **1,323** | **15** | **(204)** | **1,134** | **17** | **1,151** |
| Increase in share capital | 22 | 323 | | | | | | | 345 | | 345 |
| Decrease in share capital | | | | | | | | | | | |
| Transactions in treasury shares | | | (682) | | (87) | | | | (770) | | (770) |
| Allocation of net income and dividend payments | | | | | 1,281 | (1,962) | | | (681) | (8) | (690) |
| Share-based payments (IFRS 2) | | | | | 28 | | | | 28 | - | 28 |
| Impact of acquisitions or disposals of non-controlling interests after acquisition of control | | | | | 2 | | - | - | 2 | (4) | (1) |
| Changes in consolidation scope | | | | | (3) | | - | 3 | | (3) | (3) |
| Other | | | | | (18) | | - | (2) | (19) | - | (19) |
| **Balance at 30/06/2014** | **1,526** | **8,535** | **(2,478)** | **491** | **5,690** | **1,323** | **(48)** | **(858)** | **14,181** | **120** | **14,301** |

*(*) The fall in non-controlling interests is mainly due to the loss of control over CFE, which has been accounted for under the equity method since the end of December 2013.*
*(**) Impact mainly related to the undertaking to buy the 16.67% non-controlling stake in Cofiroute, with payment taking place in the first half of 2014.*

# Notes to the consolidated half-year financial statements

# A. Seasonal nature of the business

First-half performance is characterised by the seasonal nature of the business in most of the Group's activities, particularly:

- roadworks, with lower business volumes than in the second half of the year, due to generally less favourable weather conditions;
- motorway concession companies, where traffic volumes are lower in the first half than the second because of high levels of light-vehicle traffic in the summer period. In the last few years, first-half revenue has accounted for 46-47% of the full-year total, depending on the network and the year.

As a result, first-half revenue and earnings cannot be extrapolated over the full year.

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

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

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

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

Risks arising in the first half are provisioned at the end of the period. As regards loss-making contracts in particular, losses on completion known during the first half are provisioned in full during the period.

# B. Accounting policies and measurement methods

## 1. General policies

The Group's condensed half-year consolidated financial statements at 30 June 2014 have been prepared in accordance with IAS 34 "Interim Financial Reporting". They were approved by the Board of Directors on 31 July 2014. As these are condensed consolidated financial statements, they do not include all the information required by IFRSs in relation to full-year financial statements and should therefore be read in conjunction with the Group's consolidated financial statements for the period ended 31 December 2013, as set out in the 2013 registration document D.14-0101, filed with the AMF on 28 February 2014.

The Group's consolidated financial statements are presented in millions of euros, rounded to the nearest million euros. This may in certain circumstances lead to non-material differences between the sum of the figures and the sub-totals that appear in the tables.

The accounting policies adopted in preparing and presenting the condensed half-year consolidated financial statements comply with the IFRS Standards and Interpretations as adopted by the European Union as at 30 June 2014[*].

The accounting policies used at 30 June 2014 are the same as those used in preparing the consolidated financial statements at 31 December 2013, except for the Standards and Interpretations adopted by the European Union mandatorily applicable as from 1 January 2014 (see Note B.1.1. "New Standards and Interpretations applicable from 1 January 2014").

### 1.1 New Standards and Interpretations applicable from 1 January 2014

The new standards and interpretations mandatorily applicable from 1 January 2014 have no material impact on VINCI's consolidated financial statements at 30 June 2014. These are mainly:
Standards relating to consolidation methods:

- IFRS 10. "Consolidated Financial Statements";
- IFRS 11 "Joint Arrangements";
- IFRS 12 "Disclosure of Interests in Other Entities";
- Amendments to IFRS 10, 11 and 12 on transition guidance;
- IAS 28 Amended "Interests in Associates and Joint Ventures";

Other standards and interpretations:

- Amendment to IAS 32 "Offsetting Financial Assets and Financial Liabilities";
- Adjustments to IAS 36 "Recoverable Amount Disclosures for Non-Financial Assets";

[*] *Available at http://ec.europa.eu/internal_market/accounting/ias/index_en.htm*

## 1.2 Standards and Interpretations adopted by the IASB but not applicable at 30 June 2014

The Group has not applied early the following Standards and Interpretations of which application was not mandatory at 1 January 2014:

- IFRS 9 "Financial Instruments: Classification and Measurement";
- IFRS 9 "Financial Instruments: Hedge Accounting";
- IFRS 15 "Revenue from Contracts with Customers";
- Amendments to IAS 19 "Defined Benefit Plans: Employee Contributions";
- Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations";
- Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortisation";
- Annual improvements 2010-2012;
- Annual improvements 2011-2013;
- IFRIC 21 "Levies".

VINCI is currently analysing the impacts and practical consequences of applying these standards.

# 2. Consolidation methods

## 2.1 Consolidation scope and methods

From 1 January 2014, the Group has applied new standards (IFRS 10, 11, 12 and IAS 28 Amended) relating to the consolidation scope.

IFRS 10 "Consolidated Financial Statements" replaces IAS 27 and SIC 12 "Consolidation – Special Purpose Entities" for all aspects relating to control and full consolidation procedures. It redefines the notion of control over an entity on the basis of three criteria:

- power over the entity, i.e. the ability to direct the activities that have the greatest impact on its profitability;
- exposure to variable returns from the entity, which may be positive in the form of dividends or any other financial benefit, or negative;
- and the connection between power and these returns, i.e. the ability to exert power over the entity in order to influence the returns obtained.

In practice, companies in which the Group holds, whether directly or indirectly, the majority of voting rights in shareholders' general meetings, in the Boards of Directors or in the equivalent management bodies, giving it the power to direct their operational and financial policies, are generally deemed to be controlled and are fully consolidated. To determine control, VINCI carries out an in-depth analysis of the established governance arrangements and of the rights held by other shareholders, to see whether they are purely protective. Where necessary, an analysis is performed in relation to instruments held by the Group or third parties (potential voting rights, dilutive instruments, convertible instruments etc.) that, if exercised, could alter the type of influence exerted by each party.

For some infrastructure project companies operating under concessions or public-private partnership contracts and in which VINCI is not the only capital investor, in addition to the analysis of the governance arrangements with each partner, the Group may look at the characteristics of subcontracting contracts, to check that they do not confer additional powers that could lead to a situation of control. This most often concerns construction contracts and contracts to operate/maintain concession assets.

An analysis is performed if a specific event takes place that may affect the level of control exerted by the Group, such as a change in an entity's ownership structure or governance, or the exercise of a dilutive financial instrument.

IFRS 11 "Joint arrangements" replaces IAS 31 regarding all aspects relating to the recognition of jointly controlled entities. Joint control is established where decisions relating to the entity's main activities require the unanimous consent of the parties sharing control.
Joint arrangements now fall into two categories (joint ventures and joint operations) depending on the nature of the rights and obligations held by each party. This classification is generally determined by the legal form of the project vehicle.

- A joint venture is an arrangement whereby the parties exerting joint control over the entity (joint venturers) have rights to the entity's net assets. Joint ventures are accounted for under the equity method.
- A joint operation is a joint arrangement in which the parties (joint operators) have direct rights over the assets and direct obligations with respect to the entity's liabilities. Each joint operator must account for the portion of assets, liabilities, income and expenses that corresponds to its interest in the joint operation.

Most joint arrangements in the contracting business are joint operations because of the legal form of the vehicles used. In France, for example, parties generally use *"sociétés en participation"* (SEPs) to contractualise their joint works activities. In some situations, where the facts and circumstances show that a company has been designed to provide production to the parties, it is regarded as a joint operation even where the vehicle's legal form does not establish transparency between the joint operators' assets and those of the joint arrangement. In this situation, the parties have the rights to substantially all of the economic benefits associated with the company's assets, and will settle its liabilities. Within the Group, this concerns certain coating plants held by Eurovia and used in Eurovia's road infrastructure construction and renovation activities.

IAS 28 Amended defines the notion of significant influence and describes the equity method of accounting applicable to stakes in associates and joint ventures within the meaning of IFRS 11. It also includes the provisions formerly contained in SIC 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". Associates are entities in which the Group exerts significant influence. Significant influence is presumed where the Group's stake is more than or equal to 20%. However, it may arise where the ownership interest is lower, particularly where the Group is represented on the Board of Directors or any equivalent governance body, and therefore takes part in determining the entity's operational and financial policies and strategy.

IFRS 12 "Disclosure of Interests in Other Entities" defines the information to be included in the full-year financial statements with respect to equity interests in subsidiaries, joint arrangements, associates or non-consolidated structured entities.

Within the Group's consolidation scope, work to implement these new standards (IFRS 10, IFRS 11 and IAS 28 Amended) has only resulted in changes to consolidation methods in respect of a few non-material entities. As a result, comparative figures for 2013 have not been adjusted.
Since 2010, the Group has used the option available under IAS 31 to account for joint ventures under the equity method.
The IFRS Interpretations Committee has been looking at certain difficulties with applying IFRS 11, and is currently carrying out work on whether certain joint arrangements, particularly in the construction, oil and gas industries, should be classified as "joint operations" or "joint ventures". In France, pending the conclusions of the IFRS Interpretations Committee, property development joint arrangements in the form of SCCVs are being recognised as joint operations in the Group's consolidated financial statements. The Interpretation Committee's conclusions are unlikely to have a material impact on the Group's consolidated financial statements.

IFRS 12 will not have a material impact on the full-year 2014 consolidated financial statements, since the Group already presents most of the required information in its full-year consolidated financial statements.

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

### Number of companies by reporting method

| | 30/06/2014 | | | 30/06/2013 | | | 31/12/2013 | | |
|---|---|---|---|---|---|---|---|---|---|
| *(number of companies)* | **Total** | France | Foreign | **Total** | France | Foreign | **Total** | France | Foreign |
| Controlled companies | **1,799** | 1,127 | 672 | **2,003** | 1,219 | 784 | **1,936** | 1,200 | 736 |
| Equity method | **161** | 63 | 98 | **364** | 60 | 304 | **172** | 60 | 112 |
| **Total** | **1,960** | **1,190** | **770** | **2,367** | **1,279** | **1,088** | **2,108** | **1,260** | **848** |

The reduction in the number of controlled entities is mainly due to the disposal of VINCI Park in June 2014, which caused the removal of 137 companies from the consolidation scope.
The main acquisitions in the period related to VINCI Energies (16 companies), Eurovia (2 companies), VINCI Construction (2 companies) and VINCI Immobilier (2 companies).

## 2.2 Intragroup transactions

Reciprocal operations and transactions relating to assets, liabilities, income and expenses between companies that are fully consolidated are eliminated in the consolidated financial statements.
Where a fully consolidated Group entity carries out a transaction with a joint venture or associate that is accounted for under the equity method, income and losses resulting from the transaction are only recognised in the Group's consolidated financial statements to the extent of the interest owned by third parties in the joint venture or associate.

## 2.3 Translation of the financial statements of foreign companies and establishments

In most cases, the functional currency of companies and establishments is their local currency.
The financial statements of foreign companies of which the functional currency is different from that used in preparing the Group's consolidated financial statements are translated at the closing rate for balance sheet items and at the average rate for the period for income statement items. Any resulting translation differences are recognised under other comprehensive income. Goodwill relating to foreign entities is considered as comprising part of the assets and liabilities acquired and is therefore translated at the exchange rate in force at the balance-sheet date.

## 2.4 Foreign currency transactions

Transactions in foreign currency are translated into euros at the exchange rate on the transaction date. Financial assets and monetary liabilities denominated in foreign currencies are translated at the closing rate. Resulting exchange gains and losses are recognised in the income statement.
Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivative instruments qualifying as hedges of net investments in foreign subsidiaries, are recorded under currency translation differences in equity.

## 2.5 Business combinations

Business combinations completed from 1 January 2010 onwards have been recognised in accordance with IFRS 3 Revised, which has been applied prospectively.
In application of this revised standard, the Group recognises the identifiable assets acquired and liabilities assumed at their fair value at the dates when control was acquired. The cost of a business combination is the fair value, at the date of exchange, of the assets given, liabilities assumed, and/or equity instruments issued by the acquirer in exchange for control of the acquiree. Contingent price adjustments are measured at fair value at each balance-sheet date. From the acquisition date, any subsequent changes to this fair value resulting from events taking place after control was acquired are recognised in profit or loss.
Expenses that are directly attributable to the acquisition, such as professional fees for due diligence and other related fees, are expensed as they are incurred.
Non-controlling interests in the acquiree are measured either at their share of the acquiree's net identifiable assets, or at their fair value. This option is applied on a case-by-case basis for each acquisition.
The cost of acquisition is allocated by recognising the acquiree's identifiable assets and liabilities assumed at their fair value at that date, except for assets or asset groups classified as held for sale under IFRS 5, which are recognised at their fair value less costs to sell. The positive difference between the cost of acquisition and the fair value of the identifiable assets and liabilities acquired constitutes goodwill. Where applicable, goodwill can include a portion of the fair value of non-controlling interests if the full goodwill method has been selected.
The Group has 12 months from the date on which control was acquired to finalise the accounting for business combinations.
In the case of a business combination achieved in stages, previously acquired shareholdings in the acquiree are measured at fair value at the date of acquisition of control. Any resulting gain or loss is recognised in profit or loss.

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

In accordance with IFRS 10, acquisitions or disposals of non-controlling interests, with no impact on control, are considered as transactions with the Group's shareholders. The difference between the consideration paid to increase the percentage shareholding in an already-controlled entity and the supplementary share of equity thus acquired is recorded under equity attributable to owners of the parent. Similarly, a decrease in the Group's percentage interest in an entity that continues to be controlled is booked in the accounts as a transaction between shareholders, with no impact on profit or loss.

# 3. Measurement rules and methods

## 3.1 Use of estimates

The preparation of financial statements under IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in those financial statements.
These estimates assume the operation is a going concern and are made on the basis of information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.
The consolidated half-year financial statements have therefore been prepared with reference to the immediate environment, including as regards the estimates given below.

Estimates are used in particular with respect to the following items:

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

## 3.2 Measurement of fair value

The Group mainly uses fair value in measuring, on a consistent basis, the derivative instruments, cash and cash equivalents, available-for-sale financial assets, cash management financial assets and identifiable assets and liabilities acquired in business combinations on its balance sheet.
The fair value of other financial instruments (particularly debt instruments and loans and receivables at amortised cost) is stated in note F.19 "Book and fair value of financial instruments by accounting category".

Fair value is the price that would be received from selling an asset or paid to transfer a liability in a normal transaction between market participants. It is recognised on the basis of the asset or liability's main market (or the most advantageous market if there is no main market), i.e. the one that offers the highest volume and activity levels. The fair value of derivative financial instruments includes a "counterparty risk" component for derivatives carried as assets and an "own credit risk" component for derivatives carried as liabilities.

To determine these fair values, the Group uses the following measurement methods:
- market-based approaches, based on observable market prices or transactions;
- revenue-based approaches, which convert future cash flows into a single present value;
- cost-based approaches, which take into account the asset's physical, technological and economic obsolescence.

The following three-level hierarchy of fair values is used:
- level 1: price quoted on an active market. Marketable securities and some available-for-sale financial assets and listed bond issues are measured in this way;
- level 2: internal model using internal measurement techniques with observable factors. These techniques are based on usual mathematical computation methods, which incorporate observable market data (forward prices, yield curves, etc.). The calculation of the fair value of most derivative financial instruments (swaps, caps, floors, etc.) traded over the counter is based on internal models commonly used by market participants to price such financial instruments;

Every quarter, the internally calculated values of derivative instruments are checked for consistency with those sent to VINCI by the counterparties.
- level 3: internal model using non-observable factors. This model applies to customer relationships and contracts acquired through business combinations, as well as to holdings of unlisted shares, which, in the absence of an active market, are measured at their cost of acquisition plus transaction costs.

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

### 3.3.1 Estimation of the tax expense

The tax expense for the first half year is determined by applying the Group's estimated average tax rate for the whole of 2014 (including deferred tax) to pre-tax income. This rate is adjusted if necessary for the tax effects of unusual items recognised in the period.

### 3.3.2 Retirement benefit obligations

No new comprehensive actuarial assessment is carried out for the condensed half-year consolidated financial statements. The expense for the half year in respect of retirement benefit obligations is half the expense calculated for 2014 on the basis of actuarial assumptions at 31 December 2013. Impacts arising from changes in assumptions relating to post-employment benefits in the first half of 2014 (discount rate and long-term inflation rate) are recognised under other comprehensive income.

# C. Business acquisitions and disposals

## 1. New investors in VINCI Park

On 4 June 2014, after receiving authorisation from the relevant competition authorities, VINCI completed the deal to attract new investors in VINCI Park, one of the world's leading players in parking and urban mobility, namely Ardian and Crédit Agricole Assurances. The deal will enable VINCI Park to continue its international development in high-growth markets in regions like North America, Latin America and Asia, and to strengthen its leading position in France and Europe.

The transaction involved the Group selling 100% of VINCI Park to a new holding company in which Ardian owns 37.4%, Credit Agricole Assurances 37.4% and VINCI Concessions 24.9%, with the rest of the shares being held by VINCI Park's management.
The governance arrangements established with Ardian and Credit Agricole Assurances mean that VINCI has significant influence over this company. It has been accounted for under the equity method in the Group's financial statements since 4 June 2014.

The loss of control over VINCI Park has prompted the Group to recognise a net disposal gain after tax of €690 million, including the reclassification under income of cash flow hedging reserves and unrealised foreign exchange gains and losses, which had previously been accumulated under other comprehensive income. The transaction also reduced the Group's net financial debt by €1.7 billion, including €0.6 billion arising from the deconsolidation of VINCI Park's net financial debt.
VINCI Park was fully consolidated in the Group's consolidated financial statements until 4 June 2014, and contributed €259 million to revenue and €86 million to operating income from ordinary activities during that period. VINCI Park's contribution to operating income from ordinary activities takes into account the impact, between 11 February and 4 June 2014, of applying the IFRS 5 provisions relating to a group of non-current assets held for sale.

The share disposal agreement does not include any earn-out clause. The representations and warranties provided by VINCI and their implementation terms are usual for this kind of transaction.

## 2. Buy-out of non-controlling interests in Cofiroute

On 31 January 2014, in accordance with the agreement reached on 20 December 2013, the Group completed the purchase of Colas' 16.67% stake in Cofiroute for €780 million. An earn-out payment of €20 million may be made if certain operational targets are met in 2014 and 2015. Since 31 January 2014, therefore, VINCI has owned 100% of Cofiroute.

In accordance with IFRS 10, the transaction was treated as a transaction between shareholders. The difference between the transaction amount (including the fair value of the earn-out clause) and the net carrying value of non-controlling interests, in an amount of around €452 million, has been taken to equity attributable to owners of the parent. However, most of this impact had already been recorded under equity attributable to owners of the parent at end-2013, when the firm purchase agreement with Colas was recognised.

The cash payment for the shares was recorded in the first half of 2014 under cash flows (used in)/from financing activities in the consolidated cash flow statement.

## 3. Other acquisitions during the period

Apart from the buyout of non-controlling interests in Cofiroute, the Group did not carry out any material business acquisitions in the first half of 2014.

## 4. Acquisitions and disposals in previous periods

The main acquisitions in 2013 involved the deal to take control of ANA, which holds the concessions for ten airports in Portugal, by purchasing €1.1 billion of shares, and the purchase of an additional stake in Aéroports de Paris (ADP) for €0.4 billion.
In relation to ANA, VINCI assesses the fair value of the identifiable assets and liabilities acquired in accordance with IFRS 3 Revised. The allocation of the ANA purchase price resulted in €446 million of goodwill being recognised and allocated to the VINCI Airports segment. The values allocated to identifiable acquired assets and liabilities on the date when control was acquired, i.e. 17 September 2013, were not adjusted materially in the first half of 2014.
Work to identify and measure the fair value of identifiable assets and liabilities at ADP, which has been accounted for under the equity method since the end of November 2013, is currently being completed. That work is unlikely to have a material impact on the Group's interest in ADP's income in the next few years.
The main disposal in 2013 concerned the loss of control over Belgian group CFE, which took place on 24 December 2013.

Details of these transactions are provided in note B "Business acquisitions and disposals" in the 2013 registration document.

# D. Information by operating segment

Based on the Group's organisational structure and internal reporting, segment information is presented by business line.

The Group consists of two core businesses (Concessions and Contracting), together with the property activities of VINCI Immobilier. The Concessions and Contracting businesses each consist of business lines:

**Concessions:**
- VINCI Autoroutes: motorway concessions in France (ASF, Escota, Cofiroute and Arcour).
- VINCI Concessions: VINCI Airports, VINCI Stadium, other infrastructure and public facilities.

**Contracting:**
- VINCI Energies: electrical works and engineering, information and communication technology, heating ventilation and air conditioning engineering, insulation and facilities management.
- Eurovia: building and maintenance of roads, motorways and railways, urban infrastructure, environmental work, production of materials, demolition, recycling and signage.
- VINCI Construction: design and construction of buildings and civil engineering infrastructure, hydraulic works, foundations, soil treatment and specialised civil engineering.

The VINCI Immobilier business line is included with the VINCI holding companies.

## 1. Revenue

### 1.1 Breakdown of revenue by business line

| *(in € millions)* | First half 2014 | First half 2013 | Change first half 2014/2013 | Full year 2013 |
|---|---|---|---|---|
| **Concessions** | **2,853** | **2,577** | **10.7%** | **5,616** |
| VINCI Autoroutes | 2,199 | 2,112 | 4.1% | 4,596 |
| VINCI Concessions | 654 | 465 | 40.5% | 1,020 |
| **Contracting** | **15,620** | **16,129** | **(3.2%)** | **34,636** |
| VINCI Energies | 4,356 | 4,419 | (1.4%) | 9,248 |
| Eurovia | 3,641 | 3,603 | 1.1% | 8,613 |
| VINCI Construction | 7,622 | 8,107 | (6.0%) | 16,775 |
| **VINCI Immobilier** | **281** | **360** | **(21.9%)** | **816** |
| **Intragroup eliminations** | **(290)** | **(355)** | **(18.1%)** | **(731)** |
| **Revenue (*)** | **18,464** | **18,711** | **(1.3%)** | **40,338** |
| *Concession subsidiaries' revenue derived from works carried out by non-Group companies* | *153* | *172* | *(10.9%)* | *403* |
| *Total revenue* | *18,617* | *18,883* | *(1.4%)* | *40,740* |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*

## 1.2 Breakdown of revenue by geographical area

| *(in € millions)* | First half 2014 | % | First half 2013 | % | Full year 2013 | % |
|---|---|---|---|---|---|---|
| **France** | **11,687** | **63.3%** | **11,810** | **63.1%** | **25,111** | **62.3%** |
| United Kingdom | 1,269 | 6.9% | 1,265 | 6.8% | 2,578 | 6.4% |
| Germany | 1,047 | 5.7% | 1,101 | 5.9% | 2,583 | 6.4% |
| Central and Eastern Europe (*) | 698 | 3.8% | 628 | 3.4% | 1,718 | 4.3% |
| Benelux | 362 | 2.0% | 817 | 4.4% | 1,640 | 4.1% |
| Other European countries | 809 | 4.4% | 546 | 2.9% | 1,304 | 3.2% |
| **Europe (**)** | **15,873** | **86.0%** | **16,167** | **86.4%** | **34,934** | **86.6%** |
| *of which European Union* | *15,498* | *83.9%* | *15,852* | *84.7%* | *34,215* | *84.8%* |
| North America | 522 | 2.8% | 529 | 2.8% | 1,272 | 3.2% |
| Latin America | 257 | 1.4% | 265 | 1.4% | 548 | 1.4% |
| Africa | 924 | 5.0% | 883 | 4.7% | 1,816 | 4.5% |
| Russia, Asia Pacific and Middle East | 888 | 4.8% | 867 | 4.6% | 1,767 | 4.4% |
| **International excluding Europe** | **2,591** | **14.0%** | **2,544** | **13.6%** | **5,403** | **13.4%** |
| **Revenue (***)** | **18,464** | **100.0%** | **18,711** | **100.0%** | **40,338** | **100.0%** |

*(*) Albania, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine.*
*(**) Including the eurozone for €13,450 million in the first half of 2014, €13,835 million in the first half of 2013 and €29,748 million for the twelve months of 2013.*
*(***) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*

Revenue arising outside France amounted to €6,777 million in the first half of 2014, down 1.8% from the first half of 2013. It accounted for 36.7% of revenue from Group subsidiaries (36.9% in the first half 2013).

# 2. Other information by business line

The data below is for each business line separately and is stated before elimination, at their own level, of transactions with other business lines.

## First half 2014

| | Concessions | | | Contracting | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *(in € millions)* | VINCI Autoroutes | VINCI Concessions | Total | VINCI Energies | Eurovia | VINCI Construction | Total | Holding companies and VINCI Immobilier | Eliminations | Total |
| **Income statement** | | | | | | | | | | |
| **Revenue (*)** | **2,199** | **654** | **2,853** | **4,356** | **3,641** | **7,622** | **15,620** | **281** | **(290)** | **18,464** |
| Concession subsidiaries' works revenue | 190 | 55 | 245 | - | - | - | - | - | (91) (**) | 153 |
| Total revenue | 2,389 | 709 | 3,098 | 4,356 | 3,641 | 7,622 | 15,620 | 281 | (382) | 18,617 |
| **Operating income from ordinary activities** | **922** | **202** | **1,124** | **237** | **(45)** | **204** | **396** | **20** | **-** | **1,540** |
| *% of revenue (*)* | *41.9%* | *30.9%* | *39.4%* | *5.4%* | *(1.2%)* | *2.7%* | *2.5%* | | | *8.3%* |
| **Operating income** | **920** | **915** | **1,835** | **231** | **(99)** | **142** | **275** | **29** | **-** | **2,138** |
| | | | | | | | | | | |
| **Cash flow statement** | | | | | | | | | | |
| **Cash flows (used in)/from operations before tax and financing costs** | **1,541** | **227** | **1,768** | **249** | **52** | **304** | **605** | **15** | **-** | **2,387** |
| *% of revenue (*)* | *70.1%* | *34.7%* | *62.0%* | *5.7%* | *1.4%* | *4.0%* | *3.9%* | | | *12.9%* |
| *Net depreciation and amortisation* | *630* | *55* | *685* | *48* | *114* | *167* | *329* | *1* | *-* | *1,015* |
| *Net provision expense* | *7* | *1* | *8* | *1* | *62* | *41* | *104* | *6* | *-* | *117* |
| Operating investments (net of disposals) | (6) | (20) | (26) | (43) | (80) | (127) | (250) | 1 | - | (275) |
| **Operating cash flow** | **918** | **150** | **1,068** | **(190)** | **(386)** | **(599)** | **(1,175)** | **18** | **-** | **(89)** |
| Growth investments in concessions and PPPs | (322) | (64) | (385) | 1 | (1) | 5 | 5 | - | - | (380) |
| **Free cash flow (after investments)** | **597** | **86** | **682** | **(188)** | **(387)** | **(595)** | **(1,169)** | **18** | **-** | **(469)** |
| | | | | | | | | | | |
| **Balance sheet** | | | | | | | | | | |
| **Capital employed** | **22,556** | **4,152** | **26,707** | **2,615** | **1,482** | **339** | **4,437** | **303** | **-** | **31,447** |
| *of which investments in companies accounted for under the equity* | *8* | *819* | *826* | *8* | *104* | *317* | *429* | *49* | *-* | *1,304* |
| **Net financial surplus (debt)** | **(17,606)** | **(1,886)** | **(19,492)** | **(396)** | **(403)** | **1,330** | **531** | **4,076** | **-** | **(14,885)** |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*
*(**) Intragroup revenue of the Contracting business derived from works carried out for the Group's concession operating companies.*

## First half 2013

| *(in € millions)* | Concessions: VINCI Autoroutes | Concessions: VINCI Concessions | Concessions: Total | Contracting: VINCI Energies | Contracting: Eurovia | Contracting: VINCI Construction | Contracting: Total | Holding companies and VINCI Immobilier | Eliminations | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Income statement** | | | | | | | | | | |
| **Revenue (*)** | **2,112** | **465** | **2,577** | **4,419** | **3,603** | **8,107** | **16,129** | **360** | **(355)** | **18,711** |
| Concession subsidiaries' works revenue | 229 | 24 | 254 | | | | | | (81.6) (**) | 172 |
| Total revenue | 2,341 | 490 | 2,831 | 4,419 | 3,603 | 8,107 | 16,129 | 360 | (436) | 18,883 |
| **Operating income from ordinary activities** | **891** | **105** | **997** | **235** | **(82)** | **307** | **459** | **31** | | **1,487** |
| *% of revenue (*)* | *42.2 %* | *22.6 %* | *38.7 %* | *5.3 %* | *(2.3 %)* | *3.8 %* | *2.8 %* | | | *7.9 %* |
| **Operating income** | **889** | **118** | **1,007** | **221** | **(84)** | **321** | **458** | **30** | | **1,495** |
| | | | | | | | | | | |
| **Cash flow statement** | | | | | | | | | | |
| **Cash flows (used in)/from operations before tax and financing costs** | **1,474** | **154** | **1,628** | **247** | **20** | **464** | **730** | **25** | | **2,383** |
| *% of revenue (*)* | *69.8 %* | *33.1 %* | *63.2 %* | *5.6 %* | *0.5 %* | *5.7 %* | *4.5 %* | | | *12.7 %* |
| *Net depreciation and amortisation* | *593* | *49* | *642* | *48* | *124* | *176* | *348* | *2* | | *992* |
| *Net provision expense* | *8* | *2* | *10* | *(5)* | *(3)* | *16* | *9* | *(6)* | | *13* |
| Operating investments (net of disposals) | (17) | (15) | (31) | (43) | (88) | (135) | (266) | - | | (298) |
| **Operating cash flow** | **788** | **78** | **866** | **(97)** | **(362)** | **(283)** | **(742)** | **42** | | **165** |
| Growth investments in concessions and PPPs | (348) | (14) | (362) | (2) | - | (34) | (37) | - | | (399) |
| **Free cash flow (after investments)** | **440** | **64** | **504** | **(100)** | **(362)** | **(317)** | **(779)** | **42** | | **(233)** |
| | | | | | | | | | | |
| **Balance sheet** | | | | | | | | | | |
| **Capital employed** | **23,047** | **1,974** | **25,021** | **2,479** | **1,670** | **241** | **4,390** | **172** | | **29,582** |
| *of which investments in companies accounted for under the equity* | *15* | *102* | *118* | *9* | *104* | *586* | *699* | *27* | | *844* |
| **Net financial surplus (debt)** | **(16,091)** | **(1,498)** | **(17,589)** | **(288)** | **(482)** | **1,658** | **887** | **3,704** | | **(12,998)** |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*
*(**) Intragroup revenue of the Contracting business derived from works carried out for the Group's concession operating companies.*

## 2013

| (in € millions) | Concessions VINCI Autoroutes | Concessions VINCI Concessions | Concessions Total | Contracting VINCI Energies | Contracting Eurovia | Contracting VINCI Construction | Contracting Total | Holding companies and VINCI | Eliminations | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Income statement** | | | | | | | | | | |
| **Revenue** (*) | **4,596** | **1,020** | **5,616** | **9,248** | **8,613** | **16,775** | **34,636** | **816** | **(731)** | **40,338** |
| Concession subsidiaries' works revenue | 491 | 88 | 578 | | | | | | (176) (**) | 403 |
| Total revenue | 5,087 | 1,108 | 6,195 | 9,248 | 8,613 | 16,775 | 34,636 | 816 | (907) | 40,740 |
| **Operating income from ordinary activities** | **2,031** | **124** | **2,155** | **517** | **230** | **680** | **1,427** | **88** | | **3,670** |
| *% of revenue* (*) | *44.2 %* | *12.2 %* | *38.4 %* | *5.6 %* | *2.7 %* | *4.1 %* | *4.1 %* | | | *9.1 %* |
| **Operating income** | **2,019** | **207** | **2,226** | **490** | **221** | **748** | **1,459** | **82** | | **3,767** |
| | | | | | | | | | | |
| **Cash flow statement** | | | | | | | | | | |
| **Cash flows (used in)/from operations before tax and financing costs** | **3,231** | **301** | **3,533** | **536** | **431** | **931** | **1,898** | **166** | | **5,596** |
| *% of revenue* (*) | *70.3 %* | *29.5 %* | *62.9 %* | *5.8 %* | *5.0 %* | *5.5 %* | *5.5 %* | | | *13.9 %* |
| *Net depreciation and amortisation* | *1,222* | *121* | *1,343* | *100* | *250* | *363* | *714* | *3* | | *2,060* |
| *Net provision expense* | *12* | *(1)* | *11* | *(6)* | *16* | *17* | *27* | *(5)* | | *34* |
| Operating investments (net of disposals) | (25) | (33) | (58) | (97) | (189) | (320) | (606) | (1) | | (665) |
| **Operating cash flow** | **1,849** | **229** | **2,077** | **319** | **262** | **144** | **725** | **181** | | **2,983** |
| Growth investments in concessions and PPPs | (689) | (75) | (764) | (6) | (1) | (32) | (39) | - | | (803) |
| **Free cash flow (after investments)** | **1,159** | **154** | **1,313** | **313** | **261** | **112** | **686** | **181** | | **2,180** |
| | | | | | | | | | | |
| **Balance sheet** | | | | | | | | | | |
| **Capital employed** | **22,840** | **5,275** | **28,115** | **2,281** | **1,230** | **(450)** | **3,061** | **194** | | **31,369** |
| *of which investments in companies accounted for under the equity* | *8* | *786* | *794* | *10* | *110* | *317* | *437* | *34* | | *1,265* |
| **Net financial surplus (debt)** | **(15,387)** | **(4,622)** | **(20,010)** | **(64)** | **26** | **2,167** | **2,129** | **3,777** | | **(14,104)** |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*
*(**) Intragroup revenue of the Contracting business derived from works carried out for the Group's concession operating companies.*

## Reconciliation between capital employed and the financial statements

The definition of capital employed is non-current assets less working capital requirement (including current provisions) (see Note F.16 "Working capital requirement and current provisions") and less tax payable.

| *(in € millions)* | Note | 30/06/2014 | 30/06/2013 | 31/12/2013 |
|---|---|---|---|---|
| **Capital employed – Assets** | | | | |
| Concession intangible assets | 8 | 24,705 | 23,245 | 25,601 |
| - Deferred tax on fair value adjustments in business combinations | | (1,851) | (1,717) | (1,675) |
| Goodwill, gross | 9 | 6,804 | 6,670 | 7,091 |
| Other intangible assets | | 394 | 434 | 417 |
| Property, plant and equipment | 10 | 4,018 | 4,603 | 4,541 |
| Investment property | | 8 | 10 | 9 |
| Investments in companies accounted for under the equity method | 11 | 1,304 | 844 | 1,265 |
| Other non-current financial assets | 12 | 1,583 | 1,668 | 1,304 |
| - Collateralised loans and receivables (at more than one year) | | (2) | (2) | (2) |
| - Derivative non-current financial instruments (assets) | 12 | (754) | (658) | (562) |
| Inventories and work in progress | | 1,014 | 1,065 | 969 |
| Trade and other receivables | | 11,706 | 11,603 | 10,993 |
| Other current operating assets | | 4,389 | 4,732 | 4,469 |
| Other current non-operating assets | | 48 | 30 | 26 |
| Current tax assets | | 255 | 128 | 76 |
| **Capital employed – Liabilities** | | | | |
| Current provisions | 16 | (3,636) | (3,407) | (3,670) |
| Trade payables | | (7,431) | (7,551) | (7,493) |
| Other current operating liabilities | | (10,643) | (11,459) | (11,308) |
| Other current non-operating liabilities (*) | | (318) | (454) | (505) |
| Current tax liabilities | | (144) | (203) | (176) |
| | | | | |
| **Total capital employed** | | **31,447** | **29,582** | **31,369** |

*(*) At 31 December 2013 excluding the undertaking to buy the 16.67% non-controlling stake in Cofiroute.*

# 3. Breakdown of the Concessions business data

## First half 2014

| *(in € millions)* | VINCI Autoroutes | *of which* ASF Group | *of which* Cofiroute | VINCI Concessions | *of which* VINCI Airports | *of which* VINCI Park [**] | Total |
|---|---|---|---|---|---|---|---|
| **Income statement** | | | | | | | |
| **Revenue** [*] | **2,199** | ***1,583*** | ***593*** | **654** | ***340*** | ***259*** | **2,853** |
| Concession subsidiaries' works revenue | 190 | *145* | *44* | 55 | *23* | *13* | 245 |
| Total revenue | 2,389 | *1,728* | *637* | 709 | *363* | *272* | 3,098 |
| **Operating income from ordinary activities** | **922** | ***619*** | ***293*** | **202** | ***112*** | ***86*** | **1,124** |
| *% of revenue* [*] | *41.9%* | *39.1%* | *49.4%* | *30.9%* | *32.9%* | *33.2%* | *39.4%* |
| **Operating income** | **920** | ***618*** | ***292*** | **915** | ***120*** | ***85*** | **1,835** |
| | | | | | | | |
| **Cash flow statement** | | | | | | | |
| **Cash flows (used in)/from operations before tax and financing costs** | **1,541** | ***1,105*** | ***423*** | **227** | ***150*** | ***93*** | **1,768** |
| *% of revenue* [*] | *70.1%* | *69.8%* | *71.2%* | *34.7%* | *44.0%* | *36.0%* | *62.0%* |
| *Net depreciation and amortisation* | *630* | *493* | *132* | *55* | *41* | *9* | *685* |
| *Net provision expense* | *7* | *4* | *3* | *1* | *-* | *(1)* | *8* |
| Operating investments (net of disposals) | (6) | *(5)* | *-* | (20) | *(3)* | *(16)* | (26) |
| **Operating cash flow** | **918** | ***681*** | ***259*** | **150** | ***85*** | ***58*** | **1,068** |
| Growth investments in concessions and PPPs | (322) | *(257)* | *(64)* | (64) | *(31)* | *(22)* | (385) |
| **Free cash flow (after investments)** | **597** | ***424*** | ***195*** | **86** | ***54*** | ***36*** | **682** |
| | | | | | | | |
| **Balance sheet** | | | | | | | |
| **Capital employed** | **22,556** | ***16,763*** | ***5,143*** | **4,152** | ***3,572*** | ***111*** | **26,707** |
| *of which investments in companies accounted for under the equity method* | *8* | *8* | *-* | *819* | *642* | *111* | *826* |
| **Net financial surplus (debt)** | **(17,606)** | ***(11,039)*** | ***(2,642)*** | **(1,886)** | ***(2,894)*** | ***(1)*** | **(19,492)** |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies*
*(**) Fully consolidated until 4 June 2014.*

## First half 2013

| (in € millions) | VINCI Autoroutes | of which: ASF Group | of which: Cofiroute | VINCI Concessions | of which: VINCI Airports | of which: VINCI Park | Total |
|---|---|---|---|---|---|---|---|
| **Income statement** | | | | | | | |
| **Revenue (*)** | **2,112** | ***1,519*** | ***572*** | **465** | ***100*** | ***301*** | **2,577** |
| Concession subsidiaries' works revenue | 229 | *178* | *49* | 24 | *19* | *5* | 254 |
| Total revenue | 2,341 | *1,697* | *621* | 490 | *119* | *306* | 2,831 |
| **Operating income from ordinary activities** | **891** | ***600*** | ***282*** | **105** | ***27*** | ***65*** | **997** |
| *% of revenue (*)* | *42.2%* | *39.5%* | *49.3%* | *22.6%* | *27.6%* | *21.6%* | *38.7%* |
| **Operating income** | **889** | ***598*** | ***281*** | **118** | ***34*** | ***70*** | **1,007** |
| | | | | | | | |
| **Cash flow statement** | | | | | | | |
| **Cash flows (used in)/from operations before tax and financing costs** | **1,474** | ***1,054*** | ***407*** | **154** | ***44*** | ***100*** | **1,628** |
| *% of revenue (*)* | *69.8%* | *69.3%* | *71.0%* | *33.1%* | *43.7%* | *33.1%* | *63.2%* |
| *Net depreciation and amortisation* | *593* | *461* | *128* | *49* | *8* | *36* | *642* |
| *Net provision expense* | *8* | *5* | *3* | *2* | *-* | *(1)* | *10* |
| Operating investments (net of disposals) | (17) | *(6)* | *(9)* | (15) | *(1)* | *(12)* | (31) |
| **Operating cash flow** | **788** | ***596*** | ***222*** | **78** | ***25*** | ***61*** | **866** |
| Growth investments in concessions and PPPs | (348) | *(283)* | *(63)* | (14) | *(10)* | *(3)* | (362) |
| **Free cash flow (after investments)** | **440** | ***313*** | ***159*** | **64** | ***15*** | ***58*** | **504** |
| | | | | | | | |
| **Balance sheet** | | | | | | | |
| **Capital employed** | **23,047** | ***17,176*** | ***5,191*** | **1,974** | ***365*** | ***1,230*** | **25,021** |
| *of which investments in companies accounted for under the equity method* | *15* | *15* | *-* | *102* | *1* | *38* | *118* |
| **Net financial surplus (debt)** | **(16,091)** | ***(11,264)*** | ***(2,865)*** | **(1,498)** | ***(131)*** | ***(676)*** | **(17,589)** |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*

## 2013

| (in € millions) | VINCI Autoroutes | of which ASF Group | of which Cofiroute | VINCI Concessions | of which VINCI Airports | of which VINCI Park | Total |
|---|---|---|---|---|---|---|---|
| **Income statement** | | | | | | | |
| **Revenue (*)** | **4,596** | ***3,308*** | ***1,241*** | **1,020** | ***315*** | ***607*** | **5,616** |
| Concession subsidiaries' works revenue | 491 | *377* | *109* | 88 | *66* | *19* | 578 |
| Total revenue | 5,087 | *3,685* | *1,351* | 1,108 | *381* | *625* | 6,195 |
| **Operating income from ordinary activities** | **2,031** | ***1,378*** | ***632*** | **124** | ***65*** | ***114*** | **2,155** |
| *% of revenue (*)* | *44.2 %* | *41.7 %* | *50.9 %* | *12.2 %* | *20.5 %* | *18.7 %* | *38.4 %* |
| **Operating income** | **2,019** | ***1,368*** | ***630*** | **207** | ***190*** | ***122*** | **2,226** |
| | | | | | | | |
| **Cash flow statement** | | | | | | | |
| **Cash flows (used in)/from operations before tax and financing costs** | **3,231** | ***2,316*** | ***886*** | **301** | ***102*** | ***209*** | **3,533** |
| *% of revenue (*)* | *70.3 %* | *70.0 %* | *71.4 %* | *29.5 %* | *32.5 %* | *34.4 %* | *62.9 %* |
| *Net depreciation and amortisation* | *1,222* | *954* | *259* | *121* | *36* | *74* | *1,343* |
| *Net provision expense* | *12* | *5* | *7* | *(1)* | *1* | *17* | *11* |
| Operating investments (net of disposals) | (25) | *(11)* | *(10)* | (33) | *(5)* | *(25)* | (58) |
| **Operating cash flow** | **1,849** | ***1,467*** | ***451*** | **229** | ***109*** | ***153*** | **2,077** |
| Growth investments in concessions and PPPs | (689) | *(553)* | *(132)* | (75) | *(37)* | *(37)* | (764) |
| **Free cash flow (after investments)** | **1,159** | ***914*** | ***319*** | **154** | ***71*** | ***116*** | **1,313** |
| | | | | | | | |
| **Balance sheet** | | | | | | | |
| **Capital employed** | **22,840** | ***16,949*** | ***5,213*** | **5,275** | ***3,684*** | ***1,203*** | **28,115** |
| *of which investments in companies accounted for under the equity method* | *8* | *8* | *-* | *786* | *644* | *55* | *794* |
| **Net financial surplus (debt)** | **(15,387)** | ***(10,938)*** | ***(2,857)*** | **(4,622)** | ***(2,927)*** | ***(673)*** | **(20,010)** |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*

# E. Notes to the income statement

## 4. Operating income

| *(in € millions)* | First half 2014 | First half 2013 | Full year 2013 |
|---|---|---|---|
| **Revenue** (*) | **18,464** | **18,711** | **40,338** |
| Concession subsidiaries' revenue derived from works carried out by non-Group companies | 153 | 172 | 403 |
| Total revenue | 18,617 | 18,883 | 40,740 |
| **Revenue from ancillary activities** | **79** | **118** | **253** |
| Purchases consumed | (4,092) | (4,480) | (9,466) |
| External services | (2,409) | (2,575) | (5,377) |
| Temporary employees | (491) | (460) | (1,020) |
| Subcontracting and concession operating companies' construction costs | (3,968) | (3,848) | (8,702) |
| Taxes and levies | (527) | (500) | (1,076) |
| Employment costs | (4,671) | (4,792) | (9,599) |
| Other operating income and expenses | 16 | 27 | 46 |
| Depreciation and amortisation expense | (1,015) | (992) | (2,060) |
| Net provision expense | - | 106 | (70) |
| **Operating expenses** | **(17,156)** | **(17,514)** | **(37,323)** |
| **Operating income from ordinary activities** | **1,540** | **1,487** | **3,670** |
| *% of revenue* (*) | *8.3%* | *7.9%* | *9.1%* |
| Share-based payments (IFRS 2) | (42) | (43) | (86) |
| Profit/(loss) of companies accounted for under the equity method | 24 | 41 | 95 |
| Other recurring operating items | 13 | 7 | (2) |
| **Recurring operating income** | **1,535** | **1,492** | **3,677** |
| Goodwill impairment expense | (121) | (1) | (28) |
| Impact of changes in scope and gain/(loss) on disposals of shares | 724 | 4 | 171 |
| Other non-recurring items | - | - | (53) |
| *Total non-recurring operating items* | *603* | *3* | *90* |
| **Operating income** | **2,138** | **1,495** | **3,767** |

*(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.*

Operating income from ordinary activities measures the operating performance of Group fully consolidated subsidiaries before taking account of expenses related to share-based payments (IFRS 2). It also excludes the share of the income or loss of companies accounted for under the equity method, and other recurring and non-recurring operating items.

Recurring operating income is intended to present the Group's recurring operational performance excluding the impact of non-recurring transactions and events during the period. It is calculated by adding impacts associated with share-based payments (IFRS 2) and income from companies accounted for under the equity method to operating income from ordinary activities.

Goodwill impairment losses and other material non-recurring operating items, including gains or losses on share sales and the impact of remeasuring equity interests at fair value following changes in the type of control exerted over the investee, are recognised in operating income. Operating income is therefore calculated by adding non-recurring income and expense to recurring operating income.

Non-recurring items during the period mainly consisted of the disposal gain arising from the loss of control over VINCI Park and goodwill impairment, mainly on subsidiaries at VINCI Construction UK and Indian company NAPC at Eurovia.

# 5. Financial income and expense

| *(in € millions)* | First half 2014 | First half 2013 | Full year 2013 |
|---|---|---|---|
| Cost of gross financial debt | (340) | (334) | (675) |
| Financial income from cash investments | 36 | 39 | 76 |
| **Cost of net financial debt** | **(304)** | **(295)** | **(598)** |
| Borrowing costs capitalised | 8 | 13 | 21 |
| Liability discount cost | (32) | (30) | (63) |
| Foreign exchange gains and losses | - | (5) | (10) |
| **Other financial income and expense** | **(23)** | **(23)** | **(52)** |

The cost of net financial debt amounted to €304 million in the first half of 2014, up €9 million relative to the first half of 2013 (€295 million). The increase was mainly due to the increase in the average outstanding amount of net financial debt arising principally from the acquisition of ANA in September 2013 and the buy-out of Colas' non-controlling interest in Cofiroute in January 2014.

Other financial income and expense include borrowing costs included in the cost of non-current assets under construction in an amount of €8 million in the first half of 2014 (including €7 million for the ASF Group), compared with €13 million in the first half of 2013 (including €12 million for the ASF Group).

It also includes the effects of discounting material assets and liabilities at more than one year to present value, resulting in an expense of €32 million in the first half of 2014 (expense of €30 million in the first half of 2013).
The effect of discounting to present value relates mainly to provisions for retirement benefit obligations, resulting in an expense of €23 million in the first half of 2014 (expense of €23 million in the first half of 2013) and to provisions for the obligation to maintain the condition of concession assets for €7 million (expense of €7 million in the first half of 2013).

# 6. Income tax expense

The tax expense amounted to €471 million in the first half of 2014 (€385 million in the first half of 2013).

The effective tax rate, excluding the income from companies accounted for under the equity method, was 26.4% in the first half of 2014, compared with 33.9% in the first half of 2013. The fall in the effective tax rate stemmed in particular from the reduced tax rate applied to the gain arising from the VINCI Park disposal in the first half of 2014. Excluding this non-recurring item, the effective tax rate remained lower than the theoretical French tax rate of 38% (standard tax rate plus the exceptional 10.7% contribution applicable in France since 2013), because of taxation at lower rates at some foreign subsidiaries.

# 7. Earnings per share

Basic earnings per share are calculated on the basis of the weighted average number of shares outstanding during the period, less the weighted average number of treasury shares.

Diluted earnings per share are calculated on the basis of the weighted average number of shares that would have been outstanding had all potentially dilutive instruments (in particular share subscription options and performance shares) been converted into shares. Earnings are also adjusted as necessary for changes in income and expenses taken directly to equity resulting from the conversion into shares of all potentially dilutive instruments.

The dilution resulting from the exercise of share subscription options and from performance shares is determined using the method defined in IAS 33. In accordance with this standard, plans of which the stock market price is greater than the average price during the period are excluded from the diluted earnings per share calculation.

The tables below show the reconciliation between basic and diluted earnings per share:

| First half 2014 | Average number of shares | Net income *(in € millions)* | Earnings per share *(in €)* |
|---|---|---|---|
| **Total shares** | **605,040,914** | | |
| Treasury shares | (47,126,993) | | |
| **Basic earnings per share** | **557,913,921** | **1,323** | **2.37** |
| Subscription options | 3,079,310 | | |
| Group savings plan | 526,730 | | |
| Performance shares | 2,245,191 | | |
| **Diluted earnings per share** | **563,765,152** | **1,323** | **2.35** |

| First half 2013 | Average number of shares | Net income *(in € millions)* | Earnings per share *(in €)* |
|---|---|---|---|
| **Total shares** | **583,428,612** | | |
| Treasury shares | (42,218,554) | | |
| **Basic earnings per share** | **541,210,058** | **748** | **1.38** |
| Subscription options | 863,980 | | |
| Group savings plan | 310,906 | | |
| Performance shares | 2,386,464 | | |
| **Diluted earnings per share** | **544,771,408** | **748** | **1.37** |

| Full year 2013 | Average number of shares | Net income *(in € millions)* | Earnings per share *(in €)* |
|---|---|---|---|
| **Total shares** | **591,956,705** | | |
| Treasury shares | (42,494,123) | | |
| **Basic earnings per share** | **549,462,582** | **1,962** | **3.57** |
| Subscription options | 1,244,604 | | |
| Group savings plan | 294,474 | | |
| Performance shares | 3,337,111 | | |
| **Diluted earnings per share** | **554,338,771** | **1,962** | **3.54** |

# F. Notes to the balance sheet

## 8. Concession intangible assets

| *(in € millions)* | VINCI Autoroutes | VINCI Airports | VINCI Park | Other infrastructure | Total concessions | Other concessions | Total |
|---|---|---|---|---|---|---|---|
| **Gross** | | | | | | | |
| **01/01/2013** | **29,164** | **206** | **1,121** | **199** | **30,690** | **4** | **30,694** |
| Acquisitions during the period (*) | 509 | 64 | 19 | 1 | 594 | 2 | 595 |
| Disposals during the period | (3) | (4) | (15) | - | (22) | - | (22) |
| Currency translation differences | - | (9) | (1) | - | (10) | - | (10) |
| Change in scope and other movements | 119 | 2,549 | 23 | 2 | 2,693 | - | 2,693 |
| | **29,789** | **2,807** | **1,147** | **201** | **33,944** | **6** | **33,950** |
| Grants received | (25) | (14) | - | - | (39) | - | (39) |
| **31/12/2013** | **29,764** | **2,793** | **1,147** | **201** | **33,905** | **6** | **33,911** |
| Acquisitions during the period (*) | 197 | 22 | 14 | - | 234 | - | 234 |
| Disposals during the period | (1) | (3) | (5) | - | (9) | - | (9) |
| Currency translation differences | - | 2 | 2 | - | 4 | - | 4 |
| Change in scope and other movements | 23 | - | (1,158) | 1 | (1,134) | - | (1,134) |
| | **29,983** | **2,814** | **-** | **202** | **32,999** | **6** | **33,005** |
| Grants received | (22) | - | - | - | (22) | - | (22) |
| **30/06/2014** | **29,961** | **2,814** | **-** | **202** | **32,977** | **6** | **32,983** |
| | | | | | | | |
| **Amortisation and impairment losses** | | | | | | | |
| **01/01/2013** | **(6,425)** | **(76)** | **(584)** | **(106)** | **(7,191)** | **(3)** | **(7,194)** |
| Amortisation in the period | (1,050) | (30) | (34) | (10) | (1,124) | - | (1,125) |
| Impairment losses | - | (1) | (5) | - | (7) | - | (7) |
| Reversals of impairment losses | - | - | 2 | - | 3 | - | 3 |
| Disposals during the period | - | - | 12 | - | 13 | - | 13 |
| Currency translation differences | - | 3 | - | - | 4 | - | 4 |
| Change in scope and other movements | - | - | (3) | - | (3) | - | (3) |
| **31/12/2013** | **(7,475)** | **(104)** | **(611)** | **(116)** | **(8,306)** | **(4)** | **(8,310)** |
| Amortisation in the period | (543) | (34) | (4) | (5) | (586) | - | (586) |
| Impairment losses | - | - | (4) | - | (4) | - | (4) |
| Reversals of impairment losses | - | - | 3 | - | 3 | - | 3 |
| Disposals during the period | - | 2 | 5 | - | 7 | - | 7 |
| Currency translation differences | - | (1) | - | - | (1) | - | (1) |
| Change in scope and other movements | - | 2 | 611 | - | 613 | - | 613 |
| **30/06/2014** | **(8,018)** | **(135)** | **-** | **(121)** | **(8,274)** | **(4)** | **(8,277)** |
| | | | | | | | |
| **Net** | | | | | | | |
| **01/01/2013** | **22,740** | **130** | **538** | **92** | **23,499** | **1** | **23,500** |
| **31/12/2013** | **22,289** | **2,689** | **536** | **85** | **25,599** | **2** | **25,601** |
| **30/06/2014** | **21,944** | **2,678** | **-** | **81** | **24,703** | **2** | **24,705** |

*(*) Including capitalised borrowing costs.*

The main movements in the period relate to the loss of control over VINCI Park, which resulted in a €1,158 million decrease in the gross value of concession intangible assets and a €611 million decrease in amortisation and impairment losses associated with those assets.
In 2013, the amounts entered in the "Changes in scope and other movements" item mainly related to the acquisition of control over ANA, whose concession intangible assets consist of rights relating to concession contracts on its ten airports in Portugal.

Concession intangible assets include assets under construction for €676 million at 30 June 2014 (€861 million at 31 December 2013). These relate mainly to VINCI Autoroutes subsidiaries (€586 million including €403 million for ASF, €103 million for Escota and €80 million for Cofiroute).

Investments excluding capitalised borrowing costs amounted to €226 million in the first half of 2014 (€254 million in the first half of 2013). They include investments by ASF for €145 million (€178 million in the first half of 2013), and by Cofiroute for €44 million (€49 million in the first half of 2013).

The main features of concession and PPP contracts reported using the intangible asset model or the bifurcated model, and commitments relating to these contracts, are described in Note F "Note on the main features of concession and PPP contracts" in the 2013 registration document.

# 9. Goodwill

Changes in the period were as follows:

| *(in € millions)* | 30/06/2014 | 31/12/2013 |
|---|---|---|
| **Net at start of period** | **7,000** | **6,609** |
| Goodwill recognised during the period | 60 | 482 |
| Impairment losses | (121) | (28) |
| Currency translation differences | 14 | (43) |
| Entities no longer consolidated | (366) | (1) |
| Other movements | 2 | (19) |
| **Net at end of period** | **6,590** | **7,000** |

The main changes in the period arose from the loss of control over VINCI Park and its subsidiaries (reduction of €366 million) and from impairment losses at VINCI Construction and Eurovia.
Difficulties in the UK construction industry and poor operating conditions in the Indian roadworks sector prompted the Group to adjust its short- and medium-term outlooks for VINCI Construction UK and NAPC (Eurovia).
Impairment tests performed in the first half of 2014 led the Group to write down the goodwill of the subsidiaries concerned, in amounts of €57 million and €45 million respectively.

The main items of goodwill at 30 June 2014 were as follows:

| | 30/06/2014 | | | 31/12/2013 |
|---|---|---|---|---|
| *(in € millions)* | **Gross** | **Impairment losses** | **Net** | **Net** |
| ASF Group | 1,935 | - | 1,935 | 1,935 |
| Energies France | 1,789 | - | 1,789 | 1,781 |
| VINCI Facilities | 563 | - | 563 | 563 |
| VINCI Airports | 446 | - | 446 | 446 |
| Energies Germany | 347 | - | 347 | 346 |
| VINCI Park (ex. Sogeparc and Finec) | - | - | - | 343 |
| Entrepose Contracting | 201 | - | 201 | 201 |
| Soletanche Bachy | 171 | - | 171 | 171 |
| VINCI Construction UK | 164 | (76) | 88 | 142 |
| Nuvia | 142 | - | 142 | 136 |
| Energies Benelux | 139 | - | 139 | 139 |
| Energies Switzerland | 112 | - | 112 | 111 |
| ETF-Eurovia Travaux Ferroviaires | 108 | - | 108 | 108 |
| Other goodwill | 688 | (137) | 551 | 579 |
| **Total** | **6,804** | **(213)** | **6,590** | **7,000** |

# 10. Property, plant and equipment

| *(in € millions)* | Concession operating fixed assets | Land | Constructions | Plant, equipment and fixtures | Total |
|---|---|---|---|---|---|
| **Gross** | | | | | |
| 31/12/2013 | 3,318 | 858 | 1,431 | 6,553 | 12,160 |
| 30/06/2014 | 3,027 | 834 | 1,124 | 6,486 | 11,471 |
| | | | | | |
| **Depreciation and impairment losses** | | | | | |
| 31/12/2013 | (2,026) | (251) | (672) | (4,670) | (7,619) |
| 30/06/2014 | (1,927) | (266) | (558) | (4,701) | (7,452) |
| | | | | | |
| **Net** | | | | | |
| **31/12/2013** | **1,292** | **608** | **758** | **1,883** | **4,541** |
| **30/06/2014** | **1,100** | **568** | **566** | **1,784** | **4,018** |

Property, plant and equipment includes assets under construction not yet in service for €215 million at 30 June 2014 (€306 million at 31 December 2013). The fall in the amount of property, plant and equipment in the first half of 2014 was mainly due to the loss of control over VINCI Park.

At 30 June 2014, the net value of assets acquired under finance leases amounted to €102 million (€112 million at 31 December 2013). They relate mainly to plant and equipment used in operations. The debts relating to these assets are shown in Note F.17.1 "Detail of long-term financial debt".

# 11. Investments in companies accounted for under the equity method

## Movements in the period

| *(in € millions)* | 30/06/2014 | 31/12/2013 |
|---|---|---|
| **Value of shares at start of period** | **1,265** | **806** |
| *of which joint ventures* | *300* | *651* |
| *of which associates* | *965* | *155* |
| Increase in share capital of companies accounted for under the equity method | - | 31 |
| Group share of profit or loss for the period | 24 | 95 |
| *of which joint ventures* | *(1)* | *76* |
| *of which associates* | *25* | *19* |
| Group share of profit or loss for the period (non-recurring items) | - | (110) |
| Dividends paid | (50) | (57) |
| Changes in consolidation scope, translation differences and actuarial gains and losses | 58 | 334 |
| Net change in fair value of financial instruments (after tax) | (105) | 170 |
| Reclassifications (*) | 110 | (4) |
| **Value of shares at end of period** | **1,304** | **1,265** |
| *of which joint ventures* | *228* | *300* |
| *of which associates* | *1,076* | *965* |

*(*) Reclassifications corresponding to the attributable portion of equity-accounted shareholdings in companies with negative net assets, mainly taken to other non-current provisions (see Note F.15.2 "Other non-current provisions").*

The list of companies accounted for under the equity method is given in Note J. "List of the main consolidated companies at 31 December 2013" in the 2013 registration document.

At 30 June 2014, the Group's interests in associates mainly consisted, in the Concessions business, of the stakes in ADP (€641 million) and the new entity that owns VINCI Park (€111 million), and in the Contracting business of the stake in CFE (€170 million).

Movements in 2013 recorded in the "Changes in consolidation scope, translation differences and actuarial gains and losses" item arose mainly from the Group's stake in Aéroports de Paris being equity-accounted, and the change in Group's stake in CFE and its subsidiaries including DEME.

The net changes in the fair value of financial instruments mainly relate to cash-flow and interest-rate hedging transactions on concession and public-private partnership projects.

### Investment commitments given by companies accounted for under the equity method

| | 30/06/2014 | | | 31/12/2013 | | |
|---|---|---|---|---|---|---|
| *(in € millions)* | Concessions | Contracting | Total | Concessions | Contracting | Total |
| Investment commitments (Group share) | 1,460 | - | **1,460** | 1,869 | - | **1,869** |

The fall in commitments in the Concessions business resulted mainly from progress with work carried out by LISEA (owner of the concession for the new high-speed rail line between Tours and Bordeaux in France, decrease of €187 million) and NWCC (owner of the concession for the motorway between Moscow and St Petersburg in Russia, decrease of €107 million).

### Commitments made by the Group to provide funding

| *(in € millions)* | 30/06/2014 | 31/12/2013 |
|---|---|---|
| Commitments made by the Group to provide funding (capital and/or subordinated debt) | 354 | 358 |

These commitments relate mainly to infrastructure project companies in the Concessions business, including LISEA for €113 million.

### Collateral security provided by the Group

Collateral security has been granted in the form of pledges of shares in concession companies accounted for under the equity method. The carrying amount of the shares pledged was €45 million at 30 June 2014 and related mainly to shares in SMTPC (the holder of the concession for the Prado-Carénage road tunnel in Marseille) for €26 million, and to shares in VINCI Immobilier subsidiaries for €19 million.

The Group has also granted collateral security in the form of pledges of receivables, for €7 million and in the form of pledged cash relating to the SEA high-speed rail line project for €135 million.

## 12. Other non-current financial assets

| *(in € millions)* | 30/06/2014 | 31/12/2013 |
|---|---|---|
| Available-for-sale financial assets | 129 | 173 |
| Loans and receivables at amortised cost | 700 | 568 |
| *of which financial assets under PPPs* | *148* | *182* |
| Fair value of derivative financial instruments (non-current assets) (*) | 754 | 562 |
| **Other non-current financial assets** | **1,583** | **1,304** |

*(*) See Note F.18 "Financial risk management".*

At 30 June 2014, available-for-sale assets included the unlisted shareholdings of subsidiaries that do not meet VINCI's minimum financial criteria for consolidation.

Loans and receivables at amortised cost mainly comprise receivables relating to shareholdings, including shareholders' advances to the Concessions business or PPP project companies for €222 million (€193 million at 31 December 2013) and financial receivables relating to concession and PPP contracts managed by Group subsidiaries for €148 million. In the first half of 2014, the Group subscribed to bonds issued by VINCI Park's new parent company for €112 million, and by Foncière du Montout, the owner of Olympique Lyonnais' future stadium, for €40 million.

Non-current derivative financial instruments (assets) are included in net financial debt (see Note F.17 "Net financial debt").

The part at less than one year of other financial assets is included under other current financial assets for €42 million.

The list of the main concession and PPP contracts reported using the financial asset model, and the related commitments, are described in Note F. "Main features of concession and PPP contracts" in the 2013 registration document.

# 13. Equity

**Capital management policy**

In the first half of 2014, VINCI continued its purchases of own shares under the programme approved by the Shareholders' General Meeting of 16 April 2013 and the new programme approved by the Shareholders' General Meeting of 15 April 2014, for a period of 18 months and relating to a maximum amount of purchases of €2 billion at a maximum share price of €65. VINCI bought back 13,964,711 shares during the period at an average price of €54.99, for a total of €768 million.

Treasury shares (see Note F.13.2 "Treasury shares") are allocated to financing external growth transactions, covering performance share plans and employer contributions to international employee share ownership plans, or are intended to be cancelled as part of the Group's financial policy.

VINCI's employee savings policy aims to make it easier for Group employees to become shareholders. At 30 June 2014, around 59% of the Group's employees were VINCI shareholders, through unit funds invested in VINCI shares. Employees form the largest group of shareholders in the Company, together holding 9.79% of its shares.

Neither the Group's consolidated equity nor the parent company's equity is subject to any external constraints in the form of financial covenants.

## 13.1 Share capital

At 30 June 2014, the parent company's share capital was represented by 610,499,669 ordinary shares of €2.5 nominal value each.

**The changes in the number of shares during the period were as follows:**

| | 30/06/2014 | 31/12/2013 |
|---|---|---|
| **Number of shares at start of period** | **601,697,972** | **577,347,352** |
| Increases in share capital | 8,801,697 | 24,350,620 |
| **Number of shares at end of period** | **610,499,669** | **601,697,972** |
| Number of shares issued and fully paid | 610,499,669 | 601,697,972 |
| Nominal value of one share *(in €)* | 2,5 | 2,5 |
| Treasury shares held directly by VINCI | 56,623,364 | 44,744,871 |
| *of which shares allocated to cover performance share plans and employee share ownership plans.* | *4,460,409* | *4,718,976* |

## 13.2 Treasury shares

Changes in treasury shares were as follows:

| | 30/06/2014 | 31/12/2013 |
|---|---|---|
| **Number of shares at start of period** | **44,744,871** | **41,102,058** |
| Purchases of shares | 13,964,711 | 5,654,417 |
| Allocation of 2011 performance shares to employees | | (2,004,903) |
| Allocation of 2012 performance shares to employees | (2,085,948) | (2,300) |
| Allocation of 2013 performance shares to employees | | (800) |
| Employer contribution in connection with the Castor International plan | (270) | (3,601) |
| **Number of shares at end of period** | **56,623,364** | **44,744,871** |

At 30 June 2014, the total number of treasury shares held was 56,623,364. These were recognised as a deduction from consolidated equity for €2,478 million.

## 13.3 Amounts recognised directly in equity

| *(in € millions)* | | 30/06/2014 Attributable to owners of the parent | 30/06/2014 Attributable to non-controlling interests | 30/06/2014 Total | 31/12/2013 Attributable to owners of the parent | 31/12/2013 Attributable to non-controlling interests | 31/12/2013 Total |
|---|---|---|---|---|---|---|---|
| Available-for-sale financial assets | | | | | | | |
| **Reserve at start of period** | | **2** | **-** | **2** | **35** | **-** | **35** |
| Changes in fair value in the period | | - | - | - | 86 | - | 86 |
| Impairment losses recognised in profit or loss | | - | - | - | - | - | - |
| Changes in fair value recognised in profit or loss on disposal | | - | - | - | (118) | - | (118) |
| Changes in consolidation scope and miscellaneous | | - | - | - | - | - | - |
| **Gross reserve before tax effect at balance sheet date** | **I** | **2** | **-** | **2** | **2** | **-** | **2** |
| | | | | | | | |
| Cash flow hedge | | | | | | | |
| **Reserve at start of period** | | **(702)** | **-** | **(702)** | **(1,018)** | **(46)** | **(1,064)** |
| Changes in fair value relating to companies accounted for under the equity method | | (155) | - | (155) | 198 | 47 | 245 |
| Other changes in fair value in the period | | (23) | - | (23) | 86 | - | 86 |
| Fair value items recognised in profit or loss | | 18 | - | 18 | 34 | - | 34 |
| Changes in consolidation scope and miscellaneous | | (1) | - | (1) | (2) | - | (3) |
| **Gross reserve before tax effect at balance sheet date** | **II** | **(863)** | **-** | **(863)** | **(702)** | **-** | **(702)** |
| *of which gross reserve relating to companies accounted for under the equity method* | | *(588)* | - | *(588)* | *(433)* | - | *(433)* |
| | | | | | | | |
| **Total gross reserve before tax effects** | **I+II** | **(861)** | **-** | **(861)** | **(701)** | **-** | **(701)** |
| Associated tax effect | | 278 | - | 278 | 226 | - | 226 |
| **Reserve net of tax at end of period (items that may be recycled to income)** | **III** | **(583)** | **-** | **(583)** | **(475)** | **-** | **(475)** |
| | | | | | | | |
| Actuarial gains and losses on retirement benefit obligations | | | | | | | |
| **Reserve at start of period** | | **(180)** | **-** | **(180)** | **(150)** | **(4)** | **(154)** |
| Actuarial gains and losses recognised in the period | | (130) | - | (130) | (44) | (3) | (47) |
| Associated tax effect | | 34 | - | 34 | 10 | 1 | 11 |
| Change in consolidation scope and miscellaneous | | 2 | - | 2 | 4 | 5 | 9 |
| **Reserve net of tax at end of period (items that will not be recycled to income)** | **IV** | **(275)** | **-** | **(275)** | **(180)** | **-** | **(180)** |
| | | | | | | | |
| **Total amounts recognised directly in equity** | **III+IV** | **(858)** | **-** | **(858)** | **(655)** | **-** | **(655)** |

The amount recorded in equity relating to cash flow hedges (negative impact of €863 million) arises mainly from transactions relating to the hedging of interest-rate risk (negative impact of €853 million) including:

- a €266 million negative impact relating to controlled companies, mainly VINCI Autoroutes subsidiaries (€301 million negative impact) and VINCI Holding (€65 million positive impact);
- a €588 million negative impact relating to companies accounted for under the equity method, mainly infrastructure project companies operating on a PPP or concession basis.

These transactions are described in Note E.22.1.3 “Cash flow hedges” in the 2013 registration document.

## 13.4 Dividends

Dividends paid by VINCI SA in respect of 2013 and 2012 break down as follows:

| | 2013 | 2012 |
|---|---|---|
| **Dividend per share** *(in €)* | | |
| Interim dividend | 0.55 | 0.55 |
| Final dividend | 1.22 | 1.22 |
| **Net total dividend** | **1.77** | **1.77** |
| | | |
| **Amount of dividend** *(in € millions)* | | |
| Interim dividend | 309 | 296 |
| Final dividend | 680 | 653 |
| *Amount paid in VINCI shares* | | *441* |
| *Amount paid in cash* | *680* | *212* |
| **Net total dividend** | **989** | **949** |

VINCI paid the final dividend in respect of 2013 on 30 April 2014, in an amount of €680 million.

# 14. Share-based payments

The expense relating to employee benefits has been assessed at €42 million for the first half of 2014 (€43 million in the first half of 2013), including €3 million in respect of stock option plans (€6 million in the first half of 2013), €27 million in respect of performance share plans (€33 million in the first half of 2013) and €12 million in respect of Group savings plans (€4 million in the first half of 2013).

The features of the various plans in progress are described below.

## 14.1 Share subscription options

The number and weighted average exercise prices of share subscription options outstanding at 30 June 2014 were as follows:

| | 30/06/2014 | | 31/12/2013 | |
|---|---|---|---|---|
| | Options | Average price *(in €)* | Options | Average price *(in €)* |
| **Options in circulation at start of period** | **11,569,569** | **37.36** | **14,500,100** | **35.93** |
| Options granted during the period | - | | - | |
| Options exercised | (1,279,424) | | (2,840,178) | |
| Options cancelled | (23,450) | | (90,353) | |
| **Options in circulation at end of period** | **10,266,695** | **37.92** | **11,569,569** | **37.36** |
| *of which exercisable options* | *7,869,258* | | *7,607,854* | |

The features of plans currently in force are set out in note 18.1 "Share subscription options" in the 2013 registration document.

In May 2014, 1,541,278 options granted in the May 2011 plan vested.

Options granted under the April 2012 plan will not vest until after a period of three years. Vesting is subject to beneficiaries being employed by the Group until the end of the vesting period, and to performance conditions.

In the first half of 2014, the VINCI Group did not grant any share subscription options.

## 14.2 Performance shares

### Information on changes in performance share plans currently in force

| | 30/06/2014 | 31/12/2013 |
|---|---|---|
| **Number of shares granted subject to performance conditions at start of period** | **4,132,861** | **4,249,700** |
| Shares granted | 1,027,651 | 2,017,030 |
| Shares acquired by beneficiaries | (2,085,948) | (2,008,003) |
| Shares cancelled | (89,449) | (125,866) |
| **Number of shares granted subject to performance conditions not vested at end of period** | **2,985,115** | **4,132,861** |

### Information on the features of the performance share plans currently in force

| Plan | Plan granted on 15/04/2014 | Plan granted on 16/04/2013 | Plan granted on 12/04/2012 |
|---|---|---|---|
| Original number of beneficiaries | 1,850 | 1,816 | 1,881 |
| Vesting date of the shares granted | 15/04/2017 | 16/04/2015 | 12/04/2014 |
| End of lock-up period for shares granted | NA | 16/04/2017 | 12/04/2016 |
| **Number of shares granted subject to performance conditions** | **1,027,651** | **2,017,030** | **2,202,580** |
| Shares cancelled | (10,245) | (48,521) | (114,332) |
| Shares acquired by beneficiaries | - | (800) | (2,088,248) |
| **Number of shares granted subject to performance conditions at end of year** | **1,017,406** | **1,967,709** | **-** |

On 15 April 2014, VINCI's Board of Directors decided to set up a new long-term incentive plan involving conditional grants to 1,850 employees consisting of “deferred cash” (falling outside the scope of IFRS 2) and 1,027,651 performance shares. The cash and performance shares granted will only vest definitively after a period of three years. Vesting is subject to beneficiaries being employed by the Group until the end of the vesting period, and to performance conditions in respect of the performance shares.

The performance conditions are as follows:
- an internal criterion (80% weighting) consisting of the ratio at 31 December 2016 of average ROCE in the previous three years (2014, 2015 and 2016) to the average weighted average cost of capital (WACC) in the previous three years (2014, 2015 and 2016). This ratio must be equal to or greater than 1.1 for all performance shares granted to vest. If the ratio is between 1 and 1.1, the number of performance shares that vest will be reduced in proportion and no shares will vest if the ratio is equal to or less than 1.
- an external criterion (20% weighting) consisting of the difference, at 31 December 2016, between:
  - the average total return on VINCI shares, including dividends reinvested, over a three-year period (2014, 2015 and 2016),
  - the average total return for a shareholder investing in the CAC 40 index over a three-year period (2014, 2015 and 2016). Total shareholder returns include dividends reinvested.

The difference must be equal to or greater than +5% for all performance shares granted to vest. If the difference is between +5% and -15%, the number of performance shares that vest will be reduced in proportion and no shares will vest if the difference is equal to or less than -15%.

### Fair value of performance share plans

The fair value of the performance shares has been calculated by an external actuary at the shares' respective grant dates on the basis of the following characteristics and assumptions:

| Plan | 2014 plan | 2013 plan | 2012 plan |
|---|---|---|---|
| Price of VINCI share on date the plan was announced *(in €)* | 52.61 | 35.47 | 36.37 |
| Fair value of performance share at grant date *(in €)* | 44.88 | 28.57 | 28.00 |
| Fair value compared with share price at grant date *(in %)* | 85.31 % | 80.56 % | 77.00 % |
| Original maturity (in years) – vesting period | 3 years | 2 years | 2 years |
| Risk-free interest rate (*) | 0.28 % | 0.11 % | 0.36 % |

*(*) Two-year government bond yield in the eurozone for the 2012 and 2013 plans, and three-year yield for the 2014 plan.*

## 14.3 Group savings plans

VINCI’s Board of Directors defines the conditions for subscribing to the Group savings plans in accordance with the authorisations granted to it by the Shareholders’ General Meeting.

### Group savings plan - France

In France, VINCI issues new shares reserved for employees three times a year at a subscription price that includes a 5% discount against the average stock market price over 20 trading days. Subscribers benefit from an employer contribution with an annual maximum of €2,500 per person. These benefits granted to Group employees are recognised in the income statement and measured in accordance with IFRS 2 using the following assumptions:
- length of subscription period: four months;
- length of period during which funds are frozen: five years.

The estimated number of shares subscribed to at the end of the subscription period is calculated based on a linear regression method applied to historical observations of the plans between 2006 and 2013, taking account of the cost of restrictions on the availability of units in the savings fund.

The opportunity cost of the frozen shares subscribed to is estimated from the point of view of a third party holding a diversified portfolio and prepared to acquire the frozen shares in return for a discount, which should correspond to the return demanded by a purchaser on own funds allocated to hedge against market risk over the period in which the shares are frozen (five years). The market risk is assessed on an annual basis applying a value-at-risk approach.

**Group savings plan – France**

| Tranche | Second four-month period of 2014 (1 May to 31 August) |
|---|---|
| Anticipated return from VINCI shares | 6.61 % |
| Subscription price *(in €)* | 46.11 |
| Share price at date of Board of Directors' Meeting | 47.97 |
| Volatility of the VINCI share price | 26.66 % |
| Estimated number of shares subscribed | 653,794 |
| Estimated number of shares issued (subscriptions plus employer contribution) | 854,702 |

### Group savings plan - International

In the first half of 2014, in accordance with authorisations given to the Board of Directors by the Shareholders' General Meeting, VINCI initiated new savings plans for the employees of certain foreign subsidiaries. Known as Castor International, the plans cover 23 countries in 2014: Australia, Austria, Belgium, Brazil, Canada, Chile, the Czech Republic, Germany, Hong Kong, Indonesia, Luxembourg, Morocco, Netherlands, Poland, Portugal, Romania, Singapore, Slovakia, Spain, Sweden, Switzerland, the United Kingdom and the United States.

The main characteristics of these plans are as follows:

- subscription period: three weeks ended 6 June 2014 (seven successive periods between April and October 2014 in the UK);
- employer contribution consisting of bonus shares, with delivery deferred for three years where possible, or with immediate delivery but a three-year vesting period;
- no lock-up period beyond the three-year vesting period for bonus shares.

| Castor International (excluding the UK) | |
|---|---|
| Subscription price *(in €)* | 54.16 |
| Closing share price on the last day of the subscription period *(in €)* | 56.38 |
| Anticipated dividend pay-out rate | 3.40 % |
| Fair value of bonus shares on the last day of the subscription period *(in €)* | 51.00 |

# 15. Non-current provisions

| *(in € millions)* | Note | 30/06/2014 | 31/12/2013 |
|---|---|---|---|
| Provisions for retirement benefit obligations | 15.1 | 1,347 | 1,179 |
| Other non-current provisions | 15.2 | 875 | 809 |
| **Total non-current provisions at more than one year** | | **2,222** | **1,987** |

## 15.1 Provisions for retirement benefit obligations

At 30 June 2014, provisions for retirement benefit obligations amounted to €1,394 million (including €1,347 million at more than one year) compared with €1,271 million at 31 December 2013 (including €1,179 million at more than one year). They comprise provisions for lump sums on retirement and provisions for obligations for supplementary retirement benefits. The part at less than one year of these provisions (€47 million at 30 June 2014) is reported under other current non-operating liabilities. Details of benefits enjoyed by Group employees are provided in note E.19.1 "Provisions for retirement benefit obligations" in the 2013 registration document.

The expense recognised for the first half of 2014 in respect of retirement benefit obligations is half the forecast expense for 2014 determined on the basis of actuarial assumptions at 31 December 2013 and in accordance with IAS 19.

## 15.2 Other non-current provisions

Changes in other non-current provisions reported in the balance sheet in relation to the first half of 2014 and full-year 2013 are as follows:

| *(in € millions)* | Opening | Provisions taken | Provisions used | Other reversals not used | Changes in consolidation scope and miscellaneous | Change in the part at less than one year of non-current | Translation differences | Closing |
|---|---|---|---|---|---|---|---|---|
| **01/01/2013** | **785** | **179** | **(174)** | **(35)** | **150** | **70** | **-** | **975** |
| Other employee benefits | 137 | 12 | (19) | (3) | (39) | 2 | - | 91 |
| Financial risks | 564 | 8 | (39) | - | (127) | - | - | 406 |
| Other liabilities | 495 | 220 | (140) | (27) | 15 | - | (2) | 560 |
| Reclassification of the part at less than one year of non-current provisions | (221) | - | - | - | 12 | (40) | - | (249) |
| **31/12/2013** | **975** | **241** | **(198)** | **(30)** | **(139)** | **(37)** | **(2)** | **809** |
| Other employee benefits | 91 | 3 | (8) | (1) | - | - | - | 86 |
| Financial risks | 406 | 5 | (16) | - | 94 | - | - | 489 |
| Other liabilities | 560 | 51 | (68) | (6) | (45) | - | 1 | 494 |
| Reclassification of the part at less than one year of non-current provisions | (249) | - | - | - | 19 | 37 | - | (193) |
| **30/06/2014** | **809** | **59** | **(92)** | **(7)** | **69** | **37** | **1** | **875** |

### Other employee benefits

Provisions for other employee benefits mainly include long-service bonuses and jubilee bonuses. They amounted to €86 million at 30 June 2014.

### Provisions for financial risks

Provisions for financial risks mainly comprise the attributable share of the negative net equity of companies accounted for under the equity method, arising from the fair value of interest-rate derivative instruments (designated as cash flow hedges) in infrastructure project companies operated under concessions or public-private partnerships.

### Provisions for other liabilities

Provisions for other liabilities, not directly linked with the operating cycle, include provisions for disputes and arbitration, some of which are described in Note H “Note on litigation”. These amounted to €494 million at 30 June 2014.

# 16. Working capital requirement and current provisions

## 16.1 Change in working capital requirement

| | | | | Change between 30/06/2014 and 31/12/2013 | |
|---|---|---|---|---|---|
| *(in € millions)* | 30/06/2014 | 30/06/2013 | 31/12/2013 | Changes in operating WCR | Other changes (*) |
| Inventories and work in progress (net) | 1,014 | 1,065 | 969 | 30 | 15 |
| Trade and other receivables | 11,706 | 11,603 | 10,993 | 718 | (6) |
| Other current operating assets | 4,389 | 4,732 | 4,469 | (187) | 106 |
| **Inventories and operating receivables (I)** | **17,108** | **17,400** | **16,431** | **562** | **115** |
| Trade payables | (7,431) | (7,551) | (7,493) | - | 63 |
| Other current operating liabilities | (10,643) | (11,459) | (11,308) | 670 | (4) |
| **Trade and other operating payables (II)** | **(18,074)** | **(19,009)** | **(18,802)** | **670** | **58** |
| **Working capital requirement (excluding current provisions) (I + II)** | **(966)** | **(1,609)** | **(2,371)** | **1,232** | **174** |
| | | | | | |
| **Current provisions** | **(3,636)** | **(3,407)** | **(3,670)** | **(23)** | **57** |
| of which part at less than one year of non-current | *(193)* | *(211)* | *(249)* | *37* | *19* |
| **Working capital requirement (including changes in current provisions)** | **(4,602)** | **(5,016)** | **(6,041)** | **1,208** | **231** |

*(*) Mainly translation differences and changes in consolidation scope.*

## 16.2 Breakdown of current provisions

Changes in current provisions reported in the balance sheet for the first half of 2014 and full-year 2013 were as follows:

| *(in € millions)* | Opening | Provisions taken | Provisions used | Other reversals not used | Changes in consolidation scope and miscellaneous | Change in the part at less than one year of non-current provisions | Translation differences | Closing |
|---|---|---|---|---|---|---|---|---|
| **01/01/2013** | **3,484** | **1,623** | **(1,368)** | **(180)** | **10** | **(70)** | **9** | **3,508** |
| Obligation to maintain the condition of concession assets | 587 | 112 | (75) | (10) | 113 | - | (1) | 726 |
| After-sales service | 451 | 113 | (98) | (41) | (15) | - | (4) | 408 |
| Losses on completion and construction project liabilities | 918 | 672 | (492) | (47) | (32) | - | (9) | 1,010 |
| Disputes | 596 | 149 | (195) | (30) | (7) | - | (2) | 512 |
| Restructuring costs | 35 | 42 | (13) | (7) | (4) | - | - | 54 |
| Other current liabilities | 698 | 267 | (217) | (32) | (2) | - | (6) | 710 |
| Reclassification of the part at less than one year of non-current provisions | 221 | - | - | - | (12) | 40 | - | 249 |
| **31/12/2013** | **3,508** | **1,356** | **(1,089)** | **(166)** | **43** | **40** | **(21)** | **3,670** |
| Obligation to maintain the condition of concession assets | 726 | 58 | (29) | - | 2 | - | - | 757 |
| After-sales service | 408 | 50 | (59) | (6) | (1) | - | 1 | 393 |
| Losses on completion and construction project liabilities | 1,010 | 543 | (470) | (18) | (5) | - | 4 | 1,064 |
| Disputes | 512 | 31 | (65) | (6) | 1 | - | - | 474 |
| Restructuring costs | 54 | 5 | (18) | (2) | 2 | - | - | 41 |
| Other current liabilities | 710 | 113 | (93) | (3) | (14) | - | 2 | 714 |
| Reclassification of the part at less than one year of non-current provisions | 249 | - | - | - | (19) | (37) | - | 193 |
| **30/06/2014** | **3,670** | **799** | **(734)** | **(35)** | **(35)** | **(37)** | **7** | **3,636** |

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

For the most part, such provisions cover the expenses to be incurred by motorway concession operating companies for road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels and hydraulic infrastructure. They mainly comprised €370 million for the ASF Group at 30 June 2014 (€359 million at 31 December 2013) and €224 million for Cofiroute at 30 June 2014 (€217 million at 31 December 2013).

# 17. Net financial debt

At 30 June 2014, net financial debt, as determined and monitored by the Group, stood at €14.9 billion, up €781 million compared with 31 December 2013. Net financial debt breaks down as follows:

| Analysis by accounting heading | (in € millions) | 30/06/2014 Non-current | Ref. | Current (*) | Ref. | Total | 31/12/2013 Non-current | Ref. | Current (*) | Ref. | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Financial liabilities at amortised cost | Bonds | (11,833) | (1) | (729) | (3) | (12,563) | (11,320) | (1) | (342) | (3) | (11,663) |
| | Other bank loans and other financial debt | (5,170) | (2) | (612) | (3) | (5,782) | (5,903) | (2) | (1,002) | (3) | (6,905) |
| | Finance lease debt | (49) | (2) | (30) | (3) | (79) | (54) | (2) | (32) | (3) | (87) |
| | **Long-term financial debt (**)** | **(17,052)** | | **(1,372)** | | **(18,423)** | **(17,277)** | | **(1,377)** | | **(18,655)** |
| | Commercial paper | - | | (865) | (3) | (865) | - | | (969) | (3) | (969) |
| | Other current financial liabilities | - | | (33) | (3) | (33) | - | | (10) | (3) | (10) |
| | Bank overdrafts | - | | (733) | (3) | (733) | - | | (653) | (3) | (653) |
| | Financial current accounts, liabilities | - | | (75) | (3) | (75) | - | | (51) | (3) | (51) |
| | **I - Gross financial debt** | **(17,052)** | | **(3,078)** | | **(20,129)** | **(17,277)** | | **(3,060)** | | **(20,337)** |
| | *of which impact of fair value hedges* | *(726)* | | *-* | | *(726)* | *(491)* | | *-* | | *(491)* |
| Loans and receivables | Loans and collateralised financial receivables | 2 | (6) | - | (8) | 2 | 2 | (6) | - | (8) | 2 |
| | Financial current accounts, assets | - | | 61 | (4) | 61 | - | | 46 | (4) | 46 |
| Financial assets at fair value through profit or loss | Cash management financial assets | - | | 129 | (4) | 129 | - | | 140 | (4) | 140 |
| | Cash equivalents | - | | 2,603 | (5) | 2,603 | - | | 3,469 | (5) | 3,469 |
| | Cash | - | | 1,806 | (5) | 1,806 | - | | 2,136 | (5) | 2,136 |
| | **II - Financial assets** | **2** | | **4,599** | | **4,601** | **2** | | **5,791** | | **5,793** |
| Derivatives | Derivative financial instruments – liabilities | (247) | (2) | (204) | (3) | (451) | (275) | (2) | (186) | (3) | (461) |
| | Derivative financial instruments – assets | 754 | (7) | 339 | (9) | 1,093 | 562 | (7) | 339 | (9) | 902 |
| | **III - Derivative financial instruments** | **507** | | **136** | | **643** | **287** | | **153** | | **441** |
| | **Net financial debt (I + II + III)** | **(16,543)** | | **1,657** | | **(14,885)** | **(16,988)** | | **2,885** | | **(14,104)** |
| | *Net financial debt breaks down by business as follows:* | | | | | | | | | | |
| | *Concessions* | *(20,267)* | | *774* | | *(19,492)* | *(18,394)* | | *(1,615)* | | *(20,010)* |
| | *Contracting* | *(2,278)* | | *2,809* | | *531* | *(2,300)* | | *4,429* | | *2,129* |
| | *Holding companies and VINCI Immobilier* | *6,002* | | *(1,926)* | | *4,076* | *3,706* | | *71* | | *3,777* |

*(*) The current part includes accrued interest not matured.*
*(**) Including the part at less than one year.*

Reconciliation of net financial debt with balance sheet items:

| *(in € millions)* | Ref. | 30/06/2014 | 31/12/2013 |
|---|---|---|---|
| Bonds | (1) | (11,833) | (11,320) |
| Other loans and borrowings | (2) | (5,465) | (6,232) |
| Current borrowings | (3) | (3,281) | (3,246) |
| Cash management financial assets | (4) | 190 | 186 |
| Cash and cash equivalents | (5) | 4,409 | 5,605 |
| Non-current collateralised loans and receivables | (6) | 2 | 2 |
| Derivative financial instruments – non-current assets | (7) | 754 | 562 |
| Current collateralised loans and receivables | (8) | - | - |
| Derivative financial instruments – current assets | (9) | 339 | 339 |
| **Net financial debt** | | **(14,885)** | **(14,104)** |

Derivative financial instruments (assets and liabilities) designated as hedges are reported in the balance sheet, classified by maturity, under other non-current financial assets or liabilities for the part at more than one year, and other current financial assets or liabilities for the part at less than one year. Derivative financial instruments (assets and liabilities) that are not designated as hedges for accounting purposes are reported as other current financial assets or liabilities, whatever their maturity dates.

## 17.1 Detail of long-term financial debt

The breakdown of long-term financial debt (including the part at less than one year) at 30 June 2014 by business was as follows:

| (in € millions) | 30/06/2014 Concessions | 30/06/2014 Contracting | 30/06/2014 Holding companies and VINCI Immobilier | 30/06/2014 Total | 31/12/2013 Concessions | 31/12/2013 Contracting | 31/12/2013 Holding companies and VINCI Immobilier | 31/12/2013 Total |
|---|---|---|---|---|---|---|---|---|
| Bonds | (9,335) | - | (3,228) | (12,563) | (8,440) | - | (3,223) | (11,663) |
| Other bank loans and other financial debt | (5,651) | (145) | 14 (*) | (5,782) | (6,762) | (151) | 8 (*) | (6,905) |
| Finance lease debt | (1) | (77) | - | (79) | (4) | (83) | - | (87) |
| **Long-term financial debt** | **(14,987)** | **(222)** | **(3,214)** | **(18,423)** | **(15,205)** | **(235)** | **(3,215)** | **(18,655)** |

*(*) Net of arrangement commissions relating to the undrawn VINCI syndicated credit facility, recognised as a reduction in debt.*

At 30 June 2014, long-term net financial debt amounted to €18.4 billion, down €232 million compared with the 31 December 2013 figure of €18.7 billion. There were two main reasons for this decline:

- Refinancing within the ASF Group, which increased debt by €222 million. In the first half of 2014, ASF carried out the following issues as part of its EMTN programme: a €600 million 10-year bond issue (coupon of 2.95%) in January 2014, and two private placements totalling €120 million and with a 15-year maturity in March 2014.

At the same time, the main debt repayments in the first half of 2014 related to ASF's repayment of money borrowed from CNA at an average rate of 4.375% (€450 million repaid in May 2014) and Escota's partial repayment of money borrowed from CNA/EIB at a rate of 6.18% (€48 million repaid in April 2014).

- The change in consolidation method of VINCI Park, reducing long-term financial debt by €523 million.

## 17.2 Resources and liquidity

At 30 June 2014, the Group's available resources amounted to €8.9 billion, including €2.9 billion of net cash managed and €6 billion of available, confirmed medium-term bank credit facilities.

### 17.2.1 Maturity of debts

At 30 June 2014, the average maturity of the Group's long-term financial debt was 5.6 years (5.7 years at 31 December 2013). The average maturity was 6.1 years in Concession subsidiaries, 3.2 years for holding companies (including VINCI Immobilier) and 3.7 years in Contracting.

### 17.2.2 Net cash managed

Net cash managed, which includes cash management financial assets and commercial paper issued, breaks down as follows:

| (in € millions) | 30/06/2014 Concessions | 30/06/2014 Contracting | 30/06/2014 Holding companies and VINCI Immobilier | 30/06/2014 Total |
|---|---|---|---|---|
| **Cash equivalents** | **206** | **415** | **1,982** | **2,603** |
| Marketable securities and mutual funds (UCITS) | 61 | 88 | 459 | 607 |
| Negotiable debt securities with an original maturity of less than three months (*) | 145 | 328 | 1,523 | 1,996 |
| **Cash** | **86** | **1,241** | **478** | **1,806** |
| **Bank overdrafts** | **(1)** | **(519)** | **(213)** | **(733)** |
| **Net cash and cash equivalents** | **291** | **1,137** | **2,248** | **3,676** |
| **Cash management financial assets** | **65** | **57** | **7** | **129** |
| Marketable securities and mutual funds (UCITS) (**) | - | 1 | 6 | 7 |
| Negotiable debt securities and bonds with an original maturity of less than three months | 1 | 46 | - | 47 |
| Negotiable debt securities with an original maturity of more than three months | 64 | 10 | 1 | 75 |
| **Commercial paper issued** | **-** | **-** | **(865)** | **(865)** |
| **Other current financial liabilities** | **(4)** | **(29)** | **-** | **(33)** |
| **Balance of cash management current accounts** | **1,163** | **1,741** | **(2,918)** | **(14)** |
| **Net cash managed** | **1,515** | **2,907** | **(1,529)** | **2,893** |

*(*) Including term deposits, interest-earning accounts and certificates of deposit.*
*(**) Short-term investments in UCITS units that do not meet the criteria to be designated as cash equivalents as defined by IAS 7.*

| (in € millions) | Concessions | Contracting | Holding companies and VINCI Immobilier | Total |
|---|---|---|---|---|
| | 31/12/2013 | | | |
| **Cash equivalents** | **282** | **429** | **2,759** | **3,469** |
| Marketable securities and mutual funds (UCITS) | 147 | 77 | 313 | 537 |
| Negotiable debt securities with an original maturity of less than three months (*) | 134 | 352 | 2,446 | 2,932 |
| **Cash** | **137** | **1,453** | **546** | **2,136** |
| **Bank overdrafts** | **(3)** | **(469)** | **(181)** | **(653)** |
| **Net cash and cash equivalents** | **416** | **1,413** | **3,123** | **4,952** |
| **Cash management financial assets** | **57** | **76** | **6** | **140** |
| Marketable securities and mutual funds (UCITS) (**) | - | 1 | 5 | 6 |
| Negotiable debt securities and bonds with an original maturity of less than three months | 7 | 67 | - | 74 |
| Negotiable debt securities and bonds with an original maturity of more than three months | 51 | 9 | 1 | 60 |
| **Commercial paper issued** | **-** | **-** | **(969)** | **(969)** |
| **Other current financial liabilities** | **(4)** | **(5)** | **-** | **(10)** |
| **Balance of cash management current accounts** | **(942)** | **3,038** | **(2,101)** | **(5)** |
| **Net cash managed** | **(473)** | **4,522** | **59** | **4,108** |

*(*) Including term deposits, interest-earning accounts and certificates of deposit.*
*(**) Short-term investments in UCITS units that do not meet the criteria to be designated as cash equivalents as defined by IAS 7.*

The investment vehicles used by the Group are money market UCITS, interest-bearing accounts, term deposits and negotiable debt securities (certificates of deposit generally with a maturity of less than three months). They are measured and recognised at their fair value.

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

At 30 June 2014, net cash managed at the level of the VINCI holding company amounted to €929 million, arising mainly from the cash surpluses transferred upwards from French subsidiaries through a cash pooling system. VINCI Finance International, a wholly owned subsidiary of VINCI that centralises the cash surpluses of certain foreign subsidiaries, held cash investments of €446 million at 30 June 2014. This centralisation enables the management of the Group's financial resources to be optimised and risks relating to the counterparties and investment vehicles used to be managed more effectively.

Other Group subsidiaries' cash investments are managed in a decentralised manner while complying with the guidelines issued by the Group and the instructions given by VINCI, which define in particular the investment vehicles and the counterparties authorised. At 30 June 2014, these investments amounted to €1.5 billion, including €1.2 million in the Contracting business.

### 17.2.3 Revolving credit facilities

In May 2014, VINCI, ASF and Cofiroute each amended their revolving credit facilities, resulting in a new breakdown of bank pools and new financial terms. The three credit facilities now have a common maturity of five years (expiring in May 2019), along with two one-year extension options at the lenders' discretion.

At 30 June 2014, none of the above credit facilities were being used.

The amounts authorised and used, and the maturities of the credit lines of VINCI and its subsidiaries, are as follows:

| (in € millions) | Amounts used at 30/06/2014 | Amounts authorised at 30/06/2014 | Maturity: Within 1 year | Between 1 and 5 years | After 5 years |
|---|---|---|---|---|---|
| VINCI: syndicated loan | - | 3,830 | - | 3,830 | - |
| ASF: syndicated loan | - | 1,670 | - | 1,670 | - |
| Cofiroute: syndicated loan | - | 500 | - | 500 | - |
| **Total** | **-** | **6,000** | **-** | **6,000** | **-** |

### 17.2.4 Financial covenants

Some financing agreements involving VINCI and its main subsidiaries include early repayment clauses applicable in the event of non-compliance with financial ratios. The characteristics of the covenants associated with the financing agreements in place at 30 June 2014 remain unchanged relative to 31 December 2013. They are described in Note E.21.2.5 “Financial covenants” in the 2013 registration document.
The relevant ratios were all met at 30 June 2014.

### 17.2.5 Credit ratings

On 31 March 2014, rating agency Standard & Poor's raised its long-term credit rating on the Group by one notch, from BBB+ to A-, with stable outlook.

At 30 June 2014, the Group’s credit ratings were as follows:

| | | Rating | | |
|---|---|---|---|---|
| | **Agency** | **Long term** | **Outlook** | **Short term** |
| **VINCI SA** | Standard & Poor's | A- | Stable | A2 |
| | Moody's | Baa1 | Stable | P2 |
| **ASF** | Standard & Poor's | A- | Stable | A2 |
| | Moody's | Baa1 | Stable | P2 |
| **Cofiroute** | Standard & Poor's | A- | Stable | A2 |

## 18. Financial risk management

The Group’s risk management policies and procedures are identical to those described in Note E.22 “Financial risk management” in the 2013 registration document. Transactions to set up or unwind hedging instruments during the first-half period did not materially alter VINCI’s exposure to potential financial risks. The main risks – interest rate risk, equity risk, credit and counterparty risk – are described in paragraphs 22.1, 22.2, and 22.5 respectively of the 2013 registration document.

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

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

| 30/06/2014 | Accounting categories [1] | | | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance sheet headings and classes of instrument** | Financial instruments at fair value through profit or loss | Derivatives designated as hedges | Financial assets measured at fair value | Available-for-sale financial assets | Loans and receivables | Financial liabilities at amortised cost | **Total net book value of the class** | Level 1: quoted prices and cash | Level 2: internal model using observable factors | Level 3: internal model using non-observable factors | **Fair value of the class** |
| Investments in listed companies | | | | 1 | | | 1 | 1 | | | 1 |
| Investments in unlisted companies | | | | 128 | | | 128 | | | 128 | 128 |
| Loans and financial receivables | | | | | 698 | | 698 | | 698 | | 698 |
| **I - Non-current financial assets** [2] | | | | **129** | **698** | | **827** | **1** | **698** | **128** | **827** |
| **II - Derivative financial instruments – assets** | **246** | **847** | | | | | **1,093** | | **1,093** | | **1,093** |
| **III - Trade receivables** | | | | | **13,943** | | **13,943** | | **13,943** | | **13,943** |
| Loans and collateralised financial receivables | | | | | 2 | | 2 | | 2 | | 2 |
| Cash management financial assets | | | 129 | | | | 129 | 7 | 122 | | 129 |
| Financial current accounts, assets | | | 61 | | | | 61 | 61 | | | 61 |
| Cash equivalents | | | 2,603 | | | | 2,603 | 607 | 1,996 [3] | | 2,603 |
| Cash | | | 1,806 | | | | 1,806 | 1,806 | | | 1,806 |
| **IV - Current financial assets** | | | **4,599** | | **2** | | **4,601** | **2,481** | **2,120** | | **4,601** |
| **Total assets** | **246** | **847** | **4,599** | **129** | **14,643** | | **20,464** | **2,481** | **17,855** | **128** | **20,464** |
| | | | | | | | | | | | |
| Bonds | | | | | | (12,563) | (12,563) | (12,844) | (734) | | (13,578) |
| Other bank loans and other financial debt | | | | | | (5,782) | (5,782) | (1,912) [4] | (5,540) | | (7,452) |
| Finance lease debt | | | | | | (79) | (79) | | (79) | | (79) |
| **V - Long-term financial debt** | | | | | | **(18,423)** | **(18,423)** | **(14,756)** | **(6,353)** | | **(21,109)** |
| **VI – Derivative financial instruments – liabilities** | **(200)** | **(251)** | | | | | **(451)** | | **(451)** | | **(451)** |
| **VII - Trade payables** | | | | | | **(7,431)** | **(7,431)** | | **(7,431)** | | **(7,431)** |
| Other current financial liabilities | | | | | | (898) | (898) | | (898) | | (898) |
| Financial current accounts, liabilities | | | | | | (75) | (75) | (75) | | | (75) |
| Bank overdrafts | | | | | | (733) | (733) | (733) | | | (733) |
| **VIII - Current financial liabilities** | | | | | | **(1,706)** | **(1,706)** | **(808)** | **(898)** | | **(1,706)** |
| **Total liabilities** | **(200)** | **(251)** | | | | **(27,560)** | **(28,011)** | **(15,563)** | **(15,133)** | | **(30,696)** |
| | | | | | | | | | | | |
| **Total** | **47** | **596** | **4,599** | **129** | **14,643** | **(27,560)** | **(7,547)** | **(13,082)** | **2,722** | **128** | **(10,232)** |

*(1) The Group has no held-to-maturity financial assets.*
*(2) See Note F.12 "Other non-current financial assets" excluding non-current collateralised loans and receivables.*
*(3) Mainly comprising certificates of deposit, term deposits and interest-bearing accounts.*
*(4) Listed price of loans issued by CNA.*

The method of measuring the fair value of financial assets and liabilities was not altered in the first half of 2014.

| 31/12/2013 | Accounting categories [1] | | | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance sheet headings and classes of instrument** | Financial instruments at fair value through profit or loss | Derivatives designated as hedges | Financial assets measured at fair value | Available-for-sale financial assets | Loans and receivables | Financial liabilities at amortised cost | **Total net book value of the class** | Level 1: quoted prices and cash | Level 2: internal model using observable factors | Level 3: internal model using non-observable factors | **Fair value of the class** |
| Investments in listed companies | | | | 1 | | | 1 | 1 | | | 1 |
| Investments in unlisted companies | | | | 173 | | | 173 | | | 173 | 173 |
| Loans and financial receivables | | | | | 566 | | 566 | | 566 | | 566 |
| **I - Non-current financial assets [2]** | | | | **173** | **566** | | **740** | **1** | **566** | **173** | **740** |
| **II - Derivative financial instruments – assets** | **216** | **685** | | | | | **902** | | **902** | | **902** |
| **III - Trade receivables** | | | | | **13,443** | | **13,443** | | **13,443** | | **13,443** |
| Loans and collateralised financial receivables | | | | | 2 | | 2 | | 2 | | 2 |
| Cash management financial assets | | | 140 | | | | 140 | 6 | 134 | | 140 |
| Financial current accounts, assets | | | 46 | | | | 46 | 46 | | | 46 |
| Cash equivalents | | | 3,469 | | | | 3,469 | 537 | 2,932 [3] | | 3,469 |
| Cash | | | 2,136 | | | | 2,136 | 2,136 | | | 2,136 |
| **IV - Current financial assets** | | | **5,791** | | **2** | | **5,793** | **2,725** | **3,068** | | **5,793** |
| **Total assets** | **216** | **685** | **5,791** | **173** | **14,011** | | **20,877** | **2,726** | **17,978** | **173** | **20,877** |
| | | | | | | | | | | | |
| Bonds | | | | | | (11,663) | (11,663) | (11,777) | (825) | | (12,601) |
| Other bank loans and other financial debt | | | | | | (6,905) | (6,905) | (2,404) [4] | (4,418) | | (6,823) |
| Finance lease debt | | | | | | (87) | (87) | | (87) | | (87) |
| **V - Long-term financial debt** | | | | | | **(18,655)** | **(18,655)** | **(14,181)** | **(5,330)** | | **(19,511)** |
| **VI - Derivative financial instruments – liabilities** | **(179)** | **(282)** | | | | | **(461)** | | **(461)** | | **(461)** |
| **VII - Trade payables** | | | | | | **(7,493)** | **(7,493)** | | **(7,493)** | | **(7,493)** |
| Other current financial liabilities | | | | | | (979) | (979) | | (979) | | (979) |
| Financial current accounts, liabilities | | | | | | (51) | (51) | (51) | | | (51) |
| Bank overdrafts | | | | | | (653) | (653) | (653) | | | (653) |
| **VIII - Current financial liabilities** | | | | | | **(1,683)** | **(1,683)** | **(704)** | **(979)** | | **(1,683)** |
| **Total liabilities** | **(179)** | **(282)** | | | | **(27,831)** | **(28,292)** | **(14,885)** | **(14,263)** | | **(29,148)** |
| | | | | | | | | | | | |
| **Total** | **37** | **404** | **5,791** | **173** | **14,011** | **(27,831)** | **(7,415)** | **(12,160)** | **3,716** | **173** | **(8,271)** |

*(1) The Group has no held-to-maturity financial assets.*
*(2) See Note F.12 "Other non-current financial assets" excluding non-current collateralised loans and receivables.*
*(3) Mainly comprising certificates of deposit, term deposits and interest-bearing accounts.*
*(4) Listed price of loans issued by CNA.*

# G. Other notes

## 20. Related party transactions

Related party transactions mainly relate to transactions with companies over which VINCI exercises significant influence or joint ventures over which VINCI exercises joint control. Transactions with related parties are undertaken at market prices.
There was no material change in the first half of 2014 in the nature of transactions conducted by the Group with related parties from those at 31 December 2013, which were referred to in Note G.27 "Related party transactions" and Note E.14 "Investments in companies accounted for under the equity method" in the 2013 registration document.

## 21. Contractual obligations and off-balance sheet commitments given or received by controlled subsidiaries

### 21.1 Contractual obligations under concession and PPP contracts

#### Contractual investment, renewal or financing obligations

| *(in € millions)* | 30/06/2014 | 31/12/2013 |
|---|---|---|
| ASF Group | 1,995 | 2,072 |
| Cofiroute | 602 | 772 |
| Société concessionnaire Aéroports du Grand Ouest | 365 | 374 |
| VINCI Park (*) | - | 85 |
| Other | 118 | 79 |
| **Total** | **3,080** | **3,383** |

*(*) Deconsolidated on 4 June 2014.*

The contractual investment obligations of motorway concession companies (VINCI Autoroutes) mainly concern investment undertakings made under multi-year master plans. They do not include obligations relating to maintenance expenditure on infrastructure under concessions. Investments are financed by issuing bonds in the market, taking out new loans and making drawings on available credit facilities.

Obligations with respect to companies accounted for under the equity method are disclosed in Note F.11.3 "Commitments made in respect of companies accounted for under the equity method".

#### Collateral security connected with the financing of concession contracts

Some concession operating companies have given collateral security to guarantee the financing of their investments in concession infrastructure. This collateral security breaks down as follows:

| *(in € millions)* | Start date | End date | Amount |
|---|---|---|---|
| Arcour | 2008 | 2045 | 600 |
| Other concession operating companies | | | 29 |

The financing of these projects is without recourse against VINCI SA.

### 21.2 Other contractual obligations and commitments received

There were no material changes in the first half of 2014 in commitments relating to operating leases or other purchase and investment obligations. However, they include the impact of deconsolidating VINCI Park subsidiaries on 4 June 2014, which reduced minimum payments under operating leases by €176 million, and other purchase and investment obligations by €85 million. These commitments are presented in Note G.28 "Contractual obligations and other commitments made and received" in the 2013 registration document.

Representations and warranties made by the Group as part of the VINCI Park disposal guarantee the existence of VINCI Park's companies and assets, the legitimacy of its contracts and the absence of any disputes other than those disclosed at the time of the disposal. They also guarantee the accuracy of the accounts of companies making up VINCI Park, and of their tax position with respect to the competent authorities. Liability with respect to representations and warranties could also arise if any pollution not disclosed at the time of the disposal were discovered, capable of causing additional clean-up or remediation costs.

The Group has undertaken to subscribe, in the second half of 2014, the second tranche of bonds issued by Foncière du Montout, which is the owner of Olympique Lyonnais' future stadium, for €40 million. This will be in addition to the first tranche subscribed by the Group in February 2014 for €40 million.
With respect to these bonds purchased, the Group will benefit from a repayment guarantee from the French département of the Rhône, and a purchase agreement from Pathé. These guarantees will come into force if Foncière du Montout fails to repay the sums it has borrowed and/or defaults on the bonds.

# H. Note on litigation

The companies comprising the VINCI Group are sometimes involved in litigation arising from their activities. The related risks are assessed by VINCI and the subsidiaries involved on the basis of their knowledge of the cases, and provisions are taken in consequence.

The main disputes in progress at 30 June 2014 were as follows:

• On 12 February 2010, the Conseil Régional d'Ile-de-France – the regional authority for the Greater Paris area – applied to the Paris Court of First Instance (Tribunal de Grande Instance) for a ruling against 15 companies, of which several are members of the VINCI Group, and 11 natural persons, some of whom are or have been VINCI Group employees, ordering them to pay a sum corresponding to the damage it claims to have suffered. The total amount claimed is €232 million plus interest from 7 July 1997. This application by the regional authority was further to a judgment by the Paris Appeal Court on 27 February 2007 against various natural persons finding them guilty of operating a cartel as well as to the decision on 9 May 2007 by the Conseil de la Concurrence [(2)] (competition authority) and the ruling of the Paris Court of Appeal of 3 July 2008 imposing penalties on the enterprises for anti-competitive practices between 1991 and 1996 in connection with the programme to renovate secondary educational establishments in the Greater Paris region. In a judgment on 17 December 2013, the Paris Court of First Instance declared the claims made by Région Ile de France inadmissible and stated that the proceedings were time-barred. Région Ile de France appealed against that decision in January 2014. In view of the current situation, the Group considers that this dispute is unlikely to have a material effect on its financial situation.

• King County, the county seat of which is Seattle, Washington, is in dispute with a consortium in which VINCI Construction Grands Projets has a 60% share, the purpose of which is to perform a contract for the construction of two underground tunnels known as "Brightwater Central". Because of particularly difficult geotechnical conditions and changes to the initial contract terms, it was not possible to complete the work as set out in the contract, and this resulted in delays and cost overruns. As a result, King County decided to complete one of the tunnels using another company that had a tunnel boring machine using a technology different to that of the tunnel boring machine that the consortium was contractually obliged to use. King County initiated proceedings before the King County Superior Court in Seattle in order to obtain compensation for the cost of completing the work, and for damage that it claims to have suffered. The consortium, meanwhile, is claiming compensation for the cost overruns arising from the work. A hearing took place before a jury which, on 20 December 2012, decided that the consortium should pay $155 million to King County and that King County should pay $26 million to the consortium.
The King County Superior Court delivered its judgment on 7 May 2013, formalising the jury's decision. After paying the damages, the consortium appealed against this judgment in the Washington Court of Appeals on 31 May 2013. In view of the current situation, the Group considers that this dispute is unlikely to have a material effect on its financial situation.

• SNCF initiated proceedings in the Paris Administrative Court on 14 March 2011 against eight construction companies, including several Group subsidiaries, seeking €59.4 million for damages it claims to have suffered as a result of contracts formed in 1993 relating to the construction of civil engineering structures at the Magenta and Saint-Lazare Condorcet railway stations. These proceedings followed a ruling made by the competition authorities (the Conseil de la Concurrence) [(1)] on 21 March 2006. In a statement of case dated 2 July 2014, SNCF substantially amended its claim and asked the administrative court to declare the contracts void and to order that the companies repay the entire price paid without compensation, with SNCF retaining enjoyment of the completed structures. In view of the current situation, the Group considers that these claims are unreasonable and that this dispute is unlikely to have a material effect on its financial situation.

• The Czech Republic's roads and motorways department (RMD) has made several claims against Eurovia CS, a Eurovia subsidiary based in the Czech Republic, as well as several other non-Group companies. These claims concern works carried out between 2003 and 2007 in building the D47 motorway. In late 2012, the RMD commenced arbitration and legal proceedings challenging (i) the inflation coefficients used in revising the price of works and (ii) the payment of various sums for what RMD alleges was defective work affecting the roads and engineering structures that were built. As regards the claims relating to inflation coefficients, all arbitration decisions have been made, and any awards have been much smaller than those sought by RMD. Regarding the other claims, relating mainly to defective work, RMD is currently claiming CZK3.35 billion, of which Eurovia CS' share would be around 75%. Repairs have been carried out and will continue in 2014, costing substantially less than that amount. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

[(2)] *Now known as the Autorité de la Concurrence.*

• Soletanche-Bachy France has submitted a request for arbitration to the International Chamber of Commerce after ACT (Aqaba Container Terminal) terminated a contract for the construction of an extension to a container terminal in the port of Aqaba in Jordan. Soletanche Bachy is disputing the grounds for terminating the contract, and is claiming $10 million in damages. ACT contends that it had valid grounds for terminating the contract and that it incurred additional costs in completing the works, and is counter-claiming $50 million in damages. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

• On 13 June 2013, the French Rugby Federation (Fédération Française de Rugby or FFR) commenced proceedings against Consortium Stade de France (CSDF) before the Paris regional court (Tribunal de Grande Instance de Paris) on the grounds of "significant contractual imbalance" in the rights and obligations arising from the 15-year stadium provision agreement formed on 20 April 1995. The FFR claims that, from the outset, this agreement was inherently imbalanced in its structure and formation, and that the imbalance became worse when the contract was performed. The FFR is claiming damages of €164 million, corresponding to the amount it claims was wrongly received by CSDF. Furthermore, the FFR claims that CSDF used the high profile of France's national rugby team to promote and sell its products, through promotions, competitions and the use of the FFR's image, and that this caused the FFR damage amounting to €50,000. The FFR is also claiming money from the CSDF – €1.5 million for damage to its image and €756,000 for economic and financial losses – for the cancellation of the France-Ireland rugby match that was scheduled for 11 February 2012 but postponed to 4 March 2012 after bad weather conditions froze the pitch. The CSDF is contesting all of these claims. In each of these proceedings, an adjournment has been granted pending a final decision is awaited in the action brought by the FFR and still underway in the Paris administrative court. On 17 May 2013, the FFR asked the administrative court to declare void certain clauses in the concession contract, which the FFR contends are regulatory in character and subject to provisions of the French Sports Code, and to order the government to appoint a contract judge to decide whether or not to rescind the contract. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

To the Company's knowledge, there are no other disputes or matters submitted to arbitration (including any proceedings known to the Company, pending or with which it is threatened) that are likely to have, or have had in the last 12 months, a material effect on the business, financial performance, net assets or financial situation of the Company or Group.

# I. Post balance sheet events

The Group is not aware of any event taking place between 30 June 2014 and the date on which the Board of Directors approved the consolidated financial statements, i.e. 31 July 2014, that justifies being mentioned under post balance sheet events.

# Report of the Statutory Auditors on the 2014 half-year financial information

# Statutory Auditors' Review Report on the Half-yearly Financial Information

For the period from 1 January 2014 to 30 June 2014
To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting and in accordance with the requirements of Article L.451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of VINCI for the period from 1 January 2014 to 30 June 2014,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

**I. Conclusion on the financial statements**

We conducted our review in accordance with the professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for accounting and financial matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

**II. Specific verification**

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

The Statutory Auditors

Paris-La Défense and Neuilly sur Seine, 31 July 2014

KPMG Audit IS

Jay Nirsimloo Philippe Bourhis

DELOITTE & ASSOCIES

Alain Pons Marc de Villartay

*This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking readers. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France.*

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

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

"I certify that, to the best of my knowledge, the condensed half-year financial statements presented in the half-year financial report have been prepared in accordance with the applicable financial reporting standards and give a true and fair view of the assets and liabilities, financial position and results of the operations of the Company and of the Group formed by the companies included in the consolidated financial statements, and that the management report for the half-year period (featuring on pages 2 to 11) faithfully presents the important events that have occurred during the first six months of the financial year, their impact on the half-year financial statements, the main transactions between related parties and a description of the main risks and uncertainties in respect of the remaining six months of the financial year."

Xavier Huillard

Chairman and Chief Executive Officer

REAL
SUCCESS
IS THE
SUCCESS
YOU SHARE

VINCI
1 cours Ferdinand-de-Lesseps
92851 Rueil-Malmaison Cedex - France
Tel: +33 1 47 16 35 00
Fax: +33 1 47 51 91 02

**www.vinci.com**