Financial Report 2007

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FINANCIAL REPORT 2007

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Report
of the Board of Directors

Management report

1. The Company's position and business during 2007

In 2007, Cofiroute saw strong growth in its traffic levels. The entry into service of two new sections, completing the motorway connection between Angers, Tours and Vierzon, contributed to the increase in toll income and the optimisation of operating costs. The capital expenditure programme continued and new financing was put in place.
Under a rider signed with the government and approved by a Decree on 17 May 2007, a 9 km toll-free section of the A85 between Langeais East and Druye has been included in the concession contract. Since 1 June 2007, Cofiroute provides the safety and maintenance services for this toll-free section, and will make the necessary investments to bring it up to motorway standard and construct a services area. In return, a general price increase of 0.31% has been granted, applicable from 1 February 2008.

2. Traffic

On a like-for-like network basis, the sustained increase in traffic levels throughout the year was 3.8% (light vehicles 3.3% and heavy vehicles 6.5%), on the basis of distance driven. The economic climate and increases in fuel prices did not dampen the impact of completion of the network:

- the 25 km, northern bypass of Langeais on the A85 opened on 29 January, completing the link between Angers and Tours;
- the 63 km, Druye – Saint Romain section on the A85 opened on 18 December, creating an uninterrupted link between the A10 at Tours and the A71 at Vierzon.

These extensions, combined with the build-up of traffic on the Ecommoy – Tours section, which entered service at the end of 2005, have generated a further 1.1% growth in traffic.

On an actual basis, traffic levels increased by 4.9% (light vehicles 4.4% and heavy vehicles 7.6%).

3. Receipts

Prices increased on 1 February 2007, in accordance with the concession contract and the 2004 – 2008 master plan agreement. The average price increases applied were 0.91% for light vehicles in category 1 and 1.90% for heavy vehicles in category 4.

At the same time, and in application of the European Directives, Cofiroute is gradually reducing the rebates granted to heavy-vehicle subscribers. This change, to comply with regulations, was discussed with the road haulage industry beforehand.

Taking account of the combined effects of the extension of the network in service, increased traffic levels, and changes in pricing, toll revenue increased by 8.3% to €1,018.3 million.

4. Construction of new sections and major maintenance work on the network in service

Under the €3 billion, 2004 – 2008 capital expenditure programme, €537 million was invested in 2007, of which €43 million was for renewal work (road improvements and / or renewal of operating equipment).

4.1. A86 Duplex (€208 million)

Boring of Tunnel VL2 between Versailles and the A13 motorway was completed at the end of August. Fitting out of Tunnel VL1 between Rueil and the A13 is completed, and the partial testing of integrated systems has started. As systems integration is proving more complex than expected, Cofiroute has decided to defer entry into service of Tunnel VL1 from the initially planned date, in order to complete the work preparatory to entry into service under optimum conditions.

The pre-opening safety dossier received government approval in May 2007 and training of operating staff has commenced.

4.2. New sections of the intercity network (€240 million)

In 2007, Cofiroute completed construction of the A85 motorway between Angers, Tours and Vierzon, which is now a major cross-country link between the east of France and the Atlantic coast.

The St Romain to Druye section was opened to traffic on 18 December, two months ahead of schedule.
Lastly, Cofiroute has started work to render the section between Druye and Langeais, which was previously in the public sector, compliant with safety and environmental standards.

Construction of the northern bypass of Angers on the A11 motorway progressed according to schedule. Cofiroute has completed the work on the viaduct over the Maine river; the cut-and-cover section has been completed and the installation of equipment meeting the new road tunnel safety rules has started. A Safety Officer has been appointed and the pre-opening safety dossier was sent to the government's local representative on 24 August 2007. The Order authorising entry into service of the cut-and-cover section was issued on 22 December 2007.

4.3. Improvement work on the network in service (€46 million)

Cofiroute has continued to carry out the programme set out in the concession contract and the second master plan. The construction of 934 new heavy-vehicle parking spaces and the installation of emergency call phones are well advanced and rebuilding work on the A71 – A20 interchange has started.

Lastly the plan to improve the visual quality of the network is entering a new phase. The rest area at Boutroux on the A10 motorway – a pilot site for the new visual charter – entered service in the Spring of 2007. Work is in progress to improve all the rest areas on the A10 motorway and the new specification will be applied to the whole network over three years.

5. Employment policy – Network operation and marketing

5.1. Employment policy

In 2007, industrial relations negotiations were conducted at a sustained pace, with 18 meetings held during the year. Several agreements between management and trade unions were signed.

This enabled new rules to be drawn up for the management of peak periods and the replacement of toll collection staff. The use of seasonal contracts has been clarified and more than hundred toll collectors will be hired on permanent contracts in 2008 to work specifically during school holidays and weekends. At the same time an "on call" system has been set up for toll collection to make the replacement of absent staff easier.

Other agreements relating to holiday entitlements (Compte Epargne Temps), wages and salaries and early retirement for some employees (CATS) have also been signed in 2007. The CATS early retirement agreement enables employees who have done shift work for more than 15 years to leave at 57.

Lastly, Cofiroute has implemented a new national collective bargaining agreement, applicable to its sector, along with the associated job classifications.

5.2. Quality management

Following the renewal in December 2006 of the ISO 9001-2000 certification for the intercity motorway network, in 2007, Cofiroute has mainly focussed on integrating the specific problems relating to operation of the tunnels on the Angers northern bypass and on the A86 into the operating processes.

5.3. Management of the emergency phone network

At the request of the concession granting authority, Cofiroute has taken over management of the emergency call network previously managed by the police. In 2007, the investments were made to enable calls to be centralised at two operating centres, with the objective of entry into service at the beginning of January 2008.

5.4. Subscriptions and automation

In order to improve traffic fluidity and customer service, the development of remote payments for light vehicle subscribers has been increased in several areas:

- development of specific products for subscribers, in particular in suburban sectors affected by peaks in commuter traffic;
- an extension of the range of subscription offers via the Internet and the call centre;
- use of the Liber't badge as a means of payment at VINCI Park.

66,000 Liber't badges were sold during the year, bringing the number of active badges to 205,000 and the proportion of remote payments to total transactions to 20%.

The inter-company heavy-vehicle tag payment system TIS PL has been officially rolled out across the network as from 1 May 2007. The CAPLIS cards are being replaced as they expire by transponders. At the end of 2007, automatic transactions were close to half of all subscriber transactions. This changeover should take until mid-2008.

At the same time, toll stations with low levels of traffic are being gradually converted to remote operation. Cofiroute has 37 automatic or semi-automatic toll stations at the end of 2007, compared with 24 at the end of 2006.

Toll collection automation has increased by 15% in one year. At the end of 2007, automatic transactions accounted for more than 60% of the total.

6. Safety

6.1. Customer safety initiatives

Indicators	2005	2006	2007
Rate of accidents*	28.52	24.97***	22.91
Rate of personal injury accidents	3.27	2.76	2.75
Rate of fatal accidents	0.39	0.32	0.25
Rate of serious injuries**	1.77	1.48	1.28

* number of accidents ÷ kilometres driven x 10^8

** fatal accident rate plus rate of victims in hospital for more than 24 hours ÷ kilometres driven x 10^8

*** change in accidents with physical damage: the 2006 accident rate has been updated to be consistent with motorway operating companies' guidelines, significantly reducing the rate.

The improvement in 2007 continues the trend seen several years. It is the result of on-going work across the network to improve safety, and of preventative and corrective actions based on systematic analyses of accidents after each personal injury accident.

6.2. Employee safety initiatives

On 25 August 2007, a terrible incident occurred in which a toll collector who was parking on the emergency hard shoulder to assist a customer was hit by a vehicle and died as a result.
The Company has seen an unacceptable deterioration in employee safety in 2007. An action programme has been launched to increase mobilisation of all employees around the safety and prevention issues. Accident prevention seminars have been held in each sector and will be run in each centre during the first quarter of 2008. One working group is looking at the safety of coning operations, while two others have been formed, one for toll collection staff, to look specifically at their safety issues, and one for personnel stopping on the highway for repair work etc. These initiatives will continue in 2008, with the implementation of a new accident prevention programme that includes commitments by management and safety rules for each job.

7. Financing

Two new loans were taken out in 2007. The remaining €210 million of the loan granted by the EIB to finance the A85 was drawn at the end of June, and in July a supplementary issue of the 2006 bond allowed a further €350 million to be borrowed. In July, the 1996 bond matured and was repaid for €305 million.

At 31 December, available cash resources amounted to €501 million and the €1,020 million syndicated bank loan had not been drawn on.

Net debt of €3,260 million is fixed-rate or hedged.

8. Research and development

Research and development work conducted by Cofiroute in 2007 was mainly in three areas:

- customer information
- employee and customer safety
- future toll collection methods.

8.1. Customer information

In collaboration with ASF, an experiment has been launched on how to estimate and broadcast journey times. This relates to the busiest sections of the A10 and A11 motorways.

An experiment in broadcasting using digital radio (DMB – Digital Multimedia Broadcasting) has been conducted on the Tours to Poitiers section of the A10 motorway. DMB allows multimedia information to be broadcast (sound, images and data) through various programmes. In time, this technology will allow equipment and broadcasting costs to be reduced when compared with the 107.7 FM radio system currently used on all the motorways in the concession.

8.2. Employee and customer safety

The European SAFESPOT project aims to devise, develop and test driver warning and assistance systems that use communications between vehicles and between vehicles and the infrastructure. Cofiroute is responsible for the *Infrastructure sensing and platform sub-project.*

Cofiroute's significant contributions in 2007 were:

- the coordination of a European accidentology study, enabling the applications to be developed under the SAFESPOT programme to be identified;
- the definition of the functional architecture of the infrastructure-vehicle communication system based on Cofiroute's organisation.

Cofiroute continued its study of average speeds and distances between vehicles on the Paris-Orleans section of the A10, using the number-plate reading system installed in 2005.

8.3. Future toll collection methods

The RCI (Road Charging Interoperability) project aims to design, develop and demonstrate the technical interoperability between remote payment systems for heavy vehicles in Europe using the same in-vehicle device and a single contract. This is in preparation for the implementation of the European Directive on the widespread introduction and interoperability of electronic road toll systems in the Community. In this connection, Cofiroute was asked in 2007 to co-ordinate the preparation of tests in six European countries using differing technologies: short-distance communications systems – TIS-PL in France, Via-T in Spain, TELEPASS in Italy and EUROPASS in Austria – and then satellite positioning-based systems such as TOLL COLLECT in Germany and LSVA in Switzerland.

In 2007, Cofiroute initiated a study on whether a free-flow remote payment demonstration system could usefully be deployed on its network. A comparison has been made in particular on systems existing in the USA.

Lastly, Cofiroute permanently monitors the development of information and communication technology-based transport systems, commonly known as Intelligent Transportation Systems (ITS).

9. Subsidiaries and affiliated companies

9.1. Cofiroute Participations

The net profit of Cofiroute Participations was €7,584 thousand, breaking down to an operating loss of €5 thousand, net financial income of €1,208 thousand and net exceptional income of €6,586 thousand and tax of €206 thousand.

Net financial income was lower than in 2006, and was mainly related to income arising under the cash management agreement with Cofiroute (for €233 thousand) and investment income from subsidiaries: €347 thousand paid by Cofiroute Corporation, €307 thousand by Cofiroute UK, €100 thousand by SERA, €87 thousand by OADB and €53 thousand by Médiamobile.

Net exceptional income, which was strongly up compared with 2006, included the disposal of shares in Gefyra Litourgia for €6,600 thousand and in VINCI Networks for €43 thousand. The capital gains arising were €6,568 thousand and €18 thousand respectively.

9.1.1. United Kingdom

Cofiroute UK's revenue amounted to £1,002 thousand, and its net pre-tax profit was £321 thousand.
Revenue in 2007 of Le Crossing Company Ltd (LCC), owned by Cofiroute UK Ltd for 42.86% and Ringway Babtie Ltd for 57.14%, was £23,428 thousand and its net pre-tax profit was £1,716 thousand.
Overall, Cofiroute UK's net profit for 2007 was £751 thousand.

9.1.2. USA

Cofiroute Corporation – of which the operating subsidiary Cofiroute USA operates 91 Express Lanes in California and MnPASS in Minnesota – recorded revenue of $6,454 thousand, operating profit of $573 thousand and net profit of $369 thousand.

9.1.3. Chile

In connection with the sale by VINCI of its shareholding in the concession operator Autopista del Bosque, operation of the Chillán–Collipulli motorway by the operator Operadora del Bosque (OADB) – of which Cofiroute Participations owns 40% – was terminated. VINCI has paid compensation of €900 thousand to Cofiroute for this early termination of the operating contract and the associated assistance and support contracts (invoiced in respect of 2007). OADB is being wound up.

9.1.4. Greece

Cofiroute Participations sold its shareholding in the operating company Gefyra Litourgia to VINCI Concessions, for €6,600 thousand. The net gain on the sale of equity (€31.8 thousand) and consolidated reserves (€1,088 thousand) was €5,480.2 thousand.

9.1.5. France

Revenue in 2007 of Sera, the company operating the motorway radio station Autoroute FM, was €2,104 thousand and its net profit was €151 thousand.

Cofiroute Participations sold its shareholding in VINCI Networks to Sogea Networks, for €43 thousand.

9.2. Toll Collect

Toll Collect GmbH (TC), is a German company owned by Cofiroute (10%), Daimler Financial Services (DFS), (45%) and Deutsche Telekom (DT) (45%). It has a contract with the Bund until 2015, with extension possible to 2018.
Its purpose is to develop, finance and operate an automated toll payment service for heavy vehicles – over 12 tonnes – on the German federal motorway network. This system uses satellite technology to localise vehicles and mobile phone technology to effect transactions. Vehicles must be equipped with an OBU (On Board Unit). Users can also make manual reservations, at toll stations or on the Internet.

The project entered operation on 1 January 2005 on 12,000 km of motorway. Since 1 January 2007, toll collection has been extended to 42 km of ordinary roads.

The project is running well. In 2007, Toll Collect collected €3.36 billion of tolls, of which 90% was via the automatic system and 10% via the manual system. Average accuracy rate of the automatic system was 99.75% in 2007.

At 31 December 2007, 610,000 heavy vehicles were equipped with an OBU.

The main financial data for Toll Collect GmbH for its latest financial year (from 1 September 2006 to 31 August 2007) were as follows (in € millions):

Revenue	585
EBIT	35
Net profit after tax	15

On 8 September 2004, the Bund initiated an arbitration procedure and is claiming €5,500 million from the consortium in penalties and loss of earnings due to the delays incurred by the project. The arbitration procedure is in progress. Whatever the outcome, there should be no impact on the financial statements of Cofiroute, which already reached the ceiling of its financial contribution to the project in December 2004 (an amendment to the consortium agreement, signed on 31 August 2004, confirmed the cap of €70 million on Cofiroute's financial contribution).

10. Consolidated financial statements

10.1. Revenue

Consolidated revenue for 2007 amounted to €1,038.5 million, compared with €965.7 million in 2006, up 7.5%. This increase came mainly from toll receipts (€1,018.3 million in 2007 compared with €940.2 million in 2006) which rose €78.1 million, an increase of 8.3%, as a result of increased traffic, which rose 4.4% for light vehicles and 7.6% for heavy vehicles, and higher prices.

10.2. Ebitda

In 2007, Ebitda was €730.5 million compared with €662.1 million in 2006, up €68.4 million (a 10.3% increase). This performance was the result of the cost control policy conducted over several years and productivity gains realised with the extension of the network: Ebitda was 70.3% of revenue, compared with 68.6% in 2006.

10.3. Operating profit

Operating profit from ordinary activities increased 9.7% from €509.7 million in 2006 to €559 million in 2007, despite depreciation charges of €10 million in respect of sections entering service during the year.

10.4. Net financial income / (expense)

Despite the higher level of borrowings, net financial expense fell by €9.3 million from €49.8 million to €40.5 million.

10.5. Net profit

Income tax expense increased by €10.7 million to €169.8 million.
Net profit was €348.7 million, up €48.6 million (a 16.2% increase) against 2006 (€300.1 million).

10.6. Consolidated balance sheet

Net borrowings amounted to €3,260 million at 31 December 2007 compared with €3,000 million at the end of 2006.

11. Parent company financial statements

11.0. Income Statement

Revenue increased €78 million to €1,032.3 million.

As a result of the combined changes in operating profit and net financial income / (expense), net profit was up €47 million at €347.8 million for 2007, a 15.7% increase.

Ebitda improved by €75.9 million to €734.8 million, 71.2% of revenue in 2007, compared with 69.0% in 2006.

11.1. Five-year financial summary

In accordance with Article R-225-102 of the French Code of Commerce, the following table shows your Company's results for each of the last five years.

(in euros)	2003	2004	2005	2006	2007
1 - Share capital at the end of the year					
Share capital	158,282,124	158,282,124	158,282,124	158,282,124	158,282,124
Number of shares outstanding	4,058,516	4,058,516	4,058,516	4,058,516	4,058,516
2 - Operations and net profit for the year					
Revenue	829,118,747	862,302,082	888,641,281	954,322,153	1,032,325,137
Profit before tax, employee profit-sharing, amortisation, depreciation and provisions	503,507,687	535,894,862	565,329,850	616,717,540	693,281,042
Income tax at 33.33%	104,113,407	136,464,521	123,659,366	125,664,680	142,500,384
Supplementary income tax levies	6,533,965	8,572,086	5,910,470	4,121,755	4,677,334
Profit after tax and levies, employee profitsharing, depreciation and provisions	220,200,546	260,209,764	282,732,783	300,714,825	347,777,990
Earnings distributed for the period	124,718,197	138,557,736	150,368,018	162,827,662	188,315,142
Long-term debts	2,405,258,360	2,529,169,270	2,675,777,893	3,171,206,911	3,379,801,220
Acquisition cost of concession	4,494,056,141	4,977,305,322	5,791,342,487	6,620,339,868	7,275,087,662
3 - Profit stated per share					
Profit after tax and employee profit-sharing, but before amortisation, depreciation and provisions	95.52	94.55	105.93	118.69	133.13
Profit after tax, employee profit-sharing, amortisation, depreciation and provisions	54.26	64.11	69.66	74.09	85.69
Dividend paid per share	30.73	34.14	37.05	40.12	46.4
4 - Employees					
Average number of employees during the period	1,991	2,012	1,919	1,857	1,875
Wages and salaries	57,231,894	59,271,947	61,312,198	61,334,791	61,974,320
Social security costs and other social benefit expenses	27,975,310	27,309,005	27,845,224	27,984,504	28,552,087

11.1.1. Proposed appropriation of 2007 earnings

We propose that earnings be appropriated as follows:

■ Net profit available	347,777,990
■ Previously unappropriated earnings	1,231,641,087
■ Profit available for distribution	1,579,419,077
■ To statutory reserve	0
■ To payment of a dividend of €46.40 per share (minimum dividend included):	188,315,142
■ To unappropriated earnings	1,391,103,935

The distribution proposed corresponds to a dividend of €46.40 per share for each of the 4,058,516 shares.

As decided by the Board of Directors on 18 September 2007, an interim dividend of €39 per share – representing a total payment of €158,282,124 – was paid on 30 November 2007.
We ask you to approve payment of a final dividend of €7.40 per share giving entitlement to the 40% allowance provided for in Article 158-3 of the French General Tax Code, as from 30 April 2008.

In application of Article 243 bis of the French General Tax Code, dividends distributed in respect of each of the last three periods were as follows:

in respect of 2006

- dividends not giving an entitlement to the 40% allowance: €162,827,541.56 euros
- dividends giving an entitlement to the 40% allowance: €120.36 euros

in respect of 2005

- dividends not giving an entitlement to the 50% allowance: €150,367,906.65
- dividends giving an entitlement to the 50% allowance: €111.15

in respect of 2004

- dividends not giving an entitlement to the 50% allowance: €138,557,633.82
- dividends giving an entitlement to the 50% allowance: €102.42

Your Statutory Auditors will give you their conclusions on their audit and specific verifications required by law in their report, which we ask you to approve.

11.1.2. Social and environmental impact

In 2007, Cofiroute adopted a sustainable development action plan, for 2007 to 2009. This plan forms an integral part of the Company's strategy and in particular aims to incorporate protection of the environment in all its activities and ensure a responsible human resources policy.
Sustainable development reporting covers all of Cofiroute's activities and is based on a procedure to measure and calculate sustainable development indicators.

12. Important post-balance sheet events

Prices on the intercity concession were increased on 1 February 2008, as provided for in the concession contract.

13. Foreseeable trends in the Company's situation and outlook

The Angers northern bypass will enter service on 31 August 2008.
Cofiroute will undertake discussions with the State to finalise a 2009–2013 master plan setting out the capital investment programme and pricing rules for those five years.

14. Agreements covered by Article L. 225-38 of the French Code of Commerce

We also ask you to approve the agreements governed by Article L. 225-38 of the French Code of Commerce, correctly authorised by your Board of Directors during the period.

Your Statutory Auditors have been informed of these agreements, which they will describe in their special report.

15. Agreements covered by Article L. 225-39 of the French Code of Commerce

The list and purpose of these agreements relating to ordinary transactions conducted on normal terms has been communicated to your Statutory Auditors in accordance with Article L 225-39.

16. Share buy-back programme

As the Company's Shareholders General Meeting has not authorised any buy-backs of the Company's shares, no special report needs to be prepared.

17. Information on Company Officers

In accordance with paragraph 4 of Article L 225-102-1 of the French Code of Commerce, the list of each Company Officer's appointments and functions within the Company in 2007 is attached.

18. Remuneration of Company Officers

In accordance with Article L. 225-102-1 of the French Code of Commerce, we report to you below on the total remuneration and benefits of all kinds paid during the period to each Company Officer, by both the Company and the companies it controls as understood in Article L. 233-16 of the French Code of Commerce.

Payments received during the period:

- Mr Henri Stouff *Chairman and Chief Executive Officer until 18 December 2007*
  Remuneration paid by the Company: €120,000 in fixed salary and €450,000 in variable salary, of which €200,000 in respect of 2006 and €250,000 in respect of 2007
  Benefits in kind: company car

- Ms Odile Georges-Picot *Senior Executive Vice-President*
  Remuneration paid by the Company: €158,400
  Performance bonus paid by the Company: €75,000
  Director's fee: €3,600
  Benefits in kind: company car

Please refer to the notes on remuneration given VINCI S.A.'s annual report for the remuneration paid to Xavier Huillard, Bernard Huvelin and Roger Martin.

19. Shareholders

At 31 December 2007, Cofiroute's shareholders were as follows:

VINCI Concessions	65.33%
Cofiroute Holding	17.99%
Colas	16.67%
Other	0.00018%

There were no employee shareholders.

20. Report on internal control and Statutory Auditors' report

You will hear the report by the Chairman of the Board of Directors in accordance with Article L. 225-37 of the French Code of Commerce on how the Board's work is prepared and organised and on the internal control procedures put in place by the Company.

The Statutory Auditors describe their work in their report, which includes their observations on the Chairman's report.

The Board of Directors

Report of the Chairman on internal control

Pursuant to Article L.225-37 of the French Code of Commerce, the Chairman and Chief Executive Officer of Cofiroute has prepared this report on how the work of the Board of Directors is prepared and organised, any restrictions on the powers of the Senior Executive Vice-President and on the Company's internal control procedures.

1. How the Board of Directors' work is prepared and organised

At 31 December 2007, the Board of Directors of Cofiroute had eight members. Directors are appointed for six years.

The Board of Directors meets regularly and Directors receive all the information necessary for their work and decisions before the meetings, in accordance with legal, regulatory and contractual provisions and the Company's Articles. Directors are also able to study all available information on the Company.

The Chairman organises and leads the Board of Directors' work and ensures the Company's governing bodies function correctly.

2. Restrictions on Senior Management's powers

- The Company has decided to combine the functions of Chairman and of Chief Executive Officer. This organisation was confirmed when Pierre Coppey was appointed on 18 December 2007 as Chairman and Chief Executive Officer, replacing Henri Stouff.
- No restrictions limit the full and complete exercise by the Chairman and Chief Executive Officer and by the Senior Executive Vice-President of the powers associated with their functions.
- Readers are reminded that in accordance with Articles L 225-35 and R225-28 and following of the French Code of Commerce, the Board of Directors has authorised the Chairman and Chief Executive Officer, for a period of one year commencing on 22 March 2007, to grant guarantees and sureties in the Company's name up to a maximum of €100 million, any commitment above that amount requiring authorisation by the Board. As an exception to these provisions, the Chairman and Chief Executive Officer is authorised to give unlimited guarantees and sureties in the Company's name to tax and customs authorities. Following the appointment of the new Chairman on 18 December 2007, these authorisations were renewed until 18 December 2008.
- As permitted by paragraphs 2 and 3 of Article L 228-40 of the French Code of Commerce, the Board has authorised the Chairman and Chief Executive Officer, for a period of one year ending on 18 December 2008, to make one or more issues of bonds within a maximum of €1 billion.

3. Organisation of internal control

3.1. The objectives of internal control

The purpose of the internal control procedures in force in the Company is to:

- ensure that management acts, operations and employees' behaviour are consistent with the framework defined by the strategic directions laid down by the Company's governing bodies, the applicable laws and regulations and by the Company's values, standards and internal rules; and

- verify that the accounting, financial and management information given to the Company's governing body and third parties fairly presents the Company's position and activities.

One of the objectives of the internal control system is the prevention and control of risks arising from the enterprise's activities and the risks of error and fraud, in particular in the areas of accounting and finance. Like all control systems, it cannot provide an absolute guarantee that these risks have been totally eliminated.

3.2. The objectives of internal control

3.2.1. Decentralisation

The decentralisation of the Company's operational organisation to geographical sectors enables local management to take the necessary operational decisions rapidly.

3.2.2. Delegation of authority

The Company's system for delegating authority is applied complying with the following principles, as regards conduct and behaviour:

- rigorous compliance with the rules laid down by the Chairman and Chief Executive Officer in particular with respect to delegation, commitments and financial and accounting information;
- transparency and loyalty of staff towards their line management superiors and towards functional departments. In particular, managers must inform their superiors of any difficulties encountered in performing their duties. An integral part of operational managers' duties is to take decisions alone on matters falling within their area of competence but to handle these difficulties with the assistance, if necessary, of their line management superiors or the Company's functional departments;
- compliance with the laws and regulations in force in the countries where the Company operates;
- responsibility of operational executive managers to communicate these principles by appropriate means (orally, in writing or both) and to set an example;
- safety of persons;
- a culture of financial performance.

3.2.3. Safety and security of persons and assets

The Environmental Security Quality Department, which is separate from operational departments, is charged with ensuring that operational departments apply the rules and principles laid down by Senior Management in accordance with the law and the Company's policies on security, quality and the taking account of environmental factors.

3.2.4. Internal standards

Internal control arrangements are based on several sets of standards:

- the rules the Company's employees must obey, which are mainly set out in the internal rules and internal memos and other documents issued by Senior Management or its representatives;
- an Information Technology Charter, which sets out how users must be informed of the rules to obey when using computer and other equipment made available to them, to enhance safety and security, and ensure greater reliability;
- the general management powers delegated to Managers by Senior Management, which are set out in guidelines from the Chairman and Chief Executive Officer to each Manager.

4. The Company's operational organisation

The general organisation of the Company's internal control arrangements is based on:

- formalisation of the Company's strategy and decision taking;
- management and monitoring of the business;
- information to and coordination of the Company's various entities.

4.1. Corporate governance

4.1.1. The Board of Directors

The Board of Directors is one of the Company's governing bodies. It sets the Company's strategy, examines its operational performance and economic and financial situation, and analyses the outlook for the short and medium term.

In 2007, the Board of Directors met four times, with an average attendance rate of nearly 91%.

In accordance with its rules, the Board included a discussion on its own functioning on the agenda for the meeting on 18 December 2007. The Directors have again commented favourably on the quality of the information provided to the Board of Directors, both through the files provided and through the Technical and Financial Committee and meetings of specialised committees.

4.1.2. The Remuneration Committee

The Committee met on 21 February 2007 and 12 December 2007 to make proposals on the remuneration of the Company Officers. The Board of Directors adopted its recommendations on 25 February 2008.

4.1.3. The Audit Committee

In 2007, the Audit Committee met twice to examine the half-year and annual financial statements, capital expenditure and the financing plan before they were presented to the Board of Directors. The Audit Committee also conducted a review of risks and unforeseen events: cash management, the Company's exposure to interest rate and rating risks, analysis of balance sheet provisions, monitoring of off-balance sheet commitments. The Statutory Auditors have presented a summary of their work and several dossiers relating to the internal control process were subject to special examination. The internal and external audit reports were presented to the Committee.

4.1.4. The Technical and Financial Committee

The Technical and Financial Committee, comprising representatives of the shareholders, met quarterly before the meeting of the Board of Directors to examine the Company's operations and financial performance during the previous four months and the short-term outlook.

4.2. The Company's internal committees

4.2.1. The Executive Committee

Intended for providing information, conducting discussions, coordinating and taking decisions, this Committee meets every two weeks; its members are the Chairman and Chief Executive Officer, the Senior Executive Vice-President and the Managers.

4.2.2. The Risks Committee

Matters relating to the following offers, contracts and investments are submitted to the Risks Committee, which is chaired by the Chairman and Chief Executive Officer:

- the organisation and development of new deals and operations, relating to concessions or related activities, including the associated financing;
- all acquisitions or disposals of businesses (fonds de commerce), shares or any other securities of any sort whatever the circumstances or the amount of the transaction, the number of securities or the percentage shareholding in the company in question; the same applies to any company formation;
- offers for services of an amount greater than €2 million (annual revenue in the case of multi-year contracts);
- any project involving an investment by Cofiroute of more than €300,000.

For the most complex projects, the Risks Committee's work takes the form of an operational review meeting which all members of the Executive Committee are invited to attend.

At this meeting, members can examine whether an investment is opportune, the conditions and manner of submission of tenders, draft contracts, their impact on Cofiroute's business plan, the associated legal and financial commitments including guarantees, sureties and other off-balance sheet commitments.

Riders or amendments to contracts in progress referred to above are subject to the same procedures, whenever their initial or new amount exceeds the thresholds given above.
The Risks Committee met 8 times in 2007 and studied 38 dossiers.

4.2.3. Project reviews

All significant projects (construction, technical and development projects) in progress within the Company are reviewed between one and three times a year depending on their size, in the presence of the Chairman and the managers involved. These reviews allow the decisions taken by the Risks Committee to be monitored regularly.

4.2.4. Quality Control reviews

Management examines the results of the Company's quality policy every six months and sets the future direction, on the basis of audits conducted and an analysis of the effectiveness of the operational and support processes.

The Company's quality system, including management reviews, was certified ISO 9001– 2000 compliant in January 2004 for the motorway operation activity. On 5 December 2006, Cofiroute obtained renewal of this certification for three years from Bureau Veritas Certification.

4.2.5. Concessions reviews

Three concessions reviews in 2007 examined compliance with Cofiroute's commitments under its two concession contracts and its inter-city master plan agreement, in particular as regards the capital expenditure programme to be carried out on the network in service.

4.2.6. Safety and Security reviews

A Safety and Security review examines twice a year the Company's policy on safety and security of persons, customers and enterprises carrying out work on the network. Two meetings were held, in March and November 2007.

4.3. The control processes

4.3.1. The preparation and control of accounting documents

As from 2007, and in accordance with regulations, Cofiroute prepares its consolidated financial statements under the IFRSs.

These financial statements are audited by the Statutory Auditors, are filed with the stock market regulator (the *Autorité des Marchés Financiers*), and are published on the Company's website.

The Finance Department is in charge of preparing and validating the Company's half-yearly and annual financial statements, ensuring compliance with accounting policies and the procedures applied by the Company and its subsidiaries. It involves the Statutory Auditors in its thinking and preparatory work related to transactions that are complex from an accounting point of view.

The Statutory Auditors present their observations to the Finance Department and to the Audit Committee at meetings held to examine the half-year and annual financial statements before they are presented to the Board of Directors.

The Statutory Auditors obtain a representation letter signed by the Chairman and the Chief Financial Officer before signing their report.

4.3.2. Preparation and monitoring of budgets

The management control department implements and co-ordinates the budgetary process for the entire Group in accordance with a timetable and policies that it draws up and monitors.
On completion of this process, the budget and the two annual updates are validated by the General Management and are monitored regularly.

4.4. Reporting

4.4.1. Reporting to shareholders

The Finance Department reports the Company's revenue, key operating indicators and net debt to the Company's shareholders monthly. It also sends them:

- quarterly, half-year and annual accounts;
- financial forecasts for the current year, (first version in November of the previous year followed by four updates during the year, in March, May, September and November);
- the three-year plan, which is reviewed annually.

As Cofiroute is 83%-owned by VINCI, which fully consolidates it, Cofiroute is also subject to the specific control procedures set up by its majority shareholder for the VINCI group.

4.4.2. Reporting to the concession grantor

Under its two concession contracts, the Concessions and Quality Departments regularly report on its commitments to the concession granting authority. In June 2007, the Company submitted its 2006 financial statements and a report on the performance of each of its concession contracts. On 30 November, Cofiroute also submitted its capital expenditure forecasts for the next five years and a pro forma financial forecast for the inter-city network concession, and summarised forecasts for the current and next two years for the A86. Lastly, at the end of 2007, Cofiroute submitted a specific report on safety and security of its customers, its employees and the contractors working on the network. The Construction Department also reports quarterly on the correct execution of procedures and on the construction work on new sections.

4.5. Other procedures put in place to prevent and control operational risks

The operation of the network in service is covered by a documented set of internal and external procedures. In particular, accident procedures are formalised for each motorway in the network, through Operational and Emergency Services plans, which define and facilitate coordination and implementation of emergency services procedures and operational measures, from the handling of minor, daily occurrences through to major incidents in the event of the Government's representative not triggering an official emergency procedure.

A Traffic Control Centre system has been set up for the inter-city network in service, comprising operating staff on duty 24 hours a day supported by a member of the Executive Committee and communication staff, both permanently on call.

For the A86 project, a crisis management system has been set up by Cofiroute and Socatop to manage any important events affecting the site. Under these arrangements, operational crisis management is conducted by Socatop and crisis communication by Cofiroute.

5. Action plan to strengthen internal control

5.1. Achievements in 2007: action undertaken in 2007 related to:

- developing the quality management system further, by including the budgetary control and information systems management processes, and by preparing the inclusion of the operation of the tunnels on the A86 and the northern bypass of Angers in the system;
- performing environmental audits and safety and security assessments in operational centres, in order to verify the application of internal procedures and the implementation of good practices with respect to environment, safety and security;
- redesigning operating sectors' common risk assessment documents to make them easier to use;
- redefining the company's procurement processes, as regards delegation of authority, holding management accountable, and control of transactions completed;
- assessing information system criticality.

5.2. In 2008, action will relate in particular to:

- improving the quality management system by:
  a) strengthening the process to monitor and control sub-concession operators, to ensure that the Company's environmental and quality rules are complied with;
  b) improving operational indicators and their deployment in each operating centre;
  c) integrating prevention of work-place risks in the process;
  d) incorporating the tunnel operation.
- implementing the information systems emergency plan, in line with criticality factors.

Report of the Statutory Auditors
on the report of the Chairman of the Board

COMPAGNIE FINANCIERE ET INDUSTRIELLE DES AUTOROUTES « COFIROUTE »
French limited liability company *Société Anonyme*
Registered office: 6/10, rue Troyon – 92316 Sèvres Cedex
Share capital: €158,282,124

Report of the Statutory Auditors in application of Article L.225-235 of the French Code of Commerce on the Report of the Chairman of the Board of Directors of Cofiroute on internal control procedures relating to the preparation and treatment of accounting and financial information.

Year ended 31 December 2007

To the Shareholders,

As Statutory Auditors of COMPAGNIE FINANCIERE ET INDUSTRIELLE DES AUTOROUTES – COFIROUTE, and in application of the provisions of Article L.225–235 of the French Code of Commerce, we present our report on the report prepared by the Chairman of your Company in accordance with the provisions of Article L.225–37 of the French Code of Commerce, for the period ended 31 December 2007.

The Chairman is required to report to you in particular on the conditions under which the work of the Board of Directors is prepared and organised and on the internal control procedures implemented within the Company.

Our role is to communicate to you any comments required by the information contained in the Chairman's report about internal control procedures relating to the preparation and treatment of accounting and financial information.

We conducted our review in accordance with the professional standards applicable in France. Those standards require us to plan and perform our work so as to be able to assess the fair presentation of the information given in the Chairman's report, with respect to the internal control procedures relating to the preparation and treatment of accounting and financial information. Those standards require in particular that we:

- inform ourselves of the internal control procedures relating to the preparation and treatment of the accounting and financial information supporting the information presented in the Chairman' s report, and of the existing communication;
- inform ourselves of the work done to prepare this information and the existing documentation;
- ascertain if appropriate disclosures have been made in the Chairman's report in respect of any major deficiencies of internal control relating to the preparation and treatment of accounting and financial information that we may have noted in performing our duties.

On the basis of this work, we have no comments to make on the disclosures regarding the Company's internal control procedures relating to the preparation and treatment of accounting and financial information, contained in the report of the Chairman of the Board of Directors, prepared in application of Article L.225-37 of the French Code of Commerce.

Paris La Défense, 13 March 2008
The Statutory Auditors

Salustro Reydel
A member of KPMG International

Benoît Lebrun
Michel Berthet

Deloitte & Associés

Thierry Benoit

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Consolidated financial statements
at 31 December 2007

The consolidated financial statements of Cofiroute presented below take account of consolidated data for 2006, published for the first time.

Consolidated balance sheet - assets

(in € millions)	Note	2007	2006
Non-current assets			
Concession intangible assets	10	5,324.2	4,843.2
Property, plant and equipment	11	5.3	7.4
Investments in associates	12	1.1	1.2
Other non-current financial assets	13	0.4	0.4
Fair value of non-current derivative instruments (assets)	18	2.8	48.8
Deferred tax assets	8	20.2	15.0
TOTAL NON-CURRENT ASSETS		**5,354.0**	**4,915.8**
Current assets			
Inventories and work in progress	20	1.3	1.5
Trade and other operating receivables	20	95.3	118.3
Other current assets	20	11.7	11.1
Fair value of derivative financial instruments (current assets)	18	64.5	62.7
Cash management financial assets	17	24.3	132.0
Cash and cash equivalents	17	477.4	373.0
TOTAL CURRENT ASSETS		**674.4**	**698.6**
TOTAL ASSETS		**6,028.4**	**5,614.4**

Consolidated Balance sheet - equity and liabilities

(in € millions)	Note	2007	2006
Equity			
Share capital		158.3	158.3
Consolidated reserves		1,218,0	1,108.6
Currency translation reserves		(0.3)	0.1
Fair value reserves		2.6	1.9
Net profit for the period attributable to equity holders of the parent		348.7	300.1
EQUITY - Attributable to equity holders of the parent	**14**	**1,727.3**	**1,569.0**
Minority interest	14.5	0.0	1.0
TOTAL EQUITY		**1,727.3**	**1,570.0**
Non-current liabilities			
Non-current provisions	16	42.7	27.1
Bonds	17	2 529.1	2,583.1
Other loans and borrowings	17	859.9	654.6
Deferred tax liabilities	8	242.0	207.7
TOTAL NON-CURRENT LIABILITIES		**3,673.8**	**3,472.5**
Current liabilities			
Current provisions	20	30.0	34.2
Trade payables	20	29.2	15.5
Payables related to non-current assets	20	47.6	82.7
Other current payables	20	62.9	60.8
Current tax payables	20	18.2	0.0
Current borrowings	17	432.3	378.6
Fair value of derivative financial instruments (current liabilities)	18	7.1	0.0
TOTAL CURRENT LIABILITIES		**627.3**	**571.9**
TOTAL EQUITY AND LIABILITIES		**6,028.4**	**5,614.4**

Consolidated income statement

(in € millions)	Note	2007	2006
Revenue	**5**	**1,038.5**	**965.7**
Revenue from ancillary activities		2.2	3.0
Operating expenses	6	(479.3)	(457.0)
OPERATING PROFIT FROM ORDINARY ACTIVITIES		**561.4**	**511.6**
Share-based payment expense (IFRS 2)	6.3	(3.2)	(2.6)
Profit or loss of associates		0.7	0.7
OPERATING PROFIT	**6**	**559.0**	**509.7**
Cost of gross financial debt		(178.6)	(154.8)
Financial income from cash management investments		23.0	20.8
Cost of net financial debt	**7**	**(155.6)**	**(134.0)**
Other financial income and expenses	7	115.1	84.2
Income tax expense	8	(169.8)	(159.1)
NET PROFIT FOR THE PERIOD		**348.7**	**300.7**
Net profit for the period attributable to minority interest		0.0	(0.6)
NET PROFIT FOR THE PERIOD - Attributable to equity holders of the parent		**348.7**	**300.1**
NET PROFIT Basic and diluted earnings per share (in euros)	**9**	**85.9**	**73.9**

Consolidated cash flow statement

(in € millions)		Note	2007	2006
NET PROFIT FOR THE PERIOD (including minority interest)			**348.7**	**300.7**
Depreciation and amortisation		6.2	156.0	142.8
Net increase / (decrease) in provisions			12.9	8.5
Share-based payments (IFRS 2) and other restatements		15	0.4	1.2
Gain or loss on disposals			(0.5)	0.8
Share of profit or loss of associates		12	(0.7)	(0.7)
Dividends received from unconsolidated entities			(0.2)	(0.5)
Capitalised borrowing costs		7	(109.2)	(83.4)
Cost of net financial debt recognised		7	155.6	134.0
Current and deferred tax expense recognised		8	169.8	159.1
CASH FLOWS from operations before tax and financing costs			**732.8**	**662.5**
Change in working capital requirement		20.1	37.5	41.5
Change in current provisions		20.2	2.3	(1.1)
Income taxes paid			(130.3)	(117.2)
Net interest paid		7	(145.8)	(105.8)
NET CASH FLOWS from operating activities	**I**		**496.6**	**479.8**
Purchases of property, plant and equipment, and intangible assets		11	(0.5)	(1.1)
Proceeds from sales of property, plant and equipment, and intangible assets			0.1	0.1
Purchases of concession fixed assets		10	(560.7)	(755.8)
Purchases of shares in subsidiaries and associates (consolidated and unconsolidated)			0.0	0.1
Proceeds from sales of shares in subsidiaries and associates (consolidated and unconsolidated)		21.2	6.6	0.0
Net effect of changes in scope of consolidation			(2.4)	0.0
Dividends received from associates and unconsolidated entities			0.9	1.1
NET CASH FLOWS from investing activities	**II**		**(556.0)**	**(755.6)**
Dividends paid				
▪ *to shareholders of Cofiroute SA*		14.4	(191.2)	(158.5)
▪ *to minority interests*			0.0	(0.4)
Proceeds from new borrowings		17	537.9	805.4
Repayment of borrowings and changes in other current financial debt		17	(305.9)	(261.8)
Change in cash management assets and other current debts		17	121.8	(82.5)
NET CASH FLOWS from financing activities	**III**		**162.5**	**302.3**
CHANGE IN NET CASH	**I + II + III**	**17**	**103.1**	**26.5**
Increase (decrease) of cash management financial assets			(107.6)	82.5
(Proceeds from) / repayment of loans			(230.4)	(573.7)
Other changes			(22.5)	
Impact of changes in fair value			(2.2)	0.5
Effect of changes in foreign exchange rates			(0.2)	(0.1)
CHANGE IN NET DEBT		**17**	**(259.8)**	**(464.4)**
Net debt at beginning of period			(2,999.8)	(2,535.4)
NET DEBT AT END OF PERIOD			**(3,259.6)**	**(2,999.8)**

Statement of changes in consolidated equity

	CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT							
(in € millions)	Share capital	Consolidated reserves	Currency translation reserves	Fair value reserves	Net profit	Total	Minority interest	Total
BALANCE AT 1 JANUARY 2006	**158.3**	**987.8**	**0.3**	**0.9**	**278.2**	**1,425.4**	**0.8**	**1,426.2**
Net profit for the period (a)					300.1	300.1	0.6	300.7
Financial instruments: changes in fair value (b):				1.1		1.1		1.1
■ *Available-for-sale financial assets*								
■ *Cash flow hedges*				1.1		1.1		1.1
Currency translation differences (c)			(0.2)			(0.2)		(0.2)
Income and expenses for the period (a)+(b)+(c)		**0.0**	**(0.2)**	**1.1**	**300.1**	**301.0**	**0.6**	**301.6**
Allocation of net income and dividend payments		119.7			(278.2)	(158.5)	(0.4)	(158.9)
Share-based payments (IFRS 2)		1.2				1.2		1.2
BALANCE AT 1 JANUARY 2007	**158.3**	**1,108.6**	**0.1**	**1.9**	**300.1**	**1,569.0**	**1.0**	**1,570.0**
Net profit for the period (a)					348.7	348.7		348.7
Financial instruments: changes in fair value (b):				0.7		0.7		0.7
■ *Available-for-sale financial assets*								
■ *Cash flow hedges*				0.7		0.7		0.7
Currency translation differences (c)			(0.3)			(0.3)		(0.3)
Income and expenses for the period (a)+(b)+(c)		**0.0**	**(0.3)**	**0.7**	**348.7**	**349.0**	**0.0**	**349.0**
Allocation of net income and dividend payments		108.9			(300.1)	(191.2)		(191.2)
Share-based payments (IFRS 2)		0.5				0.5		0.5
Changes in consolidation scope							(1.0)	(1.0)
BALANCE AT 31 DECEMBER 2007	**158.3**	**1,218.0**	**0.3**	**2.6**	**348.7**	**1,727.3**	**0.0**	**1,727.3**

Notes to the consolidated financial statements

A. Accounting policies and measurement methods

1. General principles

The French national statutory auditors' governing body, the Compagnie Nationale des Commissaires aux Comptes published a recent opinion by the *Commission des Études Comptables et des Études Juridiques* providing that issuers of listed debt securities are required to prepare consolidated IFRS financial statements as from 1 January 2007, even when their subsidiaries are of limited materiality.

Following discussions with these bodies, Cofiroute ("the Group") has prepared consolidated IFRS financial statements as from the 2007 financial year, with 2006 comparative figures prepared using the same policies and methods.

In application of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, the Group's consolidated financial statements for the period ended 31 December 2007 have been prepared under the International Financial Reporting Standards (IFRS) as endorsed by the European Union at 31 December 2007.

Readers are reminded that the Group has not chosen to apply IFRIC 12 on service concession contracts early (see Note A.4).

The Board of Directors finalised the consolidated financial statements on 25 February 2008.

New Standards and Interpretations applicable from 1 January 2007

IFRS 7 *Financial Instruments: Disclosures and Amendment to IAS 1 Presentation of Financial Statements - Capital Disclosures*

On 18 August 2005, the IASB published IFRS 7 Financial Instruments: Disclosures and the Amendment to IAS 1 Presentation of Financial Statements – Capital Disclosures.

The objective of IFRS 7 is to provide further disclosures on financial instruments, as defined in IAS 32 Financial Instruments: Disclosure and Presentation and IAS 39 Financial Instruments: Recognition and Measurement in order to improve communication about the exposure to the management of financial risks. IFRS 7 requires in particular:

- qualitative disclosures on the management of risks as they are analysed by the Group's management;
- quantitative disclosures on the sensitivity of profit or loss and equity to fluctuations in the various market risks (interest rates, foreign exchange rate, equity prices, raw material prices, etc.).

The Amendment to IAS 1 requires presentation of qualitative information on the objectives, policies and processes for managing capital.

Application of this Standard and this Amendment, adopted by the European Union on 11 January 2006 and published in the Official Journal of the European Union on 27 January 2006, has been mandatory since 1 January 2007. The consolidated financial statements of the Group at 31 December 2006 have therefore been adjusted in consequence to take account of their application retrospectively.

New Interpretations applicable from 1 January 2007

- IFRIC 10 *Interim Financial Reporting and Impairment*
- IFRIC 9 *Reassessment of Embedded Derivatives*
- IFRIC 8 *Scope of IFRS 2*
- IFRIC 7 *Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies.*

The application of these interpretations has no material effect on the Group's consolidated financial statements.

2. Consolidation methods

2.1. Consolidation scope

Companies of which the Cofiroute Group holds, whether directly or indirectly, the majority of voting rights enabling control to be exercised, are fully consolidated. Companies that are less than 50% owned but in which the Group exercises *de facto* control – i.e. has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities – are consolidated using this same method. This relates to the following wholly-owned companies:

- Cofiroute Participations
- Cofiroute Corporation, SR 91 and Cofiroute USA
- Cofiroute UK Ltd

Companies over which the Group exercises significant influence are accounted for using the equity method. This relates in particular to Operadora Autopista Del Bosque (OADB), (40% interest) and Le Crossing Company Ltd, (42.86% owned by Cofiroute UK Ltd).

Proportionate consolidation is used for jointly controlled entities. This does not apply to any Group companies.

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

Number of companies by reporting method

	31 December 2007			31 December 2006		
	Total	France	Foreign	Total	France	Foreign
Full consolidation	6	2	4	**7**	2	5
Equity accounted	2	0	2	**2**	0	2
Number of companies	8	2	6	**9**	2	7

The change in consolidation scope is due mainly to the sale by Cofiroute Participations (a 100% subsidiary) of its 53% interest in Gefyra Litourgia, a Greek subsidiary, to VINCI Concessions on 28 February 2007.

2.2. Intragroup transactions

Reciprocal operations and transactions relating to assets and liabilities, income and expenses between consolidated or equity-accounted companies are eliminated in the consolidated financial statements. This is done:

- for the full amount if the transaction is between two subsidiaries;
- applying the percentage of proportionate consolidation of an entity if the transaction is between a fully consolidated entity and a proportionately consolidated entity;
- applying the percentage owned of an equity-accounted entity in the case of internal profits or losses realised between a fully consolidated entity and an equity-accounted entity.

2.3. Translation of the financial statements of foreign subsidiaries and establishments

In most cases, the functional currency of entities and establishments is their local currency.

The financial statements of foreign entities of which the functional currency is different from that used in preparing the Group's consolidated financial statements (euros) are translated at the closing rate. Balance sheet items are translated at the exchange rate at the balance sheet date and income statement items are converted at the average rate for the period (which represents the best estimate of the exchange rate at the transaction date). Any resulting translation differences are recognised under translation differences in consolidated reserves.

2.4. Foreign currency transactions

Transactions in foreign currency are translated into euros at the exchange rate at the transaction date. At the balance sheet date, financial assets and monetary liabilities expressed in foreign currencies are translated at the closing rate. Resulting exchange gains and losses are recognised under foreign exchange gains and losses and are shown under other financial income and expenses in the income statement.

3. Measurement rules and methods

3.1. Use of estimates

The preparation of financial statements under the IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in these financial statements.
These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.
Use of estimates relates in particular to the following:

3.1.1. Values used in impairment tests

The assumptions and estimates made to determine the recoverable amount of intangible assets and property, plant and equipment, relate in particular to the assessment of market prospects, needed to estimate the cash flows, and discount rates adopted. Any change in these assumptions could have a material effect on the recoverable amount and could entail a change in the impairment losses to recognise.

3.1.2. Measurement of share-based payment expenses under IFRS 2

The Group recognises a share-based payment expense relating to the granting to its employees of share options (offers to subscribe to or purchase shares), free share plans and of shares under the VINCI Group Savings Scheme. This expense is measured on the basis of actuarial calculations using estimated behavioural assumptions based on observation of past behaviour.

3.1.3. Measurement of retirement benefit obligations

The Group is involved in defined contribution and defined benefit retirement plans. Its obligations in connection with these plans are measured actuarially based on assumptions such as the discount rate, the return on the investments dedicated to these plans, future increases in wages and salaries, employee turnover, and mortality rates.
These assumptions are generally updated annually. Details of the assumptions used in 2007 and how they are determined are given in Note 16.1 *Retirement benefit obligations.*
The Group considers that the actuarial assumptions used are appropriate and justified. Obligations may, however, change in the event of changes in assumptions.

3.1.4. Measurement of provisions

The factors that materially influence the amount of provisions relate mainly to forecasts for maintenance expenditure spanning several years, and for major repairs, which serve as a basis for provisions for major repairs. The application of Interpretation IFRIC 12 could moreover alter the determination of these provisions (see section A.4 *Standards and Interpretations not applied early*).

3.1.5. Measurement of financial instruments at fair value.

Whenever financial instruments are not listed on a market, the Group uses, in assessing their fair value, measurement models based on assumptions, which give preference to the use of observable factors.

3.2. Revenue

The Group's consolidated revenue is recognised in accordance with IAS 18. It comprises tolls received on road infrastructures operated under concessions and fees for commercial premises, and rent for telecommunication infrastructures and advertising space.

It also includes the total of the services produced by the consolidated subsidiaries as their main activity.

3.3. Revenue from ancillary activities

Revenue from ancillary activities is recognised in accordance with IAS 18. It comprises study and assistance work performed by the Development department, services provided outside the scope of the concessions or for other motorway concession operating companies.

3.4. Share-based payments

The measurement and recognition methods for share subscription and purchase plans, free share plans and the VINCI *Plans d'Épargne Groupe* – Group Savings Schemes – are defined by IFRS 2 *Share-based Payment*. The granting of share options, free shares and offers to subscribe to the Group Savings Plan represent a benefit granted to their beneficiaries and therefore constitutes supplementary remuneration borne by the Group. Because such transactions do not give rise to monetary transactions, the benefits granted in this way by VINCI in the form of its own equity instruments to employees of its subsidiary Cofiroute are recognised as expenses in the period in which the rights are acquired, with a corresponding increase in equity. Benefits are measured on the basis of the fair value at the grant date of the equity instruments granted.

3.4.1. Share subscription or purchase option plans

Options to subscribe to or purchase VINCI shares are granted to Group employees and Company officers. The fair value of the options granted is determined at the grant date using a binomial valuation model, of the "Monte Carlo" type. The number of options measured is adjusted for the probability that the vesting conditions for the exercise of the option will not be satisfied.

3.4.2. Free share allocation plans

Free VINCI shares are granted to Group employees and officers. As this is a plan under which the final vesting of the free shares is dependent on the realisation of conditions relating to market performance and financial criteria, the fair value of the free shares has been estimated, at grant date, using a simulation model of the "Monte Carlo" type, in order to incorporate the impact of the market performance condition as recommended by IFRS 2. The number of free shares measured at fair value in the calculation of the IFRS 2 expense is adjusted at each balance sheet date for the impact of the change in the likelihood of the financial criteria being met.

3.4.3. VINCI Group Savings Scheme

Under the Group Savings Scheme, three times a year, VINCI issues new shares reserved for its employees with a subscription price that includes a discount against the average stock market price of the VINCI share during the last 20 business days preceding the authorisation by the Board of Directors. This discount is considered as a benefit granted to the employees; its fair value is determined using a binomial valuation model, of the "Monte Carlo" type, at the date on which the Board of Directors sets the subscription price. As certain restrictions apply to the shares acquired by the employees under these plans regarding their sale or transfer, the fair value of the benefit to the employee takes account of the fact that the shares acquired cannot be freely disposed of for five years.

In 2007, VINCI carried out a leveraged employee shareholding transaction, called *Castor Avantage*, for the employees of its French subsidiaries. The expense related to leveraged plans is measured at grant date in accordance with IFRS 2, on the basis of the benefit granted by the Group to its employees.

The Group recognises the benefits granted in this way to its employees as an expense over the vesting period, with a corresponding entry increasing consolidated equity.

The plans, implemented as decided by VINCI's Board of Directors and approved by the Shareholders General Meeting, are not systematically renewed. As their measurement is not directly linked to its business operations, the Group has considered it appropriate not to include this expense in the operating profit from ordinary activities, which is an indicator of performance, but to report it on a separate line, labelled *Share-based payment expense (IFRS 2)*, in operating profit.

3.5. Cost of net financial debt

The cost of net financial debt includes: .

- the cost of gross financial debt, which includes the interest expense calculated at the effective interest rate, gains and losses on interest-rate derivatives in respect of gross financial debt, whether they are designated as hedges for accounting purposes or not;
- the line item *financial income from cash management investments* comprises the return on investments of cash and cash equivalents. Investments of cash and cash equivalents are measured at fair value through profit or loss.

3.6. Other financial income and expenses

Other financial income and expenses mainly comprises foreign exchange gains and losses, the effects of discounting to present value, dividends received from unconsolidated entities, capitalised borrowing costs and changes in the value of derivatives not allocated to interest rate risk management.

Borrowing costs borne during the construction of assets are included in the cost of those assets. To the extent that borrowing is not intended to finance a specific project, the interest eligible for capitalisation on an asset is determined by applying a capitalisation rate to the expenditure on that asset. This capitalisation rate is equal to the weighted average of the costs of borrowing funds.

3.7. Income tax

Income tax is computed in accordance with the tax legislation in force in the countries where the income is taxable.

In accordance with IAS 12, deferred tax is recognised on the temporary differences between the carrying amount and the tax base of assets and liabilities. Deferred tax is calculated using the latest tax rates enacted or substantially enacted. The effects of a change in the tax rate from one period to another are recognised in the income statement in the period in which the change occurs.

Deferred tax relating to items recognised directly under equity is also recognised under equity. Whenever subsidiaries have distributable reserves, a deferred tax liability is recognised in respect of the probable distributions that will be made in the foreseeable future. Moreover, shareholdings in associates give rise to recognition of a deferred tax liability in respect of all the differences between the carrying amount and the tax base of the shares.

Net deferred tax is determined on the basis of the tax position of each entity or group of entities included in the tax group under consideration and is shown under assets or liabilities for its net amount per taxable entity.

Deferred tax is reviewed at each balance sheet date to take account in particular of the impact of changes in tax law and the prospects for recovery. Deferred tax assets are only recognised if their recovery is probable.
Deferred tax assets and liabilities are not discounted.

3.8. Earnings per share

Earnings per share is the net profit for the period after minority interest, divided by the weighted average number of shares outstanding during the period.
In calculating diluted earnings per share, the average number of shares outstanding is adjusted for the dilutive effect of equity instruments issued by the Company.

3.9. Other intangible assets

This is mainly computer software and licences, measured at cost less cumulative amortisation and impairment losses and amortised on a straight-line basis over their useful life.

3.10. Concession intangible assets

In accordance with VINCI's accounting polices, the construction costs of concession assets are shown on a specific line in the balance sheet, as concession intangible assets. They are amortised on a straight-line basis over the period of the contract, starting at the date of entry into service of the assets.
Renewable assets are depreciated on a straight-line basis over their useful life. Supplementary depreciation charges are made in respect of renewable assets that are returned for no consideration to the concession grantor, in order to bring their residual value to zero at the end of the contract.

3.11. Grants related to assets

Grants related to assets are presented in the balance sheet as a reduction of the amount of the asset for which they were received.

3.12. Property, plant and equipment

Property, plant and equipment mainly comprises fittings, equipment, furniture and vehicles wholly-owned by Group companies. Such items are recorded at acquisition or production cost less cumulative depreciation and any impairment losses. They are not revalued.

Depreciation is generally calculated on a straight-line basis over the period of use of the asset. Accelerated depreciation may however be used when it appears more appropriate to the conditions under which the asset is used.

Items of property, plant and equipment (fittings, equipment, furniture and vehicles) are depreciated over periods of between 3 and 10 years. Depreciation commences as from the asset's entry into service.

3.13. Impairment of non-financial non-current assets

Under certain circumstances, impairment tests must be performed on intangible and tangible fixed assets. A test is performed only when there is an indication of a loss of value.

Assets to be tested for impairment are grouped within cash-generating units that correspond to homogeneous groups of assets that generate identifiable cash flows from their use. Whenever the recoverable value of a cash-generating unit is less than its carrying amount, an impairment loss is recognised in operating profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. The discount rate is determined for each cash-generating unit, taking account of its geographical location and the risk profile of its business.

3.14. Investments in associates

Equity-accounted investments in associates are initially recognised at cost of acquisition, including any goodwill arising. Their carrying amount is then increased or decreased to recognise the Group's share of the associate's profits or losses after the date of acquisition. Whenever losses are greater than the value of the Group's net investment in the associate, these losses are not recognised unless the Group has entered into a commitment to recapitalise the associate or made payments on its behalf.

If there is an indication that an investment may be impaired, its recoverable value is tested as described in Note A.3.13 *Impairment of non-financial non-current assets*.

3.15. Other non-current financial assets

Other non-current financial assets comprise available-for-sale securities, the part at more than one year of loans and receivables measured at their amortised cost and the fair value of non-current derivative financial instruments (assets) (see Note A 3.24 *Fair value of derivative financial instruments, (assets and liabilities)*).

3.15.1. Available-for-sale securities

Available-for-sale securities comprises the Group's shareholdings in unconsolidated entities.

At the balance sheet date, available-for-sale securities are measured at their fair value. For shares in listed companies, fair value is determined on the basis of the stock market price at that balance sheet date.

For unlisted securities, if their fair value cannot be determined reliably, the securities continue to be measured at their original cost, i.e. their cost of acquisition plus transaction costs.

Changes in fair value are recognised directly in equity and are only transferred to profit or loss when the securities in question are sold.

Whenever a decrease in the fair value of an available-for-sale financial asset has been recognised directly in equity and when there is an objective indication that it is impaired, the cumulative loss is recognised in profit or loss and may not be reversed.

3.15.2. Loans and receivables at amortised cost

Loans and receivables at amortised cost mainly comprise receivables connected with shareholdings, current account advances to associates or unconsolidated entities, guarantee deposits, collateralised loans and receivables and other loans and receivables.

When first recognised, these loans and receivables are recognised at their fair value plus the directly attributable transaction costs. At each balance sheet date, these assets are measured at their amortised cost using the effective interest method.

If there is an objective indication of durable impairment, an impairment loss is recognised at the balance sheet date. The impairment loss corresponding to the difference between the carrying amount and the recoverable amount (i.e. the present value of the expected cash flows discounted using the original effective interest rate) is recognised in profit or loss. This loss may be reversed if the recoverable value increases subsequently and if this favourable change can objectively be linked to an event arising after recognition of the impairment loss.

3.16. Inventories and work-in-progress

Inventories are recognised at their cost of acquisition and mainly comprise supplies needed to maintain roads and keep them open for traffic (chloride and fuel). At the balance sheet date, they are measured on a FIFO basis.

3.17. Trade and other operating receivables

Trade and other operating receivables are current financial assets initially measured at their fair value, which is generally their nominal value, unless the effect of discounting is material. At each balance sheet date, receivables are measured at their amortised cost less any impairment losses taking account of any likelihood of non-recovery.

3.18. Other current financial assets

Other current financial assets comprises the fair value of derivative financial instruments (assets) and the part at less than one year of loans and receivables reported under other non-current financial assets.

3.19. Cash management financial assets

Cash management financial assets comprises investments in monetary and bond securities, and units in UCITS, made with a short-term management objective, that do not satisfy the IAS 7 criteria for recognition as cash. As the Group adopts fair value as being the best reflection of the performance of these assets, they are measured and recognised at their fair value, and changes in fair value are recognised through profit or loss.

Purchases and sales of cash management financial assets are recognised at their transaction date.
Their fair value is determined using commonly used valuation models or, for non-listed cash management assets, at the present value of future cash flows. In assessing the fair value of listed instruments, the Group uses the market price at the balance sheet date or the cash-in-value of UCITS.

3.20. Cash and cash equivalents

This item comprises current accounts at banks and cash equivalents corresponding to short-term, liquid investments subject to negligible risks of fluctuations of value. Cash equivalents comprise in particular monetary UCITS (in accordance with the AMF classification), and certificates of deposit with maturities not exceeding three months at the origin. Bank overdrafts are not included in cash and are reported under current financial liabilities.

The Group has adopted the fair value method to assess the return on its financial instruments. Changes in fair value are recognised directly in profit or loss.

3.21. Non-current provisions

Non-current provisions comprise provisions for retirement benefit obligations and other non-current provisions.

3.21.1. Provisions for retirement benefit obligations

Provisions are taken in the balance sheet for obligations arising from defined benefit retirement plans, for both current and former employees (people with deferred rights or who have retired). These provisions are determined using the projected unit credit method on the basis of actuarial assessments made at each annual balance sheet date. The actuarial assumptions used to determine the obligations vary depending on the economic conditions of the country where the plan is operated. Each plan's obligations are recognised separately.

For defined benefit plans financed under external management arrangements (i.e. pension funds or insurance policies), the surplus or shortfall of the fair value of the assets compared with the present value of the obligations is recognised as an asset or liability in the balance sheet, after deduction of cumulative actuarial gains and losses and any past service cost not yet recognised in profit or loss. However, surplus assets are only recognised in the balance sheet to the extent that they represent a future economic benefit for the Group. Past service cost corresponds to the benefits granted either when an entity adopts a new defined benefit plan or when it changes the level of benefit of an existing plan. Whenever new rights to benefit are acquired as from the adoption of the new plan or the change of an existing plan, the past service cost is recognised immediately in the income statement. Conversely, whenever adoption of a new plan or a change in a plan gives rise to the acquisition of rights after its implementation date, past service costs are recognised as an expense on a straight-line basis over the average period remaining until the corresponding rights are fully vested.

Actuarial gains and losses result from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and what has actually occurred).
Cumulative unrecognised actuarial gains and losses that exceed 10% of the higher of the present value of the defined benefit obligation and the fair value of the plan assets are recognised in profit or loss for the excess portion on a straight-line basis over the average expected remaining working lives of the employees in that plan.

For defined benefit plans, the expense recognised under operating profit or loss comprises the current service cost, the amortisation of past service cost, the amortisation of any actuarial gains and losses and the effects of any reduction or winding up of the plan. The interest cost (cost of discounting) and the expected yield on plan assets are recognised under other financial income and expenses.

That part of provisions for retirement benefit obligations that matures within less than one year is shown under current liabilities.

3.21.2. Other non-current provisions

These comprise provisions for other employee benefits, measured in accordance with IAS 19, and those provisions that are not directly linked to the operating cycle, in particular the provision for major repairs, measured in accordance with IAS 37. These are recognised whenever, at the balance sheet date, the Group has a legal or constructive present obligation towards third parties arising from a past event, whenever it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation whenever a reliable estimate can be made of the amount of the obligation. They are measured at their present value, corresponding to the best estimate of the consumption of resources required to settle the obligation.

Provision expenses and reversals result from the change in these assessments at each balance sheet date.
The part at less than one year is shown under *other current liabilities*. The part at less than one year of provisions not directly linked to the operating cycle is reported under *current provisions*.

3.22. Current provisions

Current provisions are provisions directly linked to each business line's own operating cycle, whatever the expected time of settlement of the obligation. They are recognised in accordance with IAS 37 (see above). They also include the part at less than one year of provisions not directly linked to the operating cycle.

Provisions for disputes connected with operations mainly relate to disputes with customers, sub-contractors, joint contractors or suppliers. Restructuring provisions include the cost of plans and measures for which there is a commitment whenever these have been announced before the year end.

3.23. Bonds and other financial debt (current and non-current)

Bonds, other loans and borrowings are recognised at amortised cost using the effective interest method. The effective interest rate is determined after taking account of redemption premiums and issuance expenses. Under this method, the interest expense is measured using the amortised cost method and reported under the cost of gross financial debt.

The part at less than one year of borrowings is included in current borrowings.

3.24. Fair value of derivative financial instruments (assets and liabilities)

The Group uses derivative financial instruments to hedge its exposure to market risks (mainly interest rates). Most interest rate derivatives used are designated as hedging instruments. Hedge accounting is applicable in particular if the conditions provided for in IAS 39 are satisfied, in particular:

- at the inception of the hedge there is a formal designation and documentation of the hedging relationship;
- the effectiveness of the hedging relationship is demonstrated from the outset and at each balance sheet date, prospectively and retrospectively.

The fair value of derivative financial instruments designated as hedges of which the maturity is greater than one year is reported in the balance sheet under *Other non-current financial assets* or *Other loans and borrowings*.
The fair value of other derivative instruments not designated as hedges and the part at less than one year of instruments designated as hedges are reported under *Current financial assets* or *Current financial liabilities*.

3.24.1. Financial instruments designated as hedging instruments

Derivative financial instruments designated as hedging instruments are systematically recognised in the balance sheet at fair value. Nevertheless, their recognition varies depending on whether they are designated as:

- a fair value hedge of an asset or a liability or of an unrecognised firm commitment; or
- a cash flow hedge

Fair value hedge

A fair value hedge enables the exposure to the risk of a change in the fair value of a financial asset, a financial liability or unrecognised firm commitments to be hedged.

Changes in the fair value of the hedging instrument are recognised in profit or loss for the period. The change in value of the hedged item attributable to the hedged risk is recognised symmetrically in profit or loss for the period (and adjusted to the carrying amount of the hedged item). Except for the ineffective part of the hedge, these two revaluations offset each other within the same line items in the income statement.

Cash flow hedge

A cash flow hedge allows exposure to variability in future cash flows associated with an existing asset or liability, or a highly probable forecast transaction, to be hedged.

Changes in the fair value of the derivative financial instrument are recognised in equity for the effective part and in profit or loss for the period for the ineffective part. Cumulative gains or losses in equity are taken to profit or loss under the same line item as the hedged item – i.e. under operating income and expenses for cash flows from operations and under financial income and expense otherwise – whenever the hedged cash flow affects profit or loss.

If the hedging relationship is interrupted, in particular because it is no longer considered effective, the cumulative gains or losses in respect of the derivative instrument are retained in equity and recognised symmetrically with the cash flow hedged. If the future cash flow is no longer expected, the gains and losses previously recognised in equity are immediately taken to profit or loss.

3.24.2. Derivative financial instruments not designated as hedging instruments

Derivative financial instruments that are not designated as hedging instruments are reported in the balance sheet at fair value and changes in their fair value are recognised in profit or loss.

3.25. Trade payables

Trade and other operating payables are current financial liabilities initially measured at their fair value, which is generally their nominal value, unless the effect of discounting is material. At each balance sheet date, trade payables are measured at amortised cost.

3.26. Off balance sheet commitments

The Group's off-balance sheet commitments are monitored through an annual or six-monthly report. Off-balance sheet commitments are reported in the appropriate Notes, as dictated by their nature and the activity to which they relate.

3.27. Segment reporting

The Cofiroute Group is managed as a single business segment – the operation of motorway infrastructures and major highway assets (such as bridges, tunnels) under concession or operating contracts.

4. Standards and Interpretations not applied early

The Group has not elected to apply the following Standards or Interpretations early:

- IFRS 3 Revised *Business Combinations*
- IAS 1 Revised *Presentation of Financial Statements*
- Amendments to IAS 23 *Borrowing Costs*
- IFRS 8 *Operating Segments*
- IFRIC 11 *Group and Treasury Share Transactions*
- IFRIC 13 *Customer Loyalty Programmes*
- IFRIC 14 *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

The Group is currently analysing the impacts and practical consequences of the application of these Standards and Interpretations.

On 30 November 2006, the IFRIC published Interpretation IFRIC 12 on accounting for service concession arrangements:

- The application scope covers public service concession contracts in which the concession grantor is considered to exercise control over the assets operated.
- The various accounting models applicable depend on the consideration received by the operator:
  - Under the intangible asset model, the operator recognises the asset under concession as an intangible asset to the extent that it receives a right to collect tolls (or receive other remuneration) from users, in consideration for the financing, building, and operation of the infrastructure. This treatment would apply to the infrastructure concessions operated by the Group. The intangible asset model also applies whenever the concession grantor remunerates the concession operator on the basis of the extent of use of the infrastructure by users, but with no guarantees as to the amounts that will be paid to the operator (under a simple *pass through or shadow toll* agreement).
  - Under the financial asset model, the operator's rights over the asset under concession are recognised as an interest-bearing financial receivable whenever the concession operator has an unconditional right to receive payments from the concession grantor independently of the extent of use of the infrastructure by users. This model would not apply to the Group.
  - Whenever only part of the investment is covered by a payment commitment from the grantor, it is recognised as a financial receivable up to the amount guaranteed by the grantor, and as an intangible fixed asset for the balance. This model would not apply to the Group.

The Group has not elected for early application at 31 December 2007 of this Interpretation, which is in the course of endorsement by the European Union.

The application of IFRIC 12 by the Group will require the accounting rules and procedures applicable to concession contracts to be adapted, in particular as regards the accounting treatment of provisions for major repairs.

B. Notes to the income statement

5. Revenue

(in € millions)	2007	2006
Revenue – toll receipts	1,018.3	940.2
Revenue - other	20.2	25.5
REVENUE	**1,038.5**	**965.7**

6. Operating profit

(in € millions)	2007	2006
Revenue	**1,038.5**	**965.7**
Revenue from ancillary activities	**2.2**	**3.0**
Purchases	(9.6)	(9.8)
External services	(81.0)	(89.1)
Employment costs	(96.7)	(99.1)
Taxes and levies	(115.3)	(108.6)
Depreciation and amortisation	(156.0)	(142.8)
Net provision charges and other	(15.7)	(6.9)
Other operating income and expenses	(5.0)	(0.7)
Operating expenses	**(479.3)**	**(457.0)**
OPERATING PROFIT FROM ORDINARY ACTIVITIES	**561.4**	**511.6**
Share-based payment expense (IFRS 2)	(3.2)	(2.6)
Profit or loss of associates	0.7	0.7
OPERATING PROFIT	**559.0**	**509.7**

Operating profit from ordinary activities measures the Group's operating performance before the effects of share-based payments (IFRS 2).

It was €561.4 million at 31 December 2007 (54.1% of revenue) compared with €511.6 million at 31 December 2006 (53.0% of revenue), a 9.7% increase. In particular, this trend takes account of the good level of traffic on a like-for-like network basis and the entry into service of new sections. Provision expenses include all obligations related to the early retirement agreement signed (€11.4 million).

Operating profit after taking account of the Group's share of profit or loss of associates and share-based payment expense was €559.0 million at 31 December 2007 (53.8% of revenue) compared with €509.7 million at 31 December 2006 (52.8% of revenue), a 9.7% increase.

6.1. External services

(in € millions)	2007	2006
Major repairs	(31.0)	(38.8)
Other external services	(50.0)	(50.4)
External services	**(81.0)**	**(89.1)**
Major repairs provision expense	***(7.3)***	***(6.3)***

6.2. Depreciation and amortisation

Depreciation and amortisation breaks down as follows:

(in € millions)	2007	2006
Concession intangible assets	(153.6)	(138.9)
Property, plant and equipment	(2.4)	(3.9)
DEPRECIATION AND AMORTISATION	**(156.0)**	**(142.8)**

6.3. Share-based payments

The expense relating to benefits granted to employees has been assessed at €3.2 million in respect of 2007 (compared with €2.6 million in 2006), of which €0.7 million was in respect of share option plans (compared with €1.0 million in 2006), €2.0 million in respect of group savings plans (compared with €1.6 million in 2006) and €0.5 million in respect of the plan to allocate shares for no consideration. (See Note 15 *Share-based payment*).

7. Financial income and expenses

	2007			
(in € millions)	Cost of net financial debt	Other financial expenses	Other financial income	Equity
Liabilities at amortised cost	(188.9)			
Assets and liabilities at fair value through profit or loss (fair value option)	23.0			
Derivatives at fair value through profit or loss (trading): assets and liabilities	3.0			
Derivatives designated as hedges	7.3			
Subtotal: net financial debt	**(155.6)**	**0.0**	**0.0**	**0.0**
Available-for-sale financial assets		(1.1)	7.3	
Foreign exchange gains and losses		(0.3)		
Capitalised borrowing costs			109.2	
TOTAL FINANCIAL INCOME AND EXPENSES	**(155.6)**	**(1.4)**	**116.5**	**0.0**

	2006			
	Cost of net financial debt	Other financial expenses	Other financial income	Equity
Liabilities at amortised cost	(184.1)			
Assets and liabilities at fair value through profit or loss (fair value option)	20.8			
Derivatives at fair value through profit or loss (trading): assets and liabilities	16.4			
Derivatives designated as hedges	13.0			
Subtotal: net financial debt	**(134.0)**	**0.0**	**0.0**	**0.0**
Available-for-sale financial assets		(0.1)	0.9	
Foreign exchange gains and losses		(0.1)		
Capitalised borrowing costs			83.4	
TOTAL FINANCIAL INCOME AND EXPENSES	**(134.0)**	**(0.2)**	**84.3**	**0.0**

7.1. Cost of net debt

The cost of financial debt amounted to €155.6 million at 31 December 2007 compared with €134.0 million at 31 December 2006.

The cost of net financial debt increased by €21.6 million compared with 2006; of this, the change in the level of borrowing contributed for two thirds, the balance being due to higher interest rates.

Gains and losses on derivative financial instruments includes gains and losses on derivatives designated as hedges (fair value and cash flow hedges) and on those not so designated, and break down as follows:

(in € millions)	2007	2006
Net interest received from derivatives designated as fair value hedges	7.3	13.2
Change in value of derivatives designated as fair value hedges	32.5	164.9
Change in value of the adjustment to fair value hedged financial debt	(32.7)	(165.1)
Reversal through profit or loss of amounts deferred in equity	0.5	0.5
Ineffectiveness of cash flow hedges	(0.3)	(0.5)
Gains and losses on derivatives not designated as hedges	3.0	16.4
Gains and losses on derivative instruments allocated to net financial debt	**10.3**	**29.4**

The breakdown of derivative financial instruments is given in Note 18.

7.2. Other financial income and expenses

Most of this relates to borrowing costs included in the cost of assets under construction (€109.2 million in 2007 compared with €83.4 million in 2006).

The change in this item follows the increase in assets under construction, for two-thirds, and the average cost of debt.

This item also includes the gain on the sale of the subsidiary Gefyra Litourgia.

8. Income tax

(in € millions)	2007	2006
Current tax	(141.2)	(131.4)
Deferred tax	(28.6)	(27.7)
■ *including temporary differences for*	(21.3)	(20.4)
■ *including tax losses and tax credits for*	(7.3)	(7.4)
Income tax expense	**(169.8)**	**(159.1)**

8.1. Analysis of net tax expense

The tax expense for the period comprises:

- tax recognised in respect of Cofiroute, the lead company in the tax consolidation group formed with two French subsidiaries.
- the tax expense recognised by foreign subsidiaries for €0.3 million (compared with €0.8 million in 2006).

8.2. Effective tax rate

The difference between the tax calculated using the standard tax rate in force in France and the amount of tax effectively recognised in the period can be analysed as follows:

(in € millions)	2007	2006
Profit before tax and profit or loss of associates	517.8	459.2
Theoretical tax rate in France	34.43%	34.43%
Theoretical tax expense expected	**(178.3)**	**(158.1)**
Difference in tax rates on foreign profit or loss	0.0	0.2
Permanent differences and miscellaneous	8.5	(1.5)
Tax expense recognised	**(169.8)**	**(159.1)**
Effective tax rate	32.80%	34.66%
Effective tax rate excluding impact of share-based payments	**32.74%**	**34.55%**

The permanent differences shown in the effective tax rate reconciliation include in particular:

- the effects associated with the fact that most components of the share-based payment expense are non tax-deductible. These amounted to €0.1 million at 31 December 2007 (and €0.1 million at 31 December 2006).
- the positive effects related to the sale of the shares in Gefyra Litourgia (€2.2 million).

8.3. Breakdown of deferred tax assets and liabilities

(in € millions)	2007	2006
Deferred tax assets		
Retirement benefit obligations	4.3	0.7
Temporary differences on provisions	8.1	8.1
Concession intangible fixed assets (capitalised borrowing costs and other)	7.2	3.7
Adjustment on measuring financial instruments at fair value	1.6	1.1
Other	6.3	8.7
TOTAL	**27.5**	**22.3**

(in € millions)	2007	2006
Deferred tax liabilities		
Adjustment on measuring financial instruments at fair value	3.6	3.6
Concession intangible fixed assets (capitalised borrowing costs and other)	227.9	190.3
Tax-regulated depreciation and amortisation expense	9.9	9.8
Other	0.6	4.0
TOTAL	**242.0**	**207.7**
Net deferred tax asset or liability before impairment losses	**(214.4)**	**(185.4)**
Impairment allowances	- 7.3	- 7.4
Net deferred tax	**(221.7)**	**(192.8)**

Temporary differences associated with consolidation restatements relate mainly to concession intangible fixed assets (€227.9 million in 2007 and €190.3 million in 2006).

8.4. Unrecognised deferred taxes

At 31 December 2007, deferred tax assets that are unrecognised on the grounds that their recovery is not probable amounted to €8.3 million and mainly relate to the impairment of the shares in Toll Collect.

9. Earnings per share

The Company's share capital is represented by 4,058,516 shares, with no changes in 2007 and 2006. The Company has not issued any instrument that could give rights to shares. As a result, the number of shares to take into consideration when calculating basic and diluted earnings per share in 2007 and 2006 is 4,058,516.

C. Notes to the balance sheet

10. Concession intangible assets

Main features of concession contracts

The features of the main contracts for concessions operated by the Group are as follows:

	Control and regulation of prices by concession grantor	Remuneration paid by	Grant or guarantee from concession grantor	Residual value	Concession end date or average duration
Cofiroute					
Intercity toll motorway network in France 1,100km (of which 18km under construction)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Nil	Infrastructures returned to grantor for no consideration, unless purchased by the grantor (in which case at economic value)	End of contract in 2030
A86 France (2 toll tunnels under construction)	Pricing law as defined in the concession contract. Price increases subject to agreement by grantor.	Users	Nil	Infrastructures returned to grantor for no consideration, unless purchased by the grantor (in which case at economic value)	End of contract: 70 years after complete entry into service of asset.

10.1. Commitments made under concession contracts

Contractual investment and renewal obligations

Under its concession contracts, the Group has undertaken to carry out investments in infrastructure that it will operate as concession operator.

A rider to the intercity concessions contract (12th rider) was approved by a Decree of 17 May 2007. A master plan that mainly defines the capital expenditure to be made and the applicable pricing arrangements is in force for the 2004-2008 period. As it has a well-defined contractual framework for its operations, Cofiroute has good visibility over its prospects.

At 31 December 2007, the investments planned for the next five years under the concession contracts and the master plan relate mainly to the intercity network for €443.7 million and the A86 for €366 million.

10.2. Breakdown of concession intangible assets by type of infrastructure

(in € millions)	Cost of infrastructures *	Advances and outstandings	Total
Gross			
1 January 2006	**4,409.6**	**1,498.5**	**5,908.1**
Acquisitions in the period	95.0	774.0	869.0
Disposals and retirements during the period	(19.5)	0.0	(19.5)
Other movements	17.6	(17.8)	(0.2)
	4,502.7	**2,254.7**	**6,757.4**
Grants received	(16.7)		(16.7)
1 January 2007	**4,486.0**	**2,254.7**	**6,740.7**
Acquisitions in the period	227.0	418.6	645.6
Disposals and retirements during the period	(12.8)	0.0	(12.8)
Other movements	651.3	(651.1)	0.2
	5,351.5	**2,022.2**	**7,373.7**
Grants received	(10.8)		(10.8)
31 December 2007	**5,340.7**	**2,022.2**	**7,362.9**
Amortisation and impairment losses			
1 January 2006	**(1,772.9)**	**0.0**	**(1,772.9)**
Amortisation for the period	(138.7)		(138.7)
Impairment losses		(4.8)	(4.8)
Reversals of impairment losses			0.0
Disposals and retirements during the period	18.8		18.8
Other movements	(0.1)		(0.1)
1 January 2007	**(1,892.8)**	**(4.8)**	**(1 897.6)**
Amortisation for the period	(153.6)		(153.6)
Impairment losses			0.0
Reversals of impairment losses		4.8	4.8
Disposals and retirements during the period	7.7		7.7
Other movements	(0.1)		(0.1)
31 December 2007	**(2,038.8)**	**0,0**	**(2,038.8)**
Net			
1 January 2006	**2,636.8**	**1,498.5**	**4,135.2**
1 January 2007	**2,593.2**	**2,249.9**	**4,843.2**
31 December 2007	**3,301.9**	**2,022.2**	**5,324.2**

* Grants deducted

Fixed assets increased by €645.6 million, following investments made by Cofiroute under its concession contracts, compared with €869 million in 2006.
Borrowing costs included during the period in the cost of concession assets before their entry into service amounted to €109.2 million (compared with €83.4 million for 2006).

Concession assets under construction amounted to €2,022.3 million at 31 December 2007 including €1,624.4 million for the A86.

11. Property, plant and equipment

(in € millions)	Land	Landscaping etc.	Plant and equipment	Total
Gross				
1 January 2006	**0.8**	**9.6**	**21.6**	**32.0**
Acquisitions in the period		0.0	1.1	1.1
Disposals and retirements during the period	(0.1)	(0.1)	(1.2)	(1.4)
Other movements	0.1		0.1	0.2
1 January 2007	**0.8**	**9.5**	**21.6**	**31.9**
Acquisitions in the period		0.0	0.4	0.5
Disposals and retirements during the period	0.0	0.0	(0.2)	(0.2)
Other movements	0.4	0.0	(0.6)	(0.2)
31 December 2007	**1.2**	**9.5**	**21.3**	**32.0**

(in € millions)	Land	Landscaping etc.	Plant and equipment	Total
Depreciation and impairment losses				
1 January 2006	**0.0**	**(8.1)**	**(13.8)**	**(22.0)**
Depreciation for the period		(0.9)	(3.0)	(3.9)
Disposals and retirements during the period		0.1	1.1	1.2
Other movements			0.1	0.1
1 January 2007	**0.0**	**(9.0)**	**(15.6)**	**(24.6)**
Depreciation for the period		0.5	(2.8)	(2.4)
Disposals and retirements during the period		0.0	0.2	0.2
Other movements			0.1	0.1
31 December 2007	**0.0**	**(8.5)**	**(18.2)**	**(26.7)**

(in € millions)	Land	Landscaping etc.	Plant and equipment	Total
Net				
1 January 2006	**0.8**	**1.5**	**7.8**	**10.1**
1 January 2007	**0.8**	**0.5**	**6.0**	**7.4**
31 December 2007	**1.2**	**1.0**	**3.1**	**5.3**

12. Investments in associates

The carrying amount of associated companies at 31 December 2007 was €1.084 million compared with €1.150 million at 31 December 2006. This corresponds to the value of the shareholdings in equity-accounted investments. The decrease of €0.065 million is the Group's share of the profit or loss of the associated companies.

Shareholdings in equity-accounted investments at 31 December 2007 relate to a subsidiary in Chile in liquidation and a subsidiary in the United Kingdom in which the Group has significant influence.

The main financial data relating to these companies at 31 December 2007 was as follows (on a 100% basis):

Financial data (on a 100% basis) in € millions	**OADB**	**Le Crossing Company Limited**
% held	40%	43%
Revenue	0.0	34.2
Attributable to Group	*0.0*	*13.7*
Operating expenses	(0.1)	(31.8)
Operating profit	(0.1)	2.4
Net profit	**(0.1)**	**1.7**
Equity at 31 December 2007	**0.2**	**2.5**
Attributable to Group	*0.1*	*1.1*
Share of net consolidated profit / (loss) attributable to Group	0.0	0.7
Value of investments in associates	**0,2**	**0,7**
Carrying amount of shares in parent company accounts	0.1	0.6
Original cost of shares	0.1	0.6
Other balance sheet information		
TOTAL ASSETS / EQUITY AND LIABILITIES	**0.2**	**5.7**

13. Other non-current financial assets

Other non-current financial assets are mainly shares in unlisted subsidiaries and associates that do not meet the minimum financial criteria for consolidation adopted by Cofiroute. They correspond to the available-for-sale assets category, as defined in IAS 39, and amounted to €0.4 million at 31 December 2007; there was no major change during the period.

Available-for-sale assets break down as follows at 31 December:

(in € millions)	**2007**	**2006**
SOCIÉTÉ D'EXPLOITATION DE RADIODIFFUSION AUTOROUTIÈRE	0.062	0.062
MEDIAMOBILE	0.060	0.060
SOCIÉTÉ DE PRESTATIONS ET DE TRANSACTIONS FONCIÈRES	0.008	0.008
CENTAURE BRETAGNE	0.181	0.181
AUTO TRAFIC GIE	0.042	0.042
VINCI NETWORKS		0.025
■ *provision against shareholdings*		(0.025)
TOLL COLLECT	47.005	47.005
■ *provision against shareholdings*	(47.005)	(47.005)
Available-for-sale financial assets	0.353	0.353

The change of €0.025 million in the period was due to the sale of the shareholding in VINCI Networks to VINCI Construction France. It should also be noted that the €47 million shareholding in Toll Collect has been completely written down as at 31 December 2007.

14. Change in equity (excluding share-based payment)

14.1. Shares

The Company's share capital is represented by 4,058,516 shares, with no changes in 2007 and 2006. The Company has not issued any instrument that could give rights to shares. As a result, the number of shares to take into consideration when calculating basic earnings per share in 2007 and 2006 is 4,058,516.

14.2. Distributable reserves

Changes in the Group's distributable reserves are as follows:

(in € millions)	2007	2006
Free of corporate income tax liabilities	1,077.6	968.1
Distributable reserves	**1,077.6**	**968.1**

The statutory reserve of Cofiroute stood at €15.8 million at 31 December 2007, with no change during the period.

14.3. Items recognised directly in equity

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

(in € millions)	2007	2006
Cash flow hedges		
Reserve at beginning of period	1.9	0.9
Changes in fair value in the period		
Fair value items recognised in profit or loss	0.7	1.1
Changes connected with disposal of entities		
Reserve at end of the period	**2.6**	**1.9**

(in € millions)	2007	2006
Total items recognised directly in equity		
Gross reserve	4.0	3.0
Associated tax effect	(1.4)	(1.0)
Reserve net of tax	**2.6**	**1.9**

14.4. Dividends

The Shareholders General Meeting voting on the 2006 financial statements voted for the payment of a dividend of €162,827,662 (€40.12 per share) in respect of 2006. An interim dividend of €129,872,512 (€32 per share) was paid in 2006.

The Board of Directors finalised the condensed interim consolidated financial statements at 30 June 2007, and decided to pay an interim dividend of €158,282,124 amounting to a dividend of €39 for each of the 4,058,516 shares representing the share capital, in respect of 2007.

The dividends paid in respect of 2007 and 2006 break down as follows:

(in € millions)	2007	2006
Interim dividend (paid in November in the same year)		
Amount *(in € millions)* (I)	158.3	129.9
Per share in euros	39.0	32.0
Final dividend (paid in April of the next year)		
Amount *(in € millions)* (II)	30.0	33.0
Per share in euros	7.4	8.1
Total net dividend per share		
Amount *(in € millions)* (I) + (II)	188.3	162.8
Per share in euros	46.4	40.1

14.5. Minority interest

The Group has sold its shareholding in Gefyra Litourgia to VINCI Concessions during the period. The sale of this subsidiary resulted in a reduction of minority interest of €1 million (47% of the share capital), a component of equity.

At 31 December 2007, the subsidiaries in which the Group has *de facto* control are all fully consolidated (see Note A.2.1 *Consolidation scope*). Therefore, at 31 December 2007, no minority interests are reported in the Group's consolidated financial statements.

15. Share-based payment

The employees of the Cofiroute Group are entitled to share purchase option plans, free share plans and the group savings scheme of the parent company VINCI. The aggregate expense recognised at 31 December 2007 in respect of share-based payments amounted to €3.2 million, of which €2 million was in respect of the Group Savings Scheme, compared with €2.6 million at 31 December 2006, of which €1.6 million was in respect of the Group Savings Schemes.

VINCI's Board of Directors defines the conditions for subscribing to the Group Savings Scheme in accordance with the authorisations granted to it by the Shareholders General Meeting. For France, VINCI issues new shares reserved for employees three times a year with a subscription price that includes a discount of 10% against the stock market price. Subscribers benefit from a contribution from their enterprise, of a maximum of €3,500 per year. The benefits granted in this way to employees of the Group are recognised in profit or loss and are valued in accordance with IFRS 2 on the basis of the following assumptions:

- length of subscription period: 4 months;
- length of period during which funds are frozen: 5 years from the end of the subscription period;

16. Non-current provisions

(in € millions)	Note	2007	2006
Provisions for retirement benefit obligations	16.1	0.3	1.1
Other non-current provisions	16.2	42.5	26.0
Non-current provisions		**42.7**	**27.1**

16.1. Provisions for retirement benefit obligations

At 31 December 2007, provisions for retirement benefit obligations amounted to €0.3 million (compared with €1.1 million at 31 December 2006). These provisions comprise provisions for lump-sums on retirement and provisions for obligations for supplementary retirement benefits.
Cofiroute's retirement benefit obligations under defined benefit plans fall into two categories:

- obligations borne directly by Cofiroute, covered by provisions recognised in the consolidated balance sheet: this relates to lump-sums on retirement and supplementary defined benefit pension plans;
- plans imposing obligations that are pre-financed through a contract with an insurance company.

Retirement benefit obligations covered by provisions in the balance sheet are measured using the following assumptions:

(in € millions)	2007	2006
Discount rate	5.25%	4.75%
Inflation rate	1.90%	2.00%
Rate of salary increases	2 - 4.2%	2 - 4.2%
Rate of pension increases	1.5 - 2.5%	1.5 - 2.5%
Probable average remaining working life of employees	10 - 15 years	10 - 15 years

For each plan, the expected return on plan assets is determined using the building block method, which breaks the expected return down into three parts: money market investments, investments in bonds and investments in equities. The return on equities is determined by adding 3% to the long-term return on government bonds. The money and bond market components are determined from published market indexes.
Plan assets are valued at their fair value at 31 December 2007. The book value at 31 December 2007 is used for assets invested with insurance companies.

The breakdown was as follows:

	2007		2006	
(in € millions)	Eurozone	Weighted average	Eurozone	Weighted average
Breakdown of financial assets				
Shares	18%	18%	17%	17%
Bonds	74%	74%	73%	73%
Property	8%	8%	9%	9%
Total	100%	100%	100%	100%
Average rate of return assumed	**5%**	**5%**	**5%**	**5%**

On the basis of these assumptions, the retirement benefit obligations, the part provided for, and the retirement benefit expenses recognised break down as follows:

Reconciliation of obligations and provisions in the balance sheet

(in € millions)	2007	2006
Present value of retirement benefit obligations	(6.8)	(8.1)
Fair value of plan assets	5.3	5.1
Surplus (or deficit)	(1.5)	(3.0)
Provisions recognised in balance sheet	(0.3)	(1.1)
Assets recognised in balance sheet		0.0
Items not recognised in balance sheet		
Actuarial gains and losses	(1.4)	(1.9)
Past service cost	0.2	

Changes in the period

(in € millions)	2007	2006
Present value of retirement benefit obligations		
Balance at the beginning of the period	**8.1**	**7.8**
including obligations covered by plan assets for	**5.3**	**5.1**
Current service cost	0.5	0.5
Cost for the period of discounting	0.4	0.4
Benefits paid during the period	(0.5)	(0.2)
Actuarial gains and losses	(0.2)	(0.4)
Past service cost	(0.2)	0.0
Settlement of rights		
Effects of plan curtailments and alterations	(1.4)	
Effect of exchange rate fluctuations		
Changes in consolidation scope and miscellaneous		
Balance at the end of the period	**6.8**	**8.1**
including obligations covered by plan assets for		
Plan assets		
Balance at the beginning of the period	**5.1**	**4.9**
Expected return on plan assets	0.2	0.2
Actuarial gains and losses		
Contributions paid to funds	0.2	0.1
Benefits paid during the period	(0.2)	(0.1)
Settlement of rights		
Effects of plan closures		
Effect of exchange rate fluctuations		
Changes in consolidation scope and miscellaneous		
Balance at the end of the period	**5.3**	**5.1**
Items not recognised in balance sheet		
Balance at the beginning of the period	**1.9**	**2.4**
New elements		
Effect of changes in assumptions	(0.2)	(0.2)
Effect of experience gains and losses	0.1	(0.1)
Amortisation for the period	(0.1	(0.1)
Exchange rate and other changes		
Effects of plan curtailments and alterations	(0.5)	
Balance at the end of the period	**1.2**	**1.9**
■ *including actuarial gains and losses, for*	1.4	1.9
■ *including past service cost for*	(0.2)	
Actuarial gains and losses as percentage of obligations	20.2%	23.3%

The Group estimates the payments to be made in 2008 in respect of retirement benefit obligations at €0.5 million, comprising €0.3 million relating to benefits paid to retired employees and €0.2 million to contributions payable to fund managing bodies.

The 2008 Social Security Finance Act makes lump-sums paid when employees are made to retire before the age of 65 subject to a supplementary social tax of 25% in 2008 and 50% in 2009. Moreover, this Act abolishes the favourable tax and social security regime applicable to negotiated lump-sums paid on retirement before the age of 65 and paid between 2010 and 2014 by enterprises covered by an agreement or business sector agreement under the provisions of the Fillon Act. As a result of this new Act, the Group has adjusted the assumptions used but this has not led to a material impact on the corresponding obligations.
Unrecognised items (the difference between the observed amount of obligations, or invested funds, and the expected amounts) were €1.2 million at 31 December 2007, including €0.2 million relating to past service costs following changes in retirement ages. These past service costs are amortised over the remaining working lives of employees in service.

Expenses recognised in respect of defined benefit plans

(in € millions)	2007	2006
Rights acquired by employees during the period	0.5	0.5
Discounting of acquired rights to present value	0.4	0.4
Expected return on plan assets	(0.2)	0.2
Amortisation of actuarial gains and losses	0.1	(0.1)
Amortisation of past service cost – rights not vested		(0.2)
Past service cost – rights vested		0.0
Other	(1.6)	(0.1)
TOTAL	**(0.8)**	**0.6**

The Group contributes to basic State pension schemes, for which the expense recognised is the amount of the contributions called by the State bodies. Basic State pension schemes are considered as being defined contribution plans.
The amount of retirement benefit contributions taken as an expense in the period in respect of defined contribution plans (excluding basic State schemes) was €4.8 million at 31 December 2007, compared with €4.5 million at 31 December 2006. This comprises the contributions paid to the CRICA and ANEP providence funds.

16.2. Other non-current provisions

Changes in non-current provisions reported in the balance sheet were as follows in 2006 and 2007:

(in € millions)	Opening balances	Provisions expense	Provisions used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Closing balances
1 January 2006						**25.3**
Other employee benefits	6.4		(4.6)			1.8
Financial liabilities						0.0
Major repairs	40.6	28.0	(21.7)			46.9
Other liabilities	8.8	2.5	(0.1)			11.3
Discounting of non-current provisions						0.0
Reclassification of the part at less than one year of non-current provisions	(30.6)			(3.4)		(34.0)
1 January 2007	**25.3**	**30.5**	**(26.4)**	**0.0**	**(3.4)**	**26.0**
Other employee benefits	1.8	11.4				13.2
Financial liabilities	0.0					0.0
Major repairs	46.9	30.0	(22.7)			54.2
Other liabilities	11.3	0.6	(8.2)		(0.1)	3.6
Discounting of non-current provisions	0.0					0.0
Reclassification of the part at less than one year of non-current provisions	(34.0)				5.3	(28.7)
31 December 2007	**26.0**	**42.1**	**(30.9)**	**(0.1)**	**5.3**	**42.5**

16.2.1. Other employee benefits

The provisions for other employee benefits relate mainly to provisions relating to the early retirement agreement – the *Cessation Anticipée d'Activité des Travailleurs Salariés (CATS)* – and are measured at the present value of future benefits.

In 2007, Cofiroute signed these early retirement agreements. They enable employees who have worked in particularly arduous conditions to cease working before reaching the age entitling them to a full pension, under a suspension of their contract of employment.

The company-level agreement describes, among other matters, the conditions that employees must satisfy in order to benefit from these arrangements, and the benefits that will be paid to them during the so-called "pre-retirement" period. Benefits comprise in particular:

- lump-sums paid at the start and end of the pre-retirement period;
- an allowance paid during the pre-retirement period in lieu of pay; and
- maintenance of social benefit cover during the pre-retirement period.

The signature of a "CATS" agreement with the State entitles employers to:

- exemption from certain social benefit contributions; and
- partial State participation in the financing of the pre-retirement allowance, when beneficiaries reach the age of 57.

The extent of this participation varies depending on the age of the beneficiary at the time of joining the scheme. Under the agreement signed by Cofiroute, the State participation will be the maximum, which is 50% of the allowance.

The provisions were calculated using the following actuarial assumptions:

(in € millions)	2007	2006
Discount rate	5.25%	4.75%
Inflation rate	1.90%	2.0%
Rate of salary increases	2 - 4.2%	2 - 4.2%
Rate of change of medical expenses	6%	6%

At 31 December 2007, this provision amounted to €11.4 million (of which €10.3 million was at more than one year).

16.2.2. Provisions for major repairs and other liabilities

Provisions for major repairs relate to contractual obligations to return assets operated under concessions to good condition. These are calculated at the end of each period on the basis of a work programme covering several years which is reviewed annually to take account of planned expenditure, and amounted to €54.2 million at 31 December 2007 compared with €46.9 million at 31 December 2006.

The provisions for other liabilities, not directly linked with the operating cycle, include in particular the provisions for disputes and arbitration and amounted to €3.6 million at 31 December 2007.

To the Company's knowledge, there is no exceptional event or litigation likely to affect substantially the business, financial performance, net assets or financial situation of the Group. Provisions that the Company considers sufficient given the current state of affairs have been taken in respect of cases in progress, where necessary.

17. Net financial debt

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

		31 December 2007			31 December 2006		
(in € millions)	Note	NON-CURRENT	CURRENT*	TOTAL	NON-CURRENT	CURRENT*	TOTAL
Bonds	17.1	(2,529.1)	(421.3)	(2,950.3)	(2,583.1)	(372.6)	(2,955.7)
Other bank loans and other financial debt	17.1	(859.9)	(10.7)	(870.7)	(654.6)	(5.7)	(660.3)
Long-term financial debt		**(3,389.0)**	**(432.0)**	**(3,821.0)**	**(3,237.7)**	**(378.4)**	**(3,616.1)**
Other current financial liabilities	17.2	0,0	(0,3)	(0.3)	0.0	(0.3)	(0.3)
I - Gross financial debt		**(3,389.0)**	**(432.3)**	**(3 821.3)**	**(3,237.7)**	**(378.6)**	**(3,616.3)**
■ *including impact of fair value hedges, for*		(2.3)		(2.3)	(56.1)	0.0	(56.1)
■ *including gross financial debt before fair value adjustment, for*		(3,386.7)	(432.3)	(3,819.0)	(3,181.6)	(378.6)	(3,560.3)
Cash management financial assets not cash equivalents	17.3		24.3	24.3	0.0	132.0	132.0
Cash equivalents	17.3		448.5	448.5	0.0	348.1	348.1
Cash	17.3		28.9	28.9	0.0	24.9	24.9
II - Financial assets		**0.0**	**501.6**	**501.6**	**0.0**	**505.0**	**505.0**
Derivative financial instruments - liabilities	18	0.0	(7.1)	(7.1)	0.0	0.0	0.0
Derivative financial instruments - assets	18	2.8	64.5	67.3	48.8	62.7	111.5
III - Derivative financial instruments		**2.8**	**57.4**	**60.2**	**48.8**	**62.7**	**111.5**
Net financial debt (I + II + III)		**(3,386.2)**	**126.7**	**(3,259.5)**	**(3,188.9)**	**189.1**	**(2,999.8)**

* Current part including accrual

At 31 December 2007, the Group's net financial debt was €3.3 billion (compared with €3.0 billion at 31 December 2006.)

The change in net debt is mainly due to new loans (bonds and bank borrowing) taken out to finance investments and loan repayments.

17.1. Detail of long-term financial debt

Long-term financial debt at 31 December 2007 was as follows:

	31 December 2007					31 December 2006	
(in € millions)	CURRENCY	CONTRACTUAL INTEREST RATE	MATURITIES	NOMINAL REMAINING DUE	CARRYING AMOUNT	NOMINAL REMAINING DUE	CARRYING AMOUNT
BONDS							
Bond issue 1996	EUR	6.800%	July 2007			304.9	310.5
Bond issue 1997	EUR	5.900%	November 2008	350.6	354.3	350.6	356.8
Bond issue 1999	EUR	6.000%	November 2009	300.0	303.3	300.0	308.1
Bond issue 2001	EUR	5.875%	October 2016	300.0	307.5	300.0	321.9
Bearer bond issue 2001	EUR	5.875%	October 2016	200.0	211.1	200.0	219.7
Bond issue 2003	EUR	5.250%	April 2018	600.0	650.1	600.0	652.1
Bond issue 2006	EUR	5.000%	May 2021	750.0	762.9	750.0	762.5
Bearer bond issue 2006	EUR	5.000%	May 2021	350.0	339.3		
PEE November 2001	EUR	7.500%	November 2007			1.4	1.4
PEE April 2001	EUR	7.500%	April 2008	1.5	1.6	1.5	1.6
PEE April 2002	EUR	7.500%	April 2009	3.0	3.2	3.0	3.2
PEE November 2002	EUR	7.500%	October 2009	1.5	1.5	1.5	1.5
PEE April 2003	EUR	7.500%	April 2010	4.8	5.0	4.8	5.0
PEE October 2003	EUR	7.500%	October 2010	1.2	1.2	1.2	1.2
PEE April 2004	EUR	7.500%	April 2011	4.0	4.6	4.0	4.7
PEE April 2005	EUR	7.500%	April 2012	3.3	4.0	3.3	4.1
PEE April 2006	EUR	7.500%	April 2013	3.0	3.6	3.0	3.7
PEE April 2007	EUR	7.500%	April 2014	2.0	2.4		
OTHER BANK LOANS AND OTHER FINANCIAL DEBT							
BEI March 2002	EUR	TAUX BEI	March 2027	75.0	75.2	75.0	75.1
BEI December 2002	EUR	EUR3M + 0.18%	December 2027	50.0	50.0	50.0	50.0
BEI March 2003	EUR	5.090%	March 2018	75.0	78.1	75.0	85.0
BEI December 2004	EUR	TAUX BEI	December 2019	200.0	200.5	200.0	200.3
BEI December 2005	EUR	4.115%	December 2025	190.0	190.7	190.0	190.6
BEI December 2006	EUR	4.370%	December 2029	50.0	50.1	50.0	50.1
BEI June 2007	EUR	4.380%	June 2029	210.0	214.7		
Other	EUR			8.3	6.1	9.5	6.8
LONG-TERM FINANCIAL DEBT				**3,733.2**	**3,821.0**	**3,478.8**	**3,616.1**

17.2. Other current financial liabilities

Other current financial liabilities relate to foreign subsidiaries and have remained constant, at €0.3 million.

17.3. Net cash managed

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

(in € millions)	2007	2006
I. Marketable securities and mutual funds (UCITS)	24.3	132.0
II. Negotiable debt securities with an original maturity of less than 3 months	0.0	0.0
III. Negotiable debt securities with an original maturity of more than 3 months	0.0	0.0
Current cash management financial assets (I + II +III)	**24.3**	**132.0**
IV. Marketable securities and mutual funds (UCITS)	147.5	348.1
V. Negotiable debt securities with an original maturity of less than 3 months	301.0	0.0
Cash equivalents (IV + V)	**448.5**	**348.1**
Cash	**28.9**	**24.9**
Bank overdrafts and commercial paper issued	0.0	0.0
NET CASH MANAGED	**501.6**	**505.0**

Cash surpluses are managed with the objective of earning a return close to that of the money market, avoiding risks to capital while maintaining a low level of volatility through a performance and risk monitoring system. The investment vehicles used by the Group are mainly UCITS and negotiable debt securities (in particular, certificates of deposit with a maturity of less than three months) and similar. They are measured and recognised at their fair value (see Note 3.19 *Cash management financial assets).*

These various financial assets *"cash management current financial assets"* and *"cash equivalents"* are managed involving limited risk to capital and are monitored through a risk and performance monitoring system.

Cash management current financial assets and *cash equivalents* correspond mainly to the investment of the Group's cash surpluses. At 31 December 2007, the amount managed was €472.8 million.

18. Management of financial risks

The following disclosures present the Group's exposure to its financial risks, its objectives, its policy and its processes to measure and manage the risks.

Given the high level of its net financial debt and the size of the associated financial income and expense, the Group has instituted a system to manage and monitor the various financial risks to which it is exposed, principally interest rate risk.

The management and limiting of these financial risks are generally handled by the Group's Finance Department in accordance with the management policies agreed by the Audit Committee and the guidelines issued by the Treasury and Finance Committees. The Treasury Committees are responsible for identifying, measuring and hedging financial risks.

The Group also uses the information system of its parent company, VINCI.

In order to manage its exposure to market risks, the Group uses derivative financial instruments which are recognised in the balance sheet at their fair value.

At the balance sheet date, the fair value of derivative financial instruments breaks down as follows:

(in € millions)	31 December 2007 NON-CURRENT ASSET	CURRENT ASSET	NON-CURRENT LIABILITY	CURRENT LIABILITY	NET
Interest rate derivatives: fair value hedges	2.0	2.8			4.8
Interest rate derivatives: cash flow hedges	0.8				0.8
Interest rate derivatives not designated as hedges		61.6		(7.1)	54.6
Interest rate derivatives	**2.8**	**64.5**	**0.0**	**(7.1)**	**60.2**
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	**2.8**	**64.5**	**0.0**	**(7.1)**	**60.2**

(in € millions)	31 December 2006 NON-CURRENT ASSET	CURRENT ASSET	NON-CURRENT LIABILITY	CURRENT LIABILITY	NET
Interest rate derivatives: fair value hedges	47.6	5.2			52.8
Interest rate derivatives: cash flow hedges	1.1				1.1
Interest rate derivatives not designated as hedges		57.5			57.5
Interest rate derivatives	**48.8**	**62.7**	**0.0**	**0.0**	**111.5**
TOTAL DERIVATIVE FINANCIAL INSTRUMENTS	**48.8**	**62.7**	**0.0**	**0.0**	**111.5**

18.1. Interest rate risk

All the Group's consolidated net debt is denominated in euros.

Interest rate risk is managed with two timescales: the long term, aiming to ensure and optimise the concession's economic equilibrium, and the short term, with an objective of optimising the average cost of debt within the budget framework. Over the long term, the objective is to maintain over time a breakdown between fixed and floating-rate that can change depending on the debt level.

To do this, the Group uses derivative financial instruments in the form of options or interest rate swaps of which the start date may be deferred. These hedging instruments have, as the maximum, the same nominal amounts and the same maturities as the hedged items. These derivative financial instruments are either designated as hedges for accounting purposes or not (the economic hedge concept).

The table below shows the breakdown of the redemption amount at par of the long-term debt between fixed and floating rate, before and after taking account of the associated derivative financial instruments, whether designated as hedging instruments or not:

	31 December 2007			31 December 2006		
(in € millions)	DEBT	PROPORTION	RATE	DEBT	PROPORTION	RATE
Fixed rate	3,417.1	91%	5.31%	3,164.5	91%	5.42%
Floating rate	325.0	9%	5.09%	325.0	9%	3.74%
Impact on debt of fair value hedges in place and accruals	79.2			126.9		
TOTAL BEFORE HEDGING	**3,821.3**	**100%**	**5.29%**	**3,616.4**	**100%**	**5.26%**
Fixed rate	2,892.3	77%	5.05%	1,664.4	48%	5.34%
Capped floating rate	750.4	20%	4.73%	746.8	21%	3.81%
Floating rate	99.4	3%	5.69%	1,078.3	31%	4.27%
Impact on debt of fair value hedges in place and accruals	79.2			126.9		
TOTAL AFTER HEDGING	**3,821.3**	**100%**	**5.02%**	**3,616.4**	**100%**	**4.68%**

18.1.1. Sensitivity to interest rate risk

The Group's income statement is exposed to fluctuations in interest rates arising from:

- cash flows relating to floating-rate financial instruments (whether derivatives or not);
- fixed-rate financial instruments recognised in the balance sheet at fair value through profit or loss;
- derivative financial instruments that are not designated as hedges. These transactions mainly comprise net purchase option positions with a maturity of less than 5 years of which the maximum loss over the life of the transaction is equal to the premium paid.

On the other hand, fluctuations in the value of derivatives designated as hedges do not have a direct impact on profit or loss and affect equity.

Interest rate instruments: sensitivity of cash flows:

The sensitivity of floating-rate instruments' cash flows has been determined taking account of all variable flows of derivative and non-derivative instruments. The analysis below has been prepared assuming that the amount of the financial debt and derivatives at 31 December remains constant over a whole year.

A fluctuation of 50 basis points in interest rates at the balance sheet date would not have a material impact on equity or profit or loss. For the purpose of this analysis, all the other variables are assumed to remain constant.

18.1.2. Detail of interest rate derivatives

Derivative financial instruments at 31 December 2007 break down as follows, at the balance sheet date:

Valeur au bilan

	31 December 2007						
(in € millions)	WITHIN 1 YEAR	AFTER 1 AND WITHIN 2 YEARS	AFTER 2 AND WITHIN 5 YEARS	AFTER 5 YEARS	NOTIONAL	FAIR VALUE, ASSETS	FAIR VALUE, LIABILITIES
Fixed receiver / floating payer interest rate swap		300		225	525	5	
Interest rate options (caps, floors and collars)					0		
Interest rate derivatives: fair value hedges	**0**	**300**	**0**	**225**	**525**	**5**	**0**
Floating receiver / fixed payer interest rate swap					0		
Interest rate options (caps, floors and collars)			200		200	1	
Interest rate derivatives: hedging of contractual cash flows	**0**	**0**	**200**	**0**	**200**	**1**	**0**
Interest rate swaps				1,200	1,200	48	
Interest rate options (caps, floors and collars)		225	325		550	6	
Interest rate derivatives not designated as hedges for accounting purposes	**0**	**225**	**325**	**1,200**	**1,750**	**55**	**0**
TOTAL INTEREST RATE DERIVATIVES	**0**	**525**	**525**	**1,425**	**2,475**	**60**	**0**

	31 December 2006						
(in € millions)	WITHIN 1 YEAR	AFTER 1 AND WITHIN 2 YEARS	AFTER 2 AND WITHIN 5 YEARS	AFTER 5 YEARS	NOTIONAL	FAIR VALUE, ASSETS	FAIR VALUE, LIABILITIES
Fixed receiver / floating payer interest rate swap			300	575	875	53	
Interest rate options (caps, floors and collars)					0		
Interest rate derivatives: fair value hedges	**0**	**0**	**300**	**575**	**875**	**53**	**0**
Floating receiver / fixed payer interest rate swap					0		
Interest rate options (caps, floors and collars)			200		200	1	
Interest rate derivatives: hedging of contractual cash flows	**0**	**0**	**200**	**0**	**200**	**1**	**0**
Interest rate swaps				1,200	1,200	51	0
Interest rate options (caps, floors and collars)			550		550	6	
Interest rate derivatives not designated as hedges for accounting purposes	**0**	**0**	**550**	**1,200**	**1,750**	**58**	**0**
TOTAL INTEREST RATE DERIVATIVES	**0**	**0**	**1,050**	**1,775**	**2,825**	**111**	**0**

Fair value hedging relates mainly to bond issues.

Non-hedging transactions are mainly short-maturity options. They enable the level of hedging to be adjusted taking account of the market situation. Moreover, the swap transactions correspond mainly to a portfolio of mirror swaps (following swap reversal transactions) that generate no risk of fluctuation of fair value.

18.1.3. Description of cash flow hedging

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

	31 December 2007							31 December 2006	
(in € millions)	WITHIN 1 YEAR	AFTER 1 AND WITHIN 2 YEARS	AFTER 2 AND WITHIN 5 YEARS	AFTER 5 YEARS	NOTIONAL	FAIR VALUE, ASSETS	TOTAL FAIR VALUE	NOTIONAL	CARRYING AMOUNT
Floating receiver / fixed payer interest rate swap	0	0	0	0	0	0	0		
Interest rate options (caps, floors and collars)	0	0	200	0	200	1	0	200	1
Interest rate derivatives: hedging of contractual cash flows	0	0	200	0	200	1	0	200	1
TOTAL	**0**	**0**	**200**	**0**	**200**	**1**	**0**	**200**	**1**

Hedging of contractual cash flows

The Group has set up caps that serve to render interest payments on floating-rate debt fixed. Contractual cash flows relating to caps are paid symmetrically with the hedged interest payment flows. In the absence of an intrinsic value, the full fluctuation in value is recognised in profit or loss.

18.2. Foreign exchange risk

The Group is only exposed to foreign exchange risk through its subsidiaries, and this risk is very marginal.

18.3. Liquidity risk

The Group's policy is to hold sufficient cash available at any time to meet its existing and future commitments and to extend the average period of its debt. This is made possible by the total amount available from the net cash managed by the Group (€501.6 million at 31 December), supported furthermore by a confirmed, unused credit facility (of €1,020 million at 31 December 2007).

Cofiroute also has a commercial paper programme of €450 million, rated A-2 by Standard & Poor's. This facility was not being used at 31 December 2007.

All surplus cash is invested daily by the Group, mainly in financial instruments with no exposure to price risk (see above).

Moreover, at 31 December 2007, the Group's ratings by Standard & Poor's were:

- long-term: BBB + outlook negative
- short-term: A2

Maturity of financial debt and associated interest payments

At 31 December 2007, the average maturity of the Group's financial debt was 9.9 years, compared with 9.3 years at 31 December 2006.

The Group's financial debt at redemption value and the associated interest payments, on the basis of crystallisation of the interest rates at 31 December 2007, break down as follows, by maturity date:

(in € millions)	31 December 2007 CARRYING AMOUNT	CAPITAL OUTSTANDING	CONTRACTUAL FLOWS	WITHIN 6 MONTHS	AFTER 6 AND WITHIN 12 MONTHS	AFTER 1 AND WITHIN 2 YEARS	AFTER 2 AND WITHIN 5 YEARS	AFTER 5 YEARS
Bonds								
Non-derivative financial instruments	(2,950.3)	(2,874.9)	(2,874.9)	(1.5)	(350.6)	(310.5)	(7.3)	(2,205.0)
Interest flows on non-derivative financial instruments			(1,559.0)	(88.0)	(24.6)	(158.3)	(486.1)	(802.0)
Derivative financial instruments	54.1		54.9	4.0	4.2	8.1	14.6	24.0
Other bank loans and other financial debt								
Non-derivative financial instruments	(870.7)	(858.3)	(858.3)	(0.6)	(0.6)	(1.3)	(14.2)	(841.5)
Interest flows on non-derivative financial instruments			(483.6)	(16.7)	(22.1)	(38.8)	(116.4)	(289.6)
Derivative financial instruments	6.2		6.8	0.8	0.7	1.5	0.7	3.1
Other current financial liabilities								
Non-derivative financial instruments	(0.3)		(0.3)		(0.3)			
Derivative financial instruments			0.0					

Unused credit facilities

At 31 December 2007, the Group had an unused confirmed bank credit facility of €1,020 million, expiring in 2011.

The maturities of Cofiroute's credit lines were as follows at 31 December 2007:

(in € millions)	USED	AUTHORISED	MATURITIES WITHIN 1 YEAR	BETWEEN 1 AND 5 YEARS	BETWEEN 5 AND 7 YEARS
Syndicated loan	0	0			
Revolving credit facility	0	1,020		1,020	
Term loan	0	0			0
Total	**0**	**1,020**	**0**	**1,020**	**0**

18.4. Financial covenants

The Group's financing agreements (bond loans, bank loans and credit facilities) do not include financial covenants.
Some finance agreements, provide that a change in control of the borrower may constitute a case for mandatory early redemption or trigger demand for early repayment.

18.5. Credit risk and counterparty risk

The Group is exposed to credit risks connected with the risk of default by its customers and to counterparty risk mainly in respect of cash and cash equivalents, negotiable debt securities, marketable securities, financial receivables and derivative financial instruments.

The notional amounts and market values are given in Note 17.3.

The Group has implemented procedures intended to avoid the concentration of credit risk and to limit credit risk.

Derivatives and investments

Investments of cash surpluses and the related derivative instruments are restricted to financial institutions with very good credit ratings. For such financial transactions, the Group has set up a system of credit limits, in order to manage actively and limit its credit risk. This system of limits allocate maximum lines of risk to counterparties in financial transactions, based at the minimum on their ratings as published by Standard & Poor's, Moody's and Fitch IBCA. The corresponding limits are monitored and updated regularly.

Trade receivables

The Group has set up procedures to limit the risk on trade receivables. Moreover, there is no credit risk concentration with a customer accounting for more than 0.5% of revenue (revenue greater than €5 million). The Group considers that this risk exposure is minimal.

19. OTHER INFORMATION ON FINANCIAL INSTRUMENTS

Carrying amount and fair value by accounting category

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

	31 December 2007								
	ACCOUNTING CATEGORIES						FAIR VALUE		
(in € millions)	Assets at fair value through profit of loss (trading)	Derivatives designated as hedges	Assets at fair value through profit of loss (fair value option)	Available-for-sale financial assets	Liabilities at amortised cost	Total carrying amount for the class	Listed prices	Internal model based on observable factors	Fair value of the class
Investments in unlisted subsidiaries and associates				0.4		0.4		0.4	0.4
I - Non-current financial assets	**0.0**	**0.0**	**0.0**	**0.4**	**0.0**	**0.4**		**0.4**	**0.4**
Interest rate derivatives: fair value hedges		4.8				4.8		4.8	4.8
Interest rate derivatives: cash flow hedges		0.8				0.8		0.8	0.8
Interest rate derivatives not designated as hedges	61.6					61.6		61.6	61.6
II - Derivative financial instruments - assets	**61.6**	**5.6**	**0.0**	**0.0**	**0.0**	**67.3**		**67.3**	**67.3**
III - Trade receivables						**0.0**			
Cash management financial assets not cash equivalents			24.3			24.3	24.3		24.3
Cash equivalents			448.5			448.5	147.5	301.0	448.5
Cash			28.9			28.9		28.9	28.9
IV - Current financial assets	**0.0**	**0.0**	**501.6**	**0.0**	**0.0**	**501.6**	**171.8**	**329.9**	**501.6**
TOTAL ASSETS	**61.6**	**5.6**	**501.6**	**0.4**	**0.0**	**569.2**	**171.8**	**397.5**	**569.2**
Bond issues, participating loans and subordinated debt of indefinite maturity					(2,950.3)	(2,950.3)	(2,789.5)	(27.1)	(2,816.6)
Other bank loans and other financial debt					(870.7)	(870.7)		(837.8)	(837.8)
V - Non-current financial debt	**0.0**	**0.0**	**0.0**	**0.0**	**(3,821.0)**	(3,821.0)		**(864.9)**	**(3,654.4)**
Interest rate derivatives not designated as hedges	(7.1)					(7.1)		(7.1)	(7.1)
VI - Derivative financial instruments - liabilities	**(7.1)**	**0.0**	**0.0**	**0.0**	**0.0**	(7.1)		**(7.1)**	**(7.1)**
VII - Trade payables						**0.0**			
Other current financial liabilities			(0.3)			(0.3)		(0.3)	(0.3)
VIII - Current financial liabilities	**0.0**	**0.0**	**(0.3)**	**0.0**	**0.0**	**(0.3)**		**(0.3)**	**(0.3)**
TOTAL LIABILITIES	**(7.1)**	**0.0**	**(0.3)**	**0.0**	**(3,821.0)**	**(3,828.3)**		**(872.3)**	**(3,661.8)**
Carrying amount of categories	**54.6**	**5.6**	**501.3**	**0.4**	**(3,821.0)**	**(3,259.1)**	**171.8**	**(474.8)**	**(3,092.5)**

The fair value is determined either

(i) on the basis of listed prices on an active market;

Whenever listed prices on an active market are available, these are used in priority in determining the market value. Marketable securities and some listed bond loans are measured in this way;

(ii) on the basis of internal measurement techniques using the usual mathematical calculation methods incorporating observable market data (forward rates, yield curves, etc).
Most derivative financial instruments (swaps, caps, floors, etc) are traded on markets and are measured on the basis of models commonly used by market participants to price such financial instruments.

At each balance sheet date, the internally calculated values of derivative instruments are checked for consistency with the values sent to us by the counterparties.

20. WORKING CAPITAL REQUIREMENT AND CURRENT PROVISIONS

20.1. Change in working capital requirement

		CHANGE BETWEEN 2007 AND 2006		
(in € millions)	2007	Connected with operations	Receivables / payables related to non-current assets	2006
Inventories and work in progress (net)	1.3	(0.2)		1.5
Trade and other operating receivables	95.3	(22.9)		118.3
Other current assets	11.7	0.6		11.1
Inventories and operating receivables (I)	**108.3**	**(22.6)**	**0.0**	**130.9**
Trade payables	(76.8)	(13.7)	35.1	(98.3)
Other current payables	(62.1)	(1.3)		(60.8)
Trade and other operating payables (II)	**(138.9)**	**(15.0)**	**35.1**	**(159.1)**
WORKING CAPITAL REQUIREMENT (before current provisions) (I+II)	**(30.6)**	**(37.5)**	**35.1**	**(28.2)**
Current provisions	**(30.0)**	**4.1**		**(34.2)**
▪ *including part at less than one year of non-current provisions*	(27.7)	6.4		(34.1)
WORKING CAPITAL REQUIREMENT (after current provisions)	**(60.6)**			**(62.4)**

The working capital requirement connected with operations comprises current assets and liabilities related to operations except for current tax assets and liabilities and other current assets and liabilities of a financial nature.

The working capital surplus before current provisions was €30.6 million, slightly better than in 2006 (€28.2 million). The decrease in trade payables was offset by the repayments of advances recorded under other trade payables in connection with the completion of the capital investment programme.

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

(in € millions)	2007	MATURITY WITHIN 1 YEAR	BETWEEN 1 AND 5 YEARS	AFTER 5 YEARS
Inventories and work in progress (net)	1.3	1.3		
Trade and other operating receivables	95.3	68.2	27.1	
Other current assets	11.7	11.7		
Inventories and operating receivables (I)	**108.3**	**81.2**	**27.1**	
Trade payables	(76.8)	(76.8)		
Other current payables	(62.1)	(62.1)		
Trade and other operating payables (II)	**(138.9)**	**(138.9)**		
WORKING CAPITAL REQUIREMENT (before current provisions) (I+II)	**(30.6)**	**(57.7)**	**27.1**	

Trade receivables that are between 6 and 12 months past due amount to €0.2 million, those that are more than one year past due amount to €1.9 million.

20.2. Breakdown of current provisions

Changes in current provisions reported in the balance sheet were as follows in 2006 and 2007:

(in € millions)	Opening	Provisions taken	Reversals	Change in the part at less than one year of non-current provisions	Closing
1 January 2006					
Renovation work	0.0				0.0
Litigation	0.3		(0.2)		0.0
Other current liabilities	1.0		(0.9)		0.1
Reclassification of the part at less than one year of non-current provisions	30.7			3.4	34.1
1 January 2007	**31.9**	**0.0**	**(1.1)**	**3.4**	**34.2**
Renovation work	0.0	2.3			2.3
Litigation	0.0				0.0
Other current liabilities	0.1		(0.1)		0.0
Reclassification of the part at less than one year of non-current provisions	34.1			(6.4)	27.7
31 December 2007	**34.2**	**2.3**	**(0.1)**	**(6.4)**	**30.0**

Current provisions, which are directly linked to the operating cycle, amounted to €30 million at 31 December 2007 (including the part at less than one year of non-current provisions) compared with €34.2 million at 31 December 2006. Notwithstanding the reclassification of the part at less than one year of non-current provisions, current provisions mainly relate to the renovation of the section transferred from the State.

21. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are:

- remuneration and similar benefits paid to members of the governing and management bodies;
- transactions with the VINCI Group, the COLAS Group and other related parties (mainly companies in which the Group has a shareholding).

21.1. Remuneration and similar benefits paid to members of the governing and management bodies

The remuneration of the Group's Company Officers is determined by the Board of Directors following proposals from the Remuneration Committee.

Aggregate remuneration and similar benefits paid to the members of governing bodies and the Group's Executive Committee, recognised as expenses in 2007 and 2006, break down as follows:

	Members of governing bodies and the Executive Committee	
(in € millions)	2007	2006
Remuneration	1.8	1.8
Employer's social charges	0.8	0.9
Lump-sums payable at end of contract	0.2	
Share-based payments*	0.7	0.7
Total expense recognised	**3.4**	**3.4**

*** This amount is determined in accordance with IFRS 2 *Share-based Payment* and as described in Note 15 *Share-based payment***

Cofiroute does not grant membership of a supplementary pension regime to the members of the Executive Committee. They are covered by the regime described in Note 16.1 *Provisions for retirement benefit obligations.*

21.2. Transactions with the VINCI Group

Transactions in 2007 and 2006 between the Group and the VINCI Group break down as follows:

(in € millions)	2007	2006
Concession fixed assets in progress	374.3	714.2
Trade receivables	1.6	0.9
Dividend payments	159.4	103.6
Trade payables	26.9	57.1
Revenue and revenue from ancillary activities	2.5	0.2
Advance payments to subcontractors	27.4	57.9
Other external expenses	17.3	37.4

On 28 February 2007, the Group sold its shareholding in Gefyra Litourgia to VINCI Concessions for €6.6 million.

21.3. Transactions with the COLAS Group

Transactions in 2007 and 2006 between the Group and the COLAS Group break down as follows:

(in € millions)	2007	2006
Concession fixed assets in progress		0.7
Concession fixed assets in service	1.3	0.6
Trade receivables		
Dividend payments	31.9	26.4
Trade payables	1.7	0.6
Revenue and revenue from ancillary activities		
Advance payments to subcontractors		
Other external expenses	6.7	1.5

21.4. Other related parties

The information on equity-accounted companies is given in Note 12.

Transactions with other related parties mainly relate to transactions with companies in which the Group has a shareholding and were limited to €0.2 million in 2006.

22. Contractual obligations and other commitments made and received

The commitments made and received by the Group in connection with concession contracts, and items connected with unrecognised retirement benefit obligations are shown in the following notes:

- Note 10.2 in respect of concession contracts;
- Note 16.1 in respect of unrecognised items with respect to retirement obligations.

23. Numbers employed and staff training rights

The number of employees at 31 December breaks down as follows:

	2007	2006
Engineers and managers	230	231
Office, technical and manual	1,768	1,814
TOTAL	**1,998**	**2,045**

The Act of 4 May 2004 gives employees of French businesses the right to a minimum of 20 hours of training a year, which can be carried forward and accumulated over a period of six years. Expenditure under this individual right to training is considered as an expense for the period and does not give rise to the recognition of a provision, other than in exceptional cases. The Group's employees had acquired rights to 102,733 hours of such training at 31 December 2007.

24. Reconciliation of 2006 parent company and consolidated financial statements

Income statement

<table>
<tr><th>(in € millions)</th><th>2007</th><th>2006 (IFRS consolidated)</th><th>2006 published (parent company)</th><th></th></tr>
<tr><td>REVENUE</td><td>1,038.5</td><td>965.7</td><td>954.3</td><td></td></tr>
<tr><td>Operating profit from ordinary activities</td><td>561.4</td><td>511.6</td><td>503.6</td><td>(1)</td></tr>
<tr><td>OPERATING PROFIT</td><td>559.0</td><td>509.7</td><td>503.6</td><td>(2)</td></tr>
<tr><td>Cost of gross financial debt</td><td>(178.6)</td><td>(154.8)</td><td>(153.2)</td><td></td></tr>
<tr><td>Financial income from cash management investments</td><td>23.0</td><td>20.8</td><td>20.8</td><td></td></tr>
<tr><td>Cost of net financial debt</td><td>(155.6)</td><td>(134.0)</td><td rowspan="2">(46.8)</td><td>(3)</td></tr>
<tr><td>Other financial income and expenses</td><td>115.1</td><td>84.2</td><td></td></tr>
<tr><td>Income tax expense</td><td>(169.8)</td><td>(159.1)</td><td>(156.1)</td><td></td></tr>
<tr><td>Net profit</td><td>348.7</td><td>300.7</td><td>300.7</td><td></td></tr>
<tr><td>Net profit for the period attributable to minority interest</td><td>0.0</td><td>(0.6)</td><td></td><td></td></tr>
<tr><td>NET PROFIT - For the period attributable to equity holders of the parent</td><td>348.7</td><td>300.1</td><td>300.7</td><td></td></tr>
<tr><td>BASIC AND DILUTED EARNINGS per share (in euros)</td><td>85.9</td><td>73.9</td><td>74.1</td><td></td></tr>
</table>

(1) Inclusion of profit or loss of subsidiaries in operating profit from ordinary activities
(2) Inclusion of impact of restatement of share based payment expenses (IFRS 2) in operating profit
(3) Inclusion of impact of restatements relating to financial instruments (IAS 32-39) in cost of debt

Balance sheet - assets

(in € millions)	2007	2006 (IFRS consolidated)	2006 published (parent company)	
Non-current assets				
Concession intangible assets	5,324.2	4,843.2	4,790.2	(1)
Property, plant and equipment	5.3	7.4	7.3	
Investments in associates	1.1	1.2		
Other non-current financial assets	0.4	0.4	2.2	
Fair value of non-current derivative instruments (assets)	2.8	48.8	-	(2)
Deferred tax assets	20.2	15.0	-	(3)
Total non-current assets	**5,354.0**	**4,915.8**	**4,799.8**	
Current assets				
Inventories and work in progress	1.3	1.5	1.5	
Trade and other operating receivables	95.3	118.3	116.5	
Other current assets	11.7	11.1	44.6	(4)
Fair value of derivative financial instruments (current assets)	64.5	62.7		(2)
Cash management financial assets	24.3	132.0	497.3	
Cash and cash equivalents	477.4	373.0		
Total current assets	**674.4**	**698.6**	**660.0**	
TOTAL ASSETS	**6,028.4**	**5,614.4**	**5,459.7**	

(1) Calculation of capitalised borrowing costs (IAS 23), inclusion of grants related to assets (IAS 20) and restatement of loan issuance expenses (IAS 32-39)

(2) Inclusion of effect of fair value measurement of financial instruments (IAS 32-39)

(3) Temporary differences mainly related to IFRS restatements

(4) Restatement of pre-paid financial expenses – equalisation payments on derivatives (IAS 32-39)

Balance sheet - liabilities

(in € millions)	2007	2006 (IFRS consolidated)	2006 published (parent company)	
Equity				
Share capital	158.3	158.3	158.3	
Consolidated reserves	1,218.0	1,108.6	983.9	(1)
Currency translation reserves	(0.3)	0.1		
Net profit for the period attributable to equity holders of the parent	348.7	300.1	300.7	
Net income recognised directly in equity	2.6	1.9		
Grants related to assets			79.8	(2)
Tax-regulated provisions			28.5	(3)
Equity attributable to equity holders of the parent	**1,727.3**	**1,569.0**	**1,551.3**	
Minority interest	0.0	1.0		
Total equity	**1,727.3**	**1,570.0**	**1,551.3**	
Non-current liabilities				
Non-current provisions	42.7	27.1	24.2	
Bonds	2,529.1	2,583.1	2,522.9	(4)
Other loans and borrowings	859.9	654.6	648.3	(4)
Deferred tax liabilities	242.0	207.7	123.9	(5)
Total non-current liabilities	**3,673.8**	**3,472.5**	**3,319.4**	
Current liabilities				
Current provisions	30.0	34.2	34.0	
Trade payables	29.2	15.5	96.5	
Payables related to non-current assets	47.6	82.7		
Other current payables	62.9	60.8	102.7	(6)
Current tax payables	18.2	0.0		
Current borrowings	432.3	378.6	355.9	(4)
Fair value of derivative financial instruments (current liabilities)	7.1	0.0		
Total current liabilities	**627.3**	**571.9**	**589.1**	
TOTAL EQUITY AND LIABILITIES	**6,028.4**	**5,614.4**	**5,459.7**	

(1) Mainly impact of restatement of capitalised borrowing costs (IAS 23)
(2) Grants related to assets restated under non-current assets
(3) Cancellation of tax-regulated provisions on consolidation
(4) Restatements related to amortised cost and fair value of debts and derivatives (IAS 32-39)
(5) Temporary differences connected mainly with the restatement of capitalised borrowing costs
(6) Restatement of pre-paid financial income – equalisation payments on bonds and derivatives (IAS 32-39)

Cash flow statement

(in € millions)		2007	2006 (conso IFRS)	2006 Publié (social)	
Net cash flows (used in) / from operating activities	**I**	**496.6**	**479.8**	**459.4**	(1)
Net cash flows (used in) / investing activities	**II**	**(556.0)**	**(755.6)**	**(749.4)**	(1)
Dividends paid					
▪ *to shareholders of Cofiroute SA*		(191.2)	(158.5)	(158.5)	
▪ *to minority interests*		0.0	(0.4)		
Proceeds from new borrowings		537.9	805.4	803.0	
Repayment of borrowings and changes in other current financial debt		(305.9)	(261.8)	(246.0)	(2)
Change in cash management assets		121.8	(82.5)		(3)
Net cash flows (used in) / from financing activities	**III**	**162.5**	**302.3**	**398.5**	
CHANGE IN NET CASH	**I + II + III**	**103.1**	**26.5**	**108.5**	
Increase (decrease) of cash management financial assets		(107.6)	82.5		
(Proceeds from) / repayment of loans		(230.4)	(573.7)	(583.1)	(3)
Other changes		(22.5)			(2)
Impact of changes in fair value		(2.2)	0.5		
Effect of changes in foreign exchange rates		(0.2)	(0.1)		
CHANGE IN NET DEBT		**(259.8)**	**(464.4)**	**(474.6)**	
Net debt at beginning of period		(2,999.8)	(2,535.4)	(2,555.2)	
NET DEBT AT END OF PERIOD		**(3,259.6)**	**(2,999.8)**	**(3,029.8)**	

(1) Reclassification of change in payables related to non-current assets and restatement of loan issuance expenses (IAS 32-39)
(2) Impact of restatements related to amortised cost (IAS 32-39)
(3) Reclassification of cash management financial assets not qualifying for designation as cash equivalents (IAS 7)

D. Post balance sheet events

Pursuant to the concession contract and 2004-2008 master plan signed by the State and Cofiroute, the prices in force on the Cofiroute motorway network increased on 1 February 2008. This increase was on average 1.94% for classes 1, 2 and 5, and 3.44% for classes 3 and 4. This increase takes account of the change in the index of consumer prices excluding tobacco.

Report of the Statutory Auditors
on the Consolidated Financial Statements

COMPAGNIE FINANCIÈRE ET INDUSTRIELLE DES AUTOROUTES «COFIROUTE»
French limited liability company *(Société Anonyme)*
Registered office: 6/10, rue Troyon – 92316 Sèvres Cedex
Share capital : €158,282,124

Year ended 31 December 2007

To the Shareholders,

In accordance with our appointment as auditors by your Shareholders General Meeting, we have audited the accompanying consolidated financial statements of COMPAGNIE FINANCIERE ET INDUSTRIELLE DES AUTOROUTES – COFIROUTE for the year ended 31 December 2007. The Board of Directors is responsible for the preparation of the consolidated financial statements. Our role is to express an opinion on these financial statements, based on our audit.
These financial statements have been prepared for the first time under the International Financial Reporting Standards (IFRS) as endorsed by the European Union. They include data relating to 2006 restated under the same rules, for comparison.

1 – Opinion on the consolidated financial statements
We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit in such a way as to obtain reasonable assurance that the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion, which follows.
In our opinion, the consolidated financial statements give a true and fair view of the financial position, the assets and liabilities and the results of the operations of the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.

2 - Justification of our assessments
As required by article L.823-9 of the French Code of Commerce regarding disclosure of the reasons for our conclusions, we inform you of the following:
As stated in Note A1, the Group does not apply the interpretation IFRIC 12, which had not yet been endorsed by the European Union at 31 December 2007. Note A4 to the consolidated financial statements describes the accounting treatment adopted for concession contracts. We have satisfied ourselves that the Notes to the consolidated financial statements provide appropriate information in this respect.
These conclusions were formed as part of our audit of the consolidated financial statements taken as a whole and have therefore contributed to the formation of our opinion, given in the first part of this report.

3 – Specific verification
We have also verified, in accordance with the professional standards applicable in France, the information relating to the Group given in the Management Report.
We have no comments to make as to its fair presentation and its conformity with the consolidated financial statements.

Paris La Défense, 13 March 2008
The Statutory Auditors

Salustro Reydel *A member of KPMG International*		Deloitte & Associés
Benoît Lebrun	Michel Berthet	Thierry Benoit

Parent company financial statements

Balance sheet - assets

(in euros)	31/12/2007 Gross	31/12/2007 Depreciation, amortisation and provisions	31/12/2007 Net	31 décembre 2006
INTANGIBLE ASSETS	**76,072**	**0**	**76,072**	**78,307**
OWNED NON-CURRENT ASSETS				
Land	1,207,325		1,207,325	832,735
Plant and equipment	9,532,190	8,523,525	1,008,665	508,607
Other property, plant and equipment	21,270,180	18,181,331	3,088,849	5,994,125
	32,009,695	**26,704,856**	**5,304,839**	**7,335,467**
CONCESSION NON-CURRENT ASSETS				
Non-renewable assets in service	4,701,551,418	1,621,887,262	3,079,664,156	2,356,516,763
Renewable assets in service	551,314,362	347,072,147	204,242,215	183,764,390
Non-renewable assets under construction	1,797,649,163	0	1,797,649,163	2,078,407,953
Renewable assets under construction	224,572,719	0	224,572,719	171,492,460
	7,275,087,662	**1,968,959,409**	**5,306,128,253**	**4,790,181,566**
FINANCIAL FIXED ASSETS				
Investments in subsidiaries and associates and related receivables	49,121,281	47,005,000	2,116,281	2,116,281
Guarantees and deposits	50,014		50,014	41,514
	49,171,295	**47,005,000**	**2,166,295**	**2,157,795**
INVENTORIES	**1,297,790**	**0**	**1,297,790**	**1,518,728**
RECEIVABLES				
Trade receivables	52,746,362	1,955,336	50,791,026	39,121,222
Employees	76,581		76,581	46,345
State	9,506,669		9,506,669	11,967,004
Advances and progress payments made	27,127,893		27,127,893	58,010,580
Other receivables	7,004,867	0	7,004,867	7,362,195
	96,462,372	**1,955,336**	**94,507,036**	**116,507,346**
PREPAID EXPENSES	**41,749,064**		**41,749,064**	**44,620,929**
CASH AND CASH EQUIVALENTS	**489,304,718**		**489,304,718**	**497,322,129**
TOTAL	**7,985,158,668**	**2,044,624,601**	**5,940,534,067**	**5,459,722,267**

Balance sheet – equity and liabilities

(in euros)	31/12/2007	31/12/2006
EQUITY		
Share capital	158,282,124	158,282,124
Statutory reserve	15,828,212	15,828,212
Other reserves	4,209,755	4,209,755
Unappropriated profit or loss	1,231,641,087	1,093,753,924
NET PROFIT FOR THE PERIOD	**347,777,990**	**300,714,825**
INTERIM DIVIDEND	**(158,282,124)**	**(129,872,512)**
INVESTMENT GRANTS	**90,610,666**	**79,820,668**
TAX-REGULATED PROVISIONS	**28,777,396**	**28,523,984**
	1,718,845,106	**1,551,260,980**
PROVISIONS		
Provisions	71,737,356	58,201,459
FINANCIAL DEBTS		
Other loans	3,781,614,563	3,517,548,037
Debts to central and local government	8,274,170	9,547,120
	3,789,888,733	**3,527,095,157**
LIABILITIES		
Trade payables	76,569,748	96,542,012
Customer guarantee deposits	5,922,319	4,990,666
Employees	17,904,044	18,078,833
Tax, employment and social benefit liabilities	196,401,648	146,961,925
Other payables	5,440,202	7,283,508
	302,237,961	**273,856,944**
DEFERRED INCOME	**57,824,911**	**49,307,727**
TOTAL	**5,940,534,067**	**5,459,722267**

Income statement

(in euros)	2007	2006
OPERATING INCOME		
REVENUE		
Toll revenue	1,018,253,831	940,168,782
Ancillary revenue	14,071,306	14,153,371
NET REVENUE	**1,032,325,137**	**954,322,153**
Reversal of provisions	22,888,227	22,286,217
Other income	4,558,597	3,094,919
TOTAL I	**1,059,771,961**	**979,703,289**
OPERATING EXPENSES		
Purchases of consumables	8,222,073	8,284,479
External costs related to investments	33,149,198	30,692,788
Major repairs	31,023,521	38,774,075
External costs related to operations	22,627,299	21,975,043
Transfer of insurance claim settlement income	(5,103,351)	(5,196,724)
Taxes and levies	115,312,058	108,616,862
Employment costs	90,526,407	89,319,295
Statutory employee profit-sharing	5,790,937	5,238,477
Other ordinary management expenses	542,333	784,063
Depreciation of owned fixed assets	2,379,801	3,933,184
Depreciation of renewable assets	31,651,361	31,954,024
Special concession amortisation	119,617,993	104,415,033
Provisions for operating expenses	44,128,955	29,897,719
TOTAL II	**499,868,585**	**468,688,318**
1 - OPERATING PROFIT (I - II)	**559,903,376**	**511,014,971**
FINANCIAL INCOME		
Capitalised borrowing costs	109,227,621	83,425,520
Other financial income	43,457,515	56,856,746
TOTAL III	**152,685,136**	**140,282,266**
FINANCIAL EXPENSE		
Finance charges	193,938,038	186,995,512
Other financial expenses	238,339	72,810
TOTAL IV	**194,176,377**	**187,068,322**
2 - NET FINANCIAL INCOME / (EXPENSE) (III - IV)	**(41,491,241)**	**(46,786,056)**
3 - OPERATING PROFIT AFTER NET FINANCIAL EXPENSE (1 + 2)	**518,412,135**	**464,228,915**
EXCEPTIONAL INCOME V	19,565,830	7,590,040
EXCEPTIONAL EXPENSES VI	13,421,471	15,040,899
NET EXCEPTIONAL INCOME / (EXPENSE) (V - VI)	**6,144,359**	**(7,450,859)**
INCOME TAX, DEFERRED TAX AND LEVIES VII	176,778,504	156,063,231
TOTAL INCOME (I + III + V)	1,232,022,927	1,127,575,595
TOTAL EXPENSES (II + IV + VI + VII)	884,244,937	826,860,770
NET PROFIT	**347,777,990**	**300,714,825**

Cash flow statement

(in € millions)	31/12/2007	31/12/2006
Cash position at beginning of the period	497	389
OPERATING ACTIVITIES		
Cash flow from operations excluding transfers of expenses	407	373
Change in working capital requirement	70	87
A - Net cash flows from operating activities	**477**	**459**
INVESTING ACTIVITIES		
Non-current assets	(559)	(766)
Grants related to assets	11	17
Disposal of non-current assets	0	0
B - Cash flows (used in) / from investing activities	**(548)**	**(749)**
FINANCING ACTIVITIES		
Dividends	(191)	(159)
New loans and advances	562	803
Repayment of borrowings and advances	(308)	(246)
C - Net cash flows (used in) / from financing activities	**63**	**399**
Change in cash position (A + B + C)	**(8)**	**109**
Cash position at end of period	**489**	**497**

Notes to the financial statements

At 31 December 2007

1. KEY EVENTS

1.1. New sections opened

Cofiroute opened two new sections of the A85 motorway – a 25 km section between Restigné and Langeais on 29 January 2007, and a 63 km section between Saint-Romain sur Cher and Druye on 18 December 2007. These two new sections complete the 206 km A85 Angers-Tours-Vierzon motorway.

1.2. New section under concession

Since 1 June 2007, a further 9 km of the A85, between Langeais and Druye, have been included in Cofiroute's network. This section was built by the State and entered service in 2003. This extension is covered by the twelfth rider to Cofiroute's concession contract, approved by a government decree on 15 May 2007.

At 31 December 2007 the total length of the network operated was 1,082 km.

1.3. Financing activities

Two new loans were taken out:

- on 27 June 2007, the balance was drawn of the EIB 4.38% fixed-rate loan connected with the financing of the A85 for €210 million maturing in 2029.
- on 20 July 2007, a supplementary issue was made of the May 2006 bond issue for €350 million, maturing in 2021 at a fixed rate of 5.00%.

1.4. Early retirement agreement for certain employees *(Cessation Anticipée d'Activité de Certains Travailleurs Salariés - CATS)*

In 2007, Cofiroute signed these "CATS" early retirement agreements. They enable employees who have worked in particularly arduous conditions to cease working before reaching the age entitling them to a full pension, under a suspension of their contract of employment.

The company-level agreement describes, among other matters, the conditions that employees must satisfy in order to benefit from these arrangements, and the benefits that will be paid to them during the so-called "pre-retirement" period.

2. MEASUREMENT RULES AND METHODS

Cofiroute's annual financial statements are denominated in euros and comply with the provisions of the French chart of accounts (ministerial order dated 22 June 1999).

2.1. Immobilisations

Cofiroute's annual financial statements are denominated in euros and comply with the provisions of the French chart of accounts (ministerial order dated 22 June 1999).

2.1.1. Concession intangible assets

Concession intangible assets are the movable and immovable assets that are directly necessary for the design, construction and operation of the motorway network. They are financed by the concession operator and will be returned free of charge to the French government at the end of the concession.

They are recognised at their historic cost and comprise:

- land, studies, civil engineering work and subsequent improvements;
- pre-operational expenses and borrowing costs: loan issuance expenses and premiums, redemption premiums and capitalised borrowing costs;
- the cost of staff allocated to monitoring construction of the asset.

Special concession amortisation charges are made over the remaining period of the concession.

There are two kinds of concession asset:

- **Non-renewable assets:** their useful life is longer than the concession contract and they may require major repairs. They relate in particular to the network infrastructure, tunnels and bridges etc.
- **Renewable assets:** since their economic life is less than the term of the concession, they must be renewed at least once during the term of the concession. These relate in particular to plant and equipment needed to ensure safety, maintain useable road surfaces and collect tolls.

Capitalised borrowing costs

This relates to interest that has been capitalised during the construction period and deducted from finance charges for the period; it is included in the cost of construction of non-renewable assets until these enter service and is therefore included under assets in the balance sheet.

Depreciation and amortisation

Special concession amortisation charges are applied to non-renewable assets in service and non-current operating assets. The purpose of the special concession amortisation charges is to reduce the value of these assets to zero at the end of the concession term, not to recognise any wearing out or obsolescence of the assets.

- The special concession amortisation charges in respect of non-renewable assets are applied to the cost of the assets net of any grants received, on a straight-line basis between the date of entry into service and the end of the concession.
- The special concession amortisation charges in respect of non-current operating assets are based on their carrying amount and the period remaining until the end of the concession (24 years at 1 January 2007).

The difference between the replacement value and the acquisition value of renewable assets does not give rise to the creation of a provision for renewal, because their net amount is amortised by the special amortisation charge.

Normal depreciation charges are taken in respect of assets with a useful life that is less than the length of the concession contract, and are calculated using either the straight-line or diminishing balance method in accordance with Article 39A of the French Tax Code. The difference between depreciation for accounting and for tax purposes is booked under "tax-regulated provisions", under liabilities.

Depreciation periods are between 10 and 30 years for buildings, and from 3 to 10 years for fittings and equipment, furniture and vehicles. Software is written off over one year for tax purposes.

2.1.2. Owned non-current assets

These belong to Cofiroute and comprise all the fixed assets not used for the operation of the motorway concession. They are recognised at cost and depreciated on a straight-line basis over their useful life, i.e. 3 to 10 years for software, fittings, and equipment, furniture and vehicles.

2.1.3. Financial assets

Shares in subsidiaries and associates are recognised in the balance sheet at their historical cost. A provision is recognised if their fair value, based primarily on that company's net assets, is lower than cost.

2.2. Inventories and work-in-progress

Chlorides and fuel are measured on a FIFO basis. Any differences on physical inventory are recognised in profit or loss in the period.

2.3. Trade and other operating receivables

This item includes progress payments made to main contractors for construction work.
Trade and other operating receivables are measured at their nominal value less provisions taking account of the probability of recovery.

2.4. Marketable securities

Marketable securities (monetary SICAVs) are measured at their cost of acquisition. Unrealised capital gains are not recognised.

2.5. Loans

Loan issuance expenses are written off on a straight-line basis over the duration of the corresponding loans.

2.6. Financial instruments

The Company uses derivative financial instruments such as interest rate swaps and caps to manage the risk of interest rate fluctuations on its borrowings. As these transactions are carried out for hedging purposes, any gains and losses are recognised over the same period as the item covered.

2.7. Grants related to assets

Grants received to finance non-current assets are recognised under equity. They are deducted from concession non-current assets for the purposes of calculating the special concession amortisation.

2.8. Provisions

Provisions are liabilities of uncertain timing or amount but are intended to cover expenses that at the balance sheet date have become likely or certain to occur as a result of a past or present event.

A provision for major repairs is calculated at the end of the period, based on a multi-year works plan drawn up by the Company's technical department and revised annually to take account of changes in costs and in the corresponding spending plans.

2.9. Income tax

Cofiroute recognises a provision for deferred tax in its annual financial statements based on the tax rate in force at the year end. This provision is determined by taking into account temporary differences relating to capitalised borrowing costs, statutory employee profit-sharing and the Organic sales-based tax.

Corporate income tax is calculated on the basis of the tax group comprising Cofiroute (parent company), Cofiroute Participations, SPTF and SERA (companies included in the tax group). The tax charge borne by these subsidiaries is equal to that which they would have borne had they not been part of a tax group. Any savings, other than those relating to carryforward tax losses, are retained by the parent company.

2.10. Consolidation

The French national statutory auditors' governing body, the *Compagnie Nationale des Commissaires aux Comptes* published a recent opinion by the *Commission des Études Comptables et des Études Juridiques* providing that issuers of listed debt securities are required to prepare consolidated IFRS financial statements as from 1 January 2007, even when their subsidiaries are of limited materiality.
Following discussions with these bodies, Cofiroute is preparing IFRS consolidated financial statements as from 2007.
They will be published and filed with the AMF and the Luxembourg stock exchange.

Cofiroute's financial statements are fully consolidated in the consolidated financial statements of VINCI, a French *société anonyme* with share capital of €1,214,941,970 as at 31 December 2007 and with its registered office at 1 cours Ferdinand de Lesseps, 92851 Rueil Malmaison Cedex, France.

3. NOTES

3.1. Assets

3.1.1. Non-current assets, gross

(in € millions)	1 January 2007	MOVEMENTS IN THE PERIOD Increases	Decreases	Transfers	31 December 2007
Intangible assets	0.1	0.0	0.0		0.1
Owned non-current assets	31.9	0.5	0.2	(0.2)	32.0
Concession non-current assets	6,620.3	667.3	12.8	0.2	7,275.0
■ *in service*	4,365.6	248.7	12.8	651.3	5,252.8
■ *under construction*	2,254.7	418.6		(651.1)	2,022.2
Financial assets	49.2	0.0	0.0		49.2
TOTAL	**6,701.5**	**667.8**	**13.0**	**0.0**	**7,356.3**

Assets under construction mainly comprise the cost of work connected with the sections under construction on the A86, the CNA (the Angers Northern Bypass), and the related capitalised borrowing costs.

3.1.2. Depreciation and amortisation

(in € millions)	1 January 2007	MOVEMENTS IN THE PERIOD Provisions taken	Reversals	31 December 2007
Intangible assets	0.0	0.0	0.0	0.0
Owned non-current assets	24.6	2.4	0.3	26.7
Concession non-current assets				
■ *Special concession amortisation*	1 502.2	119.7	0.0	1 621.9
■ *Renewable assets*	323.1	31.6	7.6	347.1
TOTAL	**1 849.9**	**153.7**	**7.9**	**1 995.7**

The decree dated 26 September 1995 approving the eighth rider to the concession agreement between the French state and Cofiroute, sets the end of the concession of motorways A10, A11, A28, A71, A81, A85 and A821 at 31 December 2030. The special concession amortisation charge is therefore calculated on this basis.

3.1.3. Subsidiaries

(in € millions)	SUBSIDIARIES * Cofiroute Participations 6-10 rue Troyon 92316 Sèvres cedex Siret No.: 352 579 353 00025
SHARE CAPITAL	**2.2**
Other equity (1)	11.3
Percentage of capital owned	99.99%
Book value of shares owned	
▪ *gross*	2.2
▪ *net*	2.2
Outstanding loans and advances made by the Company	-
Guarantees given by the Company	-
Revenue excluding taxes (2) in the last financial year	0.0
Profit / (loss) for the last financial year	7.6
Dividends received by the Company during the period (2)	0.8

(*) Figures at 31 December 2007 – (1) including result for the period – (2) received by the parent company (Cofiroute Participations)

3.1.4. Maturity of receivables

Operating receivables amounted to €96.5 million in total.

(in € millions)	Gross	Within one year	After one year and within five years	After five years
Trade receivables	52.8	52.8		
State	9.5	9.5		
Employees	0.1	0.1		
Advances and progress payments made	27.1	0.2	26.9	
Other receivables	7.0	7.0		
TOTAL	**96.5**	**69.6**	**26.9**	**0.0**

3.1.5. Impairment provisions

Provisions for impairment changed during the period as follows:

(in € millions)	1 January 2007	MOVEMENTS IN THE PERIOD Increases	Decreases	31 December 2007
Renewable assets	4.8	0.0	4.8	0.0
Shares in subsidiaries and associates*	47.0	0.0	0.0	47.0
Trade receivables	1.7	0.3	0.0	2.0
TOTAL	**53.5**	**0.3**	**4.8**	**49.0**

* Provision for impairment of shares in Toll Collect

The reversal of the provision of €4.8 million corresponds to the abandonment of a part of the project to renew the toll collection system shown under non-current assets under construction for an identical amount.

3.1.6. Deferred expenses

Prepaid expenses amounted to €41.7 million and include €30.1 million in respect of the equalisation payments received on swaps in connection with financing transactions.

3.2. Equity and liabilities

3.2.1. Share capital

The share capital is represented by 4,058,516 shares of €39 nominal, fully paid-up.

3.2.2. Provisions

Movements in provisions over the period were as follows:

(in € millions)	1 January 2007	MOVEMENTS IN THE PERIOD Increases	Decreases	31 December 2007
Provisions for major repairs	46.9	30.0	22.7	54.2
Provisions for obligations under CATS early retirement agreement	0.0	11.4	0.0	11.4
Provisions – renovation	0.0	2.3	0.0	2.3
Other provisions	11.3	0.5	8.0	3.8
TOTAL	**58.2**	**44.2**	**30.7**	**71.7**

The Company's retirement obligations to its employees are covered by a specific insurance policy.

3.2.3. Maturity of payables

Operating payables include deferred tax for €153.5 million.

(in € millions)	Gross	Within one year	After one year and within five years	After five years
Financial debt	3,789.9	410.1	333.3	3,046.5
Trade and other operating payables	302.2	302.2		
Deferred income	57.8	7.0	26.2	24.6
Deferred income	**4,149.9**	**719.3**	**359.5**	**3,071.1**

3.2.4. Loans

Fixed-coupon debenture bonds have been issued for €2,874.9 million. European Investment Bank (EIB) loans have been taken out at a floating rate for €325 million and at a fixed rate for €525 million.

Interest rate swaps on a notional amount of €525 million have changed fixed rates into floating rates. Derivative interest rate instruments have the same maturity dates as the items hedged.

The prudent debt management policy has been continued, swaps were cancelled in 2007, and no reverse swaps were set up. The caps previously put in place have been retained.

Given the transactions made in 2007, all loans at 31 December 2007 are at fixed or hedged rates.
There are no financial ratio covenants that may affect interest rates or trigger early repayment of borrowings. Only the EIB loans contain a consultation clause applicable in the event of a downgrading of the Company's rating by the rating agencies.
The change in rating to BBB+ , with outlook negative, by Standard & Poor's in March 2007, resulted in an increase of 9.5 basis points on the EIB loans in progress (€850 million) as from June 2007.

(in € millions)	Gross	Within one year	After one year and within five years	After five years
Bonds	2,874.9	352.1	317.8	2,205.0
Other loans (EIB)	858.3	1.3	15.5	841.5
Accrued interest	56.7	56.7		
TOTAL	**3,789.9**	**410.1**	**333.3**	**3 046.5**

3.2.5. Deferred income

Deferred income mainly comprises:
operating rights paid by telecommunications operators under agreements covering several years, recognised as revenue on a straight-line basis over the duration of the agreements granting these rights, for €7.2 million.

financial income related to equalisation payments on swaps received by the Company and recognised over the period of the loans:

- €4.6 million corresponds to the balance of equalisation payments received when swap locks relating to bond issues in November 1997, November 1999, April 2003, May 2006 and July 2007 were unwound.

- €16.1 million corresponds to the balance of equalisation payments on cancellation of fixed-to-float swaps: €11.8 million received in 2004 to which should be added the balance of €12.6 million received in July 2007.

- €29.6 million corresponds to the balance of an issue premium of €37.6 million received in August 2005 on the occasion of the supplementary issue of the October 2001 bond.

- €0.3 million corresponds to the equalisation payment received in July 2007 on the occasion of the cancellation of the €100 million fixed-to-float swap on the supplementary issue of the May 2006 bond.

3.3. Income statement

3.3.1. Revenue

Revenue breaks down as follows:

(in € millions)	2006	2007
Revenue	**954.3**	**1,032.3**
Toll revenue	940.2	1,018.3
Ancillary revenue	14.1	14.0

The change in toll revenue between 2006 and 2007 can be broken down as follows:

(in € millions)	Change 2007/2006
Toll revenue	**+ 8.3%**
Increase in traffic with like-for-like network	+ 3.8%
Traffic on new sections	+ 1.1%
Effect of pricing + light/heavy vehicle breakdown	+ 3.4%

3.3.2. Purchases and external expenses

Purchases and external expenses break down as follows:

(in € millions)	2006	2007
Purchases and external expenses	**99.7**	**95.0**
Purchases of consumables	8.3	8.2
External costs related to investments	30.7	33.2
External costs related to operations	21.9	22.6
Major repairs	38.8	31.0

3.3.3. Gross operating surplus

The gross operating surplus is the excess of operating revenue over operating expenses, excluding depreciation, amortisation and provision charges and reversals.

In 2007, this ratio increased by 11.5% to 71.2% of revenue.

(in € millions)	2006	2007
Operating income excluding reversals of provisions	**957.4**	**1,036.8**
Revenue	954.3	1,032.3
Other operating income	3.1	4.5
Operating expenses excluding depreciation, amortisation and provision charges	**298.5**	**302.0**
Purchases and external expenses	99.7	95.0
Insurance claim settlements	(5.2)	(5.1)
Employment costs including statutory profit-sharing	94.6	96.3
Taxes and levies	108.6	115.3
Other ordinary management expenses	0.8	0.5
GROSS OPERATING SURPLUS	**658.9**	**734.8**

3.3.4 . Profit or loss from operations

(in € millions)	2006	2007
Gross operating surplus	**658.9**	**734.8**
Net operating provision charges	(7.6)	(21.2)
Depreciation and amortisation	(140.3)	(153.7)
OPERATING PROFIT	**511.0**	**559.9**

In 2007, profit from operations increased by 9.6% compared with the previous period, and represented 54.2% of revenue.

3.3.5. Exceptional income / (expense)

Exceptional items comprise:

(in € millions)	2006	2007
Exceptional income	**7.6**	**19.5**
relating to operating transactions	0.2	0.0
relating to capital transactions	0.0	0.0
reversals of provisions	7.4	19.5
Exceptional expenses	**15.0**	**13.4**
relating to operating transactions	0.8	5.1
relating to capital transactions	0.0	0.8
depreciation, amortisation and provision charges	14.2	7.5
EXCEPTIONAL INCOME / (EXPENSE)	**(7.4)**	**6.1**

3.3.6. Income tax

The tax expense of €176.8 million comprises:

- corporate income tax arising on ordinary operations for €142.5 million;
- deferred tax for €29.6 million;
- the 3.3% "social contribution" levy for €4.7 million.

3.3.7. Underlying tax position

The Company has taken cumulative tax-regulated, supplementary depreciation charges of €28.8 million as at 31 December 2007 which results in an unrealised tax liability of €9.6 million, applying the 33.33% tax rate.

3.4. Additional information

3.4.1. Off-balance sheet commitments

- Commitments given to third parties either in the form of guarantees issued by banks on behalf of Cofiroute or directly: €13 million;
- Commitments received in the form of guarantees issued by banks on behalf of toll subscribers in favour of Cofiroute: €14.6 million;
- Commitments received in the form of guarantees issued by banks on behalf of SAFER in favour of Cofiroute: €1 million;
- Financial commitments received: signature in 2004 of a syndicated loan of €1.02 billion maturing in October 2011.
- Investment commitments: under the terms of its concession contracts, the Company is committed to carrying out capital expenditure of €1,125 million over the next five years.

3.4.2. Average numbers employed

(Number)	Employees
Management	213
Supervisory	303
Clerical and manual	1,360
TOTAL	**1,876**[1]

(1) including 1 apprentice

Report of the Statutory Auditors

COMPAGNIE FINANCIÈRE ET INDUSTRIELLE DES AUTOROUTES - COFIROUTE
French limited liability company *(Société Anonyme)*
Registered office: 6-10, rue Troyon – 92316 Sèvres Cedex
Share capital: €158,282,124

Year ended 31 December 2007

To the Shareholders,

In accordance with our appointment as statutory auditors by your Shareholders General Meeting, we hereby report to you for the year ended 31 December 2007 on:

- the audit of the accompanying annual financial statements of Compagnie Financière et Industrielle des Autoroutes, Cofiroute;
- the justification of our assessments; and
- the specific verifications and information required by law.

These annual financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements, based on our audit.

1 - Opinion on the financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion, which follows.

In our opinion, the financial statements give a true and fair view of your Company's financial position, its assets and liabilities as of 31 December 2007 and the results of its operations for the year then ended, in accordance with accounting principles generally accepted in France.

2 - Justification of our assessments

As required by article L. 823-9 of the French Code of Commerce regarding disclosure of the reasons for our conclusions, we inform you that we formed conclusions on whether the accounting policies applied are appropriate and the material estimates made are reasonable.

These conclusions were formed as part of our audit of the annual financial statements taken as a whole and have therefore contributed to the formation of our opinion, given in the first part of this report.

3 - Specific verifications and information

We have also carried out, in accordance with the professional standards applicable in France, the specific verifications required by law. We have no comments to make as to the fair presentation and conformity with the annual financial statements of the information given in the report of the Board of Directors and in the documents addressed to the shareholders, with respect to the financial position and the annual financial statements.

Regarding the fair presentation of the information given in the Report of the Board of Directors on the remuneration and benefits paid to company officers and on the commitments made in their favour at the time of commencement, modification or cessation of their duties or afterwards, we make the following observation:

Remuneration and benefits paid are not disclosed in the Report of the Board of Directors. This report states: "Please refer to the notes on remuneration given in the report of VINCI S.A. for the remuneration paid to Xavier Huillard, Bernard Huvelin and Roger Martin."

In accordance with the law, we have verified that the appropriate disclosures have been provided in the Board of Directors' report with regard to the acquisition of shares and controlling interests, and the identity of shareholders and holders of voting rights.

Paris La Défense, 13 March 2008
The Statutory Auditors

Salustro Reydel *A member of KPMG International*		Deloitte & Associés
Benoît Lebrun	Michel Berthet	Thierry Benoit

Persons responsible for the document

1. Statement by the persons responsible for the document

I, the undersigned Pierre Coppey, Chairman and Chief Executive Officer of Cofiroute, declare having taken all due care to ensure that, to the best of my knowledge, the information presented in this annual financial report gives a true and fair view and that there are no omissions likely to affect materially the meaning of the said information.

To the best of my knowledge, the financial statements have been prepared in compliance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of Cofiroute and all consolidated subsidiaries. I also confirm that the Report of the Board of Directors presents a true and fair view of business developments, the results and the financial position of Cofiroute and all consolidated subsidiaries, as well as a description of the principal risks and uncertainties that they face.

Pierre COPPEY
Chairman and Chief Executive Officer

2. Statutory auditors

Statutory Auditors

- **Salustro Reydel**
  Member of KPMG International
  1 cours Valmy
  92923 Paris La Défense cedex
  France
  Date of commencement of current appointment: AGM 20 April 2006
  Current appointment expires at the close of the Shareholders Meeting that will approve the financial statements for 2011.

- **Deloitte & Associés**
  185 avenue Charles de Gaulle
  92200 Neuilly sur Seine Cedex
  France
  First appointed: AGM 8 January 2008 (accounts for 2007)
  Current appointment expires at the close of the Shareholders Meeting that will approve the financial statements for 2012.

Alternate Auditors

- **Jean Claude Reydel**
  1 cours Valmy
  92923 Paris La Défense cedex
  France
  Date of commencement of current appointment: AGM 20 April 2006
  Current appointment expires at the close of the Shareholders Meeting that will approve the financial statements for 2011.

- **Cabinet Beas**
  7-9 Villa-Houssay
  92524 Neuilly-sur-Seine
  France
  First appointed: AGM 8 January 2008 (accounts for 2007)
  Current appointment expires at the close of the Shareholders Meeting that will approve the financial statements for 2012.

The Statutory Auditors are registered with the *Compagnie Nationale des Commissaires aux Comptes* (official statutory auditors' representative body) and are subject to the authority of the *Haut Conseil du Commissariat aux Comptes* audit regulatory body.

3. Statutory Auditors' fees

Statutory Auditors' fees amounted to €0.13 million in respect of 2007, of which €0.10 million was in respect of statutory audit and €0.03 million in respect of other services, compared with €0.11 million in 2006, of which €0.10 million was in respect of statutory audit.

4. Persons responsible for financial information

Patrick Paris, Chief Financial Officer and Member of the Executive Committee (+ 33 1 41 14 70 00).

5. Documents available for consultation by the public

The following documents in particular are available on the Company's web site (**www.cofiroute.fr**):

- the 2007 financial report filed with the *Autorité des marchés financiers*;
- the management reports.

Cofiroute's Memorandum and Articles of Association may be consulted at Cofiroute's registered office, 6-10 rue Troyon, 92316 Sèvres Cedex, France (+ 33 1 41 14 70 00)

Compagnie financière et industrielle des autoroutes - Cofiroute
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