

**SECOND SUPPLEMENT DATED 19 MARCH 2010**

**TO THE BASE PROSPECTUS DATED 7 JULY 2009**



(incorporated as a *société anonyme* in France)

Euro 6,000,000,000

Euro Medium Term Note Programme

Due from one year from the date of original issue

This supplement (the **Supplement**) constitutes a second supplement to and must be read in conjunction with the base prospectus dated 7 July 2009, as supplemented by a first supplement thereto dated 16 September 2009 (together, the **Base Prospectus**) prepared by Autoroutes du Sud de la France (the **Issuer** or **Autoroutes du Sud de la France** or **ASF**) with respect to the Euro 6,000,000,000 Euro Medium Term Note Programme (the **Programme**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

Application has been made to the *Commission de Surveillance du Secteur Financier (CSSF)* in Luxembourg for approval of this Supplement in its capacity as competent authority under the "*loi relative aux prospectus pour valeurs mobilières*" dated 10 July 2005 (the **Luxembourg Law**) which implements Directive 2003/71/EC of 4 November 2003 (the **Prospectus Directive**) on the prospectus to be published when securities are offered to the public or admitted to trading.

To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and contains no omission likely to affect its import. The Issuer accepts responsibility for the information contained or incorporated by reference in this Supplement.

This Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive and Article 13 of the Luxembourg Law for the purposes of:

1. incorporating by reference the financial report of the Issuer for 2009 (the **2009 Financial Report**) for the year ended 31 December 2009, which has been filed with the CSSF,
2. incorporating certain new information as set out below,
3. making certain modifications to the general description of the Programme, the terms and conditions of Notes issued under the Programme after 1 March 2010 and the description of the taxation regime applicable thereto to take into account of Article 22 of the French *loi de finances rectificative pour 2009 no.3* (n°2009-1674 dated 30 December 2009) and the ruling (*rescrit*) n° 2010/11 FP and FE of the *Direction générale des impôts* dated 22 February 2010,

and such 2009 Financial Report shall be incorporated by reference and deemed to form part of the Base Prospectus and such modifications shall be deemed to form part of the Base Prospectus.

Copies of this Supplement and the 2009 Financial Report incorporated by reference will be available (i) without charge from the specified offices of the paying agent and (ii) on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and the Issuer ([www.asf.fr](http://www.asf.fr)).

To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or incorporated in the Base Prospectus, the statements in this Supplement will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

Save as disclosed in this Supplement there has been no significant change in the financial or trading position of Autoroute du Sud de la France since 31 December 2009.

In accordance with Article 13 paragraph 2 of the Luxembourg Law, investors who have already agreed to purchase or subscribe for the securities before the publication of this Supplement have the right, exercisable within a time limit of two working days after the publication of this Supplement, to withdraw their acceptances.

## **INCORPORATION BY REFERENCE**

### **The 2009 Financial Report**

Consolidated income statement	Page 14
Consolidated statement of comprehensive income	Page 15
Consolidated balance sheet	Pages 16 to 17
Consolidated cash flow statement	Page 18
Statement of changes in consolidated equity	Page 19
Notes to the consolidated financial statements	Pages 20 to 72
Report of the statutory auditors	Pages 73 to 74

*Any other information not listed above but contained in such document is incorporated by reference for informational purposes only.*

## NEW INFORMATION

The Section untitled Recent Developments on page 85 of the Base Prospectus shall be amended as follows:

a) the following paragraph shall replace the paragraph headed "A89 Between Balbigny and La Tour de Salvagny":

### **"A89 Between Balbigny and La Tour de Salvagny"**

"Following the decision of the French *Conseil d'Etat* of 8 April 2009 rejecting the appeals of several associations, and thus confirming the integration of the section Balbigny-La Tour de Salvagny in the concession of ASF, ASF had been notified on 18 June 2009 of a new request lodged by the association Alcaly before the *Conseil d'Etat* in "rectification of material error".

In a decision of 30 December 2009, notified to ASF on 12 January 2010, the *Conseil d'Etat* rejected this new request."

b) the following paragraph shall be added after the paragraph headed "A89 Between Balbigny and La Tour de Salvagny":

### **"Puymorens"**

ASF and the French State signed an agreement dated 22 December 2009 providing for the modalities of financing by the French State of the safety improvement measures of the Puymorens tunnel. The payment by the French State of an amount of €25 million was received by ASF on 11 February 2010."

c) the following paragraph shall be added at the end of the paragraph headed "New Investment Programme" on page 85 of the Base Prospectus:

"Pursuant to the article 117 of the French *loi de finances rectificative pour 2009 no.3* (n°2009-1674 dated 30 December 2009), discussions were engaged between ASF and the French State in the continuity of the proposals made by ASF on the occasion of the "*Grenelle de l'Environnement*" initiative and within the framework of the Law for the acceleration of public and private construction and investment programmes of 18 February 2009.

These discussions gave rise to the signature of the 13<sup>th</sup> amendment to the concession contract and to its specific conditions.

The main measures of the investment programme provided for in this amendment are:

- The extension of the duration of the concession until 31 December 2033,
- The performance of the programme within a 36 months period from the amendment's effective date for an amount of 371 million euros (value January 2009),
- A quarterly report of the progress of the works as well as a final assessment of the performance of the programme.

The works encompass the protection of the water resource, the protection of biodiversity, the protection against noise, the reduction of CO2 emissions as well as the improvement of service and rest areas and namely, improvement facilities for persons with reduced mobility, selective sorting of the waste, purification.

A ministerial decision approved this technical and financial investment programme.

The decree of the approval of the amendment is expected.

Escota and the French State signed a similar agreement providing for:

- The extension of the duration of the concession until 31 December 2027,
- The performance of the programme within a 36 months period from the amendment's effective date for an amount of 103 million euros (value January 2009),
- A quarterly report of the progress of the works as well as a final assessment of the performance of the programme.

d) the following paragraph shall be added on page 87 of the Base Prospectus at the end of the paragraph headed "1st Quarter 2009 ASF Group Revenue":

**"Tariffs Increase**

In accordance with the concession agreements and the Programme Plans for 2007-2011 signed with the French State, ASF and Escota increased their toll prices on 1 February 2010.

For ASF this increase, endorsed by the French State, is on average of 0.8% for light vehicles (Class 1, 2 and 5) and 1.8% for heavy vehicles (Class 3 and 4).

Escota increased its toll prices by 0.9% on average for light vehicles and 2.9% for heavy vehicles."

## GENERAL DESCRIPTION OF THE PROGRAMME

The section entitled "Taxation" in the "General description of the Programme" included on page 24 of the Base Prospectus is deleted in its entirety and replaced with the following.

### "Taxation

1. All payments of principal and interest by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

2. Notes issued on or after 1 March 2010 (except Notes that are issued on or after 1 March 2010 and which are to be assimilated (*assimilées*) with Notes issued before 1 March 2010 having the benefit of Article 131 *quater* of the French *Code général des impôts* fall under the new French withholding tax regime pursuant to the French *loi de finances rectificative pour 2009 no.3* (no.°2009-1674 dated 30 December 2009), applicable as from 1 March 2010 (the **Law**). Payments of interest and other revenues made by the Issuer on such Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a **Non-Cooperative State**). If such payments under the Notes are made in a Non-Cooperative State, a 50% withholding tax will be applicable (subject to certain exceptions described below and the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, interest and other revenues on such Notes will no longer be deductible from the Issuer's taxable income, as from the fiscal years starting on or after 1 January 2011, if they are paid or accrued to persons established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French *Code général des impôts*, at a rate of 25% or 50%.

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax nor the non-deductibility will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the **Exception**). Pursuant to the ruling (*rescrit*) no. 2010/11 (FP and FE) of the *Direction générale des impôts* published on 22 February 2010, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

(i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a

foreign securities market authority; or

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or

(iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

3. Interest and other revenues on Notes issued (or deemed issued) outside France as provided under Article 131 *quater* of the French *Code général des impôts* after 1 March 2010 and which are to be assimilated (*assimilées*) with Notes issued before 1 March 2010 will continue to be exempt from the withholding tax set out under Article 125 A III of the French *Code général des impôts*.

In addition, interest and other revenues paid by the Issuer on Notes issued after 1 March 2010 and which are to be assimilated (*assimilées*) with Notes issued before 1 March 2010 will not be subject to the withholding tax set out in Article 119 *bis* of the French *Code général des impôts* solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State."

## TERMS AND CONDITIONS OF THE NOTES

In respect of Notes issued on or after 1 March 2010 or related Coupons or Receipts and which are not to be assimilated (*assimilées*) with Notes issued before 1 March 2010, Condition 8(a) of the Terms and Conditions of the Notes as set forth on page 50 of the Base Prospectus is deleted in its entirety and replaced with the following:

"All payments of principal, interest and other revenue by or on behalf of the Issuer in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within France or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law."

For the avoidance of doubt, Condition 8(a) of the Terms and Conditions of the Notes as set forth on page 50 of the Base Prospectus will continue to apply in respect of Notes issued on or after 1 March 2010 and which are assimilated (*assimilées*) with Notes issued before 1 March 2010.

## TAXATION

The section entitled "Taxation – French Withholding Tax" on page 111 of the Base Prospectus is deleted in its entirety and replaced with the following:

### "French Withholding Tax

#### *Notes issued as from 1 March 2010*

Following the introduction of the French *loi de finances rectificative pour 2009 no. 3* (n° 2009-1674 dated 30 December 2009) (the **Law**), payments of interest and other revenues made by the Issuer with respect to Notes issued on or after 1 March 2010 (other than Notes (described below) which are assimilated (*assimilées*) with Notes issued prior to 1 March 2010 having the benefit of Article 131 *quater* of the French *Code général des impôts*) will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a **Non-Cooperative State**). If such payments under the Notes are made in a Non-Cooperative State, a 50 % withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, interest and other revenues on such Notes will no longer be deductible from the Issuer's taxable income, as from the fiscal years starting on or after 1 January 2011, if they are paid or accrued to persons established in a Non-Cooperative State or paid in such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to Article 109 of the French *Code général des impôts*, in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under Article 119 *bis* of the French *Code général des impôts*, at a rate of 25% or 50%.

Notwithstanding the foregoing, the Law provides that neither the 50% withholding tax nor the non-deductibility will apply in respect of a particular issue of Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the **Exception**). Pursuant to the ruling (*rescrit*) n°2010/11 (FP and FE) of the *Direction générale des impôts* dated 22 February 2010, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue of Notes, if such Notes are:

(i) offered by means of a public offer within the meaning of Article L.411.1 of the French Monetary and Financial Code or pursuant to an equivalent offer made in a State or territory other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or

(ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or



(iii) admitted, at the time of their issue, to the operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

***Notes issued as from 1 March 2010 which are assimilated (assimilées) with Notes issued before 1 March 2010***

Payments of interest and other revenues with respect to Notes which are assimilated (*assimilées*) with Notes issued before 1 March 2010 will continue to be exempt from the withholding tax set out under Article 125 A III of the French *Code général des impôts*.

Notes issued before 1 March 2010, whether denominated in Euro or in any other currency, and constituting *obligations* under French law, or *titres de créances négociables* within the meaning of rulings (*rescrits*) 2007/59 (FP) and 2009/23 (FP) of the *Direction générale des impôts* dated 8 January 2008 and 7 April 2009, respectively, or other debt securities issued under French or foreign law and considered by the French tax authorities as falling into similar categories, are deemed to be issued outside France for the purpose of Article 131 *quater* of the French *Code général des impôts*, in accordance with Circular 5 I-11-98 of the *Direction générale des impôts* dated 30 September 1998 and the aforementioned rulings (*rescrits*) 2007/59 (FP) and 2009/23 (FP).

In addition, interest and other revenues paid by the Issuer on Notes issued on or after 1 March 2010 and which are to be assimilated (*assimilées*) with Notes issued before 1 March 2010 will not be subject to the withholding tax set out in Article 119 *bis* of the French *Code général des impôts* solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State."