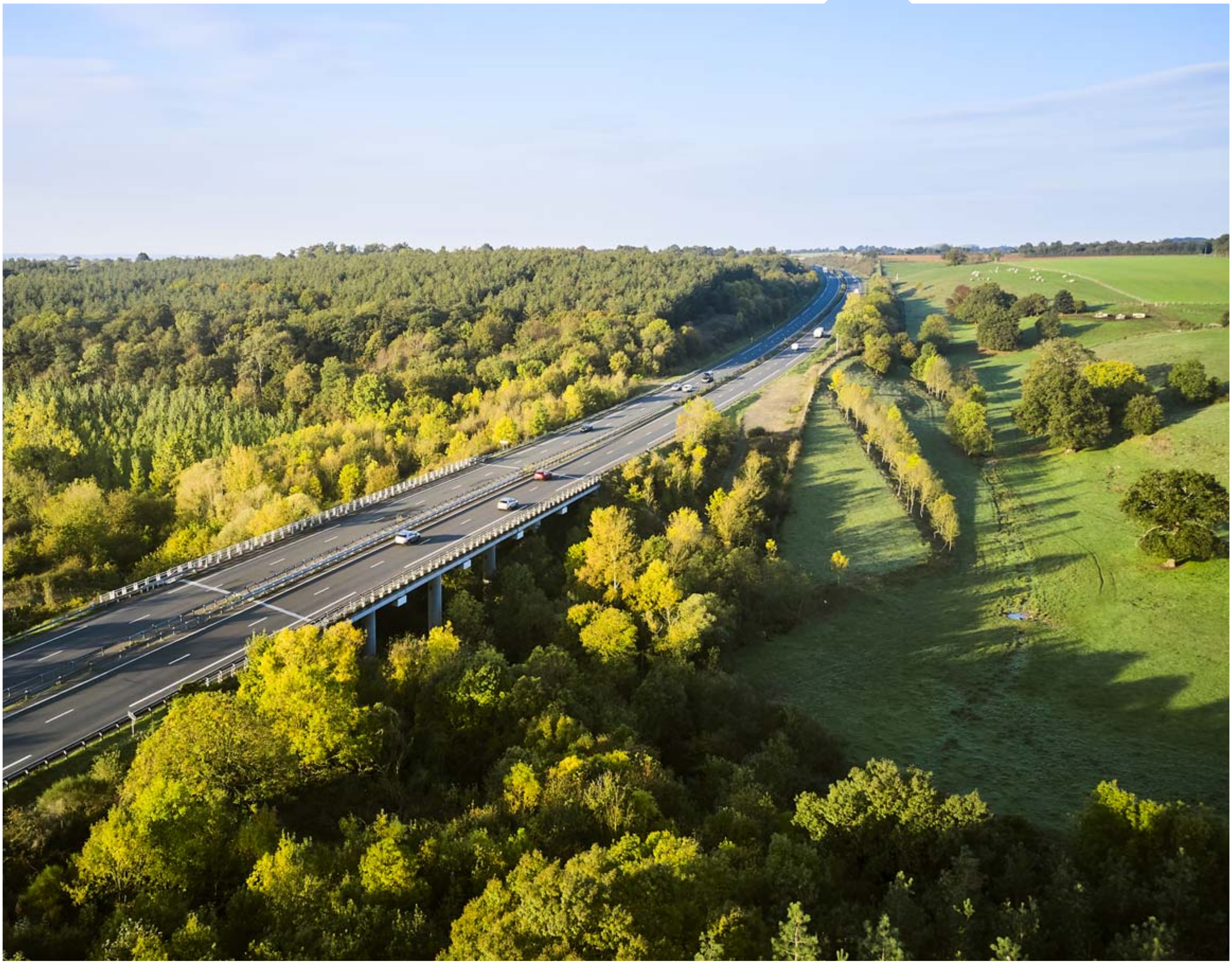
COFIROUTE

IFRS INDIVIDUAL FINANCIAL STATEMENTS

2021



VINCI AUTOROUTES

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IFRS individual financial statements at 31 December 2021

IFRS individual financial statements at 31 December 2021

IFRS income statement

(in € millions)	Notes	2021	2020
Revenue[*]	**2**	**1,438.3**	**1,204.7**
Revenue – construction of new infrastructure assets under concession		183.6	176.8
Total revenue		1,621.9	1,381.4
Income from ancillary activities		1.9	2.4
Operating expenses	4	(794.2)	(771.0)
Operating income from ordinary activities		**829.7**	**612.8**
Share-based payments (IFRS 2)	20	(3.1)	(2.2)
Current operating income		**826.6**	**610.5**
Operating income	**4**	**826.6**	**610.5**
Cost of gross financial debt		(40.5)	(66.0)
Cost of net financial debt	**5**	**(40.5)**	**(66.0)**
Other financial income and expenses	6	(1.3)	(1.0)
Income tax expense	7	(221.5)	(111.4)
Net income		**563.4**	**432.2**
Earnings per share *(in €)*	**8**	**138.81**	**106.49**

[*] *Excluding revenue – construction of new infrastructure under concession.*

IFRS comprehensive income statement for the period

(in € millions)	2021	2020
Net income	**563.4**	**432.2**
Changes in the fair value of financial instruments used to hedge cash flows(*)	1.6	(2.1)
Tax expense(**)	(0.5)	0.6
Other comprehensive income items that may be subsequently reclassified in net income	**1.1**	**(1.5)**
Actuarial gains and losses on retirement benefit obligations	0.7	(0.8)
Tax expense	(0.2)	0.2
Other comprehensive income items that may not be subsequently reclassified in net income	**0.5**	**(0.6)**
Total other comprehensive income items recognised directly in equity	**1.7**	**(2.1)**
Comprehensive income	**565.0**	**430.1**

(*) *Changes in the fair value of cash flow hedges are recognised in equity for the effective portion. Cumulative gains or losses in equity are recognised in the income statement if the hedged cash flow affects earnings.*
(**) *Tax effects related to changes in the fair value of financial instruments used to hedge cash flows (effective portion) and hedging costs.*

IFRS balance sheet – Assets

(in € millions)	Notes	31/12/2021	31/12/2020
Non-current assets			
Concession intangible assets	9	4,546.0	4,601.6
Other intangible assets	10.2	2.0	2.4
Property, plant and equipment related to concession contracts	10.1	186.1	196.8
Property, plant and equipment	10.1	8.3	8.5
Non-current derivative financial instruments, assets	15 - 18	39.7	106.4
Total non-current assets		**4,782.1**	**4,915.7**
Current assets			
Inventories and work in progress	11	1.1	1.2
Trade and other receivables	11	110.0	99.0
Other current assets	11	32.0	63.4
Current tax assets			12.9
Current derivative instruments, assets	15 - 18	3.4	24.6
Cash and cash equivalents	15 - 16	30.6	967.0
Total current assets		**177.0**	**1,168.1**
Total assets		**4,959.1**	**6,083.8**

IFRS balance sheet - Equity and liabilities

(in € millions)	Notes	31/12/2021	31/12/2020(*)
Shareholders' equity			
Share capital	13.1	158.3	158.3
Other equity instruments		7.0	7.0
Consolidated reserves		(21.3)	125.5
Net income attributable to owners of the parent		563.4	432.2
Amounts recognised directly in equity	13.2	5.5	3.9
Total equity		**712.8**	**726.8**
Non-current liabilities			
Provisions for employee benefits	19	15.3	14.6
Bonds	15 - 18	2,971.7	3,052.3
Other loans and borrowings	15 - 18	294.7	349.3
Non-current derivative instruments, liabilities	15 - 18	56.7	42.9
Non-current lease liabilities	12	1.2	0.7
Other non-current liabilities		8.0	8.0
Net deferred tax liabilities	7.3	170.3	179.3
Total non-current liabilities		**3,517.9**	**3,647.2**
Current liabilities			
Current provisions	11.4	283.9	275.6
Trade payables	11	44.4	63.9
Liabilities for non-current concession assets		49.5	48.7
Other current liabilities	11.2	120.5	102.1
Current tax liabilities		8.1	
Current lease liabilities		1.0	3.0
Current derivative instruments, liabilities	15 - 18	1.5	1.6
Current financial debt	15	219.5	1214.7
Total current liabilities		**728.3**	**1,709.7**
Total equity and liabilities		**4,959.1**	**6,083.7**

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1 "Basis of preparation of the financial statements").*

IFRS cash flow statement

(in € millions)		Notes	2021	2020
Consolidated net income for the period (including non-controlling interests)			**563.4**	**432.2**
Depreciation and amortisation		4.2	268.2	264.1
Net increase/(decrease) in provisions and impairment			2.4	1.3
Share-based payments (IFRS 2) and other restatements		20	(2.4)	(3.0)
Gain (loss) on disposals			0.7	0.2
Impact of present-discounting of non-current receivables and liabilities			0.0	0.1
Cost of net financial debt recognised		5	40.5	66.0
Financial expenses associated with leases		6	0.0	0.0
Current and deferred tax expense recognised		7	221.5	111.4
Cash flows (used in)/from operations before tax and financing costs			**1,094.3**	**872.2**
Changes in operating working capital requirement and current provisions			50.9	20.3
Income taxes paid			(209.4)	(83.5)
Net interest paid			(56.9)	(55.0)
Net cash flows from (used in) operating activities	**I**		**878.9**	**754.0**
Purchases of property, plant and equipment and intangible assets			(0.4)	(4.1)
Disposals of property, plant and equipment and intangible assets			0.4	0.0
Investments in concession fixed assets (net of grants received)		9 - 10	(223.5)	(215,8)
Other			(0.2)	(0.2)
Net cash flows from (used in) investing activities	**II**		**(223.7)**	**(220.1)**
Dividends paid				
- to Cofiroute shareholders		14	(577.2)	(452.2)
Proceeds from new long-term borrowings		15 - 16		952.0
Repayments of long-term borrowings		15	(1,160.9)	(81.0)
Repayment of lease liabilities and associated financial expense			(3.4)	(3.3)
Change in cash management assets and other current financial liabilities		15 - 16	150.0	
Net cash flows from (used in) financing activities	**III**		**(1,591.5)**	**415.4**
Change in net cash	**I+II+III**	**16**	**(936.4)**	**949.3**
Net cash at opening			967.0	17.7
Net cash at closing			**30.6**	**967.0**

Change in net financial debt for the period

(in € millions)	Notes	2021	2020
Net financial debt at beginning of period		**(3,562.9)**	**(3,628.3)**
Change in net cash		(936.4)	949.3
Change in cash management assets and other current financial liabilities		(150.0)	
(Proceeds from)/repayment of loans		1,160.9	(870.9)
Other changes		18.1	(13.0)
Change in net financial debt		**92.6**	**65.3**
Net financial debt at end of period	**15**	**(3,470.4)**	**(3,562.9)**

IFRS statement of changes in equity

	Equity				
(in € millions)	Share capital	Reserves	Transactions recognised directly in equity	Net income	Total
Equity at 31/12/2019 - reported	**158.3**	**61.2**	**6.0**	**518.6**	**744.1**
Impact of change in policies(*)		7.2			
Equity at 01/01/2020 - restated	**158.3**	**68.5**	**6.0**	**518.6**	**751.3**
Net income for the period				432.2	432.2
Other comprehensive income items			(2.1)		(2.1)
Comprehensive income for the period	**0.0**	**0.0**	**(2.1)**	**432.2**	**430.1**
Appropriation of net income and dividend payments		66.4		(518.6)	(452.2)
Share-based payments		(2.3)			(2.3)
Equity at 31/12/2020(*)	**158.3**	**132.5**	**3.9**	**432.2**	**726.8**
Net income for the period				563.4	563.4
Other comprehensive income items			1.7		1.7
Comprehensive income for the period	**0.0**	**0.0**	**1.7**	**563.4**	**565.0**
Appropriation of net income and dividend payments		(145.0)		(432.2)	(577.2)
Share-based payments		(1.8)			(1.8)
Equity at 31/12/2021	**158.3**	**(14.3)**	**5.5**	**563.4**	**712.8**

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1 "Basis of preparation of the financial statements").*

Notes to the IFRS individual financial statements

A. Key events of the period, accounting principles and specific provisions

1. Key events of the period

Assessment of financial performance

Cofiroute's activity and results show significant improvement compared with the 2020 financial year:

- revenue for 2021 amounted to €1.4 billion, up 19.4% on 2020;
- operating income from ordinary activities, which has grown significantly since 2020, stood at €829.7 million. The ratio of operating income from ordinary activities to revenue was 57.7% (50.9% in 2020);
- Cofiroute's net income amounted to €563.4 million (compared to €432.2 million in 2020);
- net financial debt stood at -€3,470.4 million at 31 December 2021, down €92.6 million over 12 months.

Cofiroute's financing activities and liquidity management

The main debt repayments made during 2021 concern:

- a €5.8 million bond in January;
- a €1,100.0 million bond in May;
- EIB borrowings for €54.8 million.

As of 31 December 2021, Cofiroute had cash totalling €980.6 million, of which:

- net cash of €30.6 million (€967 million at end-December 2020);
- a revolving credit facility with VINCI, the unused portion of which amounted to €950 million.

2. Accounting principles

2.1 Basis of preparation of the financial statements

As required by European regulation No. 1606/2002 of 19 July 2002, Cofiroute's IFRS individual financial statements for the year ended 31 December 2021 have been prepared and presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2021[*].

The accounting policies applied at 31 December 2021 are the same as those used in preparing the IFRS individual financial statements at 31 December 2020, with the exception of the standards and/or amendments to standards described below, adopted by the European Union and mandatorily applicable from 1 January 2021.

The IFRS individual financial statements were approved by the Board of Directors on 28 January 2022 and will be submitted for shareholder approval at the Shareholders' General Meeting on 18 March 2022.

New standards and interpretations applied from 1 January 2021

The applicable standards and interpretations that were mandatory from 1 January 2021 do not have a significant impact on the IFRS individual financial statements of Cofiroute at 31 December 2021.

On 27 August 2020, the IASB published amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 as part of the interest rate benchmark reform. The text, adopted by the European Union on 13 January 2021, is applicable retrospectively from 1 January 2021. A working group dedicated to this reform, which brings together all relevant stakeholders, has been set up to identify the impacts and anticipate any consequences thereof. Further details are provided in Note G.17. "Information on financial risk management".

IFRS IC decision on the methodology for calculating employee benefits and the vesting period

IFRS IC was asked to determine the methods for calculating obligations for defined-benefit plans for which the granting of rights is conditional upon the employee being employed by Cofiroute at the time of retirement and for which the rights depend on length of service, up to a limited amount.

In its decision, the IFRS IC concluded, in this case, that no rights are vested in the event of departure before retirement age and that the obligation should be recognised only over the final years of the employee's career.

Consequently, Cofiroute has reviewed the actuarial calculation methods for the relevant plans (mainly the collective agreement for motorway and road infrastructure concession or operator companies) and analysed the accounting treatment with regard to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. This method has been applied retrospectively as of 1 January 2020 and the financial statements for the previous year have been restated, including the related notes.

[*] *Available at: https://ec.europa.eu/finance/company-reporting:ifrs-financial-statements/index_fr.htm*

The impacts on balance sheet items are presented below:

(in € millions)	31/12/2019 reported	Impacts of IAS 19	01/01/2020 restated
Consolidated reserves	54.2	7.2	61.4
Provisions for employee benefits	23.0	(9.8)	13.2
Net deferred tax liabilities	129.7	2.5	132.2
Total equity and liabilities	**5,151.4**	**0.0**	**5,151.4**

The impact on expenses for the financial year is not material.

Standards and interpretations adopted by the IASB but not yet applicable at 31 December 2021

Cofiroute has not applied early any of the following standards or interpretations that might affect it, application of which was not mandatory at 1 January 2021:

- amendments to IFRS 16 "Leases and Covid-19-related rent concessions";
- amendments to IAS 37 "Provisions, contingent liabilities and contingent assets – Loss-making contracts, notion of costs linked directly to the agreements";
- amendments to IAS 16 "Property, plant and equipment – Proceeds before intended use";
- amendments to IFRS 3 "Business combinations - Reference to the conceptual framework";
- IFRS annual improvements 2018-2020 cycle.

A study of the impacts and practical consequences of the application of these amendments to standards is currently underway, as they do not contain any provisions contrary to Cofiroute's current accounting practices.

Cofiroute also studies the impacts and practical consequences of the IFRIC's final decision taken during the first half of 2021 concerning the recognition of configuration and customisation costs for software made available in the cloud under a SaaS (Software as a service) contract. Contracts likely to be affected are being analysed with no significant impact expected on Cofiroute's financial statements.

2.2 Use of estimates

The preparation of financial statements under IFRS requires estimates to be used and assumptions to be made that affect the amounts shown in these financial statements. Given the ongoing health crisis, Cofiroute has conducted an in-depth review of these assumptions and estimates.

These estimates are based on a going concern assumption analysed on the basis of Cofiroute's liquidity and the upturn in business recorded. They are compiled on the basis of the information available at the time of their preparation. Estimates may be revised if the circumstances on which they were based change or if new information becomes available. Actual results may be different from these estimates.

The consolidated financial statements for the financial year have been prepared with reference to the immediate environment, in particular as regards the estimates presented below.

Values used in impairment tests

The assumptions and estimates used to determine the recoverable amount of intangible assets and property, plant and equipment relate in particular to the market outlook required to assess the cash flow and discount rates applied. Any change in these assumptions could have a material effect on the recoverable amount.

The main assumptions used by Cofiroute are described in Note E.10. "Property, plant and equipment and other intangible assets".

Measurement of provisions

The factors likely to cause a material change in the amount of provisions are:

- forecasts for medium- to long-term maintenance expenditure and for major repairs, which serve as a basis for provisions for obligations to maintain infrastructure assets under concession in good condition. These forecasts are estimated by taking into account the indexing clauses of construction contracts (primarily the TP01, TP02 and TP09 indices);
- the discount rates used to discount these provisions to present value.

Lease valuation

The assumptions and estimates made to determine the value of the rights-of-use and associated liabilities for leases relate, in particular, to the determination of discount rates and lease periods.

Cofiroute determines the performance period for leases, taking into account all the economic facts and circumstances of which it is aware and ensures that this is not less than the amortisation period for non-moveable leasehold improvements.

Measurement at fair value

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

Cofiroute mainly uses fair value in measuring, on a consistent basis, derivative instruments, cash and cash equivalents, and cash management financial assets. The fair values of other financial instruments (in particular debt instruments and assets measured at amortised cost) are disclosed in the notes to the annual IFRS individual financial statements under Note G.18. "Carrying amount and fair value of financial assets and liabilities by accounting category".

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

The following three-level ranking of fair values is used:
- level 1: quoted prices in an active market. Marketable securities and listed bonds are valued in this way;
- level 2: internal model using observable factors based on internal valuation techniques: these techniques are based on standard mathematical computation methods, which incorporate observable market data (forward prices, yield curves, etc.). The fair value of most derivatives (swaps, caps, floors, etc.) traded on the markets is measured on the basis of models commonly used to determine the price of these financial instruments.
  Internal valuations of derivative instruments are checked quarterly for consistency with the valuations sent by counterparties;
- level 3: internal model using non-observable factors: this model applies in particular to customer relationships and contracts acquired as part of business acquisitions, as well as holdings of unlisted shares which are valued at their acquisition cost plus transaction costs, in the absence of an active market.

Measurement of retirement benefit obligations

Cofiroute subscribes to defined-contribution and defined-benefit retirement plans. For defined-benefit plans, obligations are measured using the actuarial projected unit credit method based on assumptions such as the discount rate, future increases in wages and salaries, employee turnover, mortality rates and the healthcare expenditure growth rate.

These obligations are therefore likely to change in the event of a change in assumptions, most of which are updated annually. Cofiroute considers that the actuarial assumptions used are appropriate and justified in current conditions.

Valuation of share-based payments

Cofiroute recognises a share-based payment expense for the granting of performance share plans to certain employees and the VINCI Group savings plans. This expense is measured using actuarial calculations based on estimated behavioural assumptions arising from observation of past behaviour.

The main actuarial assumptions (volatility, return on shares) used by Cofiroute are described by plan in Note H.20. "Share-based payments".

Climate risks

Cofiroute takes into account, to the best of its knowledge, climate risks in its closing assumptions and includes their potential impact in the financial statements. The process implemented is described in Note A.3. "Specific provisions".

3. Specific provisions

Climate risks

The VINCI Group has committed to a new environmental strategy for 2030:
- reduce direct greenhouse gas emissions by 40% between 2018 and 2030;
- reduce indirect emissions by acting on the value chain of our businesses;
- adapt assets and activities to improve their resilience to climate change.

VINCI has incorporated the identification of the main climate risks into its reporting process so as to assess the potential impact of these risks on its financial statements. Specific information has been included in the closing instructions and distributed to all Group subsidiaries. These instructions mainly concerned:
- the review of the useful life of certain assets;
- inclusion in the impairment testing for non-current assets of expected impacts on future cash flows;
- the assessment of risks to determine the amount of provisions for risks (including RMP).

The Finance Department is in regular contact with the Environment Department to ensure consistency between the commitments made by the Group and their inclusion in the financial statements. New dedicated resources have been allocated to the Environment Department.

The main risks identified relate to physical risks such as floods, typhoons, etc. As well as transition risks related to changes in regulations.

Physical risks are usually covered by property and casualty insurance policies.

The main transition risks related to anticipated changes in regulations have also been reviewed to the best of our knowledge. The Group's ability to adapt quickly enough could be a condition for securing new contracts:

- short-term regulatory changes are included in the flows, whilst medium- and long-term changes are managed through sensitivity tests;
- regulatory changes should not have a material impact on the life of our assets.

VINCI considers that the assessment of climate risks has been properly considered and is consistent with its commitments in this area. The inclusion of these items has not had a material impact on the Group's financial statements.

Cofiroute has ramped up the roll-out of its environmental ambition, by initiating or continuing, on the three areas of focus set at VINCI Group level, a series of actions aimed at reducing the direct impact of its businesses and that of road and motorway mobility: decarbonisation of its fleet of vehicles, roll-out of electric vehicle charging infrastructure, close collaboration with local communities to develop sustainable mobility in their regions, recycling of waste generated by its own activities in the form of secondary raw materials, etc.

B. Financial indicators

1. Segment information

Cofiroute is managed as a single business segment, namely the management and operation of motorway concession sections to which ancillary fees are attached (commercial premises, the provision of fibre optics, telecommunication stations, parking for heavy goods vehicles).

2. Revenue

Accounting principles

Cofiroute's revenue is recognised in accordance with IFRS 15 "Revenue from Contracts with Customers".

IFRS 15 "Revenue from Contracts with Customers" requires the identification of a contract as well as the various performance obligations contained in the contract. The number of performance obligations depends on the types of contracts and activities. Cofiroute's contracts contain only one performance obligation.

The recognition of revenue from contracts with customers must reflect, in accordance with IFRS 15:

- both the rate of achievement of the performance obligations corresponding to the transfer of control of the good or service to a customer;
- the consideration to which the vendor expects to be entitled in exchange for the activities carried out.

Control of a good or service is the key factor, with transfer thereof being determinant for the recognition of revenue. Control of a good or service may be passed over time (recognition of revenue on the basis of the stage of completion) or at a specific point in time consistent with the completion of works.

Income from concession contracts consists of:

- payments received on road infrastructures operated under concessions and ancillary income such as fees for use of commercial premises, and revenue from the rental of telecommunication infrastructures and parking facilities;
- and revenue in respect of the construction of new concession infrastructure recognised on a stage of completion basis in accordance with IFRS 15.

The method for recognising revenue in respect of concession contracts is detailed in Note D. "Concession contracts".

(in € millions)	**2021**	**2020**
Revenue – Tolls	1,416.4	1,190.7
Revenue – Other	21.9	13.9
Operating revenue	**1,438.3**	**1,204.7**
Revenue – construction of new infrastructure assets under concession	183.6	176.8
Total revenue	**1,621.9**	**1,381.4**

Revenue generated by Cofiroute amounted to €1,621.9 million at 31 December 2021 (including toll revenue of €1,416.4 million), an increase of nearly 17.4% compared to 2020 (including a 19% increase in toll revenue) which had been severely impacted by the Covid-19 pandemic and the first lockdown.

3. Performance monitoring indicators with the cash flow statement

(in € millions)	2021	2020
Net cash flows from (used in) operating activities	878.9	754.0
Capital expenditure (net of disposals)	(0.1)	(4.1)
Repayment of lease liabilities and associated financial expense	(3.4)	(3.3)
Operating cash flow	**875.4**	**746.7**
Investments in concession fixed assets (net of grants received)	(223.5)	(215.8)
Free cash flow	**651.9**	**530.9**
Other	(0.2)	(0.2)
Total net financial investments	**(0.2)**	**(0.2)**

C. Main income statement items

4. Operating income

Accounting principles

Operating income from ordinary activities corresponds to the measurement of Cofiroute's operating performance before taking into account the expenses associated with share-based payments (IFRS 2) and other current and non-current operating items.

Current operating income is obtained by adding the IFRS 2 expenses associated with share-based payments (Group savings plan) and other current operating income and expenses to operating income from ordinary activities.
Current operating income is intended to show the level of Cofiroute's recurring operating performance excluding the impact of non-recurring transactions and events of the period.

Operating income is obtained by adding income and expenses considered as non-current to current operating income.

(in € millions)	2021	2020
Revenue(*)	**1,438.3**	**1,204.7**
Revenue – construction of new infrastructure assets under concession	*183.6*	*176.8*
Total revenue	*1,621.9*	*1,381.4*
Income from ancillary activities	**1.9**	**2.4**
Concession operating companies' construction costs	(183.6)	(176.8)
Purchases consumed	(10.0)	(10.1)
External services	(71.6)	(77.0)
Taxes	(154.8)	(152.2)
Employment costs	(97.3)	(85.8)
Other operating income and expense	(0.5)	(0.0)
Depreciation and amortisation	(268.2)	(264.2)
Net provision expense	(8.2)	(5.0)
Operating expenses	**(794.2)**	**(771.0)**
Operating income from ordinary activities	**829.7**	**612.8**
Share-based payments (IFRS 2)	(3.1)	(2.2)
Current operating income	**826.6**	**610.5**
Operating income	**826.6**	**610.5**

(*) *Excluding revenue – construction of new infrastructure under concession.*

The increase in operating income recorded for the 2021 financial year mainly reflects the resumption of activity following the direct consequences of the Covid-19 pandemic.

4.1 Employment costs

Employment costs break down as follows:

(in € millions)	2021	2020
Wages and employee benefit expenses - I	**(84.1)**	**(75.0)**
Of which wages and salaries	*(55.5)*	*(49.4)*
Of which employer social contributions	*(28.7)*	*(25.5)*
Incentive and employee profit-sharing - II	**(13.2)**	**(10.8)**
Total I+II	**(97.3)**	**(85.8)**

The average workforce in 2021 breaks down as follows:

	2021	2020
Average workforce	**1,293**	**1,329**
Of which managers	251	256
Of which other employees	1,042	1,073

4.2 Depreciation and amortisation

Depreciation and amortisation break down as follows:

(in € millions)	2021	2020
Concession intangible assets	(227.2)	(219.0)
Concession property, plant and equipment	(39.7)	(43.7)
Property, plant and equipment and intangible assets	(1.4)	(1.5)
Depreciation and amortisation	**(268.2)**	**(264.1)**

The depreciation of concession property, plant and equipment at 31 December 2021 includes -€3.3 million in depreciation of right-of-use assets (-€3.2 million at 31 December 2020).

5. Cost of net financial debt

Accounting principles

The cost of net financial debt includes:

- the cost of gross debt, which includes interest expenses (calculated at the effective interest rate) and gains and losses on interest rate derivatives allocated to gross debt, whether or not they are designated as hedging instruments;
- financial income from investments which includes income from investments in cash and cash equivalents measured at fair value through profit and loss;
- the recycling of financial hedging costs.

At 31 December 2021, the cost of net financial debt amounted to €40.5 million, down €25.5 million from 31 December 2020 (€66 million).

The cost of net financial debt breaks down as follows:

(in € millions)	2021	2020
Financial liabilities measured at amortised cost	(59.8)	(92.9)
Financial assets and liabilities at fair value through profit or loss	0.0	(0.0)
Derivatives designated as hedges: assets and liabilities	18.6	27.1
Derivatives at fair value through profit and loss: assets and liabilities	0.8	(0.2)
Total cost of net financial debt	**(40.5)**	**(66.0)**

The entry "Derivatives designated as hedges: assets and liabilities" breaks down as follows:

(in € millions)	2021	2020
Net interest from derivatives designated as fair value hedges	20.1	27.2
Change in value of interest rate derivatives designated as fair value hedges	(89.5)	20.2
Change in value of the adjustment to hedged financial liabilities at fair value	89.5	(20.2)
Reserve recycled through profit or loss in respect of cash flow hedges	(1.6)	(0.1)
Gains and losses on derivative instruments allocated to net financial debt	**18.6**	**27.1**

6. Other financial income and expenses

Accounting principles

Other financial income and expenses mainly comprise the effects of discounting to present value, the impact of capitalised borrowing costs, foreign exchange gains and losses related to financial items, and changes in the value of derivatives not allocated to interest and exchange rate risk hedging.

(in € millions)	2021	2020
Discounting costs of provisions for obligation to maintain the condition of concession assets	(1.1)	(0.7)
Discounting costs of provisions for non-current receivables and liabilities	(0.0)	(0.1)
Discounting costs of provisions for retirement benefit obligations	(0.1)	(0.2)
Financial expense related to leases	(0.0)	(0.0)
Total other financial income and expenses	**(1.3)**	**(1.0)**

7. Income tax expense

Accounting principles

Cofiroute calculates its income taxes in accordance with French tax law. In accordance with IAS 12, deferred tax is recognised for the temporary differences between the carrying amount and the tax base of assets and liabilities. Tax is calculated on the basis of the latest tax rates enacted or substantively enacted at the balance sheet date. The effects of changes in tax rates from one period to another are recognised in the income statement in the period in which the change occurs except when they relate to transactions recognised in other comprehensive income or directly in equity.
Deferred tax relating to share-based payments (IFRS 2) is recognised in income as long as the deductible base does not exceed the fair value of the plans drawn up in accordance with IFRS 2.
Deferred tax balances are determined on the basis of the tax status of Cofiroute and are presented as assets or liabilities at their net position by tax category. Deferred tax is reviewed at each balance sheet date to take account in particular of the impact of changes in tax law and the prospect of recovery. Deferred tax assets are only recognised if their recovery is probable.
Deferred tax assets and liabilities are not discounted.

Income tax expense amounted to €221.5 million at 31 December 2021, compared to €111.4 million at 31 December 2020.

7.1 Breakdown of net tax expense

(in € millions)	2021	2020
Current tax	(231.2)	(63.5)
Deferred tax	9.7	(47.9)
Total	**(221.5)**	**(111.4)**

Net tax expense for the period reflects:
- tax recorded by Cofiroute, belonging to the VINCI tax consolidation group;
- the supplementary welfare tax of 3.3% of the Company tax rate;
- the impact of non-current changes in deferred taxation (reduction of the corporate tax rate from 27.5% to 25% from 2022).

7.2 Effective tax rate

The effective tax rate is 28.22% in 2021, compared to 20.49% in 2020.

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)	2021	2020
Income before tax	784.8	543.6
Theoretical tax rate in force in France	28.41%	32.02%
Expected theoretical tax expense	**(223.0)**	**(174.0)**
Permanent differences and other	1.5	62.7
Tax expense recognised	**(221.5)**	**(111.4)**
Effective tax rate	28.22%	20.49%

7.3 Breakdown of deferred tax assets and liabilities

(in € millions)	31/12/2021	Change – Income	Change – Equity	Change – Other	31/12/2020(*)
Deferred tax assets					
Retirement benefit obligations	4.0	0.3	(0.2)		3.9
Concession assets	21.7	0.9			20.7
Temporary differences on provisions	5.1	2.8			2.2
Fair value adjustment on financial instruments	0.1	(0.0)	(0.5)		0.6
Finance leases	0.6	(0.5)			1.0
Other	9.2	(0.7)	(0.0)		10.0
Total	**40.6**	**2.9**	**(0.7)**		**38.4**
Deferred tax liabilities					
Concession assets	(207.2)	6.4			(213.6)
Finance leases	(0.5)	0.5			(1.0)
Fair value adjustment on financial instruments	(0.9)	0.1	0.0		(1.0)
Other	(2.3)	(0.2)			(2.1)
Total	**(210.9)**	**6.8**	**0.0**		**(217.8)**
Net deferred tax	**(170.3)**	**9.7**	**(0.6)**		**(179.3)**

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1 "Basis of preparation of the financial statements").*

Net deferred tax liabilities amounted to €170.3 million (versus €179.3 million in 2020).

8. Earnings per share

Accounting principles

Earnings per share before dilution (basic earnings per share) correspond to net income divided by the number of shares for the year.

Cofiroute SA's share capital comprises 4,058,516 shares, unchanged between 2020 and 2021. The Company has not issued any instrument granting rights to shares.

Earnings per share amounted to €138.81 in 2021 (€106.49 in 2020).

D. Concession contracts

Cofiroute (the concession operator), according to the provisions of IFRIC 12 "Service Concession Arrangements", has two business activities:
- a construction business consisting of its obligations to design, build, and finance new infrastructures that it delivers to the concession grantor: revenue is recognised according to the percentage of completion method of accounting under IFRS 15 with the performance obligations being continually recognised;
- an operating and maintenance activity in respect of concession assets: revenue is recognised in accordance with IFRS 15.

The concession operator has the right to receive toll (or other types of revenue) from users for financing, building and operating the infrastructure. If the grantor pays the concession operator on the basis of the extent to which users use the service, with no guarantee of payment amounts ("pass through" or "shadow toll" agreements), the "Intangible Asset Model" applies.

In this model, the right to receive toll (or other) revenue is recognised on the balance sheet of the concession operator under "Concession intangible assets".

This right corresponds to the fair value of the infrastructure asset under concession plus the capitalised borrowing costs recognised during the construction period. It is amortised over the period covered by the contract in order to reflect the pace at which the contract's economic benefits are consumed, from the date on which the concession asset is commissioned.

This model has been applied to the two Cofiroute concession contracts.

Grants related to assets are presented on the balance sheet and charged against the carrying amount of the asset for which they were received.

9. Concession intangible assets

9.1 Details of concession intangible assets

(in € millions)	Cost of infrastructure in service[(*)]	Advances and outstanding amounts	Total
Gross			
At 01/01/2020	**8,270.1**	**269.0**	**8,539.2**
Acquisitions during the period	18.9	157.9	176.8
Other movements	113.9	(116.9)	(3.0)
At 31/12/2020	**8,402.9**	**310.0**	**8,712.9**
Acquisitions during the period	30.7	152.9	183.6
Other movements	80.5	(92.4)	(11.9)
At 31/12/2021	**8,514.1**	**370.6**	**8,884.7**
Depreciation			
At 01/01/2020	**(3,892.1)**		**(3,892.1)**
Depreciation during the period	(219.2)		(219.2)
Other movements	(0.0)		(0.0)
At 31/12/2020	**(4,111.3)**		**(4,111.3)**
Depreciation during the period	(227.4)		(227.4)
Other movements	(0.0)		(0.0)
At 31/12/2021	**(4,338.7)**		**(4,338.7)**
Net			
At 01/01/2020	**4,378.0**	**269.0**	**4,647.1**
At 31/12/2020	**4,291.6**	**310.0**	**4,601.6**
At 31/12/2021	**4,175.4**	**370.6**	**4,546.0**

(*) *After deduction of grants.*

The increase in the gross value of concession intangible assets corresponds mainly to the €183.6 million of acquisitions completed in 2021 (against €176.8 million in 2020). They include assets under construction of €152.9 million in 2021 related mainly to the continuation of phase-two improvements to the intercity network (ERI2) and implementation of the Motorway stimulus plan signed in 2015.

9.2 Main characteristics of concession contracts

The characteristics of concession contracts granted to Cofiroute are presented in the table below:

2021	Control and regulation of prices by concession grantor	Source of payments	Grant or guarantee from concession grantor	Residual value	End date or average duration	Accounting mode
Cofiroute						
Intercity network motorway tolls - France (1,100 km of toll motorways)	Pricing regulation as defined in the concession contract. Price increases subject to agreement by grantor.	Users	None	Infrastructure returned to grantor for no consideration at the end of the contract unless purchased by the grantor on the basis of its economic value.	Contract end: 30 June 2034	Intangible asset
Duplex A86 - France (11 km toll tunnel)	Pricing regulation as defined in the concession contract. Price increases subject to agreement by grantor.	Users	None	Infrastructure returned to grantor for no consideration at the end of the contract unless purchased by the grantor on the basis of its economic value.	Contract end: end of December 2086	Intangible asset

9.3 Commitments given under concession contracts

Under the concession contracts it has signed, Cofiroute has committed to making certain infrastructure investments in facilities that it will subsequently operate as a concession company.

At 31 December 2021, the total investment commitment provided for under the concession contracts was €467.2 million, compared with €601.7 million in 2020.

E. Other balance sheet items and commitments related to the business

10. Property, plant and equipment and other intangible assets

10.1 Property, plant and equipment

Accounting principles

Property, plant and equipment are recorded at acquisition or production cost, net of investment grants received, less cumulative depreciation and any impairment losses. Their value is not remeasured. These assets mainly include fittings, equipment, furniture and vehicles wholly owned by Cofiroute. They also include concession operating property, plant and equipment that is not controlled by the grantor but that is necessary for the operation of the concession: buildings used in operations, toll equipment, signage, remote transmission, video surveillance, vehicles and equipment.
Depreciation is generally calculated on a straight-line basis over the period of use of the asset. Accelerated depreciation may, however, apply when deemed more appropriate given the terms of use of the asset.
Periods of use of the various categories of property, plant and equipment (fittings, equipment, furniture and vehicles) range from three to ten years.
Depreciation commences on the date on which the asset is ready to come into service.

(in € millions)	Concession operating fixed assets	Land	Plant, equipment, fixtures and fittings	Right-of-use of concession fixed assets	Total
Gross					
At 01/01/2020	**931.1**	**1.4**	**22.0**	**8.5**	**963.0**
Acquisitions during the period	27.1		4.1		31.2
Disposals during the period	(0.3)	(0.0)			(0.3)
Other movements	0.7	(0.0)	(1.0)	1.2	1.0
At 31/12/2020	**958.6**	**1.4**	**25.2**	**9.7**	**994.9**
Acquisitions during the period	28.6		0.4		29.1
Disposals during the period	(2.5)		(9.3)		(11.8)
Other movements	(0.6)		0.1	1.3	0.9
At 31/12/2021	**984.1**	**1.4**	**16.4**	**11.1**	**1,013.0**
Depreciation, amortisation and impairment					
At 01/01/2020	**(725.4)**		**(17.4)**	**(2.9)**	**(745.7)**
Depreciation during the period	(40.4)		(0.6)	(3.2)	(44.3)
Disposals during the period	0.3				0.3
Other movements	0.0		0.0	0.1	0.1
At 31/12/2020	**(765.6)**		**(18.0)**	**(6.1)**	**(789.6)**
Depreciation during the period	(36.3)		(0.6)	3.3	(40.3)
Disposals during the period	1.8		9.2		11.0
Other movements	(0.0)		0.0	0.3	0.3
At 31/12/2021	**(800.1)**		**(9.5)**	**(9.1)**	**(818.6)**
Net					
At 01/01/2020	**205.7**	**1.4**	**4.6**	**5.6**	**217.4**
At 31/12/2020	**193.1**	**1.4**	**7.1**	**3.7**	**205.3**
At 31/12/2021	**184.1**	**1.4**	**6.9**	**2.0**	**194.4**

Rights to use concession property, plant and equipment refer mainly to office buildings and vehicles.

10.2 Other intangible assets

They mainly include software licenses and software. They are stated in the balance sheet at acquisition cost less amortisation and any accumulated impairment losses. They are amortised on a straight-line basis over their useful life.

The net value of other intangible assets amounted to €2.0 million at 31 December 2021. These include software, patents, licenses and other intangible assets, representing a gross value of €19.9 million.

Cumulative amortisation recorded at the end of 2021 stood at €18 million.

10.3 Impairment of non-financial non-current assets

Accounting principles

Impairment tests are performed on property, plant and equipment and intangible assets where evidence of a loss of value arises.

Cofiroute did not identify any material impairment of its tangible or intangible non-current assets in 2021 or 2020.

11. Working capital requirement and current provisions

Accounting principles

Trade receivables are current financial assets. They are initially measured at their fair value, which is generally their nominal value, unless the effect of discounting is material.
The Group applies the simplified model defined under IFRS 9 and accordingly records an impairment of its trade receivables equal to the credit loss expected at maturity.

At each balance sheet date, trade receivables are measured at their amortised cost less any impairment losses taking account of any likelihood of non-recovery.
An analysis of the losses recognised during the period is performed in order to make any necessary adjustments in the impairment rates. This risk is assessed in the light of payment delays and guarantees obtained.

Trade payables are current financial liabilities. They are initially measured at their fair value, which is most often their nominal value, unless the effect of discounting is material.

Inventories and work in progress are recognised at their cost of acquisition or of production by the entity. At each balance sheet date, they are measured at the lower of cost and net realisable value.

11.1 Change in working capital requirement

			Change	
(in € millions)	31/12/2021	31/12/2020	Change in operating WCR	Other changes
Inventories and work in progress (net)	1.1	1.2	(0.2)	0.0
Trade and other receivables	110.0	99.0	0.9	10.0
Other current operating assets	32.0	63.4	(24.0)	(7.3)
Inventories and operating receivables (I)	**143.1**	**163.7**	**(23.3)**	**2.7**
Trade payables	(44.4)	(63.9)	(2.0)	21.5
Other current liabilities	(120.5)	(102.1)	(18.4)	0.0
- Non-operating liabilities	1.0	1.0	(0.1)	0.0
Trade and other operating payables (II)	**(163.9)**	**(165.0)**	**(20.4)**	**21.5**
Working capital requirement (excluding current provisions) (I+II)	**(20.9)**	**(1.4)**	**(43.7)**	**24.2**
Current provisions	(283.9)	(275.6)	(7.2)	(1.1)
of which part at less than one year of non-current provisions	*0.0*	*0.0*	*0.0*	*0.0*
Working capital requirement (including current provisions)	**(304.8)**	**(277.0)**	**(50.9)**	**23.1**

The working capital requirement (WCR) comprises current assets and liabilities related to operations except for current tax assets and liabilities and other current financial assets and liabilities

11.2 Current assets and liabilities

The components of current assets and liabilities break down with respect to maturity in the following manner:

(in € millions)		31/12/2021	Maturity < 1 year 1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years
Inventories and work in progress (net)		1.1	1.1				
Trade and other receivables		110.0	110.0				
Other current operating assets		32.0	9.2	10.9		11.8	
Inventories and operating receivables	**I**	**143.1**	**120.3**	**10.9**		**11.8**	
Trade payables		(44.4)	(44.2)	(0.1)	(0.0)	(0.0)	(0.1)
Other current operating liabilities		(119.5)	(110.7)	(0.1)	(4.5)	(1.2)	(3.1)
Trade and other operating payables	**II**	**(163.9)**	**(154.9)**	**(0.1)**	**(4.5)**	**(1.2)**	**(3.2)**
Working capital requirement (connected with operations)	**I+II**	**(20.9)**	**(34.7)**	**10.8**	**(4.5)**	**10.6**	**(3.2)**

11.3 Breakdown of trade receivables

The following table presents invoiced trade receivables and any possible impairment:

(in € millions)	31/12/2021	31/12/2020
Trade receivables invoiced	28.6	16.4
Allowances against trade receivables	(2.4)	(9.9)
Trade receivables, net	**26.2**	**6.5**

At 31 December 2021, trade receivables between six and twelve months past due amounted to €0.4 million (€2.6 million at 31 December 2020). Trade receivables more than one year past due amounted to €2.6 million (€2.6 million at 31 December 2020) and were impaired in the amount of €2.4 million (€2.1 million at 31 December 2020).

11.4 Breakdown of current provisions

Current provisions are directly linked to the operating cycle, irrespective of their expected maturity. They are accounted for in accordance with IAS 37. They also include the current part (maturing in less than one year) of provisions not directly linked to the operating cycle.

Provisions are recognised for the contractual commitments to keep the facilities under concession in good working order. They are calculated on the basis of a medium to long-term expenditure programme that is reviewed annually. This expenditure is remeasured using the appropriate indices (primarily the TP01, TP02 and TP09 indices).

Provisions are also booked when structures have been identified with established problems. These provisions are recognised at their discounted amounts. The discounted cost is recorded under "Other financial income and expenses".

In 2021 and 2020, current provisions recognised as liabilities on the balance sheet changed as follows:

(in € millions)	Opening	Provisions taken	Provisions	Other reversals not used	Change in scope and miscellaneous	Closing
01/01/2020	**258.4**	**46.2**	**(26.4)**	**(8.2)**	**0.0**	**270.0**
Obligation to maintain the condition of concession assets	269.4	41.0	(23.5)	(12.6)	0.0	274.3
Other current liabilities	0.6	1.0	(0.4)	0.0	0.0	1.3
31/12/2020	**270.0**	**42.1**	**(23.9)**	**(12.6)**	**0.0**	**275.6**
Obligation to maintain the condition of concession assets	274.3	27.3	(25.3)	(6.4)	0.0	269.9
Other current liabilities	1.3	13.5	(0.8)	0.0	0.0	14.0
31/12/2021	**275.6**	**40.8**	**(26.1)**	**(6.4)**	**0.0**	**283.9**

Current provisions relate directly to the operating cycle. They amounted to €283.9 million at 31 December 2021 (compared with €275.6 million at 31 December 2020) and mainly relate to provisions for the obligation to maintain the condition of concession assets.

Provisions for the obligation to maintain infrastructure assets under concession in good condition mainly relate to spending on road-surface repairs (surfacing, restructuring of slow lanes, etc.), engineering structures, hydraulic structures and specific equipment for the A86 motorway Duplex. These provisions totalled €269.9 million at 31 December 2021 (€274.3 million at 31 December 2020).

12. Lease liabilities

Accounting principles

At the start of the lease, the liability is measured at the discounted value of the payments remaining due to the lessor, i.e.:
- the fixed rents, less any sums received from the lessor as incentives to sign the lease;
- the variable rents, which vary with an index or a rate, with the understanding that future payments are calculated based on the level of the index or rate at the start date of the lease;
- payments to be made by the lessee as part of a residual value guarantee;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise it; and
- the penalties to be paid should the lease termination option be exercised, if the term of the lease was determined on the assumption that the lessee would exercise that option.

The liability may be remeasured in the following situations: a change in the lease term; a change in the reasonably certain (or otherwise) likelihood of an option being exercised; when the residual value guarantee is re-estimated; when the rates or indices used to determine lease payments are revised at the time of lease adjustments.

At 31 December 2021, lease liabilities amounted to €2.2 million, of which €1.2 million relating to the portion beyond one year and €1 million to the portion less than one year.

They amounted to €3.7 million at 31 December 2020.

The net change of -€1.5 million recorded for the period just ended breaks down as follows:
- new lease liabilities: €1.9 million;
- repayment of lease liabilities: -€3.4 million.

Schedule of non-current lease liability

(in € millions)	Non-current lease liability	between 1 and 2 years	between 2 and 5 years	> 5 years
Lease liabilities on real property	0.0	0.0	0.0	0.0
Lease liabilities on moveable assets	1.2	1.2	0.0	0.0
31/12/2021	**1.2**	**1.2**	**0.0**	**0.0**

F. Equity

13. Information related to equity

13.1 Share capital

Cofiroute SA's share capital comprises 4,058,516 shares, unchanged between 2021 and 2020. The Company has not issued any instrument granting rights to shares.

13.2 Transactions recognised directly in equity

The following tables provide a breakdown of changes in these items by type of financial instrument:

(in € millions)		31/12/2021	31/12/2020
Net cash flow hedges			
Reserve at start of period		**(1.9)**	**0.2**
Other changes in fair value for the period		1.7	(1.8)
Items recognised in the income statement		(0.1)	(0.3)
Gross reserve before tax effect at balance sheet date (items that may be reclassified in the income statement)		**(0.3)**	**(1.9)**
Associated tax effect		0.1	0.5
Reserve net of tax (items not reclassified in the income statement)	**I**	**(0.2)**	**(1.4)**
Equity instruments			
Reserve at start of period		**10.1**	**10.1**
Changes in fair value for the period(*)			
Gross reserve before tax effect at balance sheet date	**II**	**10.1**	**10.1**
Actuarial gains and losses on retirement benefit obligations			
Reserve at start of period		**(4.9)**	**(4.3)**
Actuarial gains and losses recognised in the period		0.7	(0.8)
Associated tax effect		(0.2)	0.2
Reserve net of tax at reporting date	**III**	**(4.4)**	**(4.9)**
Total reserve net of tax (items not reclassified in the income statement)	**II+III**	**5.7**	**5.2**
Total transactions recognised directly in equity	**I+II+III**	**5.5**	**3.9**

(*) *Change in value of disposed equity investments measured at fair value through equity.*

Changes in fair value recognised in the income statement for the period mainly concern the hedging of floating-rate bonds through the setting up of fixed-for-floating interest rate swaps. These operations are described in Note G.17.1.3. "Description of cash flow hedging transactions".

14. Dividends

The balance of the 2020 dividend was paid in March 2021 and amounted to €491.8 million.

An interim dividend of €85.4 million was paid for the 2021 financial year.

The total amount of the dividend to be distributed in respect of the 2021 financial year will be submitted for approval at the Shareholders' Ordinary General Meeting of 18 March 2022 (see Note K. "Post-balance sheet events").

G. Financing and financial risk management

15. Information on net financial debt

Accounting principles

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

When the prevailing rate is significantly lower than market rates, particularly in the case of project financing granted by public bodies, the economic benefit that results is considered, according to IAS 20, as a government grant for debt reduction and the related investments.

Certain financing contracts provide for early redemption options, for amounts that are always close to the amortised cost of the financial liabilities that are recognised as a result. Consequently, Cofiroute does not recognise any derivative financial instrument separately from these original contracts.

The current portion of financial debt is reported under "Current financial debt".

At 31 December 2021, net financial debt, as defined by Cofiroute, stood at -€3,470.4 million, down €92.5 million from 31 December 2020.

Net financial debt breaks down as follows:

Analysis by accounting category	*(in € millions)*	31/12/2021 Non-Current	31/12/2021 Current(*)	31/12/2021 Total	31/12/2020 Non-Current	31/12/2020 Current(*)	31/12/2020 Total
Financial liabilities measured at amortised cost	Bonds	(2,971.7)	(11.5)	(2,983.2)	(3,052.3)	(1,157.0)	(4,209.3)
	Other bank loans and borrowings	(294.7)	(58.0)	(352.7)	(349.3)	(57.8)	(407.1)
	Long-term financial debt(**)	**(3,266.4)**	**(69.5)**	**(3,335.9)**	**(3,401.6)**	**(1,214.7)**	**(4,616.3)**
	Other current financial liabilities		(150.0)	(150.0)			
	Bank overdrafts						
	I - Gross financial debt	**(3,266.4)**	**(219.5)**	**(3,485.9)**	**(3,401.6)**	**(1,214.7)**	**(4,616.3)**
	of which impact of fair value hedges	*16.9*	*0.0*	*16.9*	*(65.4)*	*(7.2)*	*(72.5)*
Financial assets at amortised cost	Collateralised loans and financial receivables						
	Financial current account assets						
Financial assets measured at fair value through profit or loss	Cash management financial assets			0.0			0.0
	Cash equivalents		24.4	24.4		957.8	957.8
	Cash		6.2	6.2		9.1	9.1
	II – Financial assets	**0.0**	**30.6**	**30.6**	**0.0**	**967.0**	**967.0**
Derivatives	Derivative financial instruments – liabilities	(56.7)	(1.5)	(58.1)	(42.9)	(1.6)	(44.5)
	Derivative financial instruments – assets	39.7	3.4	43.1	106.4	24.6	131.0
	III - Derivative instruments	**(16.9)**	**1.9**	**(15.0)**	**63.5**	**22.9**	**86.5**
	Net financial debt (I+II+III)	**(3,283.4)**	**(187.0)**	**(3,470.4)**	**(3,338.1)**	**(224.8)**	**(3,562.9)**

(*) *Current part including accrued interest not yet due.*
(**) *Including the part at less than one year.*

Derivative financial instruments (assets/liabilities) eligible for hedge accounting are presented in the balance sheet, depending on their maturity, under non-current derivative instruments (assets/liabilities) for the part over one year and under current derivative instruments (assets/liabilities) for the part at less than one year.

Derivative financial instruments (assets/liabilities) not qualified as hedges are reported under "Current derivative instruments (assets/liabilities)" irrespective of their maturity.

The change in net financial debt breaks down as follows:

(in € millions)	Opening	Cash flows	Ref.	"Non cash" changes: Changes in consolidation scope	Translation effect	Changes in fair value	Other Changes	Total "non cash"	Ref.	Closing.
Non-current bonds	**(3,052.3)**	**0.3**	**(3)**			**82.3**	**(2.0)**	**80.3**	**(4)**	**(2,971.7)**
Other non-current loans and borrowings	**(349.3)**		**(3)**				**54.6**	**54.6**	**(4)**	**(294.7)**
Current financial debt	(1,214.7)	1,010.6				7.2	(22.5)	(15.4)		(219.5)
of which non-current portion of long-term debt	*(1,161.0)*	*1,154.8*	*(3)*			*7.2*	*(56.3)*	*(49.2)*	*(4)*	*(55.4)*
of which current financial debt at origin	*(5.8)*	*5.80*	*(3)*				*0.0*	*0.0*	*(4)*	*(0.0)*
of which other current financial debt	*0.0*	*(150.0)*	*(2)*					*0.0*	*(4)*	*(150.0)*
of which accrued interest not yet due	*(47.9)*		*(4)*				*33.8*	*33.8*	*(4)*	*(14.1)*
of which overdraft	*0.0*		*(4)*					*0.0*	*(4)*	*0.0*
Cash management assets	**0.0**	**0.0**	**(2)**					**0.0**	**(4)**	**0.0**
Cash and cash equivalents	**967.0**	**(936.4)**	**(1)**					**0.0**	**(1)**	**30.6**
Derivative financial instruments - net	**86.5**	**0.0**				**(87.0)**	**(14.5)**	**(101.5)**		**(15.0)**
of which FV of derivatives	*70.1*	*0.0*	*(2)*			*(87.0)*		*(87.0)*	*(4)*	*(16.8)*
of which accrued interest not matured on derivative financial instruments	*16.4*		*(4)*				*(14.5)*	*(14.5)*	*(4)*	*1.8*
Net financial debt	**(3,562.9)**	**74.5**	**(5)**	**0.0**	**0.0**	**2.5**	**15.6**	**18.1**	**(5)**	**(3,470.4)**

"Other changes" include the reclassification of the non-current portion of long-term financial debt to the current portion.

The table below makes it possible to reconcile changes in net financial debt with the cash flow statement:

(in € millions)	Ref.	31/12/2021
Change in net cash	(1)	(936.4)
Change in cash management assets and other current financial liabilities	(2)	(150.0)
(Issue) repayment of borrowings	(3)	1,160.9
Other changes	(4)	18.1
Change in net financial debt	(5)	92.6

15.1 Breakdown of long-term financial debt

At 31 December 2021, long-term financial debt recognised in the balance sheet stood at €3,335.9 million, a decrease of €1,280.4 million compared to 31 December 2020. This is mainly due to the repayment of a bond of €1,100 million in May 2021.

Long-term financial debt at 31 December 2021 showed the following characteristics:

				31 December 2021			31 December 2020		
(in € millions)	Currency	Contractual interest rate	Maturity	Capital outstanding	Carrying amount	of which accrued interest not yet due	Capital outstanding	Carrying amount	of which accrued interest not yet due
Bonds I				**3,000.0**	**2,983.2**	**11.5**	**4,105.8**	**429.3**	**44.9**
2006 bond issue	EUR	5.000%	May-21				750.0	779.6	22.8
2006 bond tap issue	EUR	5.000%	May-21				350.0	359.8	10.6
2016 bond issue	EUR	0.750%	September-28	650.0	657.3	1.5	650.0	681.8	1.5
2016 bond issue	EUR	0.375%	February-25	650.0	652.0	2.2	650.0	654.2	2.2
2017 bond issue	EUR	1.125%	October-27	750.0	756.8	1.8	750.0	765.7	1.8
2020 bond issue	EUR	1.000%	May-31	950.0	917.0	5.9	950.0	962.4	5.9
May 2020 Company Savings Plan	EUR	Average Corporate Bond Yield	May-21				5.8	5.8	0.0
Other bank loans and borrowings II				**353.1**	**352.7**	**2.6**	**407.9**	**407.1**	**3.0**
EIB March 2002	EUR	EUR3M + 0.31%	March-13 to March-27	30.0	30.0	0.0	35.0	35.0	0.0
EIB December 2002	EUR	EUR3M + 0.467%	June-13 to June-27	20.0	20.0	0.0	23.3	23.3	0.0
EIB December 2005	EUR	4.115%	December-12 to December-25	65.2	65.4	0.2	80.0	80.2	0.3
EIB December 2006	EUR	4.370%	December-13 to December-29	23.5	23.6	0.0	26.5	26.5	0.1
EIB June 2007	EUR	4.380%	June-14 to June-29	105.0	107.4	2.4	118.1	120.8	2.6
EIB November 2008	EUR	EUR3M + 0.324%	November-13 to November-28	109.4	106.4	0.0	125.0	121.2	0.0
Long-term financial debt				**3,353.1**	**3,335.9**	**14.1**	**4,513.7**	**4,616.3**	**47.9**

15.2 Breakdown of the maturity of net financial debt

The maturity of Cofiroute's financial liabilities, at redemption value and the associated interest payments, based on interest rates at 31 December 2021, breaks down as follows:

	31/12/2021					
(in € millions)	Carrying amount	Capital and interest cash flows(*)	< 1 year	between 1 and 2 years	between 2 and 5 years	> 5 years
Bonds						
Capital	(2,983.2)	(3,000.0)			(650.0)	(2,350.0)
Interest cash flows		(189.5)	(25.3)	(25.3)	(73.3)	(65.7)
Other bank loans and borrowings						
Capital	(352.7)	(353.1)	(55.4)	(56.0)	(153.9)	(87.8)
Interest cash flows		(32.2)	(8.3)	(7.0)	(12.7)	(4.2)
Sub-total: Long-term financial debt	**(3,335.9)**	**(3,574.7)**	**(88.9)**	**(88.2)**	**(889.9)**	**(2,507.7)**
Other current financial liabilities	*(150.0)*	*(150.0)*	*(150.0)*			
I - Financial debt	**(3,485.9)**	**(3,724.7)**	**(238.9)**	**(88.2)**	**(889.9)**	**(2,507.7)**
Cash equivalents	24.4	24.4	24.4			
Cash	6.2	6.2	6.2			
II – Financial assets	**30.6**	**30.6**	**30.6**			
Derivative financial instruments – liabilities	(58.1)	(3.5)	(3.3)	(2.8)	(8.2)	10.7
Derivative financial instruments – assets	43.1	99.7	16.2	16.2	47.3	20.0
III - Derivative financial instruments	**(15.0)**	**96.2**	**12.9**	**13.4**	**39.1**	**30.8**
Net financial debt (I+II+III)	**(3,470.4)**	**(3,598.0)**	**(195.5)**	**(74.8)**	**(850.8)**	**(2,476.9)**

(*) *Regarding derivative financial instruments, the amounts equal only interest cash flows.*

At 31 December 2021, the average maturity of Cofiroute's long-term financial debt was 6.2 years.

15.3 Financial covenants

Cofiroute's financing agreements (bonds, bank loans and credit facilities) do not include any case of default as defined by financial covenants.

Furthermore, some finance agreements stipulate that a change in control of the borrower may require mandatory early redemption or repayment.

15.4 Credit ratings

At 31 December 2021, Cofiroute had the following financial ratings from Standard & Poor's:
- long term: A-;
- forecast: stable;
- short-term: A-2.

16. Information on net cash managed and available resources

Accounting principles

Cash and cash equivalents include bank current accounts and short-term liquid investments, and are subject to an insignificant risk of changes in value. Cash equivalents comprise in particular interest-bearing accounts, monetary UCITS and certificates of deposit with maturities not exceeding three months at inception. Bank overdrafts are not included in cash and are reported under "Current financial liabilities". Changes in the fair value of these instruments are recognised directly in profit or loss.
Cash management financial assets include money market securities and bonds and short-term investments in UCITS that do not meet the criteria for cash equivalents defined by IAS 7. They are measured and recognised at their fair value. Changes in the value of these instruments are recognised directly in profit or loss.

Purchases and sales of cash management financial assets are recognised at their transaction date.

At 31 December 2021, Cofiroute's available resources amounted to €980.6 million, breaking down as €30.6 million in net cash and €950 million in an undrawn internal credit facility with VINCI (see Note G.16.2. "Revolving credit facilities").

16.1 Breakdown of net cash under management

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

(in € millions)	31/12/2021	31/12/2020
Cash equivalents	24.4	957.8
Cash	6.2	9.1
Net cash	**30.6**	**967.0**
Other current financial liabilities	(150.0)	
Net cash under management	**(119.4)**	**967.0**

The investment vehicles available to Cofiroute are mainly money market UCITS, negotiable debt securities (in particular, bank certificates of deposit) and term accounts. They are measured and recognised at their fair value.

Investments ("Cash management financial assets" and "Cash equivalents") are managed to avoid risks to capital and are monitored through a performance and risk control system.

Most cash is invested in a current account with VINCI Autoroutes. Cash borrowed from VINCI Autoroutes on a current account and from VINCI by drawdowns on the revolving credit facility is presented under other current financial debts. At 31 December 2021, the outstanding amount of €150 million relates exclusively to the credit facility with VINCI.

At 31 December 2021, total cash under management amounted to -€119.4 million.

16.2 Revolving credit facilities

At 31 December 2021, the internal credit facility of €1,100 million with VINCI had only been used up to the amount of €150 million.

The amounts authorised and used and the maturity of the VINCI credit facility at 31 December 2021 are presented in the following table:

			Maturity		
(in € millions)	Used at 31/12/2021	Authorised at 31/12/2021	< 1 year	1 to 5 years	> 5 years
VINCI credit facility	150.0	1,100.0		1,100.0	
Total	**150.0**	**1,100.0**		**1,100.0**	

17. Information on financial risk management

Management rules

Cofiroute has implemented a system to manage and monitor the financial risks to which it is exposed, and interest rate risk in particular. In the context of the health crisis, Cofiroute has set up specific procedures to ensure that its risks are properly monitored.

In accordance with the rules defined by the Group's Finance Department, the responsibility for identifying, evaluating and hedging financial risks lies with the operational entities. However, derivatives are generally managed by the Group's Finance Department on behalf of the subsidiaries concerned.

As Cofiroute has significant exposure to financial risks, a Treasury Committee, of which the Finance Departments of VINCI SA and Cofiroute are members, regularly analyses the main exposures and decides on hedging strategies.

In order to manage its exposure to market risks, Cofiroute uses derivative financial instruments.

Accounting principles

Most interest rate and currency exchange derivatives used by Cofiroute are designated as hedging instruments. Hedge accounting is applicable if the conditions provided for under IFRS 9 are satisfied:
- the hedging relationship must be clearly designated and documented at inception;
- economic link between the item hedged and the hedging instrument must be documented, as well as the potential sources of ineffectiveness;
- retrospective ineffectiveness must be measured at each closing date.

Changes in fair value from one period to another are recognised differently depending on whether the instrument is designated as:
- a fair value hedge of an asset or liability or an unrecognised firm commitment;
- a cash flow hedge;
- a net investment hedge in a foreign entity.

Cofiroute applies the provisions allowed or required by IFRS 9 for the treatment of hedging costs of all instruments that qualify as hedges from an accounting viewpoint.

A fair value hedge is used to hedge exposure to the risk of a change in the fair value of a financial asset, a financial liability or an unrecognised firm commitment.
Changes in the fair value of the hedging instrument are recognised in the income statement for the period. Similarly, the change in value of the hedged item attributable to the hedged risk is also recognised (and adjusted to the carrying amount of the hedged item). These two revaluations offset each other in the same line items in the income statement, for the exact amount of the "ineffective portion" of the hedge.

A cash flow hedge is used to hedge exposure to variability in future cash flows associated with an existing asset or liability, or a forecast and highly probable transaction.
Changes in the fair value of the hedging instrument are recognised in other comprehensive income (OCI) for the "effective portion" and in the income statement for the period for the "ineffective portion". Cumulative gains or losses in equity are recycled in the income statement on the same line as the hedged item - i.e. operating income for cash flow hedges and cost of operating cash flow hedges and net financial debt for others - when the hedged cash flow hedge occurs.
When the ineffectiveness of the hedging relationship leads to its disqualification, the cumulative gains or losses in respect of the hedging instrument are retained in equity and recycled to the income statement at the same rate as the occurrence of the hedged flows. Subsequent changes in fair value are recognised directly in the income statement. If the future cash flow is no longer expected, the gains and losses previously recognised in equity are recorded in the income statement.

Hedging of a net investment consists of hedging the currency exchange risk related to the net position of an investment in a consolidated foreign subsidiary outside the euro area. Changes in the value of the hedging instrument are recorded in equity under "translation differences" for the effective portion. The portion of changes in the value of the hedging instrument deemed "ineffective" is recorded in the cost of net financial debt. Translation differences related to changes in the value of the hedging instrument are recognised in the income statement when the foreign entity that was the subject of the initial investment is removed from the scope of consolidation.

Derivative financial instruments not designated as hedging instruments are recognised in the balance sheet at their fair value, while changes in fair value are recognised in the income statement.

At the balance sheet date, the fair value of derivatives broke down as follows:

		31/12/2021			31/12/2020		
(in € millions)	Notes	Assets	Liabilities	Fair value(*)	Assets	Liabilities	Fair value(*)
Interest-rate derivatives: fair value hedges	17.1.2	43.2	(58.1)	(14.9)	131.4	(42.4)	89.0
Interest-rate derivatives: cash flow hedges	17.1.3	0.0	(0.5)	(0.5)		(2.1)	(2.1)
Interest-rate derivatives: not designated as hedges	17.1.4			0.0			0.0
Other derivatives		(0.1)	0.5	0.4	(0.5)	0.0	(0.4)
Interest rate derivatives		**43.1**	**(58.1)**	**(15.0)**	**131.0**	**(44.5)**	**86.5**

(*) *The fair value includes unpaid accrued interest amounting to €1.8 million at 31 December 2021 and €16.4 million at 31 December 2020.*

17.1 Interest rate risk management

The interest rate risk is managed according to two horizons: a long-term horizon aimed at securing and preserving the economic equilibrium of the concession, and a short-term horizon with an objective of limiting the impact of the cost of the debt on the profit (loss) for the financial year.

Over the long-term management horizon, the objective is to ensure that the breakdown between fixed and floating rate debt is adjusted according to the level of debt, the fixed-rate portion being all the greater when the level of debt is high.

To hedge its interest rate risk, Cofiroute uses derivative financial instruments in the form of options (cap) or swaps of which the start date may be deferred. These derivatives may be designated as hedges or not, in accordance with IFRS. Cofiroute ensures that the ineffective portion of hedges is not material.

As of 31 December 2021, Cofiroute uses the methods permitted by the amendments to IFRS 7 and IFRS 9 "Interest Rate Benchmark Reform – phase I", which allows the effects of the reform of rates to be not taken into account in assessing whether the interest flows hedged are highly probable, until the transition to the new indices is effective. This results in interest rate swaps remaining accounted for as hedges.

In preparation for phase II of the amendment, a dedicated working group has been set up.

The main indices used by Cofiroute and affected by the reform are the Euribor. Cofiroute is in the process of signing the various amendments to implement the transition for the new indices, which will be effective for each contract for the first coupon in 2022.

17.1.1 Long-term financial debt before and after interest rate hedging and sensitivity to interest rate risk

Characteristics of long-term financial debt before and after interest rate hedging

The table below shows the breakdown at 31 December 2021 of long-term debt between fixed-rate and floating-rate debt before and after taking account of hedging derivative financial instruments:

	Breakdown between fixed and floating rate before hedging							
	Fixed rate			Floating rate			Total	
(in € millions)	Debt	*Share*	Rate	Debt	*Share*	Rate	Debt	Rate
Total at 31/12/2021	**3,193.7**	***95%***	**1.05%**	**159.4**	***5%***	**0.00%**	**3,353.1**	**1.00%**
Total at 31/12/2020	4,324.6	*96%*	2.08%	189.1	*4%*	0.01%	4,513.7	1.99%

	Breakdown between fixed and floating rate after hedging							
	Fixed rate			Floating rate			Total	
(in € millions)	Debt	*Share*	Rate	Debt	*Share*	Rate	Debt	Rate
Total at 31/12/2021	**2,193.7**	***65%***	**0.76%**	**1,159.4**	***35%***	**0.48%**	**3,353.1**	**0.66%**
Total at 31/12/2020	2,324.6	*52%*	1.97%	2,189.1	*48%*	0.23%	4,513.7	1.13%

Sensitivity to interest rate risk

Cofiroute's income statement is exposed to fluctuations in interest rates, in light of:
- cash flows connected with net floating-rate financial debt;
- fixed-rate financial instruments, recognised at fair value in the balance sheet through earnings;
- derivatives that are not designated as hedging instruments.

By contrast, fluctuations in the value of derivatives designated as cash flow hedges (for their effective portion) do not have a direct impact on the income statement and are recognised in equity.

The following analysis was carried out by assuming that the amount of financial debt and derivatives at 31 December 2021 remains constant over a year.

A 25-basis point fluctuation in interest rates at the reporting date would lead to an increase or a contraction in equity and (pre-tax) income amounting to the sums shown below. For the purpose of this analysis, all the other variables are assumed to remain constant.

	31/12/2021			
	Impact of the sensitivity calculation			
	Income		Equity	
(in € millions)	+ 25 bps	- 25 bps	+ 25 bps	- 25 bps
Floating-rate debt after hedging (accounting basis)	(3.3)	3.3		
Floating-rate assets after hedging	0.1	(0.1)		
Derivatives not designated as hedges				
Derivatives designated as cash flow hedges			0.0	(0.0)
Total	**(3.2)**	**3.2**	**0.0**	**(0.0)**

17.1.2 Description of fair value hedges

At the reporting date, derivatives designated as fair value hedges broke down as follows:

	Receive fixed/pay floating interest rate swaps					
(in € millions)	Fair value	Notional	< 1 year	between 1 and 2 years	between 2 and 5 years	> 5 years
At 31/12/2021	**(14.9)**	**2,000.0**			**150.0**	**1,850.0**
At 31/12/2020	89.0	2,500.0	500.0		150.0	1,850.0

These transactions hedge Cofiroute's issues of fixed-rate bonds.

17.1.3 Description of cash flow hedging transactions

Cofiroute's exposure to risks of fluctuation in future interest flows results from floating-rate debt payments as at 31 December 2021.

Cofiroute has set up interest-rate swaps and/or caps in order to fix the coupons on floating-rate debt. Contractual payments relating to these derivatives are settled symmetrically with the hedged interest flows on bonds. The deferred amount in equity is recognised in the income statement in the period in which the interest flows of the debt affect earnings.

At 31 December 2021, details of the instruments designated as cash flow hedges were as follows:

	31/12/2021					
(in € millions)	Fair value	Notional	< 1 year	between 1 and 2 years	between 2 and 5 years	> 5 years
Receive floating/pay fixed interest-rate swap	(0.5)	1,000.0	1,000.0			
Total interest rate derivatives designated as cash flow hedges	**(0.5)**	**1,000.0**	**1,000.0**			
of which hedging of contractual cash flows	*(0.5)*	*1,000.0*	*1,000.0*			
of which hedging of highly probable projected cash flows						

The following table shows the periods during which Cofiroute expects the amounts recorded in equity at 31 December 2021 for existing or settled derivatives designated as cash flow hedges to have an impact on profit or loss:

	31/12/2021				
		Amount recycled in profit or loss			
(in € millions)	Amount recognised in equity	< 1 year	between 1 and 2 years	between 2 and 5 years	> 5 years
Total interest rate derivatives designated as cash flow hedges	**(0.3)**	**(0.3)**			
of which hedging of contractual cash flows	(0.3)	(0.3)			
of which hedging of highly probable cash flows	0.0	0.0			

17.1.4 Derivatives not designated as hedging instruments

At 31 December 2021, Cofiroute does not hold any instruments not designated from an accounting viewpoint as hedges.

17.2 Exchange rate risk

Cofiroute is exposed to a currency risk that is not considered to be significant.

17.3 Credit and counterparty risk

Cofiroute is exposed to credit risks in the event of default by its customers. It is exposed to counterparty risk through the investment of its cash and cash equivalents (mainly bank credit balances, negotiable debt securities, term deposits, marketable securities), the subscription of derivatives, commitments received (sureties and guarantees), unused credit authorisations and financial receivables.

Cofiroute has set up procedures to manage and curb credit risk as well as counterparty risk.

Receivables

Regarding its exposure to trade receivables risk, Cofiroute considers that the concentration of credit risk related to trade receivables is limited because of the large number of customers and the fact that they are geographically widespread. No customer accounts for more than 10% of Cofiroute's revenue. The breakdown of trade receivables is presented in Note E.11.3. "Breakdown of trade receivables".

Financial instruments (investments and derivatives)

Cash and derivative financial instruments are set up with financial institutions that meet the credit rating criteria defined by the Group . In addition, the Group has set up a system of limits for each institution to manage its counterparty risk, as well as maximum control ratios for any given investment. Maximum risk lines are defined by counterparty according to their credit ratings from the ratings agencies. The limits are regularly monitored and updated on the basis of quarterly reporting at consolidated level.

In addition, the Group's Finance Department distributes instructions to subsidiaries setting limits for each authorised counterparty, the list of authorised UCITS (French subsidiaries) and the criteria for selecting money market funds.

The measurement of the fair value of financial derivative instruments carried by the Group includes a "counterparty risk" component for the derivative instruments carried as assets and an "own risk" component for the derivative instruments carried as liabilities. Credit risk is measured by drawing on the mathematical models usually drawn upon by market players. At 31 December 2021, adjustments recognised for counterparty risk and own credit risk are not material.

Netting agreements for derivative financial instruments

At 31 December 2021 and in accordance with IAS 32, Cofiroute's financial assets and liabilities (including derivatives) are not offset in the balance sheet, except in cases where Cofiroute has netting agreements. In the event of default by Cofiroute or by financial institutions with which it holds contracts, these agreements provide for netting between the fair values of assets and liabilities arising from derivative financial instruments presented in the IFRS statement of financial position.

The table below presents Cofiroute's net exposure stemming from these netting agreements:

	31/12/2021			31/12/2020		
(in € millions)	Fair value of derivatives recognised on the balance sheet(*)	Impact of netting agreements	Total	Fair value of derivatives recognised on the balance sheet(*)	Impact of netting agreements	Total
Derivative financial instruments – assets	43.1	(4.4)	38.8	131.0	(2.1)	128.9
Derivative financial instruments – liabilities	(58.1)	4.4	(53.8)	(44.5)	2.1	(42.4)
Derivative financial instruments - net	**(15.0)**	**0.0**	**(15.0)**	**86.5**	**0.0**	**86.5**

(*) *Gross amounts as stated on the balance sheet.*

18. Carrying amount and fair value of financial assets and liabilities by accounting category

In 2021, the criteria used to measure the fair value of financial assets and liabilities remained unchanged.

The following table shows the carrying amount in the balance sheet of financial assets and liabilities by accounting category as defined by IFRS 9, and their fair value:

(in € millions)	31/12/2021										
	Accounting categories							Fair value			
Balance sheet headings and Instrument classes	Derivatives at fair value through profit and loss	Derivatives classifiable as hedges	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through equity	Financial assets at amortised cost	Financial liabilities at amortised cost	Total net carrying amount on the balance sheet	Level 1 Quoted prices and cash	Level 2 Internal model using observable inputs	Level 3 Internal model using non-observable inputs	Fair value
I - Non-current financial assets							**0.0**				**0.0**
II - Derivative financial instruments – assets	**(0.1)**	**43.2**					**43.1**		**43.1**		**43.1**
Cash equivalents			24.4				24.4	24.4			24.4
Cash			6.2				6.2	6.2			6.2
III - Current financial assets			**30.6**				**30.6**	**30.6**	**0.0**	**0.0**	**30.6**
Total assets	**(0.1)**	**43.2**	**30.6**	**0.0**	**0.0**	**0.0**	**73.7**	**30.6**	**43.1**	**0.0**	**73.7**
Bonds						(2,983.2)	(2,983.2)	(3,122.9)			(3,122.9)
Other bank loans and borrowings						(352.7)	(352.7)		(355.7)		(355.7)
IV - Long-term financial debt						**(3,122.9)**	**(3,335.9)**	**(3,122.9)**	**(355.7)**		**(3,478.6)**
V - Derivative financial instruments – liabilities	**0.5**	**(58.6)**					**(58.1)**		**(58.1)**		**(58.1)**
Other current financial liabilities						(150.0)	(150.0)		(150.0)		(150.0)
VI - Current financial liabilities						**(150.0)**	**(150.0)**		**(150.0)**		**(150.0)**
Total liabilities	**0.5**	**(58.6)**	**0.0**	**0.0**	**0.0**	**(3,485.9)**	**(3,544.0)**	**(3,122.9)**	**(563.8)**	**0.0**	**(3,686.8)**
Total	**0.4**	**(15.4)**	**30.6**	**0.0**	**0.0**	**(3,485.9)**	**(3,470.4)**	**(3,092.4)**	**(520.7)**	**0.0**	**(3,613.1)**

The following table shows the carrying amount and fair value of financial assets and liabilities as published at 31 December 2020 using the categories defined by IFRS 9:

(in € millions)	31/12/2020										
	Accounting categories							Fair value			
Balance sheet headings and Instrument classes	Derivatives at fair value through profit and loss	Derivatives classifiable as hedges	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through equity	Financial assets at amortised cost	Financial liabilities at amortised cost	Total net carrying amount on the balance sheet	Level 1 Quoted prices and cash	Level 2 Internal model using observable inputs	Level 3 Internal model using non-observable inputs	Fair value
I - Non-current financial assets							**0.0**				**0.0**
II - Derivative financial instruments – assets	**(0.5)**	**131.4**					**131.0**		**131.0**		**131.0**
Cash equivalents			957.8				957.8	957.8			957.8
Cash			9.1				9.1	9.1			9.1
III - Current financial assets			**967.0**				**967.0**	**967.0**	**0.0**	**0.0**	**967.0**
Total assets	**(0.5)**	**131.4**	**967.0**	**0.0**	**0.0**	**0.0**	**1,097.9**	**967.0**	**131.0**	**0.0**	**1,097.9**
Bonds						(4,209.3)	(4,209.3)	(4,370.2)	(5.8)		(4,376.0)
Other bank loans and borrowings						(407.1)	(407.1)		(410.9)		(410.9)
Borrowings relating to finance leases											
IV - Long-term financial debt						**(4,616.3)**	**(4,616.3)**	**(4,370.2)**	**(416.7)**		**(4,786.9)**
V - Derivative financial instruments – liabilities	**0.0**	**(44.5)**					**(44.5)**		**(44.5)**		**(44.5)**
Other current financial liabilities							0.0	0.0			0.0
VI - Current financial liabilities							**0.0**	**0.0**			**0.0**
Total liabilities	**0.0**	**(44.5)**	**0.0**	**0.0**	**0.0**	**(4,616.3)**	**(4,660.8)**	**(4,370.2)**	**(461.2)**	**0.0**	**(4,831.4)**
Total	**(0.4)**	**86.9**	**967.0**	**0.0**	**0.0**	**(4,616.3)**	**(3,562.9)**	**(3,403.2)**	**(330.2)**	**0.0**	**(3,733.4)**

H. Employee benefits and share-based payments

19. Provisions for employee benefits

As at 31 December 2021, the portion of provisions for employee benefits beyond one year broke down as follows:

(in € millions)	31/12/2021	31/12/2020(*)
Provisions for retirement benefit obligations	14.8	14.2
Other non-current provisions	0.5	0.5
Total non-current provisions at more than one year	**15.3**	**14.6**

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1 "Basis of preparation of the financial statements").*

19.1 Provisions for retirement benefit obligations

Accounting principles

Obligations relating to defined-benefit retirement plans are provisioned as liabilities in the balance sheet, both for current employees and for employees who have left the company (retirees and persons with deferred rights). These provisions are determined in accordance with the projected unit credit method based on actuarial assessments made at each annual reporting date. The actuarial assumptions used to determine the obligations vary according to the economic conditions in which the plan exists. Each plan's obligations are recognised separately.

Under IAS 19, 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 discounted value of the obligations is recognised as an asset or liability in the balance sheet. This recognition is subject to the asset ceiling rules and the minimum funding requirements set out in IFRIC 14.
The expense recognised under operating income or loss in each period comprises the current service cost and the effects of any change, reduction or winding up of the plan. The accretion impact recognised on actuarial debt and interest income on plan assets are recognised under other financial income and expenses. Interest income from plan assets is calculated using the discount rate used to calculate obligations with respect to defined-benefit plans.
The impacts of remeasuring net liabilities with respect to defined-benefit retirement plans are recognised in other comprehensive income. They comprise:
- actuarial gains and losses on obligations resulting from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and what has actually occurred);
- plan asset outperformance/underperformance (i.e. the difference between the effective return on plan assets and the return calculated using the discount rate applied to the actuarial liability);
- and the change in the effect of the asset ceiling.

The share of provisions for retirement benefit obligations that matures in less than one year is shown under "Other current liabilities".

Provisions for retirement obligations amounted to €15.6 million at 31 December 2021, including €14.8 million maturing in more than one year, compared to €14.9 million at 31 December 2020, including €14.2 million maturing in more than one year.

Cofiroute's retirement benefit obligations for defined-benefit plans breakdown into two categories:
- obligations borne directly by Cofiroute, covered by provisions recognised in the IFRS balance sheet. These comprise retirement bonuses and additional defined-benefit pension plans;
- plans that are pre-financed through a contract with an insurance company.

Retirement benefit obligations covered by provisions in the balance sheet are measured on the basis of the following assumptions:

Plan	31/12/2021	31/12/2020
Discount rate	1.05%	0.80%
Inflation rate	1.80%	1.60%
Rate of salary increases (excl. inflation)	2.80%	1.00%

The discount rate was determined on the basis of the yields of blue-chip corporate bonds (AA rating) whose maturities correspond to the plans' expected cash flows. The discount rate finally adopted is a single rate equivalent to the application of the various rates depending on maturities.

On the basis of these assumptions, retirement benefits, the provisioned and recognised pension expenses break down as follows:

Reconciliation of obligations and provisions recorded in the balance sheet

(in € millions)	31/12/2021	31/12/2020(*)
Actuarial liability from retirement benefit obligations	**17.6**	**17.8**
Fair value of hedging assets	(2.0)	(2.9)
Deficit (or surplus)	**15.6**	**14.9**
Provision recognised as liabilities in the balance sheet	**15.6**	**14.9**

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1. "Basis of preparation of the financial statements").*

Changes in actuarial liabilities and plan assets for the period

(in € millions)	31/12/2021	31/12/2020(*)
Actuarial liability from retirement benefit obligations		
Balance at the start of the period	**17.8**	**17.1**
of which obligations covered by plan assets	2.9	3.6
Cost of services rendered during the period	1.4	1.0
Actuarial liability discount cost	0.2	0.2
Past service cost (plan changes and curtailments)	0.0	0.0
Actuarial gains and losses recognised in other comprehensive income items (**)	(0.6)	0.9
of which impact of changes in demographic assumptions	*0.0*	*2.3*
of which impact of changes in financial assumptions	*(0.1)*	*(0.6)*
of which experience gains and losses	*(0.6)*	*(0.9)*
Benefits paid to beneficiaries	(1.3)	(1.1)
Disposals of companies and other	0.1	(0.1)
At the end of the period	**17.6**	**17.8**
of which obligations covered by plan assets	2.0	2.9

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1 "Basis of preparation of the financial statements").*
(**) *Actuarial gains and losses refer primarily to changes in financial assumptions, notably the discount rate.*

(in € millions)	31/12/2021	31/12/2020
Plan assets		
Balance at the start of the period	**2.9**	**3.6**
Interest income during the period	(0.0)	0.0
Actuarial gains and losses recognised in other comprehensive income items(*)	0.1	0.1
Benefits paid to beneficiaries	(1.0)	(0.8)
At the end of the period	**2.0**	**2.9**

(*) *Actuarial gains and losses refer primarily to changes in financial assumptions, notably the discount rate.*

Change in provisions for retirement benefit obligations during the period

(in € millions)	31/12/2021	31/12/2020(*)
Provisions for retirement benefit obligations recognised under liabilities on the balance sheet		
Balance at the start of the period	**14.9**	**13.5**
Total expense recognised with respect to retirement benefit obligations	1.6	1.0
Actuarial gains and losses recognised in other comprehensive income items	(0.7)	0.8
Benefits paid to beneficiaries	(0.3)	(0.3)
At the end of the period	**15.6**	**14.9**

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1 "Basis of preparation of the financial statements").*

Break down of expenses recognised in respect of defined benefit plans

(in € millions)	31/12/2021	31/12/2020
Cost of services rendered during the period	(1.4)	(1.0)
Actuarial liability discount cost	(0.2)	(0.2)
Interest income during the period	(0.0)	0.0
Impact of plan settlements and other	(0.1)	0.1
Total	**(1.6)**	**(1.0)**

Breakdown of plan assets by type of vehicle

	31/12/2021	31/12/2020(*)
	Euro area	**Euro area**
Equities	7%	6%
Bonds	85%	86%
Real estate	8%	8%
Overall breakdown of plan assets	**100%**	**100%**
Plan assets *(in € millions)*	2.0	2.9
Coverage rate of actuarial liability *(as a %)*	**11%**	**16%**

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1 "Basis of preparation of the financial statements").*

19.2 Other employee benefits

Provisions for other employee benefits concern the provision for long-service awards, which is stable compared with 31 December 2020 and amounts to €0.7 million at 31 December 2021, of which €0.2 million due within one year. This provision is measured at the discounted value of future benefits.

20. Share-based payments

Accounting principles

The measurement and recognition methods for the VINCI Group savings plans and performance share plans are defined by IFRS 2 "Share-based Payments". The granting of performance shares and offers to subscribe to Group savings plans in France and abroad represent a benefit granted to their beneficiaries and therefore constitute supplementary remuneration borne by the VINCI Group. Because such transactions do not give rise to monetary transactions, the benefits granted in this way are recognised as expenses in the period in which the rights are acquired, with a corresponding increase in equity. They are valued by an external actuary on the basis of the fair value at the grant date of the equity instruments granted.

Benefits in respect of performance shares and the Group savings plan are granted by decision of the Board of Directors of VINCI SA after their approval by the Shareholders' General Meeting. As their valuation is not directly related to operational activity, it was considered appropriate to not include the corresponding expense in operating income from ordinary activities, the indicator used to measure the performance of the business lines, and instead to present it on a separate line entitled "Share-based payments (IFRS 2)" in current operating income.

Performance share plans

Since financial criteria may have to be met for these shares to vest, the number of performance shares to which the fair value is applied for the calculation of the IFRS 2 expense is adjusted at each closing date for the impact of the change in likelihood of the financial criteria being met.

VINCI Group savings plan

With regard to the Group savings plan, the VINCI Board of Directors defines the subscription conditions in accordance with the authorisations granted by the Shareholders' General Meeting. VINCI issues new shares in France three times a year reserved for VINCI Group employees, with a subscription price that includes a 5% 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. The subscribers also benefit from an employer's contribution, which has been capped at an annual maximum of €3,500 per person since 1 January 2018, compared with a maximum contribution of €2,500 previously. 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:

- subscription period: four months;
- lock-up period: five years.

The estimated number of shares subscribed at the end of the subscription period is calculated using an individual subscription allocation method based on the historical data observed for 2017, 2018, 2019 and 2021 plans (2020 is not taken into account due to its highly exceptional nature), with consideration of a cost for the unavailability of mutual fund shares.

The lock-up cost is estimated from the point of view of a third party using a loan to purchase the same number of transferable securities and repaying said loan by selling the securities, once available. A personal borrowing rate is defined in reference to consumer credit rates assessed by Banque de France in the month of the valuation. This rate is compared with the risk-free rate at the grant date.

The total expense recorded at 31 December 2021 in relation to share-based payments stands at €3.1 million (€2.2 million in 2020).

I. Other notes

21. Transactions with related parties

Transactions with related parties include:
- remuneration and similar benefits granted to members of the governing and management bodies;
- transactions with the VINCI Group and other related parties (mainly companies in which the Group holds an equity stake).

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

Remuneration terms for Cofiroute Company Officers are set by the Board of Directors on the recommendation of the Remuneration Committee.

The table below shows the remuneration and similar benefits, on a full-year basis, granted by Cofiroute to persons who, at the reporting date, are (or, have been, during the year) members of Cofiroute's governing bodies and Executive Committee. The corresponding amounts have been recognised and expensed in 2021 and 2020 as follows:

	Members of governing bodies and Executive Committee	
(in € millions)	**2021**	**2020(*)**
Remuneration	1.2	1.1
Employer's social charges	0.6	0.6
Post-employment benefits	0.0	0.0
Severance payments	0.0	0.0
Share-based payments(**)	1.1	0.8
Provisions for retirement benefit obligations	0.2	0.1

(*) *Restated as of 1 January 2020 following the IFRS IC decision of May 2021, specifying the calculation of retirement benefit obligations (see Note A.2.1 "Basis of preparation of the financial statements").*
(**) *This amount is determined in accordance with IFRS 2 and the terms and conditions described in Note H.20. "Share-based payments".*

Members of Cofiroute's Executive Committee do not benefit from a supplementary retirement plan. They benefit from the plan described in Note H.19.1. "Provisions for retirement benefit obligations".

Corporate Officers benefit from a supplementary retirement plan. Contributions to this plan are made by the parent company VINCI SA.

21.2 Transactions with the VINCI Group

Transactions in 2021 and 2020 between Cofiroute and the VINCI Group break down as follows:

(in € millions)	**2021**	**2020**
Construction expenses	(15.1)	(26.7)
Revenue and other ancillary revenue	3.0	1.9
Other external expenses	(46.5)	(49.4)
Trade receivables	4.6	3.2
Trade payables	17.8	11.7
Liabilities for non-current concession assets	2.9	8.5
Dividend payments	577.2	452.2

22. Statutory Auditors' fees

The total amount of fees paid to Statutory Auditors is €143.3 thousand for the 2021 financial year (€158 thousand in 2020).

They break down as follows: €96.2 thousand for PwC (of which €84.2 thousand for the statutory audit and €12 thousand for other assignments invoiced in 2021) and €47.1 thousand for KPMG (of which €36.1 thousand for the statutory audit and €11 thousand for other assignments invoiced in 2021).

J. Note on litigation

To Cofiroute's knowledge, there are no litigations likely to have a material impact on the Company's business, earnings, assets or financial position.

K. Post-balance sheet events

Rates

The toll rates on the A86 Duplex were amended on 1 January 2022 pursuant to the Interministerial Decree of 27 December 2021.

Toll rates for the intercity network will increase on 1 February 2022 pursuant to the Concessions Contract. The average rise in the rate per kilometre is +1.90%.

Appropriation of 2021 net income

The Board of Directors finalised the individual IFRS financial statements for the year ended 31 December 2021 on 28 January 2022. These financial statements will only become definitive when approved by the Shareholders' General Meeting.

The Shareholders' Ordinary General Meeting of 18 March 2022 will be asked to approve a dividend of €138.73 per share for this financial year, which takes into account the interim dividend already paid in August 2021 (€21.04 per share) and which would bring the balance of the dividend to be distributed to €117.69 per share, to be paid no later than 31 March 2022.

Report of the Statutory Auditors on the IFRS individual financial statements

Cofiroute
1973 Boulevard de la Défense
92000 Nanterre
France

In our capacity as Statutory Auditors for the company Cofiroute and further to your request, we have performed an audit of the Cofiroute IFRS individual financial statements for the financial year ended 31 December 2021, as attached hereto.

These IFRS individual financial statements were prepared under the responsibility of the Board of Directors on 28 January 2022, on the basis of the information available at such date in the rapidly-changing context linked to the Covid-19 crisis and difficulties in understanding its impacts and future outlook. Our role is to express an opinion on these financial statements, based on our audit.

We conducted our audit in accordance with prevailing standards of the profession in France and the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes on this operation. These standards require the implementation of procedures to obtain reasonable assurance that the IFRS individual financial statements are free of material misstatement. An audit involves examining, on a test basis or by means of other selection methods, the evidence supporting the amounts and disclosures in the IFRS individual 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 IFRS individual financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the IFRS individual financial statements provide, in all material respects, a true and fair view of the Company’s financial position, assets and liabilities and results for the year ended 31 December 2021, in accordance with the International Financial Reporting Standards as adopted by the European Union.

Without calling into question the opinion expressed above, we draw your attention to Note A.2.1. “Basis of preparation of the financial statements” of the notes to the IFRS individual financial statements, which sets out the change in accounting method relating to the application on 1 January 2021 of the IFRS IC decision on the methodology for calculating employee benefits and the vesting period.

Neuilly-sur-Seine and Paris-La Défense, 28 January 2022

The Statutory Auditors

PricewaterhouseCoopers Audit

Bertrand Baloche

KPMG Audit
Department of KPMG SA
Karine Dupré

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COFIROUTE
Head office
1973, boulevard de la Défense
Bâtiment HYDRA
CS 10268
92757 Nanterre Cedex
France
Tel.: 33 (0)1 57 98 61 00
www.vinci-autoroutes.com

VINCI AUTOROUTES