



Half-year Financial Report 2008



ASF GROUP

Half-year Financial Report 30 June 2008

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Key events in the period

During the first half of 2008, ASF drew €250 million from a credit line facility granted by the European Investment Bank (EIB) in 2007 and described in Note C.14.2.3 *Credit lines and bank term loans* in the 2007 consolidated financial statements.

Traffic

On a stable network basis, toll traffic per kilometre travelled for ASF and Escota increased between the first half of 2007 and the first half of 2008 as follows:

- +0.54% for all vehicle categories;
- +0.55% for light vehicles, which represent 83.3% of total traffic;
- +0.50% for heavy vehicles, which represent 16.7% of total traffic.

The number of kilometres travelled on the ASF and Escota networks, including traffic on sections newly brought into service, was 15.76 million for the first half of 2008, as against 15.66 million for the same period in 2007, a 0.7% increase.

The networks benefited from the extra day in a leap year (Friday, 29 February 2008), which increased traffic by 0.63% over the six-month period.

However, the strong increases in fuel prices, particularly in April and May 2008, had a significant impact on traffic during the second quarter.

At +0.63%, growth in heavy vehicle traffic was lower during the first half of 2008 than that of light vehicle traffic (+0.70%).

Toll revenue

Toll revenue amounted to €1,335.5 million for the first half of 2008, compared with €1,274.1 million for the same period in 2007, representing 4.8% growth.

This breaks down between ASF and Escota as follows:

(in € millions)	30/06/08			30/06/07			Change 2008 vs 2007
	ASF	Escota	ASF-Escota	ASF	Escota	ASF-Escota	
Toll revenue	1,053.9	281.6	1,335.5	1,003.9	270.2	1,274.1	4.8%

Annual average daily traffic over the entire network declined by 0.5% from 28,790 vehicles for the first half of 2007 to 28,656 vehicles for the same period in 2008.

Toll prices

In accordance with the provisions of Article 25.2 of the company's concession contract and Article 5.1.1.1 of its master plan with the French government for the period 2007 to 2011, toll prices on ASF's motorway network increased on 1 February 2008 as follows:

- +2.45% on average for light vehicles, heavy vehicles with two axles and motorcycles (categories 1, 2, 3 and 5) in application of the price law, corresponding to 85% of French inflation (excluding tobacco products) +0.625% +0.2%;
- +2.81% on average for heavy vehicles with three or more axles (category 4) due to the increase of the category 4 coefficient from 2.85 to 2.86.

In accordance with the provisions of Article 25.2 of the company's concession contract and Article 5.1.1.1 of its master plan with the French government for the period 2007 to 2011, toll prices on the Escota motorway network increased on 1 February 2008 as follows:

- +2.53% on average for light vehicles, heavy vehicles with two axles and motorcycles (categories 1, 2, 3 and 5) in application of the price law, corresponding to 85% of French inflation (excluding tobacco products) +0.9%;
- +2.88% on average for heavy vehicles with three or more axles (category 4) due to the increase of the category 4 coefficient from 2.89 to 2.90.

The number of paying transactions rose 0.5% to 306.54 million during the first half of 2008, as against 305.10 million during the same period in 2007.

Use of automated lanes increased 11.1% to 229.19 million transactions during the first half of 2008, compared with 206.27 million during the first half of 2007.

The level of transactions processed in automated lanes grew significantly during the first half of 2008 to 74.8%, as against 67.6% during the first half of 2007.

This growth was due to:

- the deployment of new automated lanes and making those already in operation on the network more attractive;
- the migration of Caplis customers to the HGV electronic toll collection (ETC) system;
- the significantly increased use of the light vehicle ETC system.

The number of light vehicle ETC system account holders for the two companies at 30 June 2008 was 561,837, corresponding to almost 722,092 transponders installed.

Breakdown of ASF and Escota transactions by toll collection method:

Type and number of transactions (in millions)	Total at end June 2008	Total at end June 2007	2008/2007	% of total in 2008	% of total in 2007
Manual lanes	77.35	98.83	-21.7%	25.2%	32.4%
Automated lanes excluding ETC	129.49	131.46	-1.5%	42.2%	43.1%
ETC in automated lanes	99.70	74.81	33.3%	32.5%	24.5%
Automated lanes and ETC subtotal	229.19	206.27	11.1%	74.8%	67.6%
Total	306.54	305.10	0.5%	100.0%	100.0%

At the end of March 2008, French motorway companies ceased operating the Caplis toll payment system for HGVs. All HGV discounts are now handled solely through the HGV ETC system deployed by ASF and Escota on their networks and commercialised by Axxès, Total, Eurotoll and DKV.

By mid-2008, some 450,000 transponders installed by 40,000 customers were in operation for ASF, doubling the number of haulage companies benefiting from discounts.

The ASF Group invested a total of €219.7 million (excluding VAT) during the first half of 2008 (ASF: 55.4%; Escota: 44.6%).

Investments

For ASF, the first half of the year was marked by the opening on 16 January 2008 of the Thonon–Terrasson section on the A89 and the La Roche-sur-Yon bypass on 4 July. In addition to the investments in this infrastructure, ASF continued its studies into widening the Perpignan Nord–Perpignan Sud section (14 km) on the A9 and the Biriattou–Ondres section (39 km) on the A63 to three-lane dual carriageway.

Escota’s investments during the period focused mainly on widening the A8 at Chateaufeuf le Rouge–Saint Maximin and on works on the Nice bypass tunnels on the A8.

Main transactions with related parties

Details of the main transactions with related parties are given in Note E.15 *Transactions related with related parties* in the condensed half-year consolidated financial statements.

Risk factors

Since toll receipts account for virtually all the revenue from operating concessions, the main risks with which the ASF Group can be faced relate in particular to traffic or infrastructure usage and users’ acceptance of tolls and prices. Traffic levels may also be affected by fuel prices.

Details of the main financial risks are given in Note C.15 *Management of financial risks* in the 2007 consolidated financial statements.

1. Revenue

Toll revenue

Revenue (in € millions)	First half 2008			First half 2007			Difference	%
	ASF	Escota	Group	ASF	Escota	Group		
Toll revenue	1,053.9	281.6	1,335.5	1,003.9	270.2	1,274.1	61.4	4.8%
Commercial facilities	15.5	3.0	18.5	16.2	2.7	18.9	-0.4	-2.1%
Optical fibre, pylons and other products	7.3	1.5	8.8	6.3	1.2	7.5	1.3	17.3%
Total revenue	1,076.7	286.1	1,362.8	1,026.4	274.1	1,300.5	62.3	4.8%

Consolidated revenue (excluding ancillary activities) for the first half of 2008 was €1,362.8 million, compared with €1,300.5 million for the first half of 2007, representing an increase of 4.8%.

This growth is attributable mainly to the 4.8% increase in toll revenue, which amounted to €1,335.5 million at the end of June 2008 compared with €1,274.1 million at the end of June 2007.

The three main factors that contributed to the growth were:

- traffic growth on a stable network 0.54%;
- opening of new sections 0.14%;
- toll prices and discounts 4.12%.

Toll revenue breaks down by payment method as follows:

Revenue (in € millions)	First half 2008			First half 2007			Difference	%
	ASF	Escota	Group	ASF	Escota	Group		
Cash	156.9	62.6	219.5	170.9	66.7	237.6	-18.1	-7.6%
Subscriber account	56.1	50.9	107.0	266.3	47.4	313.7	-206.7	-65.9%
Electronic tag	399.6	71.4	471.0	137.1	63.9	201.0	270.0	134.4%
Bank card	332.4	74.4	406.8	321.0	70.7	391.7	15.1	3.9%
Credit card	108.4	22.1	130.5	108.1	21.5	129.5	1.0	0.8%
Recharging	0.5	0.2	0.7	0.5	0.1	0.6	0.1	16.7%
Total toll revenue	1,053.9	281.6	1,335.5	1,003.9	270.2	1,274.1	61.4	4.8%

Revenue from commercial facilities

At €18.5 million, revenue from commercial facilities to the end of June 2008 was slightly down (by 2.1%) on that to the end of June 2007 (€18.9 million).

Revenue from optical fibre and pylon rental

Revenue from renting optical fibre and pylons increased 17.3% from €7.5 million at the end of June 2007 to €8.8 million at the end of June 2008. This growth was due mainly to new optical fibre rental contracts signed by Escota with Bouygues Telecom, Neuf Cegetel and SFR.

2. Results

2.1 - Operating profit

Taking account of the new method for presenting the results of associates, which now affect operating profit (see Note B.2.2 in the condensed half-year consolidated financial statements, *Change of presentation at 31 December 2007: profit or loss of associates*), operating profit from ordinary activities amounted to €659.4 million at the end of June 2008, a 16.7% increase over the €565.1 million at 30 June 2007.

This increase is due to the combined effects of higher revenue and lower operating expenses which amounted to €705 million in the first half of 2008, as against €736 million in the first half of 2007 (a decrease of 4.2%).

Items contributing to this change included:

- a 5% increase in **net purchases consumed**, with €14.8 million at 30 June 2008, as against €14.1 million at 30 June 2007;
- an 8.7% decrease in **external expenses** (external services, temporary staff, subcontracting and other income and expenses), which fell from €85.4 million in the first half of 2007 to €78 million in the first half of 2008;
- an 18.4% increase in **employment costs**, with €199.2 million for the first half of 2008, as against €168.3 million for the same period in 2007. Excluding non-recurring costs associated with human resources management measures aimed at encouraging job mobility and career development, the increase would have been 4.9%;
- a 1.3% increase in **depreciation and amortisation**, with €271.2 million for the first half of 2008, as against €267.8 million for the same period in 2007.

Most of the depreciation and amortisation expense is made up of the special concession amortisation expense net of grants taken to profit or loss in respect of newly opened motorway sections and investments made since June 2007. It increased from €223.8 million at the end of June 2007 to €232.2 million for the same period in 2008.

Depreciation and amortisation of operating assets and intangible assets amounted to €39 million at the end of June 2008, as against €38.8 million for the same period in 2007;

- a decrease in **net provision expense**, with a net reversal of €42.7 million at the end of June 2008, as against a net expense of €21.5 million at the end of June 2007;

This decrease is due largely to the reversal of a provision made with regard to the change in medical expenses cover set up for Escota's current employees and those who have retired. The net impact of this on expenses was €32.3 million before tax (see Note E.11.2 in the condensed half-year consolidated financial statements *Other non-current provisions*).

The remainder corresponds principally to provisions in respect of human resources management measures;

- a decrease in **share-based payments expenses** to €2.1 million for the first half of 2008, as against €2.6 million for the first half of 2007.

2.2 - Cost of net financial debt and other financial income and expenses

The cost of net financial debt amounted to €267.2 million at the end of June 2008 against €245.9 million at the end of June 2007.

Comparison of the financial results for the first half of 2007 and first half of 2008 must take into consideration the exceptional dividend of €3.3 billion paid by ASF on 25 January 2007 (see Note B.11.4 Dividends in the 2007 consolidated financial statements).

Other financial income and expenses amounted to net income of €0.6 million at the end of June 2008 compared with net income of €1.9 million at the end of June 2007.

2.3 - Income tax expense

The income tax expense, corresponding to current tax and deferred tax, has been calculated at €121.9 million for the first half of 2008, up 7% from €113.9 million for the same period in 2007. The effective tax rate excluding the impact of share-based payments is close to 31.3% in the first half of 2008, compared with 36.1% in the first half of 2007.

2.4 - Net profit

Net profit attributable to equity holders of the parent amounted to €270 million at the end of June 2008, up 30.7% on the first half 2007 figure of €206.6 million. The share attributable to minority interests was €0.9 million at the end of June 2008, compared with €0.6 million at the end of June 2007.

3. Balance sheet

The net carrying amount of **total non-current assets** in the balance sheet was €11,674.9 million at 30 June 2008, down €53.4 million from €11,728.3 million at 31 December 2007.

This reduction is due mainly to the increase in depreciation and amortisation (€53.3 million) being greater than that in the gross carrying amount of assets constructed or used in operations (€207.2 million).

Total current assets amounted to €476.1 million at 30 June 2008, down €3 million from €479.1 million at 31 December 2007. This change was due to the combined effects of a decrease in cash and cash equivalents from €77.9 million at the end of December 2007 to €55.1 million at the end of June 2008 and an increase in the fair value of derivative financial instruments (current assets) from €40.9 million at 31 December 2007 to €62.6 million at 30 June 2008.

Equity attributable to equity holders of the parent declined €68.5 million to €465.4 million at 30 June 2008, compared with €533.9 million at 31 December 2007. This reduction is due to the ordinary dividend paid in respect of 2007 (€450.4 million) less the interim dividend paid

in September 2007 (€103.9 million), and to the net profit booked in the first half of 2008 (€270 million).

Total non-current liabilities at 30 June 2008 amounted to €9,432.6 million, compared with €9,957.2 million at 31 December 2007. The 5.3% reduction was due principally to the repayment of CNA loans (€316.3 million) and credit facilities (€595 million), and to drawing down €250 million on the EIB loan obtained in 2007 (see Note C.14.2.3 *Credit lines and bank term loans* in the 2007 consolidated financial statements), together with the impact of the reversal of the provision following the change in medical expenses cover (see Note E.11.2 in the condensed half-year consolidated financial statements *Other non-current provisions*).

Total non-current liabilities at the end of June 2008 amounted to €2,249.2 million, up €537.8 million on the 31 December 2007 figure of €1,711.4 million. This change is attributable mainly to the €587 million increase in the current portion of loans and the €27.2 million decrease in the fair value of derivative financial instruments (current liabilities).

After taking account of these various items, the ASF Group's net financial debt amounted to €10,535.9 million at 30 June 2008, compared with €10,475.3 million at 31 December 2007.

4. Cash flow

The consolidated cash flow statement shows net cash and cash equivalents of €55.1 million at the end of the period, down €22 million from €77.1 million at the beginning of the period.

This change breaks down as follows:

- at the end of June 2008, the Group's cash flow from operations before tax and financing costs was €884.5million, representing an increase of almost 3.8% on that at the end of June 2007 (€852.2 million);
- net cash flows from operating activities amounted to €472.9 million at the end of June 2008, almost 10.6% more than those at the end of June 2007 (€427.4 million);
- net cash flows used in investing activities amounted to €236.2 million at the end of June 2008, 7.8% more than those at the end of June 2007 (€219.1 million);
- net cash flows used in financing activities were an outflow of €250.9 million at the end of June 2008 compared with an outflow of €716.2 million at the end of June 2007. The 2007 figure is made up for the most part of the net impact of new loans (€3,042.1 million) to partially finance dividends of €3,672.6 million (see the 2007 consolidated financial statements).

5. Parent company financial statements

5.1 - Revenue

The ASF parent company's revenue for the first half of 2008 amounted to €1,076.7 million, a 4.9% increase over the figure of €1,026.4 million for the first half of 2007.

5.2 - Net profit

Net profit for the period to the first half of 2008 amounted to €295 million, up 16.6% from €253.1 million for the first half of 2007. It includes a dividend of €123.2 million received from Escota during the first half of 2008, compared with €105.4 million during the first half of 2007.

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ASF condensed half-year consolidated financial statements at 30 June 2008

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Financial statements

Consolidated income statement

<i>(in € millions)</i>	Notes	1 st half 2008	1 st half 2007	Year 2007
REVENUE	D.1	1,362.8	1,300.5	2,811.4
Revenue from ancillary activities		3.5	4.0	6.8
Operating expenses	D.2	(705.0)	(736.0)	(1,553.0)
Operating profit from ordinary activities	D.2	661.3	568.5	1,265.2
Share-based payment expense (IFRS 2)	E.10.1	(2.1)	(2.6)	(8.6)
Profit or loss of associates (*)		0.2	(0.8)	(1.1)
OPERATING PROFIT	D.2	659.4	565.1	1,255.5
Cost of gross financial debt		(269.5)	(250.5)	(532.9)
Financial income from cash management investments		2.3	4.6	8.1
Cost of net financial debt	D.3	(267.2)	(245.9)	(524.8)
Other financial income	D.3	6.4	6.0	17.0
Other financial expenses	D.3	(5.8)	(4.1)	(7.6)
Income tax expense	D.4	(121.9)	(113.9)	(257.5)
NET PROFIT FOR THE PERIOD		270.9	207.2	482.6
Minority interest		0.9	0.6	1.3
Net profit attributable to equity holders of the parent		270.0	206.6	481.3
Earnings per share	D.5			
Earnings per share <i>(in euros)</i>		1.169	0.894	2.084
Diluted earnings per share <i>(in euros)</i>		1.169	0.894	2.084

(*) Restated in accordance with the change of presentation described in Note B.2.2 "Change of presentation at 31 December 2007: profit or loss of associates".

Consolidated balance sheet – Assets

(in € millions)	Notes	30/06/08	30/06/07	31/12/07
Non-current assets				
Other intangible assets		22.8	26.0	23.4
Concession intangible assets	E.6.2	11,495.0	11,592.9	11,539.3
Property, plant and equipment	E.7	112.0	102.1	120.4
Investments in associates		2.3	2.3	2.0
Other non-current financial assets	E.8	14.4	17.9	16.6
Fair value of derivative financial instruments (non-current assets)	E.13	28.4	28.5	26.6
Total non-current assets		11,674.9	11,769.7	11,728.3
Current assets				
Inventories and work in progress	E.12.1	12.6	13.4	12.6
Trade and other operating receivables	E.12.1	311.0	249.0	288.0
Other current assets	E.12.1	6.6	9.3	34.9
Current tax assets		9.0	25.7	16.0
Fair value of derivative assets, current	E.13	62.6	30.8	40.9
Cash management financial assets	E.13	19.2	26.8	8.8
Cash and cash equivalents	E.13	55.1	147.2	77.9
Total current assets		476.1	502.2	479.1
TOTAL ASSETS		12,151.0	12,271.9	12,207.4

Consolidated balance sheet – Equity and liabilities

(in € millions)	Notes	30/06/08	30/06/07	31/12/07
Equity				
Share capital	E.9.1	29.3	29.3	29.3
Share premium		13.9	13.1	15.8
Consolidated reserves		114.6	87.6	(15.7)
Net profit for the period attributable to equity holders of the parent		270.0	206.6	481.3
Net income recognised directly in equity	E.9.2	37.6	27.4	23.2
Equity attributable to equity holders of the parent	E.9	465.4	364.0	533.9
Minority interest	E.9.4	3.8	4.2	4.9
Total equity		469.2	368.2	538.8
Non-current liabilities				
Non-current provisions	E.11	183.3	209.0	222.2
Bonds	E.13	1,610.8		1,629.2
Other loans and borrowings	E.13	7,444.9	10,102.7	7,921.6
Fair value of derivative financial instruments (non-current liabilities)	E.13	10.2		2.4
Other non-current liabilities		6.0	10.0	6.3
Deferred tax liabilities		177.4	181.4	175.5
Total non-current liabilities		9,432.6	10,503.1	9,957.2
Current liabilities				
Current provisions	E.12.2	63.0	52.6	68.4
Trade payables	E.12.1	44.7	32.3	53.4
Fair value of derivative financial instruments (current liabilities)	E.13	13.5	37.3	40.7
Other current payables	E.12.1	493.9	458.8	501.4
Current tax payables		12.3	0.1	11.9
Current borrowings	E.13	1,621.8	819.5	1,034.8
Bank overdrafts	E.13			0.8
Total current liabilities		2,249.2	1,400.6	1,711.4
TOTAL EQUITY AND LIABILITIES		12,151.0	12,271.9	12,207.4

Consolidated cash flow statement

<i>(in € millions)</i>	1st half 2008	1st half 2007	Year 2007
Net profit for the period (including minority interest)	270.9	207.2	482.6
Depreciation and amortisation	274.5	271.3	541.0
Net increase/(decrease) in provisions	(43.9)	21.0	45.0
Share-based payments (IFRS 2) and other restatements	(3.0)	(6.4)	(2.2)
Gain or loss on disposals	1.9	4.0	8.3
Share of profit or loss of associates, dividends received from unconsolidated entities and profit or loss from operations classified as held for sale	(0.4)	0.6	0.7
Capitalised borrowing costs	(4.6)	(5.3)	(16.1)
Cost of net financial debt recognised	267.2	245.9	524.8
Current and deferred tax expense recognised	121.9	113.9	257.5
Cash flows (used in)/from operations before tax and financing costs	884.5	852.2	1,841.6
Changes in working capital requirement and current provisions (see Note E.12.1)	1.2	37.5	20.7
Income taxes paid	(119.3)	(172.5)	(311.3)
Net interest paid	(293.5)	(289.8)	(500.2)
Net cash flows (used in)/from operating activities I	472.9	427.4	1,050.8
Purchases of property, plant and equipment, and intangible assets	(4.7)	(5.6)	(9.0)
Proceeds from sales of property, plant and equipment, and intangible assets			0.6
Purchases of concession fixed assets (<i>net of grants received</i>)	(226.2)	(215.2)	(402.6)
Proceeds from sales of concession assets		0.9	
Purchases of shares in subsidiaries and associates (consolidated and unconsolidated)	(5.2)		
Dividends received from associates and unconsolidated entities	0.2	0.2	0.4
Other	(0.3)	0.6	(0.2)
Net cash flows (used in)/from investing activities II	(236.2)	(219.1)	(410.8)
Dividends paid			
- to shareholders of ASF (see Note E.9.3)	(346.5)	(3,672.6)	(3,776.5)
- to minority interests	(1.3)	(1.1)	(1.1)
Proceeds from new borrowings	250.0	3,042.1	2,962.1
Repayment of borrowings	(316.3)	(131.3)	(465.5)
Change in other financial debt	(1.8)		
Change in credit facilities	155.0		
Change in cash management assets	10.0	46.7	27.0
Net cash flows (used in) / from financing activities III	(250.9)	(716.2)	(1,254.0)
Change in net cash I + II + III	(14.2)	(507.9)	(614.0)
Net cash and cash equivalents at beginning of period	77.1	626.3	626.3
Other changes	(7.8)	28.8	64.8
Net cash and cash equivalents at end of period	55.1	147.2	77.1
Increase (decrease) of cash management financial assets	(10.0)	(46.7)	(27.0)
(Proceeds from)/repayment of loans	66.3	(2,910.8)	(2,496.6)
Change in credit facilities	(155.0)		
Other changes	60.1	65.1	(47.8)
Change in net debt	(60.6)	(3,371.5)	(3,120.6)
Net debt at beginning of period	(10,475.3)	(7,354.7)	(7,354.7)
Net debt at end of period	(10,535.9)	(10,726.2)	(10,475.3)

Statement of changes in consolidated equity

(in € millions)	Share capital	Share premium	Consolidated reserves	Net profit for the period	Net income recognised directly in equity	Total	Minority interest	Total
Balance at 31 December 2006	29.3	860.1	2,444.3	475.3	(5.4)	3,803.6	4.7	3,808.3
Allocation of net income and dividend payments		(841.0)	(2,356.3)	(475.3)		(3,672.6)	(1.1)	(3673.7)
Net profit for the period (a)				206.6		206.6	0.6	207.2
Financial instruments: changes in fair value (b)					32.3	32.3		32.3
including:								
- available-for-sale financial assets					0.5	0.5		0.5
- cash flow hedges								
Total income and expenses recognised in respect of 2007 (a) + (b)				481.3	28.6	509.9	1.3	511.2
Share-based payments (IFRS 2)		(6.0)				(6.0)		(6.0)
Other			(0.4)			(0.4)		(0.4)
Balance at 30 June 2007	29.3	13.1	87.6	206.6	27.4	364.0	4.2	368.2

(in € millions)	Share capital	Share premium	Consolidated reserves	Net profit for the period	Net income recognised directly in equity	Total	Minority interest	Total
Balance at 31 December 2006	29.3	860.1	2,444.3	475.3	(5.4)	3,803.6	4.7	3,808.3
Allocation of net income and dividend payments		(841.0)	(2,460.0)	(475.3)		(3,776.3)	(1.1)	(3777.4)
Net profit for the period (a)				481.3		481.3	1.3	482.6
Financial instruments: changes in fair value (b)					28.6	28.6		28.6
including:								
- available-for-sale financial assets					(0.6)	(0.6)		(0.6)
- cash flow hedges					29.2	29.2		29.2
Total income and expenses recognised in respect of 2007 (a) + (b)				481.3	28.6	509.9	1.3	511.2
Share-based payments (IFRS 2)		(3.3)				(3.3)		(3.3)
Balance at 31 December 2007	29.3	15.8	(15.7)	481.3	23.2	533.9	4.9	538.8
Allocation of net income and dividend payments			134.9	(481.3)		(346.4)	(1.3)	(347.7)
Net profit for the period (a)				270.0		270.0	0.9	270.9
Financial instruments: changes in fair value (b)					14.4	14.4		14.4
including:								
- available-for-sale financial assets					(1.3)	(1.3)		(1.3)
- cash flow hedges					15.7	15.7		15.7
Total income and expenses recognised in respect of 2007 (a) + (b)				270.0	14.4	284.4	0.9	285.3
Share-based payments (IFRS 2)		(1.9)				(1.9)		(1.9)
Impact of acquisition of minority interests after control was acquired (see Note E.9.4)			(4.6)			(4.6)	(0.6)	(5.2)
Balance at 30 June 2008	29.3	13.9	114.6	270.0	37.6	465.4	3.8	469.2

Notes to the condensed half-year consolidated financial statements

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A. Seasonal nature of the business

Records show that the revenue in the first half year is slightly less than in the second half, due to seasonal effects. During recent periods, first-half revenue accounted for approximately 45% of the revenue for the full year. Sales levels and results in the first half cannot therefore be extrapolated to the full financial year.

No correcting adjustments have been made to take account of the impact of seasonal factors on the Group's financial statements for the first half.

Group income and expenses from normal business operations that are of a seasonal, cyclical or occasional nature are

accounted for using the same accounting methods as those adopted for the full-year financial statements. They are neither recognised in advance nor deferred in the interim financial statements.

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

Liabilities arising in the first half, including those expected to be extinguished in the second half of the year, have been provided for at the end of the period.

B. Accounting policies and measurement methods

1. General principles

The half-year financial statements at 30 June 2008 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. As these are condensed financial statements, they do not include all the information required by the IFRSs and should therefore be read in conjunction with the financial statements for the period ended 31 December 2007.

The accounting principles applied in preparing the half-year financial statements comply with the IFRS Standards and Interpretations endorsed by the European Union applicable at 30 June 2008 in accordance with European Regulation 1602 / 2002 of 19 July 2002.

These accounting policies are consistent with those used in preparing the annual consolidation financial statements for the period ended 31 December 2007, except as regards the adoption of IFRIC 11 *Group and Treasury Share Transactions*.

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

These policies are not different from the IFRSs as published by the IASB except for the following Standards and Interpretations which are mandatory for financial years commencing on or after 1 January 2008 that have not yet been approved by the European Union: IFRIC 12 *Service Concession Arrangements*

(see Note B.3.3) and IFRIC 14 *IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*.

The Group has not applied Standards and Interpretations of which application is not mandatory at 1 January 2008 early:

- IAS 1 Revised *Presentation of Financial Statements*;
- IAS 23 Revised *Borrowing Costs*;
- IFRS 8 *Operating segments*;
- IFRIC 13 *Customer Loyalty Programmes*;
- IFRS 3 Revised *Business Combinations (Phase 2)*;
- IAS 27 Amended *Consolidated and Separate Financial Statements*;
- IFRS 2 Amendment *Vesting Conditions and Cancellations*;
- IAS 32 Amendment *Puttable Financial Instruments and Obligations Arising on Liquidation*.

The potential impacts on the Group's consolidated financial statements are being determined. At the present stage of analysis, the Group does not expect there to be any material impacts on its consolidated financial statements.

The condensed half-year financial statements were approved by the Board of Directors on 28 August 2008.

2. Consolidation methods

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

In its revision of IFRS 3 *Business Combinations*, published on 10 January 2008, the IASB considers acquisitions or disposals of non-controlling interests as equity transactions with the Group's shareholders. Under this approach, the difference between the consideration paid to increase the percentage shareholding in entities that are already controlled and the supplementary share of the equity thus acquired is recorded under consolidated equity. Similarly, a decrease in the Group's percentage holding in an entity that continues to be controlled is booked in the accounts through equity, with no impact on profit or loss.

The ASF Group has decided to adopt the approach adopted by the IASB in order to enhance the quality of its financial disclosures on transactions undertaken during the first half of 2008 and therefore to consider them as equity transactions (see Note E.9.4 *Minority Interests*).

2.2 Change of presentation at 31 December 2007: profit or loss of associates

The IFRSs require the profit or loss of associates to be disclosed on a specific line in the income statement, but do not state where this line should be placed. Furthermore, they allow supplementary lines and subtotals to be added whenever this facilitates understanding of the entity's performance.

TransJamaican Highway, is an associate in which the Group exercises significant influence and which is engaged in the same type of business as ASF.

In order to further improve the information presented on its operational performance, the Group has decided to present the results of associates between *Operating profit from ordinary activities* and *Operating profit*, as from 31 December 2007. In accordance with IAS 8, this change of presentation has been applied to the comparative data presented.

<i>(in € millions)</i>	30/06/2007 As published	<i>(in € millions)</i>	30/06/2007 Restated
REVENUE	1,300.5	REVENUE	1,300.5
Operating profit from ordinary activities	568.5	Operating profit from ordinary activities	568.5
Share-based payment expense (IFRS 2)	(2.6)	Share-based payment expense (IFRS 2)	(2.6)
OPERATING PROFIT	565.9	Profit or loss of associates	(0.8)
Cost of net financial debt	(245.9)	OPERATING PROFIT	565.1
Other financial income and expense	1.9	Cost of net financial debt	(245.9)
Share of profit or loss of associates	(0.8)	Other financial income and expense	1.9
Income tax expense	(113.9)	Income tax expense	(113.9)
NET PROFIT	207.2	NET PROFIT	207.2
Minority interest	0.6	Minority interest	0.6
Net profit for the period attributable to equity holders of the parent	206.6	Net profit for the period attributable to equity holders of the parent	206.6

2.3 Consolidation scope

Companies of which ASF holds, whether directly or indirectly, the majority of voting rights enabling control to be exercised, are fully consolidated. This relates to Escota only.

Companies over which the Group exercises significant influence are accounted for using the equity method. Only

the shares held in TransJamaican Highway are accounted for using this method.

The scope of consolidation has not changed since 1 January 2006.

2.4 Intra-group transactions

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

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

2.5 Translation of the financial statements of foreign companies

In most cases, the functional currency of companies is their local currency.

The financial statements of foreign companies of which the functional currency is different from that used in preparing the Group's consolidated financial statements are translated at the closing rate for balance sheet items and at the average rate for the period for income statement items. Any resulting translation differences are recognised under translation differences in consolidated reserves.

2.6 Foreign currency transactions

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

Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency derivatives used to hedge investments in foreign subsidiaries are recorded under translation differences in equity.

3. Measurement rules and methods

3.1 Use of estimates

The preparation of financial statements under the IFRSs requires estimates to be used and assumptions to be made that affect the amounts shown in these financial statements.

These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

Use of estimates relates in particular to the following:

- measurement of share-based payment expenses under IFRS 2;
- measurement of retirement benefit obligations;
- measurement of provisions;
- measurement of financial instruments at fair value.

Details of these estimates and assumptions are given in the 2007 consolidated financial statements.

3.2 Specific measurement rules and methods applied by the Group in preparing the half-year financial statements

3.2.1 Estimation of tax expense

The tax expense for the first half year is determined by applying the Group's effective tax rate for the whole of 2008 (including deferred tax) to the pre-tax profit. This rate is adjusted if necessary for the tax effects of exceptional items recognised in the period.

3.2.2 Retirement benefit obligations

In the absence of any material change in these data in the first half of 2008, no actuarial computation has been made at the reporting date of the condensed half-year consolidated financial statements. The expense for the half year in respect of retirement benefit obligations is half the net expense calculated for 2008 on the basis of the actuarial assumptions at 31 December 2007.

3.3 IFRIC 12 Service Concession Arrangements

On 30 November 2006, the IFRIC published Interpretation IFRIC 12 on accounting for service concession agreements, of which endorsement by the European Union is in progress:

- the application scope covers public service concession contracts in which the concession grantor is considered to exercise control over the assets operated;
- the various accounting models applicable depend on the consideration received by the operator:
 - under the intangible asset model, the operator recognises the asset under concession as an intangible asset to the extent that it receives a right to collect tolls (or receive other remuneration) from users, in consideration for the financing, building, and operation of the infrastructure. The intangible asset model also applies whenever the concession grantor remunerates the concession operator on the basis of the extent of use of the infrastructure by users, but with no guarantees as to the amounts that will be paid to the operator (under a simple *pass through* or *shadow toll* agreement),

- under the financial asset model, the operator's rights over the asset under concession are recognised as an interest-bearing financial receivable whenever the concession operator has an unconditional right to receive payments from the concession grantor independently of the extent of use of the infrastructure by users,
- whenever only part of the investment is covered by a payment commitment from the grantor, it is recognised as a financial receivable up to the amount guaranteed by the grantor, and as an intangible fixed asset for the balance.

The contracts governing the operations of ASF and Escota meet the definition in the intangible asset model.

The ASF Group has not elected for early application of this Interpretation at 30 June 2008.

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

C. Segment information

The Group is managed as a single business line, the collection of toll payments, to which ancillary payments are connected for commercial premises, rental of fibre optic facilities, telecommunication equipment, and heavy goods vehicle parking facilities.

D. Notes to the income statement

1. Revenue

(in € millions)	1 st half 2008	1 st half 2007	Year 2007
Revenue - tolls	1,335.5	1,274.1	2,753.3
Fees for use of commercial premises	18.5	18.9	42.6
Fees for use of fibre optics and telecommunication facilities	8.8	7.5	15.5
Revenue - tolls	1,362.8	1,300.5	2,811.4

2. Operating profit

(in € millions)	1 st half 2008	1 st half 2007	31 December 2007
Revenue	1,362.8	1,300.5	2,811.4
Revenue from ancillary activities	3.5	4.0	6.8
Purchases consumed	(14.8)	(14.1)	(29.5)
External services (1)	(71.9)	(75.1)	(177.2)
Temporary employees	(2.4)	(2.5)	(6.9)
Subcontracting	(3.7)	(4.7)	(8.8)
Taxes and levies	(184.5)	(178.9)	(380.3)
Employment costs	(199.2)	(168.3)	(361.3)
Other income and expenses (1)		(3.1)	(6.6)
Depreciation and amortisation (2)	(271.2)	(267.8)	(534.3)
Net provision charge	42.7	(21.5)	(48.1)
Operating expenses (before non-recurring items and IFRS 2)	(705.0)	(736.0)	(1,553.0)
Operating profit from ordinary activities	661.3	568.5	1,265.2
Share-based payment expense (IFRS 2)	(2.1)	(2.6)	(8.6)
Profit/(loss) of associates (3)	0.2	(0.8)	(1.1)
Operating profit	659.4	565.1	1,255.5

(1) Reclassification of operating grants and insurance settlements received from External services to Other income and expenses.

(2) Net of the share of investment grants.

(3) Restated in accordance with the change of presentation described in Note B.2.2 "Change of presentation at 31 December 2007: profit or loss of associates".

Operating profit from ordinary activities measures the Group's operating performance before the effects of share-based payments (IFRS 2). It was €661.3 million in the first half of 2008 (48.5% of revenue) against €568.5 million in the first half of 2007 (43.7% of revenue), up 16.3%.

It includes, for €32.3 million, the impact of the change to the agreements between Escota and its employee representative bodies relating to the medical expenses insurance regime for its current and retired employees (see Note E.11.2 on other non-current provisions).

Operating profit was €659.4 million in the first half of 2008 compared with €565.1 million in the first half of 2007 (48.4% and 43.5% of revenue respectively), up 16.7%. It includes the profit or loss of associates and the share-based payment expense.

The share-based payment expense relating to employee benefits has been assessed at €2.1 million in the first half of 2008 compared with €2.6 million in the first half of 2007.

3. Financial income and expenses

Financial income and expenses break down as follows:

<i>(in € millions)</i>	1 st half 2008	1 st half 2007	31 December 2007
Cost of gross financial debt (*)	(269.5)	(250.5)	(532.9)
Financial income from cash investments	2.3	4.6	8.1
Cost of net financial debt	(267.2)	(245.9)	(524.8)
Other financial income	6.4	6.0	17.0
Other financial expense	(5.8)	(4.1)	(7.6)
Other financial income and expense	0.6	1.9	9.4

(*) Calculated at effective interest rate.

The cost of financial debt amounted to €267.2 million in the first half of 2008 compared with €245.9 million in the first half of 2007.

Other financial income and expenses amounted to net income of €0.6 million in the first half of 2008 compared with net income of €1.9 million in the first half of 2007.

4. Income tax expense

The tax expense amounted to €121.9 million in the first half of 2008, against €113.9 million in the first half of 2007.

The effective tax rate excluding the impact of share-based payments is close to 31.3% in the first half of 2008, compared with 36.1% in the first half of 2007.

5. Earnings per share

The number of shares outstanding has remained at 230,978,001 since 2002. The Company has not purchased any of its own shares. The Company has not issued any instrument that could give rights to shares. As a result, the weighted number of shares to take into consideration when calculating basic and diluted earnings per share at 30 June 2008 and in 2007 is 230,978,001. Basic and diluted earnings per share are the same.

E. Notes to the balance sheet

6. Concession intangible assets

6.1 Commitments made under concession contracts

Contractual investment and renewal obligations

Under their concession contracts, ASF and Escota have undertaken to carry out certain investments in infrastructure that they will operate as concession operators.

Riders to the ASF and Escota concession contracts, and master plans mainly defining the investments to be made and the

tariff arrangements applicable for the period 2007-2011 on the corresponding motorway networks, were signed in 2007. As they have a well-defined contractual framework, ASF and Escota have good visibility over their prospects.

At 30 June 2008, capital expenditure planned for the next three years under the concession agreements amounted to €2.8 billion (including €0.9 billion for the Lyons – Balbigny section).

These investments by the Group are financed by drawings on the available credit facilities, by taking out new loans from

the European Investment Bank (EIB) and through the bond market.

It is planned that the section of the A89 motorway between Balbigny and La Tour de Salvagny will be constructed by ASF by 2012. Two associations have petitioned the French Council

of State (the *Conseil d'Etat*) to cancel Rider No 11 to ASF's concession contract (See Note G *Disputes and arbitration*).

6.2 Breakdown of concession intangible assets

<i>(in € millions)</i>	Cost of infrastructures	Advances and Outstandings	Investment grants	Total
Gross				
01/01/2007	16,489.7	486.0	(242.9)	16,732.8
Acquisitions in the period	45.6	314.1	(25.7)	334.0
Disposals and retirements during the period	(1.2)		0.1	(1.1)
Other movements	76.2	(80.0)	6.7	2.9
31/12/2007	16,610.3	720.1	(261.8)	17,068.6
Acquisitions in the period	16.9	169.6	(0.9)	185.6
Disposals and retirements during the period	(1.0)		7.0	6.0
Other movements	306.3	(308.7)	(1.6)	(4.0)
30/06/2008	16,932.5	581.0	(257.3)	17,256.2
Amortisation				
01/01/2007	5,152.5	0.0	(80.6)	5,071.9
Amortisation for the period	459.3		(6.3)	453.0
Disposals and retirements during the period	(0.6)			(0.6)
Other movements	0.7		4.3	5.0
31/12/2007	5,611.9		(82.6)	5,529.3
Amortisation for the period	235.4		(3.2)	232.2
Disposals and retirements during the period	(0.3)			(0.3)
Other movements				
30/06/2008	5,846.9	0.0	(85.8)	5,761.2
Net				
01/01/2007	11,337.2	486.0	(162.3)	11,660.9
31/12/2007	10,998.4	720.1	(179.2)	11,539.3
30/06/2008	11,085.6	581.0	(171.5)	11,495.0

The ASF Group's capital expenditure on concession fixed assets for the period was €185.6 million (compared with €334 million for 2007).

Borrowing costs included during the period in the cost of concession assets before their entry into service amounted to €4.6 million (compared with €16.1 million for 2007).

Concession assets under construction amounted to €581 million at 30 June 2008 (compared with €720.1 million at 31 December 2007).

7. Property, plant and equipment

<i>(in € millions)</i>	Technical installations–Plant and equipment	Other property, plant and equipment	Advances and outstandings on equipment and other	Investment grants	Total
Gross					
01/01/2007	716.3	164.0	46.2	0.0	926.5
Acquisitions in the period	21.9	7.3	56.8		86.0
Disposals and retirements during the period	(23.2)	(16.6)			(39.8)
Other movements	26.8	3.8	(26.4)	(6.7)	(2.5)
31/12/2007	741.8	158.5	76.6	(6.7)	970.2
Acquisitions in the period	7.0	2.2	13.6		22.8
Disposals and retirements during the period	(5.7)	(4.9)			(10.7)
Other movements	8.1	0.4	(6.2)	1.6	4.0
30/06/2008	751.2	156.2	84.0	(5.1)	986.3
Depreciation					
01/01/2007	692.9	123.7	0.0	0.0	816.6
Depreciation for the period	57.0	15.8		(0.4)	72.4
Disposals and retirements during the period	(19.2)	(15.7)			(34.9)
Other movements				(4.3)	(4.3)
31/12/2007	730.7	123.8	0.0	(4.7)	849.8
Depreciation for the period	27.6	7.0			34.6
Disposals and retirements during the period	(5.5)	(4.5)			(10.0)
Other movements	0.4	(0.4)			
30/06/2008	753.2	125.8	0.0	(4.7)	874.3
Net					
01/01/2007	23.4	40.3	46.2	0.0	109.9
31/12/2007	11.1	34.7	76.6	(2.0)	120.4
30/06/2008	(1.9)	30.4	84.0	(0.4)	112.0

The ASF Group's capital expenditure on property, plant and equipment in the period was €22.8 million (compared with €86 million for 2007).

This item includes assets under construction not yet in service for €84 million at 30 June 2008 (compared with €76.6 million at 31 December 2007).

8. Other non-current financial assets

<i>(in € millions)</i>	30/06/2008	31/12/2007
Available-for-sale financial assets	8.6	10.6
Loans and receivables at amortised cost	5.8	6.0
Other non-current financial assets	14.4	16.6
Fair value of derivative financial instruments (non-current assets) (*)	28.4	26.6
Total	42.8	43.2

(*) See Note E.14 Management of financial risks.

Available-for-sale financial assets amounted to €8.6 million at 30 June 2008, compared with €10.6 million at 31 December 2007. These relate to listed shareholdings for €3.5 million and unlisted shareholdings for €5.1 million, in subsidiaries that do not meet the Group's minimum financial criteria for consolidation.

Loans and receivables at amortised cost amounted to €5.8 million at 30 June 2008 compared with €6 million at 31 December 2007. They mainly comprise the companies' participation in employee housing funds.

9. Equity (excluding share-based payments)

9.1 Shares

The number of shares outstanding has remained at 230,978,001 since 2002 (see Note D.5 *Earnings per share*). The Company has not purchased any of its own shares. The Company has not issued any instrument that could give rights to shares.

9.2 Items recognised directly in equity

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

<i>(in € millions)</i>	30/06/2008	31/12/2007
Available-for-sale financial assets		
Reserve at beginning of period	2.3	3.2
Changes in fair value in the period	(2.0)	(0.9)
Reserve at end of the period	0.3	2.3
Cash flow hedges		
Reserve at beginning of period	33.0	(11.4)
Changes in fair value in the period	23.6	43.5
Fair value items recognised in profit or loss	0.4	0.9
Reserve at end of the period	57.0	33.0

<i>(in € millions)</i>	30/06/2008	31/12/2007
Total items recognised directly in equity		
Gross reserve	57.3	35.3
Associated tax effect	(19.7)	(12.1)
Reserve net of tax	37.6	23.2

In total, the tax associated with items recognised directly in equity was an expense of €7.6 million in the first half of 2008 (compared with an expense of €14.9 million in 2007).

9.3 Dividends

In May 2008, the ASF Group paid a final dividend of €346.5 million in respect of 2007.

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

	Year 2007
Interim dividend (payable in September 2007 in respect of 2007)	
Amount (in € millions) (I)	103.9
Per share in euros	0.45
Final dividend paid (paid in May 2008 in respect of 2007)	
Amount (in € millions) (II)	346.5
Per share in euros	1.50
Total net dividend per share	
Amount (in € millions) (I) + (II)	450.4
Per share in euros	1.95

9.4 Minority interest

The acquisition or disposal of non-controlling interests in companies already controlled by the Group is now considered as an equity transaction between shareholders and the impact of such transactions is booked in equity (see Note B.2.1 *Transactions between shareholders, acquisitions and disposals of non-controlling interests after acquisition of control*).

In consequence, the acquisition of minority interests in Escota (0.3%) resulted in a reduction of €4.6 million in consolidated equity in the first half of 2008.

At 30 June 2008, minority interests in Escota (0.72%) amounted to €3.8 million (compared with €4.9 million at 31 December 2007).

10. Share-based payments

10.1 Equity compensation benefits paid by VINCI to ASF Group employees

Since the acquisition of the ASF Group by VINCI in March 2006, the employees of ASF and Escota benefit from the share purchase option plans, the free share plans and the Group Savings Scheme of the parent company, VINCI.

The aggregate expense recognised in the first half of 2008 in respect of share-based payments amounted to €2.1 million, of which €0.5 million was in respect of the Group Savings Scheme, compared with €8.6 million at 31 December 2007, of which €6.1 million was in respect of the Group Savings Scheme.

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

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

11. Non-current provisions

<i>(in € millions)</i>	Note	30/06/2008	31/12/2007
Provisions for retirement benefit obligations	E.11.1	3.1	3.4
Other non-current provisions	E.11.2	180.2	218.8
Total		183.3	222.2

11.1 Provisions for retirement benefit obligations

At 30 June 2008, provisions for retirement benefit obligations amounted to €3.8 million (including €3.1 million at more than one year) compared with €4.8 million at 31 December 2007 (including €3.4 million at more than one year). These provisions comprise provisions for lump-sums on retirement and provisions for obligations for supplementary retirement benefits. The part at less than one year was €0.7 million at 30 June 2008 and €1.4 million at 31 December 2007, and is reported under other current liabilities.

The Group has not updated the actuarial assessment of the liability during this period at 30 June 2008 as there has been no change in the plan and no material changes in market conditions in the first half of 2008.

The expense recognised for the first half of 2008 in respect of retirement benefit obligations is half the forecast net expense for 2008 determined actuarially at 31 December 2007.

11.2 Other non-current provisions

Changes in other non-current provisions reported in the balance sheet were as follows in the first half of 2008 and in 2007:

<i>(in € millions)</i>	Opening balances	Provision expense	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Closing balances
01/01/2007							
Other employee benefits	96.6	50.5	(1.8)		0.3		145.6
Major repairs	96.7	33.5	(38.5)				91.7
Other liabilities	52.3	19.5	(19.5)			3.9	56.2
Discounting of non-current provisions	(4.0)				(0.2)		(4.2)
Reclassification of the part at less than one year of non-current provisions	(56.9)					(13.6)	(70.5)
31/12/2007	184.7	103.5	(59.8)	0.0	0.1	(9.7)	218.8
Other employee benefits	145.6	31.4	(3.8)	(55.9)			117.3
Major repairs	91.7	14.0	(13.5)				92.2
Other liabilities	56.2	1.2	(11.4)	(0.5)	(0.2)		45.3
Discounting of non-current provisions	(4.2)						(4.2)
Reclassification of the part at less than one year of non-current provisions	(70.5)					0.1	(70.4)
30/06/2008	218.8	46.6	(28.7)	(56.4)	(0.2)	0.1	180.2

Other employee benefits

The reduction in other employee benefits is connected with the renegotiation by Escota of its agreements with its employee representative bodies, under which Escota has entered into a new agreement relating to medical expenses insurance. This new agreement, signed on 29 February 2008, does not alter the obligations to retired employees. For employees in service, the arrangements for covering post-employment medical

expenses are gradually replaced by a new, complementary regime providing a lump-sum payable on retirement, of which the capital amount is indexed to the ceiling used in calculating social security benefits. This new agreement has resulted in a net decrease of obligations to employees in service of €32.3 million, leading to a reversal of provisions for the same amount in the financial statements for the first half of 2008.

12. Working capital requirement and current provisions

12.1 Change in working capital requirement

(in € millions)	30/06/2008	30/06/2007	31/12/2007	Change between 30/06/2008 and 31/12/2007		
				Connected with operations	Receivables/payables related to non-current assets	Other changes
Inventories and work in progress (net)	12.6	13.4	12.6			
Trade and other operating receivables	311.0	249.0	288.0	30.0	(7.0)	
Other current assets	6.6	9.3	34.9	(28.3)		
Inventories and operating receivables (I)	330.2	271.7	335.5	1.7	(7.0)	0.0
Trade payables	(44.7)	(32.3)	(53.4)	8.7		
Other current payables	(493.9)	(458.8)	(501.4)	(11.6)	23.7	(4.6)
Trade and other operating payables (II)	(538.6)	(491.1)	(554.8)	(2.9)	23.7	(4.6)
Working capital requirement (before current provisions) (I+II)	(208.4)	(219.4)	(219.3)	(1.2)	16.7	(4.6)
Current provisions	(63.0)	(68.4)	(68.4)	0.0	0.0	0.0
including part at less than one year of non-current provisions	(59.9)	(52.6)	(65.4)			5.5
Working capital requirement (after current provisions)	(271.4)	(287.8)	(287.7)	(1.2)	16.7	(4.6)

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

12.2 Breakdown of current provisions

Changes in current provisions reported in the balance sheet were as follows in 2007 and in the first half of 2008:

<i>(in € millions)</i>	Opening balance	Provision expense	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous	Change in the part at less than one year of non-current provisions	Closing balance
01/01/2007							
Restructuring		2.1					2.1
Other current liabilities	0.6	0.3					0.9
Reclassification of the part at less than one year of non-current provisions	50.9					14.5	65.4
31/12/2007	51.5	2.4	0.0	0.0	0.0	14.5	68.4
Restructuring	2.1	2.4	(1.8)				2.7
Other current liabilities	0.9		(0.5)				0.4
Reclassification of the part at less than one year of non-current provisions	65.4					(5.5)	59.9
30/06/2008	68.4	2.4	(2.3)	0.0	0.0	(5.5)	63.0

Current provisions, which are directly linked to the operating cycle, amounted to €63 million at 30 June 2008 (including the part at less than one year of non-current provisions) against €68.4 million at 31 December 2007. These mainly relate to the

part at less than one year of provisions for major repairs and certain non-recurring expenses in respect of reorganisation and employment measures.

13. Net financial debt

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

(in € millions)	30/06/2008					31/12/2007				
	Non-current	ref.	Current (*)	ref.	Total	Non-current	ref.	Current (*)	ref.	Total
Bonds	(1,610.8)	(1)	(88.1)	(3)	(1,698.9)	(1,629.2)	(1)	(44.3)	(3)	(1,673.5)
Inflation-linked loans	(388.4)	(2)	(14.3)	(3)	(402.7)	(377.8)	(2)	(5.9)	(3)	(383.7)
Other bank loans and other financial debt	(7,056.5)	(2)	(760.6)	(3)	(7,817.1)	(7,543.8)	(2)	(980.1)	(3)	(8,523.9)
Long-term financial debt	(9,055.7)		(863.0)		(9,918.7)	(9,550.8)		(1,030.3)		(10,581.1)
Other current financial liabilities			(751.1)	(3)	(751.1)				(3)	
Financial current accounts			(7.7)	(3)	(7.7)			(4.5)	(3)	(4.5)
I - Gross financial debt	(9,055.7)		(1,621.8)		(10,677.5)	(9,550.8)		(1,034.8)		(10,585.6)
Bank overdrafts				(6)				(0.8)	(6)	(0.8)
II - Cash liabilities			0.0					(0.8)		(0.8)
<i>including impact of fair value hedges</i>	6.8				6.8	(11.7)				(11.7)
Gross financial debt before fair value adjustment	(9,062.5)		(1,621.8)		(10,684.3)	(9,539.1)		(1,034.8)		(10,573.9)
Financial current accounts			8.1	(7)	8.1			7.6	(7)	7.6
Cash management financial assets not cash equivalents			11.1	(7)	11.1			1.2	(7)	1.2
Cash equivalents			37.8	(8)	37.8			66.0	(8)	66.0
Cash			17.3	(8)	17.3			11.9	(8)	11.9
III - Financial assets			74.3		74.3			86.7		86.7
Derivative financial instruments-liabilities	(10.2)	(4)	(13.5)	(5)	(23.7)	(2.4)	(4)	(40.7)	(5)	(43.1)
Derivative financial instruments-assets	28.4	(9)	62.6	(10)	91.0	26.6	(9)	40.9	(10)	67.5
IV - Derivative financial instruments	18.2		49.1		67.3	24.2		0.2		24.4
Net financial debt (I + II + III + IV)	(9,037.5)		(1,498.4)		(10,535.9)	(9,526.6)		(948.7)		(10,475.3)
<i>including net cash, for:</i>			55.1		55.1			77.1		77.1
<i>Cash and cash equivalents</i>			55.1		55.1			77.9		77.9
<i>Bank overdrafts</i>								(0.8)		(0.8)

(*) Current part including accrued interest not matured.

At 30 June 2008, the ASF Group's net financial debt was €10.54 billion (compared with €10.48 billion at 31 December 2007).

Reconciliation of net financial debt with balance sheet items:

(in € millions)	ref.	30/06/2008	31/12/2007
Bonds	(1)	(1,610.8)	(1,629.2)
Other loans and borrowings	(2)	(7,444.9)	(7,921.6)
Current financial debt	(3)	(1,621.8)	(1,034.8)
Derivative financial instruments at fair value - non-current liabilities	(4)	(10.2)	(2.4)
Derivative financial instruments at fair value - current liabilities	(5)	(13.5)	(40.7)
Bank overdrafts	(6)	0.0	(0.8)
Cash management financial assets	(7)	19.2	8.8
Cash and cash equivalents	(8)	55.1	77.9
Derivative financial instruments at fair value - non-current assets	(9)	28.4	26.6
Derivative financial instruments at fair value - current assets	(10)	62.6	40.9
Net financial debt		(10,535.9)	(10,475.3)

13.1 Financing resources and liquidities

At 30 June 2008, the Group's available resources amounted to €3,066.2 million, including €66.2 million net cash managed and €3,000 million of unused medium-term confirmed bank credit facilities.

13.1.1 Maturity of financial debt and associated interest payments

At 30 June 2008, the average maturity of the Group's financial debt was 7.18 years, compared with 7.2 years at 31 December 2007.

13.1.2 Net cash managed

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

(in € millions)	30/06/2008	31/12/2007
Cash equivalents	37.8	66.0
Marketable securities and mutual funds (UCITS)	35.7	59.1
Negotiable debt securities and bonds with an original maturity of less than 3 months	2.1	6.9
Cash	17.3	11.9
Bank overdrafts	0.0	(0.8)
Net cash	55.1	77.1
Cash management financial assets	11.1	1.2
Marketable securities and mutual funds (UCITS)		
Negotiable debt securities and bonds with an original maturity of less than 3 months	11.1	1.2
Net cash managed	66.2	78.3

Cash surpluses are managed with the objective of earning a return close to that of the money market, avoiding risks to capital while maintaining a low level of volatility through a performance and risk monitoring system. The investment vehicles used by the Group are mainly mutual funds (UCITS) and negotiable debt securities (in particular short-term notes issued by banks (*bon de caisse*) and other such securities. They are measured and recognised at their fair value (see

Notes A.3.19 *Cash management financial assets*, and A3.20 *Cash and cash equivalents* in the 2007 consolidated financial statements).

13.1.3 Bank credit lines and term loans

The ASF Group has a syndicated credit facility of €1 billion maturing in 2012, subject to various financial covenants described in Note 14.2.5 *Financial covenants* in the 2007 consolidated financial statements, set up by a rider in

February 2006 in the context of its privatisation. On 18 December 2006, ASF also took out a new 7-year loan with a bank syndicate for a total of €3.5 billion including €2 billion in the form of a revolving credit, as described in Note 14.2

Management of interest rate risk in the 2007 consolidated financial statements.

The maturities of the ASF Group's credit lines were as follows at 30 June 2008:

(in € millions)	Drawn at 30/06/2008	Authorised at 30/06/2008	Maturities		
			within 1 year	between 1 and 5 years	after 5 years
Syndicated loan		1,000		1,000	
Revolving credit facility		2,000			2,000
Total	0	3,000	0	1,000	2,000

13.2 Financial covenants

Some financing agreements include early repayment clauses applicable in the event of non-compliance with the financial

ratios described in Note 14.2 *Financial covenants* in the 2007 consolidated financial statements.

At 30 June 2008, these ratios were met.

13.3 Credit ratings

At 30 June 2008, the Group's ratings were as follows:

Agency	Long-term	Outlook	Short-term
Standard & Poor's	BBB+	Negative	A2
Moody's	Baa1	Stable	P2

14. Management of financial risks

The Group's exposure to hedged risks at 30 June 2008 was very similar to the exposure at 31 December 2007 described in Note C.15 *Management of financial risks* in the 2007 consolidated financial statements.

15. Transactions with related parties

Transactions with related parties are:

- remuneration and similar benefits paid to members of the governing and management bodies;
- transactions with companies in which VINCI has significant influence or joint control. (These transactions are conducted at market prices).

There was no material change in the first half of 2008 in the nature of transactions with related parties from those at 31 December 2007, which were referred to in Note C.18 *Transactions with related parties* in the 2007 consolidated financial statements).

● F. Post balance sheet events

1. Agreement altering the arrangements under which ASF bears the cost of retired employees' medical expenses insurance

In connection with the renegotiation of its agreements with its employee representative bodies, ASF has entered into a new agreement relating to medical expenses insurance. This new agreement, signed on 7 July 2008, will however result in a net reduction of its obligations to its employees in service. The agreement will take effect as from 1 January 2009.

2. Payment of an interim dividend

On 28 August 2008, the Board of Directors finalised the condensed half-year consolidated financial statements at 30 June 2008, and decided to pay an interim dividend of €124,728,120.54, amounting to a dividend of €0.54 for each of the 230,978,001 shares representing the share capital, in respect of the 2008 financial year in progress.

● G. Disputes and arbitration

To the Company's knowledge, there has been no material change during the first half of 2008 in the disputes referred to in Note E *Disputes and arbitration* in the 2007 consolidated financial statements.

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Report of the Statutory Auditors on the half-year information

KPMG Audit
Département de KPMG S.A.
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92923 Paris La Défense Cedex

DELOITTE & ASSOCIES
185, avenue Charles-de-Gaulle
B.P 136
92524 Neuilly-sur-Seine Cedex

Consolidated financial statements – Condensed half-year report for the six months ended 30 June 2008

To the shareholders,

As the Statutory Auditors appointed by your General Meeting, and as required by Article L.232-7 of the French Commercial Code (*le Code de commerce*) and Article L.451-1-2 III of the French Monetary and Financial Code (*le Code monétaire et financier*), we have performed:

- a limited review of the accompanying condensed half-year consolidated financial statements of Autoroutes du Sud de la France (ASF) for the period from 1 January 2008 to 30 June 2008; and
- the specific verification of information in the report for the half year.

The Board of Directors is responsible for the preparation of the condensed half-year consolidated financial statements. Our role is to express an opinion on these financial statements, based on our audit.

I. Conclusion on the consolidated financial statements

We have conducted our limited review in accordance with the professional standards applicable in France. A limited review consists mainly in conducting discussions with the members of the Management responsible for accounting and financial matters, and carrying out analytical procedures. These discussions and procedures are less extensive than those required for an audit performed in accordance with the professional standards applicable in France. In consequence, the assurance obtained through a limited review that the financial statements taken as a whole do not contain material misstatements is moderate assurance, less than that obtained when performing an audit.

On the basis of our limited review, we have not noted any material misstatements of such a nature as to bring into question the compliance of the condensed half-year consolidated financial statements with IAS 34, which is the IFRS standard as adopted in the European Union relating to interim financial reporting.

II. Specific verification

We have also verified, in accordance with the professional standards applicable in France, the information contained in the half-year management report commenting on the condensed half-year consolidated financial statements submitted to our limited review.

We have no comments to make as to its fair presentation and conformity with the condensed half-year consolidated financial statements.

Paris La Défense and Neuilly-sur-Seine, 29 August 2008

The Statutory Auditors

KPMG Audit
KPMG S.A. Department
Benoît LEBRUN

DELOITTE & ASSOCIES
Thierry BENOIT

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

Person responsible for the half-year financial report

Pierre Anjolras, Chief Executive Officer of ASF S.A.

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

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

Rueil-Malmaison, 28 August 2008

Pierre Anjolras

CEO

Internal design and realisation:

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