



STORIES

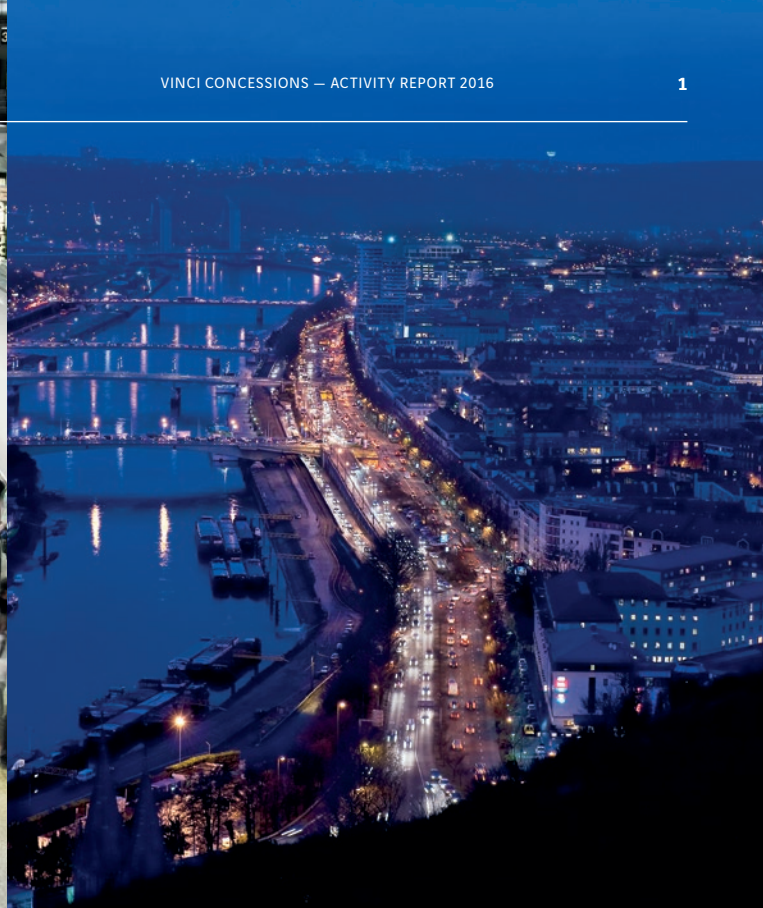
ACTIVITY REPORT 2016





CONTENTS

02	Our integrated model
04	Continuing a rigorous approach, Nicolas Notebaert, Chief Executive Officer of VINCI Concessions
06	A governance focused on development and synergies
08	Key figures
10	Our concessions worldwide
12	Highlights
16	The performance of a global model
17	A long-term commitment to supporting regions
22	Toward new horizons
24	Architect of tomorrow's mobility
26	Talent at the heart of dynamic growth
28	Sustainable growth, responsible development



30 VINCI Airports

31 **Japan story, Immediate boarding for Kansai**

- 37 An increasingly international integrated model
- 40 Unique expertise in airport project management
- 42 Successful partnerships with airlines
- 44 Optimizing extra-aeronautical revenues
- 46 Innovative services for passengers

48 VINCI Highways

49 **Russian Federation story, VINCI Highways becomes the country's leading private operator**

- 55 On the road toward new territories
- 58 Unmatched know-how in highway project management
- 60 Electronic Toll Collection: The future of the highway

64 VINCI Railways

65 **SEA story, Three letters to conquer time**

- 71 Advanced know-how in railway projects

74 OTHER CONCESSIONS

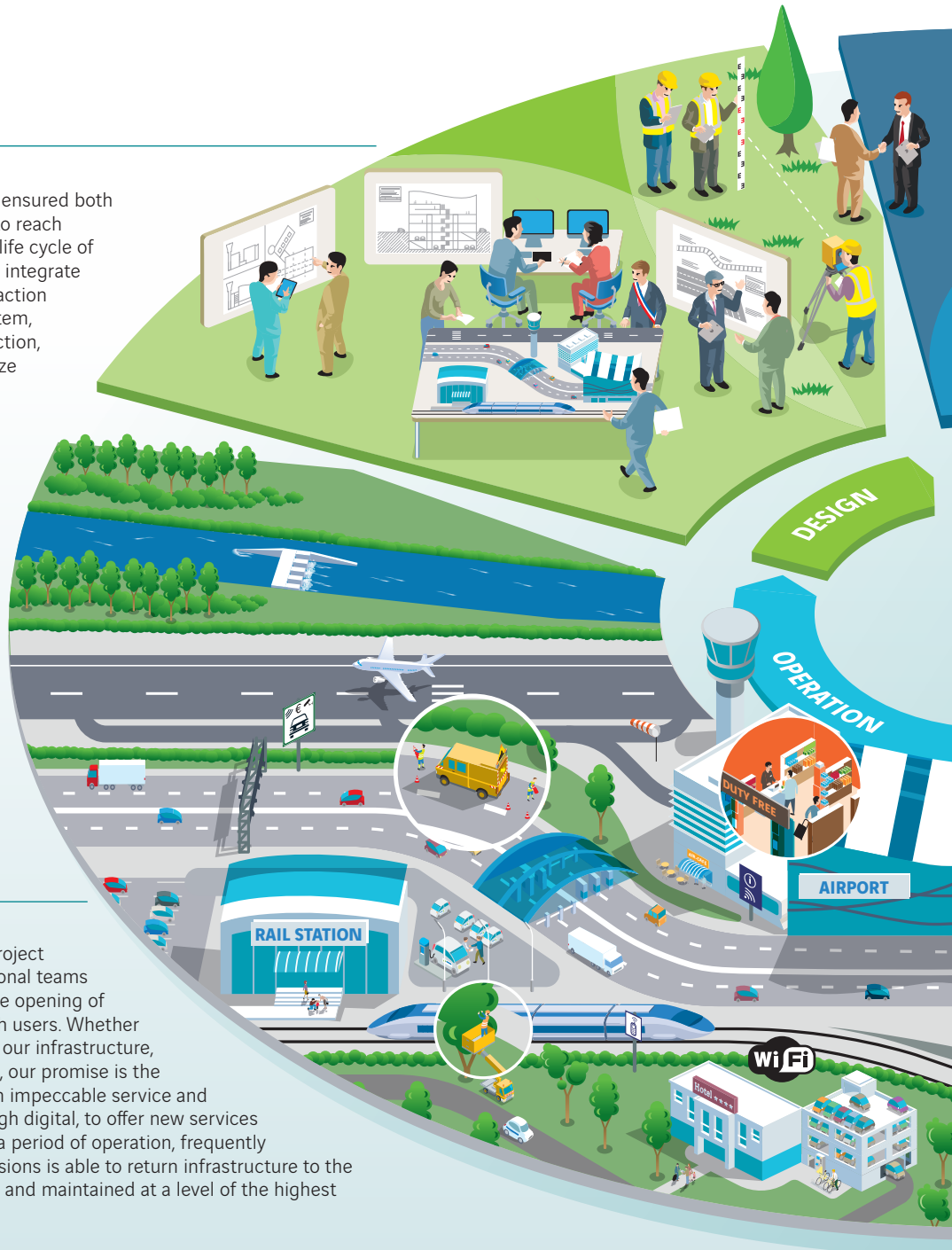
- 75 Automation of the Aisne and Meuse dams
- 77 Other concessions equipment
- 78 The VINCI Group's concessions
- 80 The VINCI Group's concessions financial indicators

OUR INTEGRATED MODEL

To respond to the demands of public authorities and users, VINCI Concessions leverages its complementary, cross-organizational skills to apply a global approach to large infrastructure facilities.

01-DESIGN

The success of a large project is often ensured both upstream and downstream. Our goal: to reach the highest standards throughout the life cycle of the project. From the design stage, we integrate its future challenges: operations, interaction with the economic and social eco-system, ensuring user mobility during construction, continuous modernization... We mobilize all of our internal expertise around the development manager: engineers, lawyers, financiers and marketing, communications, human resources and sustainable development teams. Certain employees are then dedicated to the project for several years.



04-OPERATION

The well-anticipated transition from project management ensures that our operational teams are rapidly active and efficient. With the opening of service, our focus is on interaction with users. Whether it is the general public or B2B users of our infrastructure, such as airlines or trucking companies, our promise is the same: ensure a unique experience with impeccable service and constant innovation, particularly through digital, to offer new services for tomorrow's mobility. At the end of a period of operation, frequently lasting several decades, VINCI Concessions is able to return infrastructure to the community that is financially balanced and maintained at a level of the highest standards of quality and safety.

From design to operation-maintenance, this approach ensures the continuous synergy between multi-talented expert teams, driven by a common focus on excellence, safety and innovation.



02-FUNDING

Given the scale of the investments needed to bring a large project to life and ensure its durability over several decades, this phase is crucial. Our financial engineering teams have an unmatched ability to innovate and maintain close relations with international investors. Our priority is to find acceptable and realistic solutions for public authorities, in both mature and emerging markets, to control costs and ensure balanced financing throughout the life cycle. Our teams also ensure the transactional and contractual aspects of projects.

03-PROJECT MANAGEMENT

At the end of the design and financing phases, the project management teams mobilized since the project's conception move to the forefront. At this stage, the project takes shape with the start of construction. Our priorities: quality, safety, cost, deadlines and social and environmental responsibility. We coordinate all elements of the project's construction. This phase often includes teams from the VINCI Group's Construction branch. Our teams support the public authorities in informing and cooperating with the region's socio-economic community, which will often be the infrastructure's first users: local residents, local businesses and associated networks.

CONTINUING A RIGOROUS APPROACH

Nicolas Notebaert,
CEO of VINCI Concessions

Rich in new projects, driven toward ever more ambitious horizons, 2016 confirms VINCI Concession's strategic direction: developing its activity in growing geographic zones around high-potential mobility infrastructure. A movement supported by the robust organic growth of our infrastructure facilities.



The year just ended was exceptional in more ways than one for VINCI Concessions. Despite a difficult economic environment, our teams' talent and the dynamism of our projects are driving the growth of our three main lines of business. Annual revenues from our airport operations increased by 14% on a like-for-like basis and by more than 28% with our acquisitions. Our Highways and Railways businesses grew by 15% and 8% respectively. Our excellent results are not only financial but also strategic. The year illustrates the relevance of our global approach to the concessions business and our international vision of market opportunities. Concessions opportunities continue to grow in both developed countries, which are under severe budgetary pressures, as well as in emerging countries, where infrastructure needs are enormous. Our performance also illustrates the strength of our integrated approach. As both concession holder and constructor, we do not act alone: we can rely on a powerful Group and thus bring the best solutions to our customers.

This unique combination of know-how is a true competitive advantage that has enabled VINCI Concessions to distinguish itself on major projects. The Tours-Bordeaux high-speed rail line, inaugurated by the President of France on February 28, 2017, provided a feeling of profound pride and accomplishment for our teams. This project, Europe's biggest railway project, will be a milestone in the history of railways and for the VINCI Group, the first private operator to operate a high-speed line in France. Other major successes make 2016 a pivotal year: VINCI Concessions strengthened its positions in Latin America around major

“The year 2016 indicates a positive outlook for the future of VINCI Concessions.”

projects: the acquisition of the LAMSAC highway concession in Peru, the operation and expansion of the Bogotá-Girardot highway in Colombia and the taking over of operations at the Salvador, Brazil, airport in the first quarter of 2017. At the same time, we have established ourselves in the Dominican Republic and in Japan, with the Kansai airports. We also confirmed our European roots, with the taking over of the airports of Lyon and, at the beginning of 2017, a new highway concession in Germany.

These major international successes reinforce our position as a global leader and confirm our development strategy. International development is a growth driver indispensable to our progress and we will continue to focus on dynamic geographic zones and high potential assets. Our strategy remains focused on developments in close cooperation with the Group's contracting branch, mainly in the airport and highway sectors, the most dynamic activities. To continue this proactive policy while controlling our debt, we decided to withdraw from our parking business by selling our remaining 25% stake in Indigo.

The year 2016 indicates a positive future outlook. We undertook a profound renewal of our concession portfolio. Our acquisitions and dynamic mobility opportunities are globally enabling us to maintain our growth trajectory. Amidst these very positive prospects, we remain focused on key trends such as anticipating evolutions in consumption patterns and uses influenced by the digital revolution. Today, we need to be imagining the services of tomorrow that will improve the comfort of our customers and offer them more seamless and worry-free travel. To respond to this challenge, we have embarked on a process of diversification through innovation and technology. Our Electronic Toll Collection (ETC) department, now the market leader, deploys innovative management and interoperability solutions in a promising and strategic market. Developed in the U.S., ETC further consolidated its expertise in 2016 while registering major new successes in Russia and Germany at the beginning of this year. In the field of rail, we are deploying the

most modern technologies, including the implementation of the GSM-Rail radio system. Our technological expertise in this area is contributing to the development and modernization of the French rail network.

Naturally, we must continue to pursue a rigorous approach: delivering high-quality infrastructure, creating long-term value to meet the challenges of regional development, building on existing partnerships and ensuring quality of service, environmental protection and safety. Because our organization is evolving quickly, the men and women of VINCI Concessions will be a key priority in the year ahead; Diversity, agility and mobility are crucial principles in our human resources. The success of our long-term projects depends on their effective integration and development. In addition to ensuring they have the necessary technical skills and expertise, we need people capable of moving in multi-cultural environments, developing synergies and sharing good practices. In a word, we will continue to place the highest priority on the defining characteristic of our projects' success: people. ●

Nicolas NOTEBAERT

A GOVERNANCE FOCUSED ON DEVELOPMENT AND SYNERGIES

As of June 2016, VINCI Concessions is comprised of VINCI Airports, VINCI Highways and VINCI Railways. This governance structure is aligned with the strategic positioning of the VINCI Group.

Driven by the momentum of its activity and openness to the international market, VINCI Concessions' governance has evolved to combine three areas of expertise: airport industry with VINCI Airports, international highway concessions with VINCI Highways and the railway industry with VINCI Railways. An agile and efficient organization, commensurate with the growth potential of concessions around the world in the years ahead.

Led by Nicolas Notebaert, appointed CEO in June 2016, the management committee is deploying a strategy aimed at promoting cross-company and internal synergies, integrating and disseminating the Group's culture throughout the world and pursuing its internationalization to support its growth. ●

“An agile and efficient organization,
commensurate with the growth
potential of concessions around the world
in the years ahead.”



MANAGEMENT COMMITTEE

1-Pierre-Yves Bigot

Human resources
and sustainable development director

2-Fadi Selwan

Executive Vice President

3-Anne Le Bour

Communications Director

4-Nicolas Notebaert

CEO

5-Olivier Mathieu

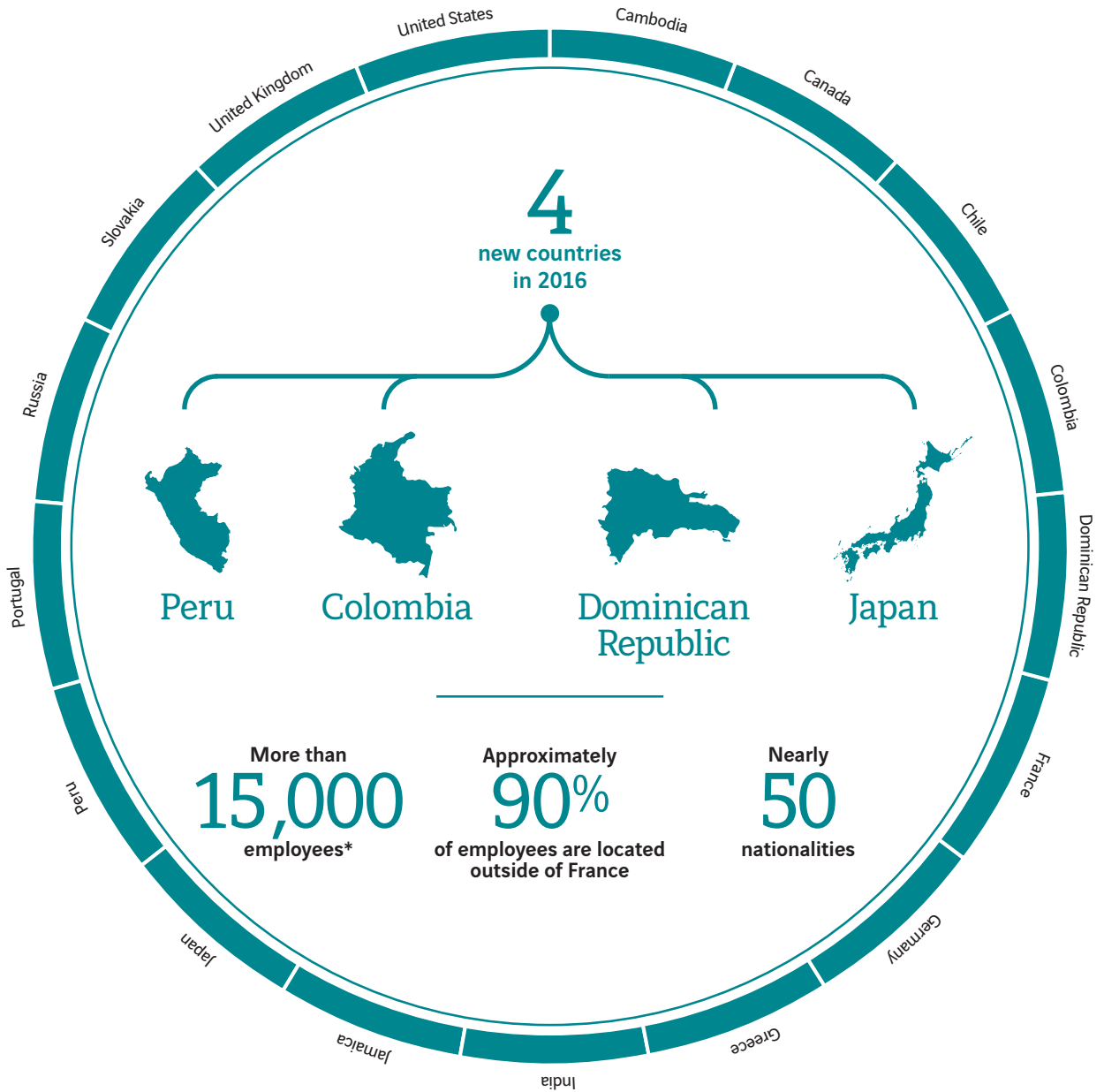
Executive Vice President

6-Christophe Pélissié du Rausas

Executive Vice President

AN INCREASINGLY INTERNATIONAL PROFILE

Present in 17 countries



DYNAMIC CONCESSIONS

2016 figures

€1.7 bn
invested in construction

3 large projects delivered in 2016

CAMBODIA TERMINALS,
OHIO EAST END CROSSING,
GSM-RAIL

35
airports

+10% in traffic in 2016*

+1,000
destinations
worldwide

132 million passengers*

including 1,897 km
under construction
or being
modernized

3,101 km
of road
network

236.7 M toll transactions in 2016

+34% compared to 2015

SEA HSL
ready
to start
operations

302 km of HSL and 500 crossings

PARIS-BORDEAUX IN 2 H 04
COMPARED
WITH 3 H 14 CURRENTLY

More than
400 candidate
teams in
the VINCI Startup
Tour**

13 new
infrastructure
facilities
managed in 2016

MORE THAN
50 international
recognitions including:

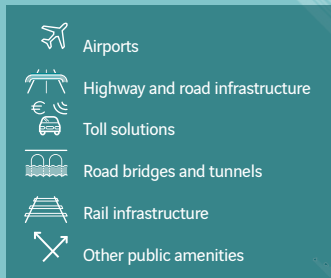
PFI Global Sponsor of the Year 2016
Envision Platinum: Ohio River Bridge
GAD Deal of the Year:
Kansai Airports

Quality
Safety
Innovation


* Figures for all companies in the managed scope calculated at 100%, including minority stakes but excluding ADP.

** Contest for innovative and promising initiatives to reinvent the digital customer experience in the infrastructure facilities operated by VINCI Concessions.

OUR CONCESSIONS WORLDWIDE




1 – Canada

 Regina Bypass
Fredericton-Moncton Highway

 Confederation Bridge

2 – United States

 Cofiroute USA
91 Express Lanes


 TollPlus

 Ohio East End Crossing

3 – Jamaica

 Trans Jamaican Highway

4 – Dominican Republic

 Airports of Las Américas airports,
Puerto Plata, Samaná, La Isabela,
Arroyo Barril, Barahona

5 – Colombia

 Bogotá-Girardot Highway

6 – Peru

 Línea Amarilla Expressway

 Pex

7 – Chile

 Santiago Airport

8 – Portugal

 Airports of Lisbon, Porto, Faro,
Funchal, Ponta Delgada, Horta,
Porto Santo, Santa Maria, Lores,
Beja


 Tagus Bridges


9 – United Kingdom

 Newport Bypass
Isle of Wight Road Network
Hounslow District Road Network


 Severn Crossings

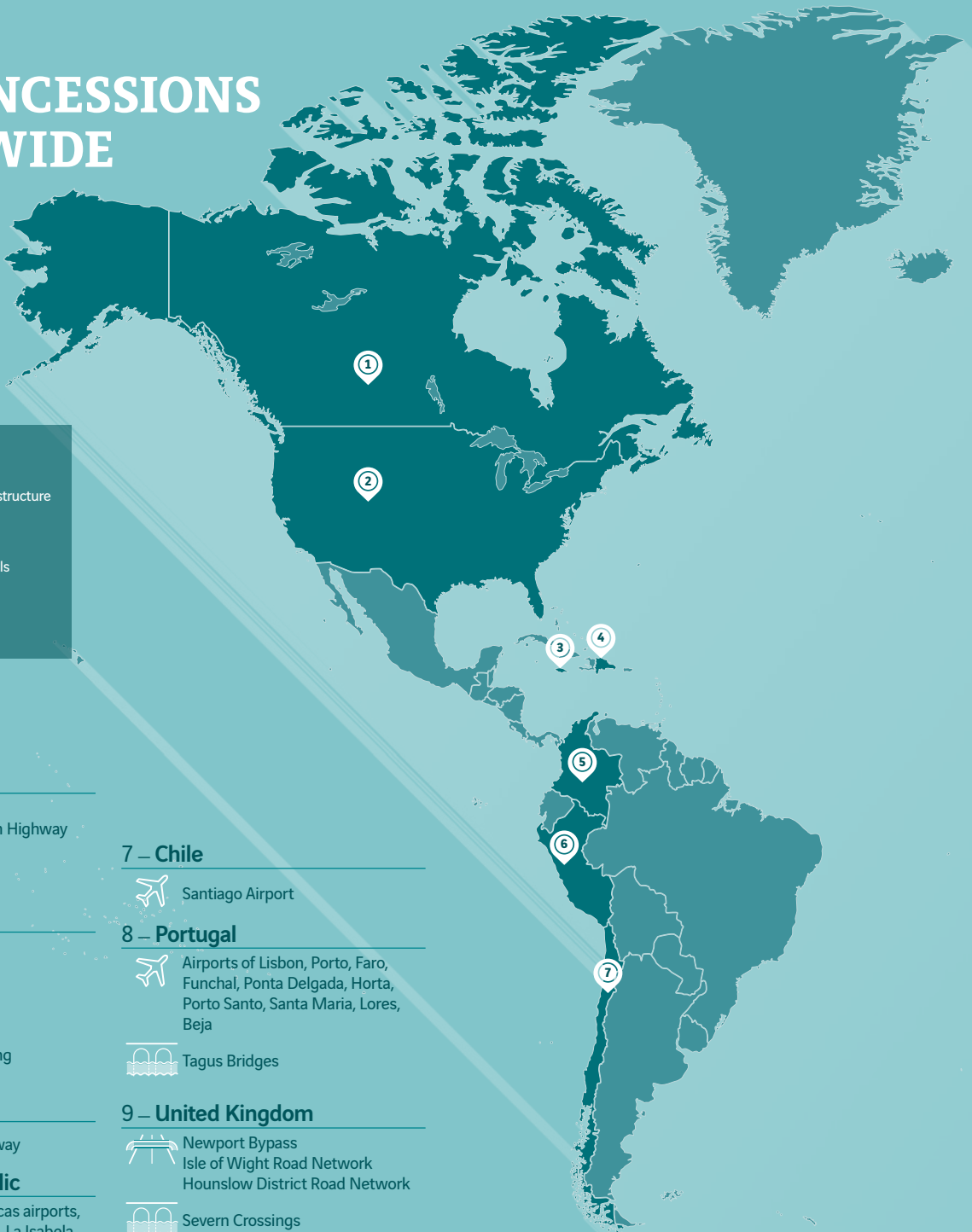
10 – Germany

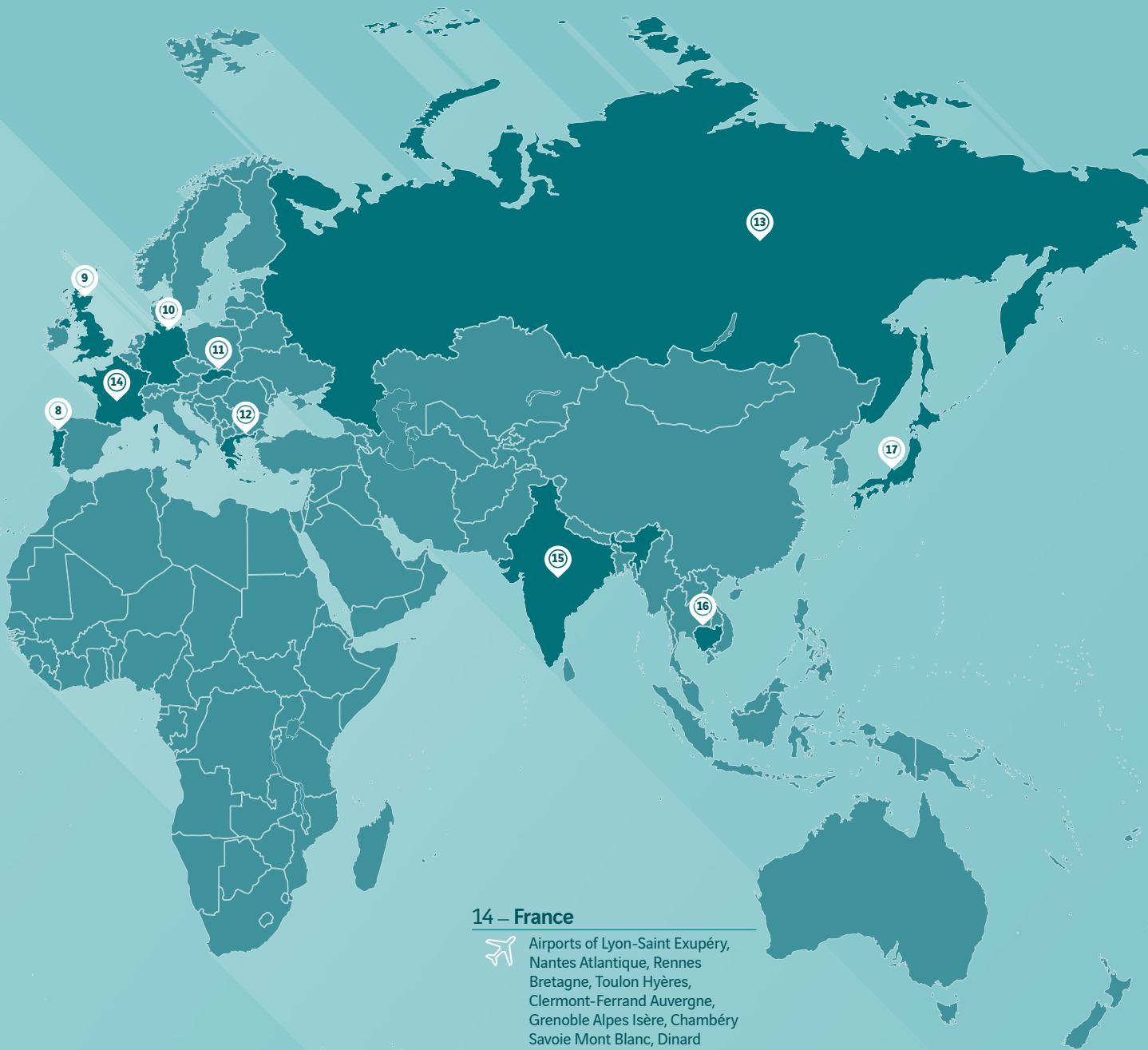
 A4 Highway (A-Modell)
A5 Highway (A-Modell)
A9 Highway (A-Modell)

 Toll Collect



11 – Slovakia

 R1 Expressway







12 – Greece

-  Athens-Corinth-Patras Highway
Maliakos-Kleidi Highway
-  Charilaos Trikoupis Bridge

13 – Russia

-  Moscow - St Petersburg M11
section 1 (MSP 1)
Moscow - St Petersburg M11
sections 7 and 8 (MSP 7 & 8)
-  United Toll System (UTS)


14 – France

-  Airports of Lyon-Saint Exupéry,
Nantes Atlantique, Rennes
Bretagne, Toulon Hyères,
Clermont-Ferrand Auvergne,
Grenoble Alpes Isère, Chambéry
Savoie Mont Blanc, Dinard
Bretagne, Poitiers Biard,
Saint-Nazaire Montoir,
Le Castellet, Lyon-Bron,
Pays d'Ancenis
-  Prado-Carénage Tunnel
South Prado Tunnel
-  Tours-Bordeaux HSL (SEA)
Rhônexpress
-  Automation of river dams
French Riviera - Cote d'Azur airport
car rental center
Street lighting in Rouen
and Goussainville
Martinique BRT


15 – India

-  TollPlus

16 – Cambodia

-  Airports of Siem Reap,
Phnom Penh and Sihanoukville

17 – Japan

-  Airports of Kansai International
and Osaka Itami

HIGHLIGHTS

VINCI Concessions is continuing its strategic shift by investing in ever broader horizons. Internationalization that involves major developments in Latin America, Asia, the United States and Europe.

LATIN AMERICA

VINCI HIGHWAYS EXPANDS INTO LATIN AMERICA

VINCI Highways enters Latin America, a market experiencing strong growth, with two major contracts in Colombia and Peru. In October, VINCI Highways and Concreto, one of the country's largest construction companies, became the concession holders for the motorway linking the city of Girardot (region of Tolima) to the Colombian capital, Bogotá. The 30-year concession contract covers the design, financing, construction, operation and maintenance of 141 km of highway, as well as the construction of a third 65-km route between Bogotá and Girardot. The works, which will take place over a five-year period, will be carried out by a consortium comprising VINCI Construction Grands Projets and VINCI Construction Terrassement (50%) and Concreto (50%). Built nearly 50 years ago, the highway is one of the busiest in Colombia, with 16.3 million vehicles in 2015. Several weeks later, VINCI Highways acquired 100% of LAMSAC, concession

holder for the Línea Amarilla – a 25-km toll section of the Lima ring road – and PEX, which operates the associated electronic toll system. Under a contract with the city of Lima, LAMSAC is responsible for the financing, construction, operation and maintenance of the Línea Amarilla until November 2049. In 2016, LAMSAC's traffic on the section was more than 139,000

vehicles/day on average. It is expected to increase further after the opening of a new section under construction. With average annual growth of more than 6% over the last 10 years, Peru has a very attractive economic profile. The LAMSAC acquisition is therefore consistent with VINCI Concessions' strategy of expanding in high potential areas. ●



SALVADOR DE BAHIA, BRAZIL - A NEW AIRPORT IN LATINE AMERICA



VINCI Airports was awarded the 30-year concession for Deputado Luis Eduardo Magalhaes airport in Salvador in March 2017, following a call for tenders by ANAC (Agencia Nacional de Aviação Civil). The concession contract covers the operation, maintenance,

extension and renovation of the existing terminal and runways. With more than 7.5 million passengers welcomed in 2016, Salvador airport is Brazil's ninth largest. ●



CARIBBEAN

SIX NEW AIRPORTS IN THE DOMINICAN REPUBLIC

In April 2016, VINCI Airports finalized the acquisition of Aerodom, a Dominican company that will operate six of the Dominican Republic's nine airports, including Santo Domingo, until March 2030. Las Américas International Airport, the island's largest, has served the country's capital, Santo Domingo, since 1959. In total, Aerodom airports welcomed 4.7 million passengers in 2016, 98% of them international. ●

ASIA

VINCI AIRPORTS ESTABLISHES ITSELF IN JAPAN AND BECOMES ONE OF THE WORLD'S TOP 5

In April 2016, VINCI Airports won its first contract in Japan to operate the international airports of Kansai and Osaka for the next 44 years. Together, Osaka's two airports are Japan's second busiest airport platform. Kansai International Airport is an international hub with high growth potential, welcoming 25 million passengers in 2016. Osaka Itami International Airport is the main domestic airport in the city of Osaka with 15 million passengers. The consortium consists of VINCI Airports (40%), the Japanese group Orix (40%) and some 30 companies in the Kansai region (20%). VINCI Airports is now one of the world leaders in airport management. ●



UNITED STATES

VINCI HIGHWAYS INAUGURATES THE OHIO EAST END CROSSING



After four years of construction, the new 12-km section of the Ohio East End Crossing in the United States, crossing the Ohio River to link Indiana and Kentucky, was inaugurated in December 2016. This is VINCI's first road infrastructure project built through a public-private partnership in the U.S., the Group's fourth largest market. Its commissioning improves safety and makes traffic more fluid. The concession consortium, led by VINCI Highways, is responsible for the operation, ongoing maintenance and refurbishment of a significant portion of the Ohio East End Crossing infrastructure for a period of 35 years. ●

12-km

section of the Ohio East End Crossing after four years of construction

STRENGTHENED POSITION IN ELECTRONIC TOLL COLLECTION

In September 2016, VINCI Highways acquired a strategic stake in TollPlus. Based in Phoenix, Arizona, and present in Hyderabad, India, TollPlus has become a recognized specialist in the development, implementation and maintenance of non-paper solutions for electronic toll management and customer relations. This acquisition, to accompany the growth of TollPlus, is the result of the relationships developed over several years with Cofiroute USA, a U.S. subsidiary of VINCI Highways, in the area of back office toll collection. With its participation, VINCI consolidates its



position in the market for electronic toll collection, which promises

strong growth in the United States, Latin America, Europe and Asia. ●

FRANCE

LYON: BIG AMBITIONS FOR FRANCE'S SECOND LARGEST REGIONAL AIRPORT

In November 2016, the consortium composed of VINCI Airports, Caisse des Dépôts and Crédit Agricole Assurances completed the acquisition of a 60% interest in Aéroports de Lyon (ADL). ADL holds a concession contract through 2047 for the Lyon-Saint Exupéry airport, France's second-largest regional airport, and Lyon-Bron, the country's third-largest

business aviation airport. In 2016, these two facilities welcomed more than 9.5 million passengers. The ambition of VINCI Airports is for the Lyon airports to reflect the dynamism of the city of Lyon and the Rhône Alpes Auvergne region, France's second largest economic region. The objective: to exceed 15 million passengers by 2032. ●

9.5 million
passengers in 2016



IMMINENT LAUNCH OF THE SOUTHERN EUROPE ATLANTIC HIGH-SPEED LINE



The new high-speed SEA line, which will link Paris to Bordeaux in two hours starting in July, was inaugurated on February 28, 2017 by French President François Hollande. The inauguration marked a key moment for VINCI Concessions: after project management that will deliver Europe's biggest railway project ahead of schedule and in line with budgetary targets and the best environmental standards, the teams are preparing to ensure the line's maintenance and operation, with the same rigor. The next phase will make VINCI Concessions the first private operator to operate a high-speed line in France through its 33.4% stake in concession company LISEA, and 70% stake in MESEA, responsible for the line's operations and maintenance. ●

The performance of a global model

Based on a unique combination of expertise, VINCI Concessions deploys a global model that has proven its effectiveness in France and internationally. Today, as Europe's leading operator of mobility infrastructure concessions, VINCI Concessions is accelerating its growth across three strategic lines: brownfield projects involving acquisition of existing assets such as the highways of LAMSAC's highways in Peru and Kansai Airports in Japan; greenfield projects, building new infrastructure such as the high-speed LGV Tours-Bordeaux rail line; extension of existing contracts in exchange for investment programs.

A LONG-TERM COMMITMENT TO SUPPORTING REGIONS

VINCI Concessions has a long-developed culture of public-private partnership. A model of collaboration that has many benefits for the community.

The alliance between public authorities and private entities, public-private partnerships, demonstrates its relevance every day. A very old concept - the concession in France dates to before the revolution -, the model developed in a number of sectors, in particular for local public services and transport infrastructure. Spreading throughout the world, it established itself as a powerful tool to optimize the efficiency of public procurement. As underlined by members of the G20 in 2016, public investment is a driving force for stimulating growth and developing regions. At the same time, they are the source of new means of mobility in the case of transport infrastructure, and key factors of local economic development. Too expensive to be borne by public authorities alone - and even more so in times of constrained budgets - these investments are more likely to be achieved if made through a public-private partnership. Whatever the legal form it takes (concession contract, partnership contract or otherwise), this mode of collaboration offers many advantages: the possibility of making an ambitious work possible by mobilizing entities from different backgrounds and greater financing capacities, dedication of a budget for a specific project, designs that meet the highest standards of innovation and quality, savings of time in construction, consultation with stakeholders and long-term operation under optimal conditions of safety, comfort and services for users. The projects developed by VINCI Concessions clearly reflect the positive impact of public-private partnerships for infrastructure users and, more broadly, on the economy and regions.

Adding to the attractiveness of regions

Invested in a mission of public interest, VINCI Concessions supports projects of public utility that are crucial for the development and attractiveness of regions. Given the scale of investment needs associated with major infrastructure programs, public-private partnerships are emerging as a highly effective solution. Many regional development projects, useful to the community, would not have been



possible without the emergence of this model. Such is the case for the Stade de France and several other venues that hosted the 1998 World Cup and UEFA Euro 2016. This is also the case of the South Europe Atlantic high-speed rail line (SEA HSL) that will put Bordeaux just two hours from Paris (see page 65). A major public interest project led by VINCI Railways and financed by a 50-year concession agreement, this new line optimizes the mobility offer. The spread of the effects of high speed in the southwest of France will strengthen the region's dynamism and attractiveness. →

At the heart of our daily life, mobility infrastructure is developing rapidly through a combining of public and private energies.



Present in Cambodia for more than 20 years, VINCI Airports operates three airports in the country consistent with the highest international standards.

→ The role of VINCI Concessions in enhancing regions is expressed everywhere throughout the world. For example, in Cambodia, VINCI Airports, which has been operating in the country for 20 years, invested more than \$100 million to double the capacity of the Siem Reap and Phnom Penh airports, thereby supporting the country's economic growth. In Japan, a development plan at Kansai airports, operated by VINCI Airports since April 2016, will accompany the ambitious national goal of doubling the number of tourists welcomed by the country.

Optimized solutions over time

In guaranteeing quality and the meeting of deadlines, the VINCI Concessions model also allows the dedication of budgets and the smooth management of debt. These two benefits are particularly useful to governments and communities facing limitations on public spending. Maintenance and management costs are segregated over the long term, such as for the public-private partnership between SNCF Réseau and VINCI Railways for the deployment of GSM-Rail; this ground-rail radio system increases the performance and safety level of the railway network. The solution proposed by VINCI Railways made it possible to allocate a budgetary envelope to essential investments, and thus to make up for the technological lateness of the public operator. Through this choice of financing mode, the associated private companies started the construction

of a railway telecommunications network in a much faster timeframe than if only public funds had been used.

A constructive dialogue with all stakeholders

For VINCI Concessions, a public-private partnership is necessarily accompanied by a process of dialogue with all stakeholders, first and foremost government and public authorities. An agile and pragmatic attitude of concerted action, as illustrated in particular in Greece, a country having experienced an unprecedented economic crisis. In addition to operating the Charilaos-Trikoupis bridge, →

“Invested in a mission of public interest, VINCI Concessions supports projects of public utility that are crucial for the development and attractiveness of regions.”



Less than four years have elapsed between the signing of the contract and the commercial start-up of Rhônexpress, the first rail concession in France between a city's center and its airport.



→ which was completed in 2004, VINCI Highways has also been a shareholder since 2008 of two highway concession companies: Athens-Corinth-Patras (201 km) and Maliakos-Kleidi (230 km). While the financial crisis significantly disrupted the projects in the summer of 2015, an agreement was found in 2016 through close dialogue with country authorities to enable service to commence in the spring of 2017. In Peru, with the acquisition of LAMSAC, holder of a highway project concession that had experienced numerous technical difficulties and significant local issues, VINCI Highways has established a relationship of trust with the city of Lima.

Present at the heart of regions, VINCI Concessions works to involve all entities from the regional ecosystem: partners, customers, suppliers, elected representatives, local residents, associations, employment agencies to locally recruit and train workers on construction sites, non-governmental organizations, etc. Particularly significant, the SEA high-speed rail line is the result of a long consultation process. More than 100 public information meetings were organized in the communities traversed, in parallel with listening and reconciliation sessions with property owners and farmers. In order to facilitate exchanges and increase mobility, VINCI Concessions also carries out analytical work with tourism



professionals and economic entities. This analysis highlights the region's tourism and economic development potential, which could lead, for instance, to creation of new airport services. ●

The quality of dialogue between VINCI Highways and public authorities enabled the projects in Greece to advance, despite the financial crisis.

TOWARD NEW HORIZONS

VINCI Concessions experienced a 2016 marked by strong internationalization of its activities, in line with the Group's strategy and the spirit of winning that drives it forward.

A year of development for VINCI Concessions, 2016 saw strong international successes in airports and highways. The taking over of airport operations at Kansai in Japan and in the Dominican Republic, marked another step in the worldwide expansion of VINCI Airports, which now has more than two thirds of its activity outside France. VINCI Highways met with major success in Latin America - a continent with high growth potential - with highway concessions in Peru and Colombia. VINCI Highways is also developing its expertise in the Electronic Toll Collect free-flow toll with major acquisitions in the United States.

Kansai Airports: annual traffic of 40.1 million passengers in 2016.



VINCI Concessions is today extending its business to an ever-wider geographical scope. This internationalization strategy creates value through the growth in development opportunities around the world. The contracts commit VINCI Concessions over several decades, during which its teams work to create value and optimize the potential of the assets entrusted to it. The new opportunities also contribute to the extension of the maturity of the concessions portfolio. As a key factor in the development of concessions, internationalization is also fully in line with the VINCI Group's development strategy. After crossing the threshold of 43% of revenues generated outside France in 2016, VINCI is continuing to grow in new regions. Its medium-term objective is to generate half of its revenues abroad.

International development requires an agile organization, customized skills and an in-depth understanding of the country by development teams. They select the new countries to enter based on two criteria: the possibility of forming a partnership with a recognized local entity or drawing on the experience of the VINCI Group in the country. The multidisciplinary project teams work closely with financial

A RECOGNIZED CHANGE OF DIMENSION

VINCI Concessions received the Global Sponsor of the Year award in 2016 from the magazine, Project Finance International (PFI). This award recognizes VINCI Concessions' exceptional international development and its leadership in public-private partnerships. In 2016, VINCI Concessions raised over €2.3 billion to finance projects around the world, with 14 commercial banks, an infrastructure fund and two development finance institutions (DFI). ●

and legal experts as well as specialists in marketing, communications and human resources. As a global company, VINCI Concessions can capitalize on long-standing relationships of trust in Europe with the largest French and international financial partners. Its experience in structured finance and its reputation as a world leader in infrastructure enable it to offer financial packages that maximize leverage. In the legal area, VINCI Concessions' global approach enables it to continuously adapt to new jurisdictions: analysis of the country's laws on public-private partnerships and companies in order to set up a project company under local law and seeking local legal counsel.

VINCI Concessions' pragmatic development strategy is based on a case-by-case analysis of the opportunities. This positioning is linked first to the capacity to create value from high growth potential assets that can be revitalized. While not excluding any region, VINCI Concessions looks particularly at opportunities in Asia, Latin America and Europe, as well as in Africa, where it can capitalize on the experience of Sogea-Satom, a Group subsidiary present in 22 countries on the continent.

“A year of development for VINCI Concessions, 2016 saw major international successes in airports and highways.”

The year 2017 opened with the continuation of negotiations with several governments regarding mobility concessions, the development of highway activity in Russia and new contracts won by VINCI Airports in Brazil and in Germany, where VINCI Highways consolidated its leadership. ●



South America holds many opportunities for VINCI Concessions.

ARCHITECT OF TOMORROW'S MOBILITY

VINCI Concessions is constantly striving to offer its customers more personalized services.



With the rapid development of new toll technologies, the highway sector is undergoing renewed relationships with users.

As a developer of mobility infrastructure and a service operator, VINCI Concessions favors a global approach throughout the life of a facility, from the first drawings to its modernization. Its operating teams know how to build quality relationships with the customer as well as with business partners (business to business) and end users (business to consumer), the two approaches being closely linked.

This continuous improvement approach involves all VINCI Concessions businesses, as well as its service providers and partners. VINCI Airports is increasing its surveys of infrastructure users to measure their expectations and level of satisfaction. VINCI Highways is committed to high-level service contracts, guaranteeing infrastructure quality to users. Because mobility issues are at the heart of its business, VINCI Concessions strives to develop services that anticipate the expectations of its customers. Such is the case with VINCI Airports, which works closely with airlines to offer them the best opportunities for traffic growth and to promote high potential regions. This is also true for

INTEROPERABLE AND FLUID: THE ROAD OF TOMORROW

VINCI Highways detected early on the potential for the future paperless collection of tolls. Today, thanks to the dynamism of its ETC department, VINCI Highways simplifies the lives of highway consumer-users and supports the activity of public authorities by developing interoperability around the world. Thus, by means of a single tele-badge, users are able to pay the toll across an entire network with different operators.

At the European level, interoperability is of particular importance for transport and logistics companies. Carriers are able to travel without stopping to pay a toll on all the road networks of VINCI Highways, with their journeys being recorded via a device tracked by satellite. The collected data guarantee fast, fluid and secure fiscal and administrative management. ●

“This continuous improvement approach involves all VINCI Concessions businesses, as well as its service providers and partners.”

VINCI Highways, through its expertise in Electronic Toll Collection (ETC), which develops new-generation toll systems offering a wide range of services (insurance, fuel payment, etc.) connected to mobility.

VINCI Concessions constantly innovates to enrich its range of personalized services, with a brand strategy focused on the user and the uses of tomorrow. Among its innovations: the free-flow toll, eliminating lines through new technologies that avoids users having to pass through a toll booth; unlimited free WiFi in all network airports since 2015, plus concierge services, parking reservations via a mobile app and intelligent signage. Another innovation is GSM-Rail, a new-generation wireless communication standard for railway operators that is interoperable and compatible at the European level.

In line with the growth of digital, VINCI Concessions' innovation policy, open to a large ecosystem of startups, allows experimenting on new services that can enrich the customer experience and facilitate their travel. The 2016 VINCI Startup Tour revealed several promising budding ideas: Spot it, Business in the Air, Skiplly and Eelway (see pages 46-47). In early 2017, Rhônexpress - a fast link between Lyon and Saint-Exupéry airport - launched a call for projects, Innovative U-X, to detect innovative initiatives in terms of customer experience, adaptable to Rhônexpress and more widely to travelers everywhere. At the end of the competition, experiments will be conducted on the projects of three startups in 2017. ●



Airports are opening to digital innovation that reinvents and facilitates the passenger journey.

SERVING AIRLINES AND PASSENGERS

Initiated in 2014, the AODB RMS (Airport Operational Data Base Resource Management System) project is a unified IT solution for use at all VINCI Airports facilities. This new information system provides a real-time link between databases (including airline flight programs) and the resources of each airport (check-in desks, security points, boarding gates, buses, boarding ramps...). Objectives: anticipate and optimize the technical and human resources allocated to each flight, facilitate the work of airlines and, ultimately, offer more fluidity and responsiveness in the information display for passengers. This equipment will be implemented in 2017 at airports in Nantes and Cambodia and will gradually be deployed in other airports beginning in 2018. ●

TALENT AT THE HEART OF DYNAMIC GROWTH

Growth and international development require a constantly renewed capacity for adaptation. Mobility, training and integration are the main qualities associated with this evolving organization.

With nearly 50 nationalities, VINCI Concessions brings together more than 15,000 people employed worldwide. Confronted with rapid growth on projects of different sizes and in new environments, human resources policy emphasizes flexibility and responsiveness. The objective: to guarantee delivery of increasingly multi-faceted projects by providing and developing the talent and expertise they require. This enables VINCI Concessions to rely on expertise developed around major projects, such as the SEA high-speed rail line. Recruitment of multiple profiles, creation of multidisciplinary teams, sized according to the different stages (up to 9,000 people at the peak of the work, 180 in the operations phase beginning in the summer of 2017): VINCI Concessions is an expert in managing transitions and the different phases associated with a major project.

In a context of increasing internationalization, the integration of employees from new concessions is a priority. This is particularly the case in Latin America. After becoming highway concession holder in Colombia and Peru in 2016, VINCI Highways is working to integrate the approximately 750 employees from these two new acquisitions. The accompaniment approach enables local teams to learn about VINCI Highways' culture, methods and procedures for project management and its operations. On the other side of the Pacific, a successful transition was achieved with the new teams at Kansai Airports, with the support of the VINCI Airports headquarters. The integration process included the first participation of a Japanese delegation in the VINCI Airports convention held in southern France in September 2016 and was facilitated by regular exchanges of good practices between teams from Kansai Airports and other airports of the VINCI Airports network, especially in Portugal and France.

Key to successful integration, the sharing of expertise within an increasingly broad network becomes essential. In addition to training (*see box*), mobility is an indispensable tool for the circulation of know-how and the emergence of synergies. Mobility, an important contributor to



Objective: to promote the expertise and values of VINCI Concessions throughout the world by sharing best practices among all employees.

“VINCI Concessions is increasingly international, creating jobs and opening up many career opportunities.”

loyalty, employee engagement and VINCI Concessions' development, is increasingly encouraged across the organization.

With its dynamic activities, recruitment is important for VINCI Concessions. Talent research focuses on operations-related occupations, in order to provide needed skill sets for the increasing number of projects on which construction has been completed. In this context and with the increasing expectations of users for mobility-related services, VINCI Concessions is constantly reinventing its services and turning to digitally-savvy, innovative and marketing-oriented profiles to help imagine the services of tomorrow.

To this end, VINCI Concessions is based on a shared proactive strategy with the the VINCI Group as evidenced by its latest recruitment campaign called *You will enjoy working with us*. Its key words: ambition, boldness, creativity, curiosity and commitment. ●

DEVELOPING A COMMON LANGUAGE

Launched in 2013, the VINCI Airports Academy offers both professional training courses, mainly in the form of e-learning, as well as corporate training courses bringing together employees from the business units. Examples of training themes include safety management, financial culture and crisis communication. Adapted to each region and to the specific conditions of each airport, the academy contributes to the sustainable pooling of tools and expertise, the dissemination of a common culture and the upgrading of local resources through training. In 2016, 2,500 employees were trained, 33,000 hours of training were provided and the academies of Chile, Portugal and the Dominican Republic were launched. In 2017, Japan will join the network and VINCI Airports Academy will be enriched with new training moduls. ●



In 2016, VINCI Concessions paid particular attention to the integration within its network of employees in the new countries where the Group operates.

SUSTAINABLE GROWTH, RESPONSIBLE DEVELOPMENT

As a responsible company committed to the long term, VINCI Concessions supports the rapid growth of its activities through a proactive approach to sustainable development.



In Cambodia, VINCI Airports is a historic partner of the Artisans d'Angkor, a company created to perpetuate and promote the development of Khmer crafts, which provided the decor for the new terminals.

Infrastructure built and managed by VINCI Concessions helps to improve the mobility and the daily life of users. These new facilities, designed and operated according to the market's highest standards, transform the sustainability of urban ecosystems and promote their economic and social development. VINCI Concessions, a responsible company committed to the long term, operates according to a rigorous social, societal and environmental policy. VINCI Concessions strives to optimize the economic impact of infrastructure and to introduce high safety requirements at all project stages (construction, operation, maintenance) in all countries.

In order to better understand its footprint, VINCI Concessions has studied the socio-economic consequences of

some of its projects. In Cambodia, for example, nearly 17% of national GDP is linked to the activities of VINCI Airports' three facilities in Phnom Penh, Siem Reap and Sihanoukville, which help generate more than 77,000 jobs. In France, the direct impact and regional influence from development of the SEA high-speed rail line played a major role in creating value, particularly in the six regions it crosses. The findings revealed that for each direct job on the SEA construction project, 4.7 jobs were created or maintained in France. VINCI Concessions strengthened its commitment to this major project by promoting local employment and workforce integration in subcontracting contracts. The project strongly favored people eligible for workforce integration who represented 15% of the 37 million worked hours.

Regarding the environment, VINCI Concessions gives priority to dialogue with all stakeholders - public authorities, nature conservation associations, institutions, agricultural interests - in order to minimize the environmental impact of the infrastructure for which it is responsible. A pioneer in its industry, VINCI Airports set up a comprehensive environmental strategy for all of its airports in 2015. Called AirPact, it is a driver of competitiveness. In accordance with this policy, all VINCI Airports facilities in France, Cambodia, Portugal and Japan are now certified Airport Carbon Accreditation (ACA), which assesses and recognizes the efforts undertaken by airports to reduce their greenhouse gas emissions.

In order to systematize and formalize its sustainable development approach, VINCI Concessions established an environmental, social and societal action and monitoring plan in 2016 for its employees. This initiative allows identification of the main environmental, social and societal issues associated with a project as well as stakeholder expectations. In 2017, VINCI Concessions plans to launch a study aimed at understanding the impact of climate change on its infrastructure in order to anticipate possible associated risks. ●

“VINCI Concessions, a responsible company committed to the long term, operates according to a rigorous social, societal and environmental policy.”

OHIO EAST END CROSSING PROJECT RECOGNIZED FOR SUSTAINABLE MANAGEMENT

The 12-kilometer highway connecting Indiana and Kentucky in the U.S. was awarded platinum level Envision certification by the Institute for Sustainable Infrastructure (ISI) in November 2016. This distinction, which had never before been obtained by a French company, recognizes the project’s sustainable management. The project team worked in close cooperation with local authorities to promote the training and employment of women and minorities, with a long-term perspective. The social and economic impact of this new road segment, planned for more than 50 years, should result in the creation of several thousand jobs in both states. ●

In order to preserve the environment, VINCI Concessions initiated a major offset program in the region crossed by the new high-speed Tours-Bordeaux line.



VINCI Airports

With a network of 35 airports around the world and more than 132 million passengers in 2016, VINCI Airports develops, finances, builds and operates airport platforms to which it brings its investment capacities and operator expertise, whether for operations, extension projects or the complete construction of new infrastructure.

€1.06 bn

in revenues*

Ebitda*: €563 M

224 routes

opened in 2016

132 million

passengers**

* VINCI 2016 consolidated data.

** Including full-year figures for Lyon, Dominican Republic and Japan airports.

Japan story, **IMMEDIATE BOARDING FOR KANSAI**

Kansai International Airport welcomed 25 million passengers in 2016. To avoid using Japan's scarce agricultural land, it was built on an artificial island in Osaka Bay.



Kansai International Airport (KIX) and Osaka Itami Airport joined VINCI Airports' network in April 2016. A look back on an ambitious and promising acquisition, concluded after a year and a half of negotiations and evaluations.

+6.3%
growth in air traffic

40 million
passengers in 2016

Why invest in Japan? *"We started to review the project at the end of 2014 and to familiarize ourselves with the Japanese market,"* explains Rémi Maumon de Longevialle, business development manager in charge of the project. *"Right after the first phase of analysis, we realized the extraordinary potential of these two airports."*

The world's third largest economy, with an extremely stable legal and political framework and booming tourism... From this point of view, the Kansai region, rich in historical and heritage significance – with the cities of Kyoto and Nara, in particular – is an engine for tourism. The country has also embarked on an ambitious plan to double the number of tourists. Revitalization of the two airports in Kansai will benefit from this positive trend, whether through commercial offers or low-cost flights, still little-developed in Japan.

The art of consensus

It was still necessary to convince the Japanese authorities of this emerging success story! *"Very few foreign businesses are in Japan. We started with a blank sheet and tried to understand and adopt the country's codes."* In particular the →



The objective: to support Kansai Airports teams in reaching the highest international standards to support the region's tourist ambitions.

Kansai Airports welcomes nearly 40 million passengers annually.





→ somewhat confusing *nemawashi*, the informal process where the parties commit to reaching consensus. “We then identified the right partner, Orix, a financial services company that often pioneers new markets and provides the critical mass necessary for such projects,” says Rémi Maumon de Longevialle. “The project involved a team of 50 people working for over a year.” Ultimately, for a winning deal. “Several advantages helped win the trust of Orix and the Japanese authorities: VINCI consists of companies with an industrial tradition, which is important in the eyes of the Japanese. Also important were, VINCI Airports’ successes throughout the world as well as our integrated construction and concession approach and the

Complementarity of expertise: a winning asset to enhance the potential growth of Kansai airports.

ability to draw on the expertise of our subsidiaries,” says Rémi Maumon de Longevialle. A strong argument for finding a solution to KIX’s land settlement problems, located on an artificial island in Osaka Bay.

Successful entry into a country with high potential

Both airports have been operated by the Kansai Airports Consortium since April 2016. VINCI Airports’ employees have been deployed in Japan and others have been recruited locally to oversee the integration and prepare for the future. 3,600 employees, former civil servants, are now part of the new operator’s workforce. “These two →



Testimony
Yoshiyuki YAMAYA,
Special counselor, Orix
Board member and CEO
of Kansai Airports

Kansai Airports is the result of a strong partnership between two companies with complementary expertise, who decided to join forces to develop Kansai Airports. Japanese company Orix, an expert in property development and financial services, has a strong presence in the Kansai region and a detailed knowledge of the local stakeholders and issues. VINCI Airports, a global leader in the sector, brings its expertise in airport management and operations (operations, airline marketing, business development and airport project management). Beyond these objective criteria, we have also chosen to combine with VINCI Airports because of its membership in the solidly-anchored the VINCI Group, which understands the long-term nature of concessions.

The concessionaire Kansai Airports is co-managed by Emmanuel Menanteau, who acts as a director and co-CEO of Kansai Airports and represents VINCI Airports. Yoshiyuki Yamaya acts as Director and CEO of Kansai Airports and represents Orix Corporation. ●



The airport of Itami is about to benefit from a complete renovation plan, while a new terminal has just been inaugurated at KIX airport.

2nd-largest
airport hub in the country

#1
gateway
for tourists

→ *airports are very different. We must unify these two corporate cultures and promote cross-company teamwork, a prerequisite for innovation and change. A great challenge! We know we can count on the international expertise of VINCI Airports and Orix's detailed knowledge of the local market,"* says Hideo Ichida, Kansai Airports marketing director.

complete renovation plan. Work is underway to optimize the performance of these two facilities, whether for improving the quality of the commercial offer or to rethink the incentive scheme with regard to airlines... Future projects are not lacking in Japan. ●

Designed by the Italian architect Renzo Piano, KIX airport was built on an artificial island in Osaka Bay.

The extension of KIX Terminal 2, inaugurated in January 2017, will enable the handling of an additional eight million passengers. Itami Airport will be the subject of a



AN INCREASINGLY INTERNATIONAL INTEGRATED MODEL

In the space of a few years, VINCI Airports' remarkable growth has made it one of the world leaders in the airport sector. Its backing by the Group and its global operator model make it a unique entity in the airports market.

Welcoming more than 132 million passengers in 2016, VINCI Airports is now one of the world's top five airport operators. The year 2016 ended with the strongest growth in its history, with record revenue of more than one billion euros (1,055 million euros), an increase of 14.2% compared with last year's scope, on a constant basis, and 28.6% on a consolidated basis. Traffic growth across the network was 10%, almost double the increase in average annual traffic. These results are the fruit of the company's proactive strategy for traffic development and extra-aeronautical revenue (see pages 44-45), combined with the dynamism of the aviation market.

Intensification of international development

VINCI's most international branch, VINCI Airports currently operates 35 airports, 22 of which are outside France. The year 2016 marks an additional step in its overall development. VINCI Airports has capitalized on its previous successes, including its 20-year operation of the three airports of Cambodia and the 2013 acquisition of ANA in Portugal, a turning point in its transformation and scope. This strategic direction continued with the acquisition of the Santiago airport in Chile in 2015 and the addition to its network of the two Japanese airports in Kansai and the six airports of the Dominican Republic in 2016, followed by Salvador airport in Brazil in the first quarter of 2017. Operation of the international airports of Kansai and Osaka, under a 44-year concession, is carried out in partnership with the Japanese group Orix. The two airports welcomed →



Development of traffic, improvement of the passenger journey, sharing good practices... Airports operated by VINCI Airports benefit from the strength of the VINCI Airports network.



VINCI Airports knows how to develop the potential of airports of widely different sizes. Here in Chambéry, business aviation is a key to development.

→ 40 million passengers in 2016. In the Dominican Republic, VINCI Airports acquired Aerodom, a company holding a concession contract with the Dominican government for six of the country's nine airports until March 2030. These acquisitions were complemented with the taking over in November 2016 of Aéroports de Lyon, holder of the concession contract for the Lyon-Saint Exupéry (more than 9 million passengers per year) and Lyon-Bron airports until December 2047.

Global model, key to development

Unlike most of its competitors, VINCI Airports is able to leverage a global model that enables it to intervene throughout the entire value chain while having access to the Group's resources. VINCI Airports deploys highly standardized expertise on a global scale to operate its facilities at the highest standards: project management to renovate and/or expand asset capacities; maintenance, assistance and coordination of operational resources; support functions; airline marketing to develop traffic; development of extra-aeronautical activities, etc. Managing airports of very different sizes, the company demonstrates to public authorities, project by project, its ability to

optimize the infrastructure entrusted to it through a partnership approach that benefits the region.

Developing synergies

VINCI Airports is committed to the Group's decentralized culture. Each development seeks to strike a balance between global expertise and shared support functions (legal skills,

“VINCI Airports leverages its global model which allows it to intervene across the entire value chain with the full resources of the Group.”

information systems, etc.) with the autonomy provided to the facility team to better take local issues into account. Developing synergies and good practices within its network of 35 airports is one of VINCI Airports' priorities for the years to come. Doing this involves capitalizing on its transversal experience, developing mobility between facilities and raising each airport to the company's performance standards in each area, in particular operational excellence, the environment, the customer experience, safety and security. As an example, VINCI Airports is progressively deploying an information system that allows real-time resources to be allocated to an airport (counters, gateways...) according to identified needs, optimizing operations for both airlines and passengers (see page 25). With regard to the environment, VINCI Airports launched a global strategy called AirPact, in 2015, a first for an airport company. To date, all airports in France, Cambodia, Portugal and Japan have achieved accreditation under the Airport Carbon Accreditation program (see page 29). Key to performance and successful integration, human resources are given particular attention. To promote mobility, the company has been developing the VINCI Airports Academy over the past four years, a global training tool and an essential lever to develop and share a common culture (see page 27). ●

“Developing synergies and good practices within its network of 35 airports is one of VINCI Airports' priorities for the years to come.”



Active in 22 countries, VINCI Airports attaches great importance to integrating its employees.

UNIQUE EXPERTISE IN AIRPORT PROJECT MANAGEMENT

Investments in infrastructure are consistent with long term value creation. VINCI Airports is able to build on its integrated concessions model, an asset to public authorities.



Ambitious modernization programs in synergy with the VINCI Group.

VINCI Airports defines for each of its airports a long-term vision of its development, accompanied by a regularly updated master plan and five-year investment plan. Programmed and adjusted according to the activity's development outlook, the extension and modernization of an airport are essential to creating value. With a network of 35 airports, VINCI Airports is able to carry out benchmarks and capitalize on a data set enabling it to fine-tune the evolution of infrastructure facilities.

Doubling the capacity of the Santiago airport in Chile

VINCI Airports draws on synergies with the Group as part of its airport project management expertise. This integrated concession approach was decisive in the acquisition of Santiago International Airport in Chile in 2015,

where an ambitious construction program began in November 2016. In less than five years, the concession consortium will construct a new international terminal and renovate the current terminal, which will be transformed into a domestic terminal. Around €900 million will be invested in the construction of 20 buildings, increasing the airport's capacity from 17 to 32 million passengers. The close coordination between the contracting team of the Nuevo Pudahuel consortium and the construction consortium of VINCI Construction Grands Projets and Astaldi makes it possible to optimize the complex phasing of the work to minimize the impact on airport operations, which will continue uninterrupted. In order to carry out this project – VINCI's largest international construction complex – the Group and its partners are using a highly advanced Building Information Modeling (BIM) organization and tools.

“Programmed and adjusted according to the activity’s development outlook, extension and modernization of an airport are essential to creating value.”

Numerous projects launched

In Cambodia, following the completion of projects at Phnom Penh and Siem Reap, inaugurated in March 2016, VINCI Airports launched the final phase of the Phnom Penh terminal extension, scheduled for delivery in October 2017, and began renovations at the Sihanoukville airport to increase capacity to 500,000 passengers per year (from 150,000 today).

In Japan, the extension of Terminal 2 of Kansai International Airport, dedicated to international traffic, was inaugurated in January 2017. With the 36,000 sq. m. added to the existing complex, or 66,000 sq. m. in total, the new building can accommodate 2.85 million passengers per year on international routes and 5.5 million passengers on national routes.

In France, the renovation of the terminals at the Grenoble and Chambéry airports was completed at the end of 2016. For the winter season 2016/2017, the Grenoble Alpes Isère airport features a new business aviation terminal and a new boarding lounge. The Chambéry Savoie Mont Blanc airport benefited from an investment of two million euros dedicated to the rehabilitation of the commercial terminal and the exterior cladding of the business aviation terminal. The work, which will allow better management of passenger flows during winter season weekends and improvement of quality of service, included redesigning the passenger route, expanding the shops and the boarding hall and renovation of restrooms. ●



A long-term vision to reinforce airports’ capacity to welcome and extend an enjoyable experience to users.



Testimony
Reginald BUDD,
senior coordinator
for operations and works,
Nuevo Pudahuel

After 20 years working around the world in the airport construction business, I know the importance of being able to work with different cultures. In a complex project such as this, in which we’re constructing a new airport on top of an operating one, listening and communicating is critical to building relationships and trust with all of the stakeholders – the government customer, the construction company, the airlines and the other airport tenants. ●

SUCCESSFUL PARTNERSHIPS WITH AIRLINES

VINCI Airports posted record results in 2016, the result of the expertise of its air marketing teams and constructive exchanges with airlines.



VINCI Airports is outperforming global traffic growth through its unique airline marketing expertise.

VINCI Airports outperformed the market in 2016 with a 10% increase in traffic at its network of airports, almost twice the average growth for the sector. Several airports showed significant performance improvement, including in Chile (+ 11.3%), Cambodia (+ 8.6%) and Portugal (+ 14.2%), particularly in Faro, which welcomed seven million passengers in 2016, for growth of nearly 18%. In France, traffic growth was 8.5%, with remarkable results for the Lyon airports (+ 9.8%), Nantes (+ 47% in five years) and Rennes (+ 18.8%). Rennes achieved the highest level of traffic in its history, a feat that follows the opening of eight new routes by three operators, Volotea, Iberia Express and TUI. The acquisitions in Chile, Japan and the Dominican Republic marked a change in scope for the company and enabled it to strengthen its relations with Asian and American airlines.

The network effect: capitalizing on experience

VINCI Airports today works with nearly 210 regular airlines (40 more than in 2015), 85 charter companies (five more than in 2016) and more than 300 tour operators. The airports network now welcomes most of the major airline companies. VINCI Airports' expert air marketing teams are in permanent contact with this large network of companies, supporting their development. They implement a proactive policy and rely on a set of advanced tools and proven methodology, including traffic data analysis, studies and field surveys and exchanges with local economic and tourism entities to evaluate the potential of each sector. The combination of these criteria, added to the network effect of the experiences from 35 airports – enable determination of the best opportunities for creating new routes.

More than 200 new connections

A total of 224 new routes were opened in 2016 throughout the network, including a number of major routes. This is particularly true of the first connection between Phnom



By bringing its airports to the highest standards of quality and passenger hospitality, VINCI Airports encourages airlines to open new routes.



Testimony
Nathalie STUBLER,
 Chairman and Chief Executive
 Officer of Transavia France

VINCI Airports is our partner in Faro, Lisbon, Porto, Funchal and Nantes. In recent years, Transavia France has developed at each of these destinations by increasing flights and opening new routes. We've carried out this development in partnership with VINCI Airports' teams. VINCI Airports brings its detailed knowledge of local markets, including traffic data, route history and the region's economic potential. These studies have enabled us to refine and adapt our offerings to each region's realities. Today, we recognize the importance of this cooperation: the development of our lines contributes to the airports' growth. Our partnership will be further reinforced through VINCI Airports' acquisition of the Lyon airports. ●

Penh and Tokyo launched in September 2016 by All Nippon Airways, Japan's leading airline. Since February 2017, Vanilla Air has been offering daily flights from Kansai International Airport (KIX). And since January 2017, British Airways has been operating its first direct flight between London and Santiago, Chile, with four flights per week. This new service represents a 19% increase in the number of seats on direct flights to Europe. In France, Lufthansa began offering service in March 2017 for the first time between Nantes and Munich, with six flights per week. Benefiting from the network effect, VINCI Airports is also opening routes between its airports, such as the new Toulon-Lyon by HOP! route. ●

"VINCI Airports expert air marketing teams are in permanent contact with nearly 210 regular airlines, supporting their development."

OPTIMIZING EXTRA-AERONAUTICAL REVENUES

As a major source of revenue, retail activities are the subject of ongoing analysis between VINCI Airports and its many partners. An approach that also benefits passengers.



A determining factor for an airport's economy, extra-aeronautical activities also contribute to the passenger experience and to the development of the region.

Commercial revenues represent on average 46.5% of the revenues of privatized airports. As a continuing source of profits at major airports, extra-aeronautical activities also act as a valuable growth hub for small airports or seasonal traffic. Convinced that the growth of commercial revenues can be combined with better quality service for passengers, VINCI Airports has implemented a proven policy at each of its airports. It is the result of an overall analysis of operations and passenger flows, conducted with its

various partners. The objective: reduce the time spent on completing the formalities (registration, screening...), to promote fluidity and lower stress for the travelers.

Loving the airport

VINCI Airports' actions are guided by four main principles: to propose a commercial offer corresponding to passenger expectations, to deploy it in spacious and pleasant commercial galleries, to organize the facility to maximize

passenger flows through commercial zones, to increase the free time and serenity of consumers by facilitating the formalities of screening and boarding. In doing so, VINCI Airports intends to make each airport a destination in its own right, reflecting the country and its specific qualities to offer travelers a unique experience. In support of this goal, and in contrast to the standardized model at most airports converted into shopping malls, teams work to develop local brands and crafts (80% of the offer), rather than offering only international brands.

New-generation facilities and services

This commercial strategy is producing results, as evidenced by the success of the airports in Portugal (Lisbon, Porto and Funchal), whose shopping areas have been totally revitalized. Funchal Airport's new 1,800-sq. m. commercial gallery in Madeira, inaugurated in the summer of 2016,

illustrates particularly well the contributions of VINCI Airports' policy. Operational improvements represented an investment of 3.5 million euros. Since the modernization, the Madeira airport's optimized spaces are capable of handling multiple passenger flows - nearly 1,400 people per hour - and welcoming new shops. After check-in, all passengers are directed to the top floor, where they can enjoy the shops, restaurants and stunning ocean views. Only a few months after the inauguration, retail and food and beverage revenues had already increased 33%.

In Cambodia, the new terminals in Phnom Penh and Siem Reap, inaugurated in the spring of 2016, are equipped with next-generation amenities and services, including new check-in desks, additional immigration counters and state-of-the-art luggage transport. At Siem Reap airport, the emphasis was on architecture, a showcase of local heritage, as its metallic cathedral structure is inspired by Cambodian tradition. The decorative elements were made by the artists of Artisans d'Angkor. A new lounge, operated by Plaza Premium Lounge, opened in July 2016. ●

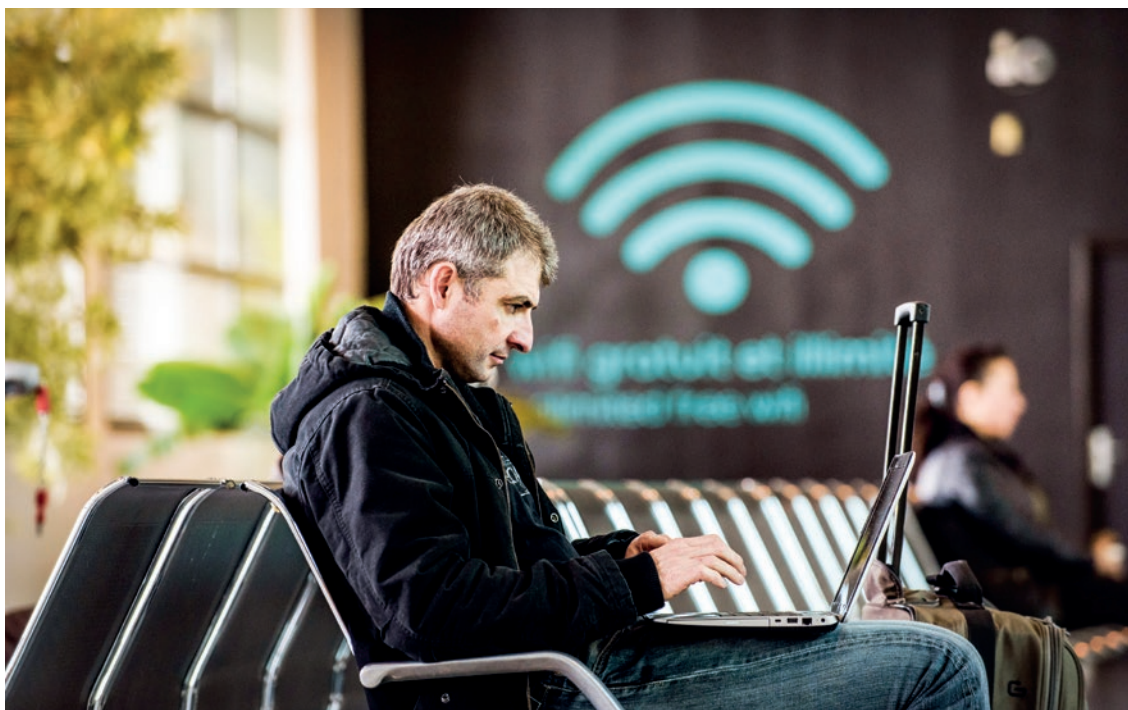


In a travel sector undergoing major change, the airport is becoming a destination in its own right.

“VINCI Airports intends to make each airport a destination in its own right.”

INNOVATIVE SERVICES FOR PASSENGERS

In addition to paying particular attention to the comfort of passengers, VINCI Airports relies on digital innovation to bring to life the services of tomorrow.



Digital, a source of major development to offer passengers a unique experience.

Because they are true living spaces, VINCI Airports' facilities rely on a continuous improvement approach that revolves around the customer. The objectives: improve service quality, passenger well-being and comfort and infrastructure fluidity (see pages 44-45). To respond to the needs of its customers, VINCI Airports has defined various ranges of modular equipment (signage, furniture, etc.) that airports can adapt and deploy according to the needs of their clientele, the local context and their investment plan. This strategy is based on a thorough knowledge of the customer, combined with a strong service culture for employees and service providers. It is particularly in evidence on Smiling Day. Organized on 8-9 April, 2016 in 21 network airports (France, Portugal and Cambodia), it enabled

“In order to differentiate ourselves through increasingly innovative services, VINCI Airports relies on the contribution of digital tools.”

972 airport and headquarters employees from all professions to provide a friendly welcome to more than 100,000 passengers: travelers on nearly 1,000 flights were welcomed and 62,000 coffees served during these days.

Ever more digitized

In order to continuously improve the passenger experience by offering innovative services, VINCI Airports relies on the contribution of digital tools. This policy took tangible form in 2015 with the introduction of free and unlimited access to WiFi for passengers at all airports in France, Portugal and Cambodia. This initial foundation made it possible to better know our passengers by collecting data and proposing new services. In Portugal, the new mobile application enables passengers to benefit from real-time information on their flights and to reserve certain services in advance (lounge, car park, etc.). VINCI Airports continued in this direction in 2016 with the launch of a comprehensive digital strategy. This is based on the collection of best practices within airports, while soliciting collective intelligence. The objective? To create high value-added, innovative and differentiating services for both the company and its customers.

Startups, a pool of expertise

The use of startups, including as a result of the VINCI Startup Tour, enables experiments to be carried out in the field to improve the customer experience and operational efficiency. Among 400 applications submitted in 2016 and 131 startups auditioned, VINCI Airports selected three budding aspirants for support. One of them, Business in the Air, proposes to create a community service for business contacts. The app was tested in the first quarter of 2017 in Lisbon. In France, the startup Skiply, also selected on the VINCI Startup Tour, developed an Internet of Things (IoT) solution to collect and process customer feedback and respond to it in real time. A useful tool to allow airport maintenance teams to receive and respond to alerts of malfunctions identified by passengers. After a highly satisfactory experiment at Toulon Hyères airport in August and September 2016, the airports of Grenoble, Chambéry and Nantes decided to deploy the solution to improve passenger service. ●



Imagining the airport of tomorrow: VINCI Airports encourages innovation through the VINCI Startup Tour.



Testimony
Georges RIBEIRO,
CEO of business in the air

VINCI Airports proved to be the perfect partner to help us make an idea into something real, from theory to practice, by validating and adjusting our concept into the airport environment, thanks to their knowhow and experience in this area. Besides, it's very comforting to know that such a big network believes in our work and our capacity. ●

VINCI Highways

Design, finance, build and operate road infrastructure and innovative toll systems: through its integrated model, VINCI Highways continued its momentum in 2016. A long-term partner of public authorities, now firmly anchored in 13 countries, VINCI Highways welcomes more than two million users on its road network each day.

€703 M
of managed activity*
€611 M in 2015

13
countries

€1.1 bn
in investment
under construction*

4,658
employees**

* 2016 data unaudited 100% held.

** As of December 31, 2016, including employees of majority and minority companies.

Russian Federation story, **VINCI HIGHWAYS BECOMES THE COUNTRY'S LEADING PRIVATE OPERATOR**

VINCI Highways, the only foreign operator in Russia, in the country since 2008, has become its leading private highway operator.





Innovation in toll collection: a key success factor for VINCI Highways in Russia.



Testimony

Sergei KELBAKH,

President of Avtodor,
the public company in charge
of the management of Russian
highways

VINCI possesses unique skills specifically in the field of interoperability. The resolution of these types of problems in Europe has required five, six, sometimes up to 10 years. We were able to solve them in two years thanks to the VINCI Group teams. Our collaboration is destined to endure. ●

“Our operations in Russia began in 2008 with the construction of Section 1 of the M11 (NWCC) highway, 43 km from Moscow,” says Christian Biegert, CEO of VINCI Highways Russia. “After an intense three-year period of work, business really accelerated! In 2014 we put this section of the highway into operation, followed by the associated toll system in November 2015. We then began the acquisition of United Toll Systems, a leading Russian highway operator and pioneer in the management of tolls, which was finalized in 2015. The same year, we continued our momentum by winning the contract for the construction and maintenance of a new 138-kilometer section: sections 7 and 8 of M11, this time departing from Saint Petersburg.”

A pioneer of electronic toll systems

The year 2016 enabled acquired positions to be consolidated, particularly the continued development of UTS. This 1,700-employee company, created in 2011, operates 525 km of highways, including section 1 of the M11, owned by NWCC (VINCI Highways). The company is managed by employees of VINCI Highways who joined the Russian teams. *“We have already established common procedures regarding management of traffic and teams on a large part of our network,”* says Thierry Puy, CEO of UTS. Another major project for UTS is the favorable interoperability of toll systems. The Russian Federation intends to develop this system in order to streamline traffic, particularly the routes serving the capital. In 2016, UTS signed the first interoperability →



VINCI HIGHWAYS PROJECTS IN RUSSIA

Assets under construction

Sections 7 and 8 of the Moscow-Saint Petersburg highway: 138 km of four-or-six-lane-toll highway, which will be delivered in 2018 and operated until 2041 by Two Capital Highways, of which VINCI Highways owns 40%.

Assets in operation

Section 1 of the Moscow-Saint Petersburg highway: 43 km of toll highway, the first section of which links the Moscow ring road to Sheremetyevo Airport. As the holder of the concession contract until 2040 through NWCC, a 50%-owned company, VINCI Highways finalized the work on this new portion in 2014 with its partners. Since that date, VINCI Highways has also been ensuring operation and maintenance through the company UTS.

Collection of tolls

Committed to supporting the Russian authorities in developing the interoperability of toll systems, VINCI Highways acquired 50% of UTS in 2015, which has four contracts:

- M4 (408 km) on behalf of Avtodor
- M11 Section 1 (43 km) on behalf of NWCC
- M11 Section 5 (76 km) on behalf of Mostotrest
- Interoperability contract signed in 2016 with NWCC and Avtodor, deployed in 2017.

Objective: deliver Sections 7 and 8 of the Moscow-Saint-Petersburg highway in two and a half years, despite extreme climatic conditions.

**3.26
million**
transactions in 2016
on section 1 of M11,
+56% since its opening

Commissioned in 2014, the link between Moscow and Sheremeteyo Airport is operated in compliance with the highest European quality, safety and traffic information standards.

→ contract with NWCC and Avtodor, a public company in charge of managing Russian highways. The objective: enable electronic toll badges to be accepted on all toll road infrastructure managed by Avtodor or NWCC and thus offer a better level of services to motorists. *“Ultimately, we want to expand this approach to other concession holders, developed in synergy with the management of VINCI Highways’ Electronic Toll Collection (ETC),”* says Thierry Puy.

Challenges for 2017 and beyond

Construction of sections 7 and 8 of the M11 remains the major challenge for the coming year. *“In a country like Russia, building a highway of this magnitude in two and a half years is in itself a challenge,”* notes Marcel Vial, technical director responsible for operations in Central Europe. *“The asphalt work requires non-freezing temperatures and can only take place during the six months of summer,”* says Christian Biegert. *“Winter is devoted to excavation work.”* A logistical challenge in itself. *“The supply of embankments represents some 12 million m³ of sand from local quarries, for which we constantly test the quality, carried by a caravan of trucks and placed on 100 kilometers of wetlands and →*



The new Moscow-Sheremeteyo Airport section has ensured traffic fluidity in a totally saturated area.





The construction of the new section of the M11: a logistical challenge.

→ *marshes*,” explains Marcel Vial. The construction itself will be essentially finalized in autumn 2017 and the highway ready for the World Cup in June 2018.

In addition, UTS is extending its network with the opening of a 70-km section on the M3.

“In Russia, our results have exceeded the original objectives we set for ourselves,” says Christian Biegert. *“And it’s not finished! Some projects, such as the construction of a second 340-km ring road around Moscow, currently underway, are promising. The Russian authorities will be looking for an operator for the infrastructure...”* VINCI Highways Russia, in the country for eight years and backed by the Group’s strong international expertise in electronic tolls, will be a leading figure in the competition. ●

38,280
badges

sold by NWCC in 2016

ON THE ROAD TOWARD NEW TERRITORIES

In 2016, VINCI Highways became a highway concession holder in South America. With these two new assets in Peru and Colombia, VINCI Highways is deploying a strategy based on significant growth potential. The projects also testify to a specialized expertise in integration.

With these new developments in Colombia and Peru, VINCI Highways confirmed in 2016 its orientation to brownfield and yellow field projects that involve specific expertise both downstream (detailed analysis of the existing assets taken over and their potential) and upstream (integration, evolving master plan). Because the success of a project is closely linked to the success of its integration, VINCI Highways favors a proactive accompaniment approach during the first months of existence of the dedicated concession company. This phase of close interaction allows local teams to get to know the Group and its methods of contracting

while enabling VINCI Highways to adapt its intervention approach to local conditions. This was the case in the taking over of the Peruvian and Colombian highway assets, two projects that also illustrate VINCI Highways' ability to build trusting relationships with its partners, local builders and licensing authorities.

Acquisition of LAMSAC in Peru

VINCI Highways completed the acquisition of 100% of LAMSAC in December 2016. LAMSAC holds a concession contract with the municipality of Lima covering the →



In Peru, VINCI Highways becomes a concessionaire of a roadway strategic for the people of Lima.



Major challenges: modernize the infrastructure and innovate in toll collection to improve Lima's traffic fluidity.

→ construction (9 km extension), operations and maintenance of the Línea Amarilla until November 2049: in total, 25 km of toll road in the center of Lima. In 2015, traffic managed by LAMSAC averaged more than 139,000 vehicles per day. It is expected to increase further after the opening of a new section under construction connecting to the port of Callao. The project will modernize the 50-year-old infrastructure and reduce traffic congestion. At the same time VINCI Highways completed the acquisition of PEX, which distributes the badges and enables the development of LAMSAC's electronic toll system.

Building trust and dialogue with public authorities

Emblematic for the inhabitants of Lima, the project to extend the Línea Amarilla had been 50% completed but experienced difficulties in recent years, culminating in more than a year of delay in the construction. To turn the page and get the project back on track, VINCI Highways developed and proposed a strategy to resume operations in May 2016 and entered into a constructive dialogue with the licensing authority. VINCI Highways has come up with a new design and construction methods. By renewing the

dialogue with nearby communities and local authorities, VINCI Highways has proposed innovative solutions that meet the needs of local residents, while minimizing the constraints and social impacts from the construction work, enabling the project to emerge from the impasse.

Strong synergies with the Group

Technically complex (extension of the highway along a river with a risk of collapse, construction of viaducts and the country's first 2-km tunnel, etc.), the operation drew on all of the Group's expertise. VINCI Highways relied on the expertise of VINCI Construction Grands Projets (VCGP) and various Group subsidiaries, including Soletanche Bachy and Sixense. VINCI Energies teams were also asked to ensure the integration of the electromechanical tunnel systems.

New perspectives for the Bogotá-Girardot highway

In Colombia, VINCI Highways has entered into a strategic partnership with Constructora Concreto to participate in the country's road infrastructure development program. Intended to close the country's infrastructure gap, this program is supported through a 30-year concession contract with the National Agency for Infrastructure (ANI). The operation includes the design, financing, construction, operation and maintenance of 141 km of highway linking Bogotá with the city of Girardot, southwest of the Colombian capital. The project also includes the construction of a third 65-km lane and four two-way tunnels. Opened nearly 50 years ago, this road is one of the most heavily traveled in Colombia, with 15.3 million vehicles in 2015. By mobilizing an operating team of more than 100 people in less than two months, VINCI Highways successfully completed the integration phase, demonstrating its expertise in international project management and intercultural management. Since December 1, VINCI Highways has been operating the 141-kilometer concession. VINCI Highways is developing a common language for all new employees by sharing values, best practices and technical know-how. At the same time, VINCI Highways is paying particular attention to the local approach, by deploying its teams as closely as possible to customers and users. ●

“Because the success of a project is closely linked to the success of its integration, VINCI Highways favors a proactive accompaniment approach during the concession company's first few months.”

In Colombia, VINCI Highways will revitalize the Bogotá-Girardot route through an ambitious program of modernization and enlargement.



UNMATCHED KNOW-HOW IN HIGHWAY PROJECT MANAGEMENT

Build and modernize its road network to meet the highest international standards of safety, quality and innovation: VINCI Highways applies its know-how on construction sites with different environments and to demanding technical specifications. The unique approach of VINCI Highways, based on permanent dialogue with public authorities and consultation with stakeholders, has made great strides in the last 12 months.

In addition to the acquisitions in Latin America, the year 2016 marked the completion of the Ohio River Bridge project, the first highway constructed as a public-private partnership by the Group in the United States. Work continued in several countries in which VINCI Highways had initiated greenfield projects in previous years, including Canada, Russia and Greece.

Ohio River Bridge inauguration

In the United States, the new section of the East End Crossing highway (12 km) linking the city of Louisville, Kentucky,

with southern Indiana, was inaugurated on December 18, 2016 after four years of design and construction. The project was carried out under a public-private partnership contract signed in March 2013 for a total amount of nearly \$1 billion (approximately €956 million) between the Indiana Finance Authority and the concession holder, WVB East End Partners, comprised in equal parts of VINCI Highways, Walsh Investors and Bilfinger PI. The concession consortium, led by VINCI Highways, is responsible for the operation, routine maintenance and refurbishment of a significant portion of the East End Crossing infrastructure for a period of 35 years. It will receive a fee based on the structure's availability. This is one of the major projects to improve transportation networks in the United States. It includes a 762-meter cable-stayed bridge over the Ohio River with two iconic diamond-shaped piers, a twin-tube tunnel 512 meters long approaching the Kentucky bridge, 19 standard engineering structures, improvement of the road network and associated infrastructure. The social and economic impact of this project, awaited for more than 50 years, will make traffic more fluid and should result in the creation of several thousand jobs in both states in the years to come. In November 2016, the project was awarded Platinum Envision™ certificate by ISI (Institute for Sustainable Infrastructure - Harvard School of Design) for its sustainable management (*see pages 28-29*).

Built in just three years, the Ohio River Bridge was inaugurated in December 2016.



Continued development in Europe, Russia and Canada

In Greece, VINCI Highways, after reaching an agreement with the authorities following the various political and economic crises in the country, took over the renovation and

construction work on the highways for which it is concession holder (Athens Corinth Patras and Maliakos Kleidi). The completion of the work is scheduled for 2017.

Won in August 2015, the first public-private infrastructure partnership signed in the province of Saskatchewan, Canada, is for the bypass of the city of Regina, the province's capital. This highway will facilitate cross-continental movement while improving traffic flow and road safety around the city of Regina. The Regina Bypass Partners group, headed by VINCI Highways, is responsible for designing, financing, building, operating and maintaining 61 km of infrastructure (22 km to be renovated and 39 km to be built). The operation also includes the construction of 12 interchanges with their access roads and 38 engineering works. The project, scheduled to last four years,

began in the second half of 2015. By the end of 2016, the operation had already been 40% completed. ●

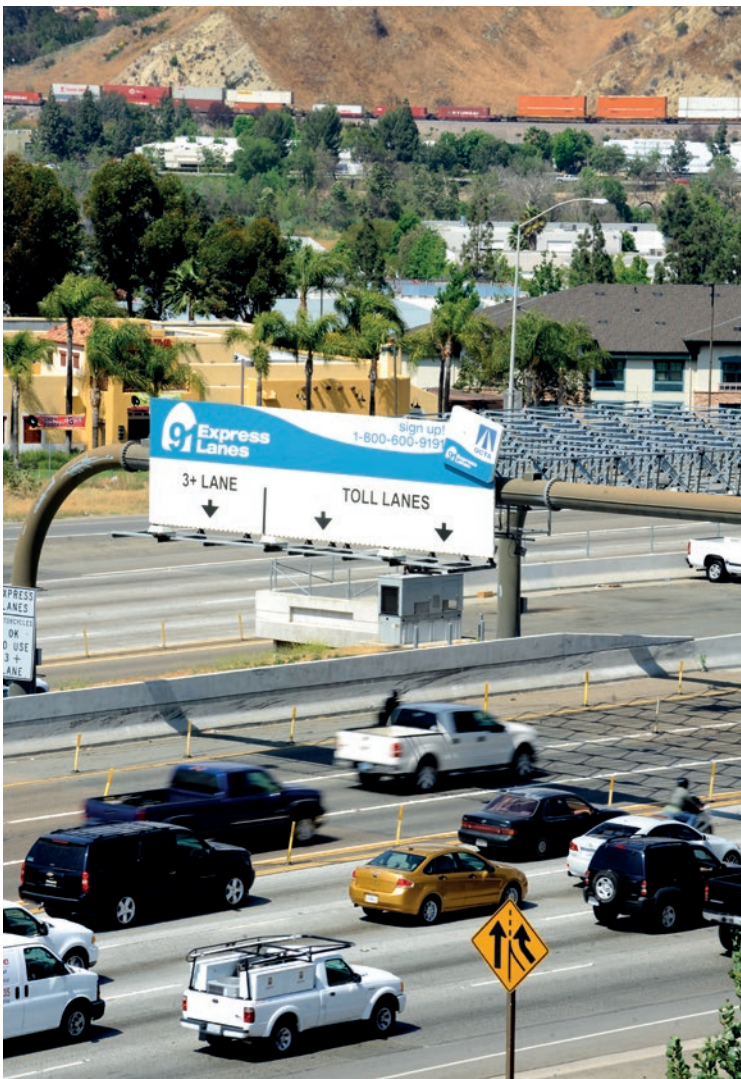
“The year 2016 was marked by the completion of the Ohio River Bridge project, the first highway constructed as a public-private partnership by the Group in the United States.”



In Canada, construction of the Regina bypass road continues according to the program established.

ELECTRONIC TOLL COLLECTION: THE FUTURE OF THE HIGHWAY

As part of its ongoing efforts to anticipate new uses, VINCI Highways detected early-on the potential of electronic toll collection and its interest to both public authorities and users. The new, safer, more convenient approach that enables highways to be decongested by providing new electronic toll collection services is a market of the future in which VINCI Highways is already a leader.



Created in 2014, VINCI Highways' Electronic Toll Collection (ETC) department brings together a team experienced in electronic toll collection, which relies on the VINCI Concessions teams for its development. Combining technology and marketing skills, electronic toll collection creates a direct link with motorists. In addition to increasing traffic flow, it is an effective way to build relationships with the infrastructure's customer-user and to better know their habits to facilitate their mobility.

The ETC department operates on three types of markets. First, the establishment and management of electronic toll collection systems. Second, services for the issuance and sale of embedded devices (toll badges, satellite devices for trucks) compatible with different toll systems. Electronic toll badges can be linked with various additional services (parking access, insurance, means of payment for fuel, etc.) collected monthly from the customer's account. Finally, the ETC teams deploy solutions allowing the interoperability of different electronic toll systems in a region or in one or more countries. This enables the acceptance of badges issued by different operators on multiple networks, improving customer service. An approach that increases use of electronic tolls for increased fluidity at highway toll stations.

By eliminating stops at the toll gate, electronic collection greatly alleviates traffic congestion.



Interoperability:
pay tolls with a single
device in several
European countries.

A growth market

After France, VINCI Highways gradually expanded its electronic toll collection business to other European countries, notably via Axxès. Founded in 2005 and operated by VINCI Highways, Axxès offers an interoperable toll collection solution for trucks. As market leader, the operator now represents 25% of the European market: in 2016, 300,000 trucks (compared with 240,000 in 2015) were equipped with an Axxès badge allowing them to pay tolls with a single device in several European countries. VINCI Highways ETC deploys its solutions successfully in different countries: in Germany, with the operation of the Toll Collect satellite system to collect tolls for trucks, in Russia, with implementation of interoperability, in Peru through the acquisition of PEX (*see pages 55-57*), and in the United States with Cofiroute USA, which operates the world's first free-flow electronic toll highway, the SR 91 Express Lanes, inaugurated in 1997 in California. →

“Mixing technology and marketing skills, electronic toll collection activity offers a unique means of building a relationship with the end customer and storing data.”



Pioneers of new uses: through its subsidiaries in the United States, VINCI Highways operates the world's first free-flow highway.

→ Strategic shareholding in TollPlus

Based in Phoenix, Arizona, and present in Hyderabad, India, TollPlus has become a recognized specialist in the development and implementation of electronic toll management systems (toll transactions, financing, technical supervision and operations and customer relations). Already active in the United States on free-flow highways, TollPlus is deploying its central transaction management system at nearly 350 toll stations in India. This acquisition by VINCI Highways, intended to accompany the growth of TollPlus, is the result of successful experiences between TollPlus and VINCI Highways entities. A specialist in electronic toll management systems, TollPlus offers an integrated solution adaptable to all projects, capable of supervising equipment, managing transactional and financial flows and customer relations, as well as enforcement. With its integrated solution, TollPlus enables the improvement of toll collection performance, cost reduction and

better customer service. Through this acquisition, VINCI Highways reinforces its proficiency in electronic toll systems for all of its projects.

Increasing interoperability

As it brings increased fluidity and practicality for users, interoperability is growing, including in Russia, where UTS signed its first contract in 2016 to develop a solution created in synergy with the ETC teams (*see pages 49 to 54*). In April 2016, Belgium launched its new satellite toll, Viapass, for trucks weighing more than 3.5 tons. Axxès was certified at the beginning of the year with Viapass and succeeded in implementing its solution with the system's implementation on April 1, 2016. The Axxès electronic toll products were accepted in France, Spain, Portugal, Belgium, Germany and Austria. Toll Collect, a company in which VINCI Concessions is a shareholder, has signed a contract with the German Ministry of Transport for the

extension of the current system on 40,000 km of federal roads. This toll collection system for trucks currently collects tolls on all German highways (12,850 km) and generates €4.5 billion in annual revenues for the German government. The new contract illustrates the trust and legitimacy acquired by Toll Collect following several successful projects: in 2015: the system was expanded to trucks weighing more than 7.5 tons (versus more than 12 tons previously) and to several network extensions.

Expansion of the SR-91 Express Lanes in the United States

Commissioned in 1995, the SR-91 Express Lanes, which connects the counties of Riverside and Orange, is taken each day by some 300,000 vehicles. The Riverside County Transportation Commission (RCTC) estimates that this number will increase by 140,000 motorists by 2035. In order to improve traffic conditions, RCTC has decided

to undertake a large-scale expansion and extension project of the current expressway, which will have two express lanes with additional electronic free-flow tolls. The \$26.5 million contract between RCTC and Cofiroute USA, signed in 2014, includes installation and integration of the electronic toll system on the extension (equipment, systems and networks for tolls and traffic management), enhanced customer service and deployment of a new back office developed with TollPlus. This success is the result of proven experience in operating the SR-91 for nearly 20 years and Cofiroute USA's expertise in free-flow tolls, including customer relationship management and fraud control. Commissioning is scheduled for spring 2017. ●



VINCI Highways deploys its expertise in collecting tolls throughout the world. Here in Germany, with the company Toll Collect.

VINCI Railways

VINCI Railways develops specific railway expertise, an activity that requires advanced technical knowledge and elevated safety measures. Its flagship project, construction of the South Europe Atlantic high-speed rail line, is one of the world's largest infrastructure concession projects. It will be commissioned in the summer of 2017.

€67 M
of managed activity*

€291 M
of construction work*

181
employees**

*2016 data unaudited at 100% held.

**As of December 31, 2016, including employees of majority and minority companies.

An aerial photograph showing a long, elevated concrete viaduct for a high-speed rail line. The structure consists of a series of tall, cylindrical concrete pillars supporting a wide, flat concrete deck. The viaduct stretches across a valley, with some sections still under construction, showing exposed earth and construction equipment. The surrounding landscape is a mix of green fields, some with tractors, and areas of cleared land. In the background, there are rolling hills and a small town or village under a clear blue sky.

SEA story, **THREE LETTERS TO CONQUER TIME**

The South Europe Atlantic (SEA) high-speed rail line is set to enter service in 2017, one month ahead of schedule. This monumental project, achieved by LISEA, a concession company led by VINCI Concessions, will link Paris to Bordeaux in two hours and five minutes instead of three hours today.



The new SEA high-speed rail line will connect Bordeaux with Paris in only two hours and five minutes.

On July 25, 2016, it was with great pride that the LVG SEA Bordeaux Tours project teams watched the first TGV test run on the new South Europe Atlantic rail line. An impressive achievement, following more than four years of work, conducted with a drumbeat precision that resulted in its planned commissioning almost one month ahead of schedule in 2017.

**7.8 billion
euros**
in total investment

A massive project serving the regions

The project is emblematic in more ways than one. First and foremost, the operation is Europe's biggest railway project. In less than five years, the COSEA construction consortium, led by VINCI Construction France and using a geo-referenced database, produced 500 engineering works and laid 340 km of track. COSEA used state-of-the-art techniques including innovative concrete formulations and a specially designed track-laying machine to accelerate progress while ensuring much better safety conditions for production teams.



Testimony
Patrick JEANTET,
 CEO of SNCF Réseau

The SEA HSL is this decade's major railway project, a project that has the particularity of having been developed through a public-private partnership. It is this alliance that is the great success of the SEA. On the private side, VINCI offers an exceptional mobilization force and capacity for innovation. On the SNCF Réseau side, we bring our rail expertise. The complexity and speed with which the whole project was developed is a sign of the success of SEA. Two heads are better than one. Other rail projects are also carried out under PPPs. For example, with VINCI and SFR, we are deploying GSM-Rail, which will enable us to move very quickly to tomorrow's signaling, thanks to a better connection between ground and train. ●



More than 20 million passengers are expected each year with the establishment of a genuine rail shuttle.

An innovative partnership

The project also illustrates the relevance of the public-private partnership (PPP). The contract involves primarily a unique alliance of expertise between public and private entities for the creation of public interest infrastructure. Concession holder LISEA, of which VINCI Concessions is the main shareholder, won the contract in June 2011. Declared to be in the public interest, the operation is financed under a 50-year concession contract, a first in France in rail. An accelerated construction schedule, long term control of costs and dedication of maintenance budgets – the concession approach, →

9,000
 people employed
 at the project's
 peak
2,000
 extended jobs

Protecting the environment was one of the top priorities throughout the project.



→ based on the user-pays principle, has made it possible to limit the amount of government subsidy.

A rigorous combined approach

The contribution of this high-speed line to the regions of southwest France is significant. The construction phase generated many local jobs but its economic impact goes beyond the communities it crosses. Across the country, the SEA project provides the equivalent of 3,000 direct jobs per year on average over the duration of the project.

During the operations phase, the time savings in serving Bordeaux and the new mobility generated throughout the country's southwest will truly create value for the regions. The project capitalizes on existing stations and connections via TER regional rail with surrounding city centers.

With regard to the environment, the concession company and builder have placed a priority on dialogue with all stakeholders, including on the 14 Natura 2000 protected areas crossed by the rail line. This inclusive and pragmatic →

The dissemination of the effects from the high speed line in southwestern France: a lasting impact on the region's development.





With the commissioning, VINCI Concessions becomes the first private company to operate an HSL in France through its stake in MESEA.

→ approach allowed the project to proceed without any major opposition and with good understanding among all stakeholders concerned or impacted by the project. *Ad hoc* measures taken during the project's design phase address conditions and resources: noise limitations for residents, offset measures and protection of water resources and biodiversity, including by creating wildlife passages.

The home stretch!

The beginning of 2017 marked the start of the final phase: the train reached a speed of 352 km/h, although ultimately, the normal operating speed will not exceed 320 km/h. The company MESEA (subsidiary of VINCI Concessions and Systra), in charge of the operation and maintenance of the line, formed its teams. A major recruitment campaign was launched in the five employment zones around the future maintenance bases. In total, some 180 people will compose the MESEA workforce in 2017: permanent jobs, since operations will last until 2061. ●

ADVANCED KNOW-HOW IN RAILWAY PROJECTS

VINCI Railways is identified with several emblematic projects in the railway sector. An activity characterized by the need for precise technical expertise with ambitious performance objectives, particularly in terms of reliability and safety.

In 2017, VINCI Railways will pass a major milestone with the commissioning, a month ahead of schedule, of the new high-speed SEA line linking Paris to Bordeaux in just two hours (*see page 65*). Europe's largest construction project, with 302 kilometers of new high-speed line on which trains will run at over 320 kilometers per hour, it perfectly embodies VINCI Group's vision of developing synergies between its skills and teams to win and develop the world's largest infrastructure projects.

VINCI Concessions' expertise is also visible on other railway projects: the Rhônexpress link, in which VINCI Concessions is a shareholder alongside the Caisse des Dépôts and Transdev, after having managed the design,

financing and construction of the infrastructure; and the new GSM-rail mobile telecommunications network, which will enable better communication between regulatory, operations, circulation and maintenance teams.

A more efficient network through GSM-Rail

The year 2016 was marked by the delivery to SNCF Réseau of the full system: 10,300 km of railway lines are now operating using this ground-rail radio system. Ultimately, the system will be extended to 16,000 km. The GSM-Rail standard replaces the ground-rail analog radio system which has become obsolete. It improves communication between train drivers and the various railway professions. Through this technology, based on existing mobile telephone →



Public and private energy advances hand in hand to develop the new standard in communication, GSM-Rail.



GSM-Rail will make ground-train links more efficient, more reliable and interoperable at the European level.

→ standards, traffic controllers in switching stations and on-board teams can communicate more effectively. GSM-Rail facilitates communications, particularly in the event of uncertainties, and makes it possible to streamline rail traffic while contributing to the improvement of network safety. This modern technology, which equips 17 European countries, has become the standard for the railway telecommunications of tomorrow, currently being deployed throughout Europe. The project is therefore essential for the construction of a European railway system that is more compatible with the European Traffic

Management System (ERTMS), the final stage in the creation of a single communications network.

The strengths of a public-private alliance

GSM-Rail project was conducted under the public-private partnership awarded in 2010 by SNCF Réseau to Synerail, a company owned by VINCI (30%) and SFR (30%). It represents a total investment of €1.5 billion and covers financing, construction (11,500 km) and operations and maintenance (over 16,000 km) of the GSM-Rail system for a period of 15 years. The project, led by Synerail Construction (a company owned 60% by VINCI Energies and 40% by SFR), mobilized up to 400 people to install around 2,000 radio sites and equip more than 300 tunnels. The construction of the network, finalized in March 2016, illustrates the value of using a private partner: by creating a dedicated budget for construction and maintenance over a long period, the public-private partnership enabled SNCF to accelerate the system's deployment and benefit from industrialized processes while guaranteeing operation and maintenance until 2025.

“VINCI Railways applies its highly specialized expertise on various projects of exceptional scope.”

Rigorous performance

The system will be deployed throughout 2017, when SNCF Network teams will have finalized the operational switchover (terminating the old analog signal), trained the traffic controllers and completed deployment of operational procedures. Synerail Exploitation, the maintenance operating company, must meet a very high quality of service requirement, accompanied by penalties in case of non-compliance with the performance criteria. The proper functioning of GSM-Rail is essential to ensure the smooth flow of trains. Key performance indicators are stringent: operating teams on permanent monitoring have five minutes to react in the event of an anomaly and four hours to restore service.

The Rhônexpress smart link

Commissioned in August 2010, the Rhônexpress link remains the only railway concession in France between a city's center and its airport. Built and managed through a consortium by VINCI Concessions under a 30-year contract, the link connects the Lyon-Saint Exupéry airport to

the center of Lyon in less than 30 minutes, every day from 4:25 am to midnight. Recognized for its reliability and high level of service (including a permanent on-board agent, information screens announcing flight schedules, WiFi), the shuttle welcomed more than 1.2 million passengers in 2016. In September, Rhônexpress hosted the 11th International Air Rail Organization (IARO) workshop, an international community of rail and air professionals. It was an opportunity for Rhônexpress to communicate on its plans for services, digital and customer experience (see page 24). In January 2017, the Lyon shuttle unveiled its new mobile app, designed to facilitate customer travel. ●

Rhônexpress,
a new mode of travel
to which the users
have quickly become
attached.



Other concessions

Public lighting in the cities of Rouen and Goussainville and the automation, operation and maintenance of the Aisne and Meuse dams: VINCI Concessions know-how is deployed in other sectors of activity, again in the framework of public-private partnerships.

29

automated
dams

3

hydroelectric
micro-plants

20,000

operating
light points

AUTOMATION OF THE AISNE AND MEUSE DAMS

This major river modernization program, in line with the highest environmental standards, represents an investment of €312 million. Initial commissioning took place in 2016.

The partnership contract signed in 2013 between Voies navigables de France and BAMEO, a subsidiary of VINCI Concessions, Meridiam and Shema (EDF Group), involves the replacement of 29 manual dams, 23 on the Meuse river and six on the Aisne river, as well as the modernization of two others already built. It also includes the construction of three micro-hydropower plants in Givet, Ham-sur-Meuse and Fumay and renovation of the micro-plant of Révin. Operation and maintenance are carried out by SeMAO, a subsidiary of VINCI Concessions and Shema. The construction work is carried out by the design-construction consortium COREBAM, led by VINCI Construction France. Despite exceptional flooding of the Meuse, COREBAM managed to finish the work on a dozen dams in 2016, sometimes several months ahead of time. Seven of them were commissioned in March 2017.

Innovative technology that improves working conditions

The new dams are equipped with inflatable water seals, made of a reinforced elastomeric shell. This technology makes it possible to replace the dams built in the 1870s, while reinforcing safety and improving working conditions of dam workers. A new approach, which also ensures the reliable holding of the water level for users, operators and residents.

Sustainable development at the heart of the project

Two micro-hydropower plants have already been commissioned in Givet and Ham-sur-Meuse. Ultimately, operation of the new micro-plants will significantly increase →



Automation of dams, a key element in the modernization of the French river network.



An investment of €312 million, that contributes to France's energy performance.

→ the Meuse's hydroelectric production potential. The dams are also equipped with fishways to restore ecological continuity and allow the migration of species searching for food or to reach their breeding place. In terms of economic and social impact, modernization of the dams involves more than 300 people during peak periods, from April to October, about one third of whom live in one of the four regions involved in the project. ●

“Despite exceptional flooding of the Meuse, COREBAM managed to finish the work on a dozen dams in 2016, sometimes several months ahead of time.”

Deadlines respected, standardization: the PPP, a relevant choice for the modernization of dams.



Testimony
Marc PAPINUTTI,
Chief Executive Officer of VNF

We are very pleased with our collaboration with VINCI Concessions, whose teams were deployed on each stage of the project. There were open and constructive relationships between the various stakeholders. Professionalism, coupled with innovative technical choices, expertise, exemplary safety and a level of standardization of constructive methods and processes, ensured deadlines were respected. We have chosen the public-private partnership contract because it allows an acceleration of the replacement of the dams and optimization of costs: a win-win relationship! ●



OTHER CONCESSIONS EQUIPMENT



PUBLIC LIGHTING

Through its subsidiary G'illumine and its stake in Lucitea, VINCI Concessions designs, renovates, finances and operates two public lighting networks in France. VINCI Concessions works alongside the cities of Goussainville and Rouen under partnership contracts of 15 and 20 years respectively, covering nearly 20,000 light points. ●



BRT IN MARTINIQUE

Under a 22-year partnership agreement, VINCI Concessions subsidiary Caraibus is responsible for the maintenance of the new bus rapid transit (BRT) infrastructure in Martinique, which it had built in 2015. ●



NICE-CÔTE D'AZUR AIRPORT CAR RENTAL CENTER

The Car Rental Center at the Nice-Côte d'Azur airport is the leading airport car rental platform in France. A subsidiary of VINCI Concessions, Park Azur is the concession holder of this activity center as part of a public-private partnership, which includes the financing, construction, operation and maintenance of the site until 2040. This platform optimizes car rental operations for the major car rental companies on a total area of 60,000 sq. m. on three levels. ●

THE VINCI GROUP'S CONCESSIONS

Infrastructure	Description	Country	Holdings	End of contract
Airports				
	Phnom Penh, Siem Reap, Sihanoukville	Cambodia	70%	2040
	Santiago de Chile ⁽¹⁾	Chile	40%	2035
	Santo Domingo (Las Américas and La Isabela), Puerto Plata, Samana (Presidente Juan Bosch And Arroyo Barril), Barahona	Dominican Republic	100%	2030 ⁽⁶⁾
	Lyon-Saint Exupéry, Lyon-Bron	France	31%	2047
	Nantes Atlantique, Saint-Nazaire Montoir	France	85%	2065
	Rennes, Dinard	France	49%	2024 ⁽²⁾
	Toulon-Hyères	France	100%	2040
	Chambéry, Clermont-Ferrand, Grenoble, Poitiers-Biard, Quimper, Le Castellet	France	100%	From 2016 to 2029 ⁽²⁾
	Kansai, Osaka	Japan	40%	2060 ⁽⁵⁾
	Lisbon, Porto, Faro, Beja, Ponta Delgada, Horta, Flores, Santa Maria, Funchal, Porto Santo	Portugal	100%	2063
Highway and road infrastructure				
	Regina Bypass ⁽⁴⁾	Canada	38%	2049
	Fredericton-Moncton Expressway	Canada	25%	2028
	Bogotá-Girardot Highway	Colombia	50%	2042
	Arcos (A355 - western Strasbourg bypass) ⁽¹⁾	France	100%	2070 ⁽²⁾
	Arcour (A19)	France	100%	2070
	ASF network (excl. Puymorens Tunnel, 5 km)	France	100%	2036
	Cofiroute network (excl. A86 Duplex Tunnel, 11 km)	France	100%	2034
	Escota network	France	99%	2032
	Motorway A4 (A-Modell)	Germany	50%	2037
	Motorway A5 (A-Modell)	Germany	54%	2039
	Highway A9 (A-Modell)	Germany	50%	2031
	Toll Collect	Germany	10%	2018 ⁽²⁾
	Athens-Corinth-Patras Highway ⁽¹⁾	Greece	30%	2038
	Maliakos-Kleidi Highway ⁽¹⁾	Greece	14%	2038
	Trans Jamaican Highway	Jamaica	13%	2036
	Expressway in Lima	Peru	100%	2049
	Moscow - Saint Petersburg Highway (MSP1)	Russia	50%	2040
	Moscow - Saint Petersburg Highway (MSP7 and 8) ⁽¹⁾	Russia	40%	2041
	Expressway R1 (PR1BINA)	Slovakia	50%	2041
	Isle of Wight Road Network	United Kingdom	50%	2038
	Hounslow District Road Network	United Kingdom	50%	2037
	Newport Bypass	United Kingdom	50%	2042

Infrastructure	Description	Country	Holdings	End of contract
Bridges and tunnels				
Confederation Bridge	Prince Edward Island – mainland	Canada	20%	2032
Duplex A86 Tunnel	Rueil-Malmaison to Jouy-en-Josas/Versailles (11 km)	France	100%	2086
Prado-Carénage Tunnel	Tunnel in Marseille (2.5 km)	France	33%	2025
Southern Prado Tunnel	Tunnel in Marseille (1.5 km)	France	59%	2055
Puymorens Tunnel	Tunnel in the Pyrenees (5 km)	France	100%	2037
Charilaos-Trikoupis Bridge	Peloponnese – continent	Greece	57%	2039
Bridges on the Tagus	Two bridges in Lisbon	Portugal	37%	2030
Severn Bridges	Two bridges over the Severn	United Kingdom	35%	2018
Ohio River Bridges - East End Crossing	Bridges and tunnel connecting Kentucky and Indiana	United States	33%	2051
Railway Infrastructure				
GSM-Rail	Radio communication system over 16,000 km of railway lines	France	30%	2025
SEA HSL ⁽¹⁾	High-speed rail line between Tours and Bordeaux (302 km)	France	33%	2061
Rhôneexpress	Light rail line (23 km) in Lyon	France	35%	2038
Stadiums				
Bordeaux Stadium (Matmut Atlantique)	42,000 seats	France	50%	2045
Stade de France	80,000 seats	France	67%	2025
Le Mans Stadium (MMArena)	25,000 seats	France	100%	2043
Nice Stadium (Allianz Riviera)	36,000 seats	France	50%	2041
Queen Elizabeth Olympic Park Stadium	55,000 seats	United Kingdom	100%	2040
Other public facilities				
Automation of river dams (BAMEO) ⁽²⁾	31 dams on the Aisne and the Meuse	France	50%	2043
Nice-Côte d'Azur Airport Car Rental Center	Building of 60,000 sq. m.	France	100%	2040
Street lighting in the city of Goussainville		France	100%	2026
Street lighting in the city of Rouen (Lucitea)		France	100%	2027
Martinique BRT	2.5 km	France	100%	2035

(1) Under construction or to be constructed.

(2) Contracts for service, management or delegation of public service.

(3) Including 65 km to be extended.

(4) Including 9 km to be built.

(5) Beginning of the concession in April 2016.

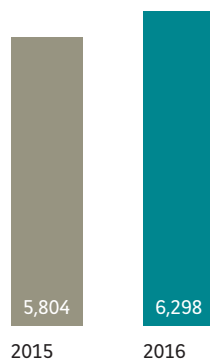
(6) Taking over of the concession in April 2016.

THE VINCI GROUP'S CONCESSIONS FINANCIAL INDICATORS

Consolidated data for VINCI Group concessions, including VINCI Autoroutes and VINCI Stadium.

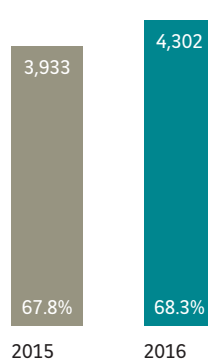
Revenues⁽¹⁾

(in M€)



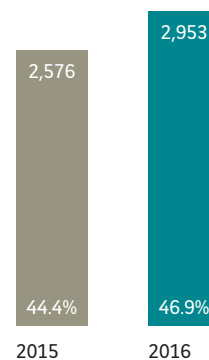
Ebitda⁽²⁾

(in M€ and percentage of revenues⁽¹⁾)



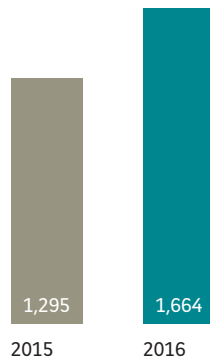
Operating income from operations

(in M€ and percentage of revenues⁽¹⁾)



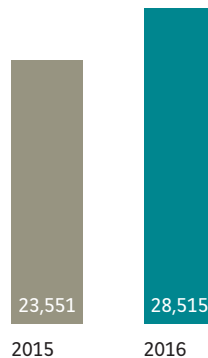
Net income attributable to equity holders of the parent⁽³⁾

(in M€)



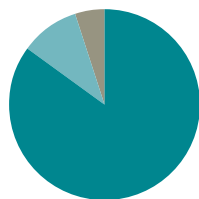
Net financial debt⁽⁴⁾

(in M€)



Revenues⁽¹⁾ by geographical area

(percentage)



France	85%
Portugal	10%
Rest of the world	5%

(1) Excluding concession subsidiaries' works revenue.

(2) Cash flow before taxes and cost of net debt.

(3) Excluding non-current changes in deferred taxation.

(4) As of December 31.

Design and production:  PUBLICORP – 14628.

Writing: Publicorp.

Translation: Alto International.

Infographics: (page 18) IDIX.

Photo credits: L. Benevello, A. Bibik, P.-Y. Bigot/CAPA, P. Boutefeu/Le Studio, O. Chassignole, T. Chaves/CAPA, L. Cipriani/CAPA, T. Cristofolletti/CAPA, AugustoDa Silva, C. Dupont, T. Duvivier, C. Galichet/BAMEO, S. Gratchev/CAPA, J.-D. Guillou/LISEA, P. Guimaraes/CAPA, J. Koch, P. Le Doaré, B. Litjes, L. Marolleau, T. Marzloff, Michael/Agence photo événement, C. Mistropoulos, A. Montaufier/LISEA, F. Moura/CAPA, Nuevo Pudahuel, P. Olivier/CAPA, K. Patsios, Photothèque Cofiroute, R. Pindaro/CAPA, M. Simola/CAPA, J.-Y. Govin Sorel, Toll Collect, F. Vigouroux, A. Visgalov/CAPA.

Printing: Arteprint. Printing with vegetable inks on PEFC certified paper.





VINCI Concessions
12-14 rue Louis Blériot – CS 20070
92506 Rueil-Malmaison Cedex – France

www.vinci-concessions.com

**Private partner,
for public benefit**