



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

SIX MONTHS ENDED 30 JUNE 2016

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STATEMENTS OF FINANCIAL POSITION

1. Condensed consolidated statement of financial position

(€ millions)	30/06/2016	31/12/2015
Non-current assets		
Property, plant and equipment	155.3	157.8
Intangible assets arising from concessions	6 617.7	6 643.8
Other intangible assets	48.3	47.0
Investments in associates	7.2	2.4
Other non-current financial assets	93.6	96.6
Other non-current assets	0.0	0.0
Total non-current assets	6 922.1	6 947.6
Current assets		
Inventories	8.1	9.3
Trade and other receivables	150.5	129.5
Current tax assets	0.0	0.0
Other current assets	175.7	185.0
Cash and cash equivalents	1 163.2	1 281.2
Total current assets	1 497.6	1 605.0
TOTAL ASSETS	8 419.7	8 552.5

(€ millions)	30/06/2016	31/12/2015
Capital and reserves		
Share capital	33.9	33.9
Consolidated reserves	(1 253.1)	(1 503.4)
Profit for the period	335.1	538.4
Share of equity attributable to the owners of the company	(884.1)	(931.1)
Non-controlling interests	0.1	0.1
Total equity	(883.9)	(930.9)
Non-current liabilities		
Non-current borrowings	6 457.6	7 153.6
Deferred tax liabilities	24.3	22.2
Non-current provisions	265.9	262.6
Other non-current liabilities	89.4	45.4
Total non-current liabilities	6 837.2	7 483.8
Current liabilities		
Trade and other payables	92.9	96.0
Borrowings	366.9	344.1
Non-current borrowings due within one year	1 668.7	1 229.1
Current tax liability	21.5	40.5
Current provisions	36.7	33.6
Other current liabilities	279.9	256.4
Total current liabilities	2 466.5	1 999.7
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	8 419.7	8 552.5

2. Condensed consolidated income statement and statement of comprehensive income

(€ millions)	1 st half 2016	1 st half 2015
Revenue of which:	1 228.5	1 112.2
- revenue from the operation of infrastructures	1 116.4	1 056.8
- revenue from the construction of infrastructures held under concessions	112.1	55.4
Purchases and external charges	(164.2)	(108.0)
Employee benefit expenses and headcount	(105.8)	(106.7)
Taxes (other than income tax)	(128.2)	(107.9)
Depreciation and amortisation expenses	(197.8)	(208.9)
Provisions	(8.1)	(1.9)
Other operating income (expenses) from ordinary activities	0.8	1.5
Operating profit on ordinary activities	625.3	580.3
Other income (expenses) from operations	(0.0)	0.0
Operating profit	625.3	580.3
Income from cash and cash equivalents	4.7	7.3
Gross finance costs	(122.7)	(152.0)
Net finance costs	(118.0)	(144.7)
Other financial income (expenses)	(2.0)	0.5
Share of profit (loss) of associates	0.3	(0.5)
Income tax expense	(170.4)	(164.8)
Profit (loss) for the period from continuing operations	335.2	270.8
Profit for the period attributable to:	335.2	270.8
- Owners of the company	335.1	270.7
- Non-controlling interests	0.2	0.1
Earnings per share attributable to the owners of the company		
- Basic earnings per share (euros)	2.96	2.39
- Diluted earnings per share (euros)	2.96	2.39

(€ millions)	1 st half 2016	1st half 2015
Profit (loss) for the period	335.2	270.8
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains and losses on staff benefits	(4.8)	
Tax on items that will not be reclassified to profit or loss	1.6	
Share of gains and losses of associates that will not be reclassified to profit or loss		
Items that may be reclassified subsequently to profit or loss		
Translation differences		
Re-measurement of derivative hedging instruments		
Tax on items that are or may be reclassified subsequently to profit or loss		
Share of gains and losses of associates that are or may be reclassified subsequently to profit or loss	1.6	
Total income and expense recognised directly in equity	(1.5)	0.0
Comprehensive income for the period	333.7	270.8
- Owners of the company	333.5	270.7
- Non-controlling interests	0.2	0.1

3. Condensed consolidated statement of changes in equity

Condensed statement of changes in equity for the six months ended 30 June 2016

(€ millions)	Share capital	Share premium	Reserves	Financial instruments	Other	Attributable to the owners of the company	Non-controlling interests	Total equity
At 01/01/2016	33.9	0.3	(938.9)	(21.6)	(4.8)	(931.1)	0.1	(930.9)
Share-based payments			0.3			0.3		0.3
Dividends paid			(287.1)			(287.1)	(0.1)	(287.2)
Profit (loss) for the period			335.1			335.1	0.2	335.2
Income and expense recognised directly in equity				1.6	(3.1)	(1.5)		(1.5)
Net profit (loss) and gains and losses recognised directly in equity	0.0	0.0	335.1	1.6	(3.1)	333.5	0.2	333.7
Changes in scope and reclassifications			0.3			0.3	(0.0)	0.3
At 30/06/2016	33.9	0.3	(890.4)	(20.0)	(8.0)	(884.1)	0.2	(883.9)

Condensed statement of changes in equity for the six months ended 30 June 2015

(€ millions)	Share capital	Share premium	Reserves	Financial instruments	Other	Attributable to the owners of the company	Non-controlling interests	Total equity
At 01/01/2015	33.9	0.3	(99.3)	(22.0)	(7.0)	(94.0)	0.1	(93.9)
Share-based payments			0.2			0.2		0.2
Dividends paid			(1 133.8)			(1 133.8)	(0.1)	(1 133.9)
Profit (loss) for the period			270.7			270.7	0.1	270.8
Income and expense recognised directly in equity				0.0	0.0	0.0		0.0
Net profit (loss) and gains and losses recognised directly in equity	0.0	0.0	270.7	0.0	0.0	270.7	0.1	270.8
Changes in scope and reclassifications			0.3			0.3	(0.0)	0.3
At 30/06/2015	33.9	0.3	(961.8)	(22.0)	(7.0)	(956.5)	0.1	(956.4)

4. Condensed consolidated statement of cash flows

(€ millions)	1st half 2016	1st half 2015
Cash and cash equivalents at 1 January	1 281.2	2 104.9
Profit (loss) for the period	335.2	270.8
Net impact of equity-accounted companies	(0.3)	0.5
Depreciation and amortisation expenses and provisions	197.9	206.2
Other adjustments	3.7	8.1
Gains (losses) on disposals	(0.3)	(0.3)
Cash generated by operations	536.3	485.4
Net interest expense	113.7	134.5
Interest paid	(236.8)	(280.5)
Income tax expense	170.4	164.8
Income taxes paid	(185.6)	(184.0)
Movement in working capital requirement related to ordinary activities	16.7	(26.3)
Net cash from operating activities (I)	414.6	293.9
Purchases of non-current assets	(130.7)	(97.6)
Non-current financial assets	(2.2)	(2.2)
Total purchases of non-current assets	(132.9)	(99.8)
Proceeds from disposals of non-current assets	0.7	0.8
Net cash used in investing activities (II)	(132.2)	(99.0)
Dividends paid to the shareholders	(287.3)	(1 133.9)
Repayment of borrowings	(951.2)	(851.2)
New borrowings	838.0	317.5
Net cash used in financing activities (III)	(400.4)	(1 667.6)
Net increase (decrease) in cash and cash equivalents (I+II+III)	(118.0)	(1 472.7)
Cash and cash equivalents at 30 June	1 163.2	632.2

Dividends paid in the first half amounted to €287.1 million in total, i.e. €2.54 per share.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

I – Accounting policies

Note 1.1 - Reporting entity

APRR (Autoroutes Paris-Rhin-Rhône - the "Company") is domiciled in France. The interim consolidated financial statements for the six months ended 30 June 2016 comprise the financial statements of the Company and its subsidiaries (referred to collectively as the "Group"). The consolidated financial statements of the Group for the year ended 31 December 2015 are available upon request from the Company's registered office at 36 Rue du Docteur Schmitt, 21850 Saint-Apollinaire, France or from its website at www.aprr.com.

Note 1.2 - Statement of compliance

The condensed interim consolidated financial statements were prepared in accordance with IAS 34, "Interim Financial Reporting".

The condensed consolidated financial statements were drawn up under the responsibility of the Board of Directors on 29 August 2016.

Note 1.3 - Accounting policies and methods applied in the condensed interim financial statements and applicable standards

The condensed interim financial statements for the six months ended 30 June 2016 were prepared in accordance with IAS 34, "Interim Financial Reporting". They do not contain all the information required for complete annual financial statements and must be read in conjunction with the Group's financial statements for the year ended 31 December 2015.

The financial statements were prepared applying the same accounting policies and methods as for the consolidated financial statements for the year ended 31 December 2015, except for the amendments adopted by the European Union and effective for annual periods beginning on or after 1 January 2016, which would not have a material impact on the Group's financial statements. They relate mainly to:

- amendments resulting from the "Annual improvements to IFRSs 2010–2012 cycle";
- amendments to IAS 19, "Defined Benefit Plans: Employee Contributions";
- amendments to IAS 1, "Disclosure Initiatives";
- amendments to IAS 16 and IAS 38, "Clarification of Acceptable Methods of Depreciation and Amortisation";
- amendments to IFRS 11, "Accounting for Acquisitions of Interests in Joint Operations";
- amendments resulting from the "Annual improvements to IFRSs 2012-2014 cycle";
- amendments to IAS 27, "Equity method in Separate Financial Statements".

The Group is currently analysing the impacts of the application of the following standards that have not yet been adopted by the European Union:

- IFRS 9, "Financial Instruments";
 - IFRS 15, "Revenue from Contracts with Customers";
- These standards are expected to come into force in 2018;
- IFRS 16, "Leases".
- This standard is expected to come into force in 2019.

Note 1.4 – Consolidation scope

APRR Group consists of the parent company (APRR), its wholly owned subsidiary AREA Participation, which is fully consolidated, its 99.84%-owned subsidiary AREA, which is fully consolidated, and Adelaç, a 49.90%-owned associate of AREA that is accounted for using the equity method. It also includes Axxès, a 34.01%-owned associate of APRR (including 6.42% by AREA) that is accounted for using the equity method.

Note 1.5 – Methods used in the preparation of the interim financial statements and the effect of seasonal fluctuations

The features specific to the preparation of the half-year financial statements are as follows.

Revenue corresponds to revenue generated during the first half and expenses are those that have actually been incurred. Statistically, first-half revenue is slightly lower than that in the second half. Revenue generated from the operation of the infrastructures represented 47.7% of full-year revenue in 2015 and 47.9% in 2014.

Depreciation and amortisation, asset impairment and provisions have been determined in accordance with detailed calculations carried out at the balance sheet date, applying the same methods as at the year-end.

In the case of retirement benefits and profit sharing, the amount recognised for the first half of 2016 is 50% of the estimated charge for 2016 as a whole.

II - Notes to the financial statements

Note 2.1 – Net non-current assets

Non-current assets decreased by €25 million in the first half of 2016. This breaks down as follows:

- acquisitions net of disposals amounting to €160 million (compared with €65 million in the first half of 2015)
- And
- depreciation and amortisation charges net of amounts reversed amounting to €185 million (compared with €200 million in the first half of 2015).

Furthermore, from 2016 to 2020, the Group is committed to undertaking work to build and widen motorways and to create new exchanges that are expected to cost €857 million in total.

Note 2.2 – Information about financial assets and liabilities

At 30 June 2016									
	Carrying value	Capital and interest movements	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	After 5 years	
Cash and cash equivalents									
Marketable securities	617.1								
Cash at bank and in hand	546.2								
Sub-total	1 163.2								
Financial liabilities: current and non-current									
Long-term borrowings	6 435.5	6 464.1	0.0	1 215.3	1 005.1	1 154.9	757.3	2 331.5	
Derivative instruments - liabilities	22.0								
<i>Interest payable in respect of non-current financial liabilities</i>		631.3	149.0	148.7	91.3	64.1	43.2	135.1	
Non-current borrowings	6 457.6	7 095.4	149.0	1 364.0	1 096.4	1 219.0	800.5	2 466.6	
Long-term borrowings due within 1 year	1 668.7	1 674.3	1 674.3						
<i>Interest payable in respect of non-current borrowings due within 1 year</i>		84.2	84.2						
Non-current borrowings due within one year	1 668.7	1 758.5	1 758.5	0.0	0.0	0.0	0.0	0.0	
Current borrowings and other debts	366.9	270.0	270.0						
Total financial liabilities	8 493.2	9 123.9	2 177.5	1 364.0	1 096.4	1 219.0	800.5	2 466.6	
Net debt	-7 329.9								

Capital and interest movements exclude loan issuance costs, issuance premiums and other items not involving the movement of funds.

At 31 December 2015									
	Carrying value	Capital and interest movements	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	After 5 years	
Cash and cash equivalents									
Marketable securities	690.6								
Cash at bank and in hand	590.7								
Sub-total	1 281.2								
Financial liabilities: current and non-current									
Long-term borrowings	7 128.4	7 150.2	0.0	1 392.0	1 214.7	1 079.7	1 079.6	2 384.1	
Derivative instruments - liabilities	25.2								
<i>Interest payable in respect of non-current financial liabilities</i>		836.9	215.2	215.3	141.6	83.4	52.0	129.4	
Non-current borrowings	7 153.6	7 987.1	215.2	1 607.3	1 356.3	1 163.1	1 131.6	2 513.6	
Long-term borrowings due within 1 year	1 229.1	1 237.0	1 237.0						
<i>Interest payable in respect of non-current borrowings due within 1 year</i>		45.8	45.8						
Non-current borrowings due within one year	1 229.1	1 282.8	1 282.8	0.0	0.0	0.0	0.0	0.0	
Current borrowings and other debts	344.1	132.0	132.0						
Total financial liabilities	8 726.8	9 401.9	1 630.0	1 607.3	1 356.3	1 163.1	1 131.6	2 513.6	
Net debt	-7 445.5								

Capital and interest movements exclude loan issuance costs, issuance premiums and other items not involving the movement of funds.

Capital and interest movements in the table above concern the debt as reported on the balance sheet at 30 June 2016 and 31 December 2015. They do not reflect any early repayments or new loans that may occur in the future.

Interest movements include movements relating to derivative instruments reported as assets and liabilities (i.e. interest rate swaps). They were not discounted to their present value.

Interest movements for variable rate loans are based on interest rates in force on 30 June 2016 and 31 December 2015. Movements for fixed rate loans with an indexed nominal are based on projected annual inflation of 1.50%.

Movements in respect of current borrowings and other debts concern mainly accrued interest payable, which is included in the above interest movement. At 30 June 2016, the balance of €270 million corresponds to outstanding commercial paper issued.

No drawdowns or repayments were made on the €1,800 million revolving credit facility during the first half of 2016.

The CNA loans repaid during the first half of 2016 totalled €151 million compared with €151 million in the first half of 2015.

Euro Medium Term Note (EMTN) programme bond issues repaid during the first half of 2016 totalled €800 million compared with €700 million in the first half of 2015.

A new, fixed-rate bond issue totalling €700 million was carried out during the first half of 2016. Under these conditions, the amount remaining available under this programme came to €1.85 billion at 30 June 2016 taking into account notes issued since the programme's inception.

The outstanding commercial paper programme totalled €270.0 million at 30 June 2016, compared with €132.0 million at 31 December 2015.

(€ millions)	Carrying value 30/06/2016	Fair value 30/06/2016	Carrying value 31/12/2015	Fair value 31/12/2015
Financial assets:				
Cash and cash equivalents and marketable securities	1 163.2	1 163.2	1 281.2	1 281.2
Loans	5.7	5.7	5.7	5.7
Interest rate swaps	5.5	5.5	7.8	7.8
Other financial assets	82.4	82.4	83.0	83.0
Trade and other receivables	150.5	150.5	129.5	129.5
Other current assets	175.7	175.7	185.0	185.0
Financial liabilities:				
Variable rate loans	1 624.6	1 679.2	1 924.2	1 992.3
Fixed rate loans with indexed nominal	333.1	358.3	332.8	360.1
Fixed rate loans	6 120.6	6 617.5	6 076.6	6 512.7
Interest rate swaps	22.0	22.0	25.2	25.2
Other financial liabilities	392.9	392.9	368.0	368.0
Trade and other payables	92.9	92.9	96.0	96.0
Other non-current liabilities	89.4	89.4	45.4	45.4
Other current liabilities	279.9	279.9	256.4	256.4

The fair value of derivative instruments corresponds to the mark-to-market value communicated by the various counterparties.

(€ millions)	2 016			2 015		
	Fair value hierarchy level.			Fair value hierarchy level.		
	level 1:	level 2:	level 3:	level 1:	level 2:	level 3:
Financial assets measured at fair value						
Cash and cash equivalents and marketable securities	1 163.2			1 281.2		
Interest rate swaps		5.5			7.8	
Unlisted participating interests			7.2			2.3
Total financial assets measured at fair value	1 163.2	5.5	7.2	1 281.2	7.8	2.3
Financial liabilities:						
Fixed-rate loans measured at fair value						
<i>Notional</i>		75.0			75.0	
<i>Revalued</i>		3.5			4.2	
Interest rate swaps		22.0			25.2	
Total financial liabilities measured at fair value	-	100.6	-	-	104.4	-

Level 1: quotation on an active market

Level 2: internal model using observable market data

Level 3: internal model using unobservable data

(€ millions)	Notional amount by maturity at 30 June 2016			Fair value	o/w derivatives qualifying as fair value hedges		o/w derivatives qualifying as autonomous	
	2 018	2 020	Total		Notional	Fair value	Notional	Fair value
Interest rate swaps								
Interest rate swap, pay variable/receive 3.38%	75.0	-	75.0	5.7	75.0	5.7	-	-
Interest rate swap, pay variable/receive variable	58.4	-	58.4	-	-	-	58.4	-
Interest rate swap, pay variable/receive variable	75.0	-	75.0	(0.5)	-	-	75.0	(0.5)
Interest rate swap, pay variable/receive variable	75.0	-	75.0	(3.5)	-	-	75.0	(3.5)
Interest rate swap, pay 4.5%/receive variable	-	91.6	91.6	(18.0)	-	-	91.6	(18.0)
Total financial assets measured at fair value	283.4	91.6	375.0	(16.4)	75.0	5.7	300.0	(22.0)

At 30 June 2016, the portfolio of derivative instruments held by the Autoroutes Paris-Rhin-Rhône Group consisted of a residual group of five derivative contracts, including one swap receiving a fixed rate and paying a variable rate, which was designated as a fair value hedge (with a nominal value of €75 million, maturing in 2018), three options entered into partly to mitigate exposure to higher interest rates and one swap paying a fixed rate and receiving a variable rate (arising from the exercise of a swaption having matured in April 2010), which are treated as autonomous instruments for accounting purposes. These were entered into in the second half of 2005 as part of a variable rate programme scaled back to €300 million at 30 June 2010, matched to the following loans:

- €208.4 million against the 4.50% CNA loan maturing on 28 March 2018; and
- €91.6 million until April 2020, corresponding to a portion of debt equivalent to the 4.50% CNA loan that matured on 25 April 2010.

The Group's currency, interest rate and liquidity risk exposures are substantially the same as detailed in the 2015 annual consolidated financial statements.

Note 2.3 - Provisions

	01/01/2016	Additional provisions in the period	Provisions utilised	Provisions reversed	Other	30/06/2016
Provision for retirement indemnities	41.2	1.6	(0.4)	0.0	4.8	47.2
Provision for long-service medals	0.9					0.9
Provision for maintaining infrastructures in condition	220.5	10.5	(10.3)		(2.9)	217.8
Non-current provisions	262.6	12.1	(10.7)	0.0	1.9	265.9
Provision for retirement indemnities	0.6					0.6
Provision for long-service medals	0.2					0.2
Provision for maintaining infrastructures in condition	31.6				2.9	34.5
Other provisions for liabilities and charges	1.2	0.4	(0.3)	(0.0)		1.3
Current provisions	33.6	0.4	(0.3)	(0.0)	2.9	36.7

	01/01/2015	Additional provisions in the period	Provisions utilised	Provisions reversed	Other	30/06/2015
Provision for retirement indemnities	42.5	1.6	(0.7)	0.0	0.0	43.3
Provision for long-service medals	1.0					1.0
Provision for maintaining infrastructures in condition	223.9	4.6	(6.8)		(1.4)	220.3
Non-current provisions	267.4	6.2	(7.6)	0.0	(1.4)	264.6
Provision for retirement indemnities	1.0					1.0
Provision for long-service medals	0.3					0.3
Provision for maintaining infrastructures in condition	34.0				1.4	35.4
Other provisions for liabilities and charges	1.9	0.3	(0.5)	(0.2)		1.6
Current provisions	37.2	0.3	(0.5)	(0.2)	1.4	38.3

Note 2.4 - Investments in associates

Investments in associates consist of the Group's shareholding in Adelaç, the concession holder for a 19-kilometre section of the A41 motorway between Villy le Pelloux-Saint Martin-Bellevue and Saint-Julien-en-Genoivois, and Axxès, which markets and manages toll subscriptions for heavy goods vehicles.

Key financial data for associates are summarised in the table below:

(€ millions)	ADELAC	AXXES
Country	France	France
Percentage owned	49.82%	34.01%
Share of profit (losses) of associates recognised	0.0	0.3
Share of items of other comprehensive income of associates recognised	1.6	0.0
Group's share of the capital and reserves of associates	2.0	5.2
Share of losses of associates not recognised	8.8	0.0
Share of items of other comprehensive income of associates not recognised	(8.8)	0.0
Carrying amount of investment	2.0	5.2
Market capitalisation	-	-

Other items of comprehensive income are related to changes in the fair value of interest-rate hedging instruments, which are treated in a similar way as the APRR group.

Note 2.5 - Off-balance sheet commitments at 30 June 2016

Signed work contracts not executed totalled €226 million at 30 June 2016 compared with €127 million at 30 June 2015 and €184 million at 31 December 2015.

Note 2.6 - Related parties

Financière Eiffarie recharged to APRR its share of the costs and expenses of the Financière Eiffarie employees working for APRR.

The Eiffage Group performs works-related services on behalf of the APRR Group in the context of an ordinary client-supplier relationship after a competitive bidding process.

Note 2.7 – Significant events during the six-month period

A 17th amendment to the APRR concession contract was approved by decree no. 2016-70 published in the Official Journal dated 31 January 2016.

The aim of this amendment was to integrate the concession in respect of the Maurice Lemaire tunnel (TML) into the APRR contract, thereby significantly reducing the TML tariffs, in return for a ten-month extension to 30 November 2035 of the term of the APRR contract (the TML contract is in line with this new term).

APRR has also undertaken to repay and cancel a certain number of subsidies in respect of the TML and to participate in the related investments made by the State.

The expiry date of the AREA concession remains unchanged at 30 September 2036.

The amortisation schedule for intangible assets arising from concessions has been revised, as from 1 January 2016, to reflect the extension of the term of the APRR concession. The impact on the 2016 depreciation and amortisation expense is €5 million, half of which relates to the first half of the year.

Note 2.8 – Events after the balance sheet date

None since 30 June 2016.