



HALF-YEAR FINANCIAL REPORT
AT 30 JUNE 2022

Management report for the first half of 2022

"VINCI's overall performance was very solid in the first half of 2022, with almost all business lines generating revenue and earnings above pre-pandemic levels.

"Profits and cash-flow at VINCI Airports recovered spectacularly due to the upturn in passenger numbers and the impact of the cost-cutting plans. Passenger numbers are now very close to 2019 levels at many network's airports.

"VINCI Autoroutes' traffic levels were higher than in 2019 for both light and heavy vehicles. Although the rise in fuel prices is affecting the trend for light vehicles, the trend for heavy vehicles remains positive.

"VINCI Energies achieved higher business levels and improved its operating margin. That excellent performance resulted from the company's strong position in some very buoyant markets such as those addressing the themes of energy transition and digitalisation, and from the efficiency of the company's decentralised organisation.

"The integration of Cobra IS within VINCI following its acquisition in late 2021 is going to plan, and this business line is showing particularly strong commercial momentum. In renewable energies, some new projects with total capacity of around 1 GW entered the construction phase or are about to do so in Latin America.

"VINCI Construction maintained good business levels, buoyed by its stronger international footprint. Its operating margin, which has demonstrated resilience, improved in the period.

"Despite a more selective approach to new orders because of cost inflation, order intake remained firm and order books continue to be very robust. As a result, the Group has good visibility on its future business levels, despite the more uncertain economic environment.

"With regard to expansion, the main transactions completed in the first half of 2022 concerned the Energy business, one acquisition made in North America in the Construction business and several increases in stake related to assets of the Concessions business.

"Based on these strong performances, VINCI is confirming its guidance, expecting full-year net income to be higher in 2022 than pre-pandemic levels seen in 2019.

"VINCI remains confident in its ability to maintain a consistent growth trajectory. Apart from a particularly resilient business model involving a combination of complementary businesses with different cycles and a diversified geographical presence, the Group is also well equipped to deal with the current inflationary context."

Xavier Huillard
VINCI Chairman and CEO

Key figures

(in € millions)	First half 2022	First half 2021	Change first half 2022/2021	Full year 2021	First half 2019
Revenue^(*)	28,517	22,607	26%	49,396	21,729
Revenue generated in France ^(*)	13,466	12,365	9%	26,319	12,262
% of revenue ^(*)	47.2%	54.7%		53.3%	56.4%
Revenue generated outside France ^(*)	15,050	10,242	47%	23,078	9,467
% of revenue ^(*)	52.8%	45.3%		46.7%	43.6%
Operating income from ordinary activities	2,890	1,598	1,291	4,723	2,289
% of revenue ^(*)	10.1%	7.1%		9.6%	10.5%
Recurring operating income	2,777	1,467	1,310	4,464	2,341
Operating income	2,831	1,467	1,364	4,438	2,348
Net income attributable to owners of the parent excluding non-recurring changes in deferred tax	1,900	877	1,024	2,797	1,359
Diluted earnings per share excluding non-recurring changes in deferred tax (in €)	3.34	1.53	1.81	4.86	2.43
Net income attributable to owners of the parent^(**)	1,900	682	1,218	2,597	1,359
% of revenue ^(*)	6.7%	3.0%		5.3%	6.3%
Diluted earnings per share (in €)	3.34	1.19	2.15	4.51	2.43
Dividend per share (in €)	1.00 ^(***)	0.65	0.35	2.90	0.79
Cash flow from operations before tax and financing costs	4,526	3,132	1,394	7,884	3,625
Operating investments (net of disposals)	(546)	(543)	(3)	(1,077)	(525)
Operating cash flow	93	811	(718)	6,098	823
Growth investments in concessions and PPPs	(374)	(430)	56	(815)	(507)
Free cash flow	(281)	381	(662)	5,282	316
Equity including non-controlling interests	26,173	23,381	2,792	24,771	21,583
Net financial debt	(22,127)	(18,597)	(3,530)	(19,266)	(24,241)

(*) Excluding concession subsidiaries' revenue from work carried out by non-Group companies.

(**) Of which non-recurring changes in deferred tax, mainly in the United Kingdom (€195 million negative impact in the first half of 2021).

(***) Interim dividend to be paid on 17 November 2022.

VINCI's financial statements for the first half of 2022 show a significant increase in revenue and earnings compared with the first half of 2021, taking them above levels achieved before the Covid-19 pandemic. As well as the positive impact of integrating Cobra IS, earnings at VINCI Energies and VINCI Construction continued to rise. There was also a considerable improvement in earnings at VINCI Airports and VINCI Autoroutes. Free cash flow was slightly negative due to seasonal business variations, which traditionally have an adverse impact in the early part of the year, as well as a very high base for comparison.

Consolidated revenue in the first half of 2022 totalled €28.5 billion, up 26.1% on an actual basis relative to the first half of 2021 and up 11.8% like for like. Compared with the first half of 2019, revenue excluding Cobra IS grew by almost 19%.

Ebitda totalled €4,526 million (€3,132 million in the first half of 2021), well above its first-half 2019 level (€3,625 million) and equalling 15.9% of revenue compared with 13.9% in the first half of 2021 and 16.7% in the first half of 2019.

Operating income from ordinary activities (Ebit) was €2,890 million (€1,598 million in the first half of 2021), also higher than the level achieved the first half of 2019 (€2,289 million). Ebit margin was 10.1% (7.1% in the first half of 2021 and 10.5% in the first half of 2019).

Recurring operating income reached €2,777 million (€1,467 million in the first half of 2021 and €2,341 million in the first half of 2019), including the impact of share-based payments (IFRS 2), the contribution from companies accounted for under the equity method and other recurring operating items.

Consolidated net income attributable to owners of the parent amounted to €1,900 million¹, giving earnings per share of €3.34. This represents a very sharp increase relative to both the first half of 2021 (€877 million and €1.53 per share excluding the non-recurring expense relating to deferred tax in the United Kingdom accounted for in 2021) and the first half of 2019 (€1,359 million and €2.43 per share).

Operating cash flow (before taking account of growth investments in concessions) amounted to €93 million. This was significantly lower than the €811 million seen in the first half of 2021 because of the increase in the working capital requirement, which is traditionally substantial in the first half of the year due to seasonal variations in Energy and Construction business levels.

¹ After taking account of dilutive instruments.

After taking into account investments in concessions, free cash flow was negative at €281 million in the first half of 2022, as opposed to a positive figure of €381 million in the first half of 2021.

Net financial debt amounted to €22.1 billion at 30 June 2022, up €3.5 billion relative to 30 June 2021 (mainly as a result of the Cobra IS acquisition in late 2021) and up €2.9 billion relative to 31 December 2021. The increase reflects acquisitions made during the period, the payment of the final dividend with respect to 2021 and share buy-backs (9.8 million shares repurchased at an average price of €91.68 each).

VINCI maintained a large amount of liquidity, totalling €14.0 billion at 30 June 2022, comprising €6.0 billion of managed net cash and €8.0 billion of unused confirmed bank credit facilities.

Order intake at VINCI Energies and VINCI Construction amounted to €23.2 billion in the first half of 2022. This represents a 4% year on year increase, due in particular to good order levels in core business areas. Order intake at Cobra IS was strong at €3.2 billion, with more than half of new orders coming from Spain.

Overall, the order book amounted to €56.2 billion at 30 June 2022, including €9.3 billion at Cobra IS. This represents a 7% increase relative to 31 December 2021 and represents almost 14 months of average business activity. International business made up 68% of the order book at the end of the period.

1. Key events in the period

1.1 Main changes in scope

Integration of Cobra IS

On 31 December 2021, VINCI completed the acquisition of Cobra IS, comprising the energy activities of the Spanish group ACS.

The acquisition covers:

- almost all of the contracting and services business of the former ACS Industrial Services, employing around 40,000 people in around 50 countries;
- nine greenfield concession projects under development or construction, mainly involving electrical transmission networks;
- a platform for the development of renewable energy projects, with long-standing recognized experience.

The process of integrating Cobra IS is underway and is being supported by a good collaboration with local teams.

Measurement of the fair value of the Cobra IS assets and liabilities acquired at 31 December 2021 will be completed before the end of the year.

In the first half of 2022, Cobra IS's contribution to the Group's main indicators was as follows: revenue of almost €2.7 billion, contributing 12 points to the Group's total revenue growth; operating income from ordinary activities of €190 million, equal to 7.1% of revenue; net income attributable to owners of the parent of €122 million; and negative free cash flow of €265 million. Cobra IS's net financial debt was €125 million at 30 June 2022, as opposed to a net financial surplus of €676 million at 31 December 2021.

VINCI Concessions

VINCI Highways, a subsidiary of VINCI Concessions, and Lineas (whose main shareholder is Mota-Engil) exercised their right of first refusal to acquire Atlantia's 17.2% stake in Lusoponte, which holds concessions for two bridges over the river Tagus in Lisbon until 2030. As a result, VINCI Concessions now holds a 49.5% stake in Lusoponte, and jointly controls Lusoponte with Lineas. The company remains accounted for under the equity method in the Group's financial statements.

On 6 April 2022, VINCI Highways acquired the 70% stake it did not already own in TollPlus Inc, a provider of software solutions for mobility infrastructures. VINCI Highways has held a 30% stake in TollPlus since 2016 and has been developing its freeflow toll business in the United States (Texas and California), Europe (Ireland) and India. The acquisition makes VINCI Highways a leading player in electronic toll collection (ETC), a market that is growing rapidly, particularly in the United States.

On 28 May 2022, VINCI Highways acquired OMERS Infrastructure's 65.1% interest in Strait Crossing Development Inc (SCDI), which holds the concession for the Confederation Bridge connecting the Canadian provinces of Prince Edward's Island and New Brunswick until 2032. VINCI Highways increased its stake from 19.9% to 85%.

TollPlus Inc and SCDI are now fully consolidated in VINCI's financial statements.

VINCI Construction

In January 2022, VINCI Construction completed the acquisition of companies specialising in road works and the production of asphalt mixes and aggregates in the Canadian provinces of New Brunswick and Nova Scotia from the family-owned Northern Group of Companies. These companies employ around 500 people when business levels are at their peak, and in 2021 generated consolidated revenue of about CAD90 million.

VINCI Energies

VINCI Energies completed a dozen acquisitions in the first half, mainly in Europe.

These transactions are mentioned in the Note A.2 to the consolidated financial statements ("Changes in consolidation scope").

1.2 New contracts at VINCI Energies and VINCI Construction

Order intake at VINCI Construction and VINCI Energies totalled €23.2 billion in the first half of 2022. This represents a 4% year on year increase (9% increase at VINCI Energies, unchanged at VINCI Construction), due in particular to good order levels in core business areas. In the 12 months to end-June, order intake at VINCI Energies amounted to a record €16.9 billion. At VINCI Construction, order intake remained robust (€14.0 billion in the first half of 2022), driven by a strong second quarter.

Order intake at Cobra IS was strong at €3.2 billion, with more than half of new orders coming from Spain and 13% from Latin America.

Among the contracts won by the Group since the start of the year, the most significant are those detailed below.

VINCI Energies

- Multiservice network and monitoring systems for Line 18 of the Grand Paris Express;
- Multitechnical packages for several buildings of the new Nantes university hospital;
- Technical installations and maintenance of a new swimming pool in the Grasduinen recreation park in Belgium. The 3,000 m² building will be CO₂-neutral thanks to the 761 solar panels on its roof;
- Multitechnical design and build packages for the second phase of buildings at Mohamed VI Polytechnic university in Rabat, Morocco;
- Electrical equipment at a datacenter in Singapore;
- Reconstruction of the Five Forks and Windy Edge electrical transmission line in Maryland, in the United States.

Cobra IS

- Design-build and maintenance contract for the electromechanical infrastructure of the Fehmarnbelt Fixed Link road and rail tunnel between Germany and Denmark;
- Design-build and installation contract for two offshore windfarm energy conversion facilities in the North Sea.

VINCI Construction

- Several road and motorway projects in Australia:
 - Works on access areas and the landside part of a future new airport in Sydney;
 - Construction of a section of the new M12 motorway that will connect the future airport in Sydney with the city's motorway network;
 - Upgrading of the Healesville-Koo Wee Rup Road east of Melbourne;
- Construction of the Springbank off-stream reservoir in Alberta province, Canada;
- First phase of extension and modernisation work on the Princess Grace hospital centre in Monaco;
- Construction of several units of the new Nantes university hospital;
- Upgrading of a 93 km section of Côte d'Ivoire's Abidjan-San Pédro coastal road;
- Fit out work on the three above-ground stations of the future Line 18 of the Grand Paris Express in Essonne, France;
- Design-build of the Penlink road project north of Auckland in New Zealand.

1.3 Financing activities

New financing

Neither VINCI SA nor VINCI Autoroutes arranged new long-term financing in the first half of 2022.

In May 2022, Lima Expressa refinanced a €0.3 billion bank loan in local currency.

Debt repayments

In February 2022, VINCI SA redeemed €0.7 billion of non-dilutive convertible bonds, issued in US dollars in 2017.

At 30 June 2022, the Group's gross long-term financial debt, before taking into account available cash, totalled €28.2 billion, with almost all debt borne by VINCI Autoroutes, VINCI Airports and VINCI SA. At 30 June 2022, the average maturity of the Group's long-term gross financial debt was 6.9 years (7.7 years at 30 June 2021 and 7.3 years at 31 December 2021), and its average cost was 2.1% (2.3% in the first half of 2021 and 2.1% in full-year 2021).

Credit ratings

- VINCI SA: In March 2022, Standard & Poor's confirmed its long-term A- credit rating, and in May 2022 Moody's confirmed its long-term A3 rating, both with stable outlook;
- ASF and Cofiroute: In June 2022, Standard & Poor's confirmed its long-term A- credit rating, with stable outlook;
- London Gatwick airport: in April 2022 Standard & Poor's confirmed its BBB investment-grade rating with negative outlook.

1.4 Other key events

VINCI Airports

In January 2022, VINCI Airports took over the operation of Manaus International Airport, and in February it took over the operation of the six other airports in Brazil's North region, as part of a concession contract granted by the Brazilian civil aviation authority in April 2021.

These airports welcomed 4.7 million passengers in 2019.

On 1 January 2022, VINCI Airports started operating Annecy Mont-Blanc airport under a 15-year concession contract with the Haute-Savoie département.

VINCI Concessions

Olympia Odos – which is 29.9% -owned by VINCI Concessions and holds the concession for the motorway connecting Corinth and Patras – signed a concession extension with the Greek authorities in late March 2022. The extension relates to a new 75km section of the motorway, extending it to the city of Pyrgos in the Peloponnese. VINCI Concessions and its partners will be responsible for designing, funding and building this new section, and then operating it until 2044.

2. Revenue

Consolidated revenue in the first half of 2022 totalled €28.5 billion, up 26.1% on an actual basis relative to the first half of 2021 and up 11.8% like for like. Changes in scope – mainly the integration of Cobra IS, which was acquired in late 2021 – boosted revenue by 12.8%. Exchange-rate movements had a positive impact of 1.5%, due in particular to the rise in the US dollar against the euro. Compared with the first half of 2019, revenue grew by 31% on an actual basis and by 19% excluding Cobra IS.

Revenue in the **Concessions** business amounted to €4.2 billion, up 43.5% on an actual basis and up 41.5% like for like relative to the first half of 2021. Revenue grew 8.5% on an actual basis relative to the first half of 2019.

VINCI Energies generated revenue of almost €7.8 billion, up almost 22% on the first half of 2019 and up 8.3% on the first half of 2021 (up 5.6% like for like).

Revenue at **Cobra IS** was almost €2.7 billion, and so this business line contributed 12% of the Group's revenue growth relative to the first half of 2021.

VINCI Construction's revenue amounted to €13.5 billion, up almost 19% on an actual basis relative to the first half of 2019 and up 10.7% relative to the first half of 2021 (up 8.1% like for like).

In France, revenue totalled €13.5 billion, up 9.8% on the same period in 2019 and up 8.9% on an actual basis (up 8.4% at constant scope) relative to the first half of 2021. Organic growth was 21.1% in Concessions, 5.7% at VINCI Energies, 4.0% at VINCI Construction and -2.5% at VINCI Immobilier.

Outside France, revenue totalled €15.1 billion, up 47% on an actual basis and 15.7% like for like relative to the first half of 2021. This includes a positive scope effect of 28% and a positive foreign currency effect of 3.2%. Organic growth was 171% in Concessions, 5.5% at VINCI Energies and 12.2% at VINCI Construction. Revenue outside France was up 59% compared with the first half of 2019 (up 31% excluding Cobra IS). For the first time, VINCI generated more revenue outside France (53% in the first half of 2022 versus 45% in the first half of 2021) than in France.

Revenue by business line

(in € millions)	First half 2022	First half 2021	Change first half 2022/2021	
	Actual	Like for like		
Concessions	4,161	2,900	+43.5%	+41.5%
VINCI Autoroutes	2,816	2,393	+17.7%	+17.7%
VINCI Airports	1,126	371	+203.4%	+188.6%
Other concessions	219	136	+61.1%	+48.3%
VINCI Energies	7,755	7,162	+8.3%	+5.6%
Cobra IS	2,668	-		
VINCI Construction	13,454	12,151	+10.7%	+8.1%
VINCI Immobilier	726	742	(2.1%)	(2.1%)
<i>Intragroup eliminations</i>	<i>(247)</i>	<i>(348)</i>		
Revenue^(*)	28,517	22,607	+26.1%	+11.8%
Concession subsidiaries' works revenue	281	326	(13.7%)	(13.8%)
<i>Intragroup eliminations</i>	<i>(19)</i>	<i>(54)</i>		
Concession subsidiaries' revenue from work carried out by non-Group companies	263	272	(3.5%)	(3.7%)
Total consolidated revenue	28,779	22,879	+25.8%	+11.6%

(*) Excluding concession subsidiaries' revenue from work carried out by non-Group companies.

Concessions: €4,161 million, up 43.5% on an actual basis and up 41.5% like for like relative to the first half of 2021, and up 8.5% relative to the first half of 2019.

VINCI Autoroutes: revenue equalled €2,816 million, up 17.7% on the first half of 2021 and up 8% on the first half of 2019. Traffic on intercity networks rebounded by 18.2% (light vehicles up 21.3%² and heavy vehicles up 4.2%) compared with the first half of 2021. Compared with the first half of 2019, traffic levels were 2.1% higher across all vehicle types. Light vehicle traffic was up 1.3% despite the rise in fuel prices since March, and heavy vehicle traffic was up 6.3%, due to firm economic activity in France and continuing growth in e-commerce.

VINCI Airports: revenue totalled €1,126 million (€371 million in the first half of 2021 and €1,070 million in the first half of 2019). Revenue was down almost 18% on a constant perimeter basis relative to the first half of 2019. The upturn in VINCI Airports passenger numbers continued and accelerated throughout the first half in almost all of the network's airports. Passenger numbers are now very close to their pre-Covid levels in several airports managed by VINCI Airports, particularly in Portugal and in the Americas. Overall, VINCI Airports passenger numbers were 54% of their 2019 level in the first quarter of 2022 and 73% in the second. In the first half of 2022 as a whole, the network handled 80 million passengers, three times the number seen in the same period of 2021 and 64% of the first-half 2019 figure (73% for fully consolidated subsidiaries). Trends varied depending on the region: growth in Costa Rica; passenger numbers close to pre-pandemic levels in the Dominican Republic, the United States and Brazil (between 1% and 8% lower); upturn in Europe depending on how far travel restrictions were eased (Portugal down 13%, United Kingdom down 39%, France down 30%); passenger numbers still low in Asia (down 72%).

Other concessions: revenue totalled €219 million, up 61% on the first half of 2021 and up 38% compared with the first half of 2019. The main revenue contributors were Lima Expresa (which holds the concession for a section of the Lima ring road in Peru), Gefyra (which holds the concession for the Rion-Antirion bridge in Greece), VINCI Stadium, and MESEA (the company in charge of maintaining and operating the South Europe Atlantic high-speed rail line between Tours and Bordeaux).

VINCI Energies: €7,755 million, up 8.3% on an actual basis and 5.6% like for like relative to the first half of 2021 as well as up 21.7% on an actual basis relative to the first half of 2019.

VINCI Energies benefited from its exposure to markets that remain buoyant, along with positive currency movements and the impact of acquisitions, with 12 deals completed since the start of 2022. Business growth accelerated in the second quarter of 2022, both in France and internationally, despite a high base for comparison and persistent supply chain problems.

In France (45% of the total), revenue was €3,525 million, up 19.8% on an actual basis relative to the first half of 2019 and up 6.7% on an actual basis relative to the first half of 2021 (5.7% like for like). Business levels were firm in Building Solutions (tertiary sector, facilities management) and the manufacturing sector, and stable in the ICT and infrastructure sectors.

Outside France (55% of the total), revenue was €4,230 million, up 9.7% on an actual basis (5.5% like for like) relative to the first half of 2021 and up 23% relative to the first half of 2019. On a comparable structure, business levels were up in Europe, North America and in Oceania.

Cobra IS: €2,668 million.

Revenue at Cobra IS, which operates almost entirely outside France, amounted to €2,668 million, with 46% coming from Spain and 36% from Latin America. The activity was buoyed by good momentum in its flow business – particularly in Spain, Peru, Mexico and Colombia – and in EPC (engineering, procurement and construction) projects such as power transmission lines in Brazil. In this country, work began on the Belmonte solar farm in the North East Region. This asset, developed by Cobra IS, farm will have capacity of almost 570 MW and is likely to start producing electricity in 2023.

VINCI Construction: €13,454 million, up 10.7% on an actual basis and 8.1% like for like relative to the first half of 2021, and up 18.7% on an actual basis relative to the first half of 2019.

In France (47% of the total), revenue was €6,390 million, up 4.1% on an actual basis relative to the first half of 2021 (up 4.0% at constant scope) and up 1.9% relative to the first half of 2019. Business levels were firm in civil engineering – supported in particular by Grand Paris Express projects – and in road and rail works. In building, they were driven by several major developments in the Paris region in the non-residential sector.

Outside France (53% of the total), revenue reached €7,064 million, up 17.5% on an actual basis and 12.2% like for like relative to the first half of 2021. Revenue was up almost 40% on an actual basis compared with the first half of 2019. It was driven by the ramp-up of large infrastructure contracts recorded in the latest years, including two works packages on the HS2 high-speed rail line in the United Kingdom, motorway and rail projects in North America, Australia and New Zealand, and preparatory work on the Fehmarnbelt Fixed Link between Germany and Denmark. Revenue also increased in Europe, but fell in Africa.

VINCI Immobilier: €726 million (down 2.1% both on an actual basis and like for like compared with the first half of 2021)

Revenue including the Group's share of joint developments totalled €821 million, an increase of 2% relative to the first half of 2021 despite a high base for comparison. Overall production remained at good level.

The number of housing units reserved in France was 2,783, down 15% compared with the first half of 2021, when there was a sharp post-Covid rebound. Work began on 1,997 homes, a decrease of 16%, and completed residential sales fell by 10% to 2,459.

² Several types of travel restrictions were in force in France and the rest of Europe in the first half of 2021, including a curfew until 20 June 2021, a lockdown from 3 April to 3 May 2021 including a ban on travelling more than 10km from the home, the closure of many public spaces and restrictions on travel between countries.

Revenue by geographical area

(in € millions)	First half 2022	% of total	First half 2021	Change first half 2022/2021	
				Actual	At constant exchange rates
France	13,466	47.2%	12,365	+8.9%	+8.9%
United Kingdom	2,409	8.4%	1,506	+60.0%	+55.1%
Germany	1,718	6.0%	1,466	+17.2%	+17.2%
Spain	1,473	5.2%	207	+612.7%	+612.7%
Central and Eastern Europe ^(*)	1,034	3.6%	946	+9.4%	+7.9%
Other European countries	2,411	8.5%	1,937	+24.5%	+23.6%
Europe excl. France	9,046	31.7%	6,060	+49.3%	+47.5%
North America	2,026	7.1%	1,616	+25.4%	+12.9%
<i>Of which United States</i>	<i>1,284</i>	<i>4.5%</i>	<i>996</i>	<i>+28.9%</i>	<i>+14.2%</i>
<i>Of which Canada</i>	<i>742</i>	<i>2.6%</i>	<i>620</i>	<i>+19.7%</i>	<i>+10.7%</i>
Central and South America	1,602	5.6%	641	+149.9%	+144.0%
Africa	763	2.7%	720	+5.9%	+3.7%
Asia-Pacific and Middle East	1,614	5.7%	1,205	+34.0%	+28.7%
International excl. Europe	6,005	21.1%	4,182	+43.6%	+35.2%
Total International	15,050	52.8%	10,242	+46.9%	+42.3%
Revenue^(*)	28,517	100.0%	22,607	+26.1%	+24.3%

(*) Excluding concession subsidiaries' revenue from work carried out by non-Group companies.

3. Results

3.1 Operating income from ordinary activities/operating income

Operating income from ordinary activities (Ebit) was €2,890 million, an increase of 81% compared with the first half of 2021 (€1,598 million) and 26% relative to the first half of 2019 (€2,289 million). Ebit margin was 10.1% (7.1% in the first half of 2021 and 10.5% in the first half of 2019).

Operating income from ordinary activities/operating income

(in € millions)	First half 2022	% of revenue ^(*)	First half 2021	% of revenue ^(*)	Change first half 2022/2021	
					2022/2021	
Concessions	1,899	45.6%	944	32.6%	955	
VINCI Autoroutes	1,482	52.6%	1,180	49.3%	302	
VINCI Airports	380	33.8%	(251)	(67.6%)	631	
Other concessions	37	-	15	-	22	
VINCI Energies	507	6.5%	428	6.0%	79	
Cobra IS	190	7.1%	-	-	190	
VINCI Construction	254	1.9%	213	1.8%	41	
VINCI Immobilier	28	3.8%	11	1.5%	16	
Holding companies	12	-	2	-	10	
Operating income from ordinary activities (Ebit)	2,890	10.1%	1,598	7.1%	1,291	
Share-based payments (IFRS 2)	(138)	-	(115)	-	(22)	
Profit/(loss) of companies accounted for under the equity method	34	-	(17)	-	51	
Other recurring operating items	(9)	-	1	-	(10)	
Recurring operating income	2,777	9.7%	1,467	6.5%	1,310	
Non-recurring operating items	54	-	-	-	54	
Operating income	2,831	9.9%	1,467	6.5%	1,364	

NB: Operating income from ordinary activities is defined as operating income before the effects of share-based payments (IFRS 2), the profits or losses of companies accounted for under the equity method and other recurring and non-recurring operating items.

(*) Excluding concession subsidiaries' revenue from work carried out by non-Group companies.

The contribution from the **Concessions** business amounted to €1,899 million (45.6% of revenue), twice the figure for the first half of 2021 (€944 million and 32.6% of revenue) and slightly higher than in the first half of 2019 (€1,844 million and 48.1% of revenue).

At **VINCI Autoroutes**, Ebit totalled €1,482 million, equal to 52.6% of revenue. That represented an improvement of more than 25% (€302 million) relative to the first half of 2021 (€1,180 million or 49.3% of revenue) as a result of higher revenues, and a 5% increase compared with the first half of 2019 (€1,407 million or 53.9% of revenue).

After two loss-making years, Ebit at **VINCI Airports** turned positive again at €380 million (versus a loss of €251 million in the first half of 2021 and a profit of €432 million in the first half of 2019). Ebit margin was 33.8% in the first half of 2022 as opposed to 40.4% in the first half of 2019.

At **VINCI Energies**, Ebit was €507 million and Ebit margin rose to 6.5%, 50bp more than in the first half of 2021 (€428 million and 6.0%). All operations and regions contributed to this solid performance, in particular France and Western Europe.

At **Cobra IS**, Ebit was €190 million in the first half of 2022 and Ebit margin was 7.1%.

VINCI Construction posted Ebit of €254 million (€213 million in the first half of 2021). Ebit margin was 1.9% in the first half of 2022 (1.8% in the first half of 2021). As certain activities and regions experience considerable seasonal variations that affect coverage of overheads, Ebit margin from the first half of the year is not representative of expected full-year performance in this business line.

VINCI Immobilier: Ebit totalled €28 million and Ebit margin was 3.8%, an improvement compared with the first half of 2021 (€11 million and 1.5% of revenue).

Recurring operating income totalled €2,777 million versus €1,467 million in the year-earlier period (€2,341 million in the first half of 2019). It included:

- the share-based payment expense, which reflects the benefits granted to employees under the Group savings plans and performance share plans, amounting to €138 million (€115 million in the first half of 2021);
- other recurring operating items producing net income of €25 million (compared with a €15 million net expense in the first half of 2021) including the contribution of equity-accounted companies, which remained negative for VINCI Airports.

Recurring operating income by business line

(in € millions)	First half 2022	% of revenue (*)	First half 2021	% of revenue (*)	Change first half 2022/2021
Concessions	1,877	45.1%	883	30.4%	994
VINCI Autoroutes	1,475	52.4%	1,176	49.2%	299
VINCI Airports	363	32.2%	(293)	(78.8%)	656
Other concessions	39		(1)		39
VINCI Energies	455	5.9%	387	5.4%	68
Cobra IS	195	7.3%	-		195
VINCI Construction	207	1.5%	178	1.5%	29
VINCI Immobilier	37	5.1%	21	2.9%	16
Holding companies	6		(1)		7
Recurring operating income	2,777	9.7%	1,467	6.5%	1,310

(*) Excluding concession subsidiaries' revenue from works carried out by non-Group companies.

Non-recurring operating items had a positive impact of €54 million in the first half of 2022, mainly due to the impact of VINCI Highways taking control of TollPlus Inc and SCDI in Canada (see Section 1, "Key events in the period") as well as the disposal of Skavsta airport in Sweden.

After taking account of both recurring and non-recurring items, **operating income** was €2,831 million in the first half of 2022, up 93% relative to the first-half 2021 figure of €1,467 million and up almost 21% compared with the first half of 2019 (€2,348 million).

3.2 Net income

Consolidated net income attributable to owners of the parent amounted to €1,900 million (6.7% of revenue) in the first half of 2022. That compared with €1,359 million (6.3% of revenue) in the first half of 2019 and €682 million (3.0% of revenue) in the first half of 2021. The first-half 2021 figure included a non-recurring expense in respect of deferred tax liabilities after the UK announced plans to increase corporation tax from 19% to 25% from 2023. This expense primarily concerns the contribution of London Gatwick airport and amounted to nearly €200 million, with no impact on the cash position. Excluding this effect, consolidated net income attributable to owners of the parent was €877 million in the first half of 2021.

Net earnings per share for the first half of 2022, after taking account of dilutive instruments, was €3.34 (€1.19 in the first half of 2021 and €2.43 in the first half of 2019).

The cost of net financial debt was €265 million (€319 million in the first half of 2021). The refinancing operations carried out in 2021 under more favorable conditions than those of the debts repaid, as well as the improvement in cash yields linked mainly to the reduction in financial investments placed at negative rates with banks, led to a reduction in the cost financial debt. In the first half of 2022, the average interest rate on long-term gross financial debt amounted to 2.1% (2.3% in the first half of 2021 and 2.1% in full-year 2021).

Other financial income and expense resulted in net income of €124 million, compared with €17 million in the first half of 2021. In the first half of 2022, this line comprised:

- €43 million of income due to the lower cost of discounting provisions for the obligation to maintain the condition of concession intangible assets, as a result of higher discount rates (expense of €14 million in the first half of 2021);
- a €11 million gain relating to capitalised borrowing costs on current concession investments (€22 million in the first half of 2021);
- IFRS 16 lease expenses amounting to €23 million (€21 million in the first half of 2021);
- a €59 million positive impact from the change in fair value of equity instruments, mainly regarding the stake in Groupe ADP (€28 million in the first half of 2021).

The Group's tax expense was €760 million and its effective tax rate was 28.6%. The increase in pre-tax income was partly offset by the decrease in the French tax rate which fell from 28.41% in 2021 to 25.83% in 2022. When comparing the tax expense with the year-earlier period, it should be noted that a €386 million expense arose in the first half of 2021 as a result of the tax rise announced in the UK, which caused the Group to re-evaluate the deferred tax assets and liabilities in the country. Excluding that effect, the tax expense for the first half of 2021 would have been €412 million and the adjusted effective tax rate would have been 34.9%.

Income attributable to non-controlling interests amounted to €30 million (compared with a loss of €314 million in the first half of 2021 including the €299 million loss attributable to London Gatwick airport, €191 million of which the impact of the re-evaluation of deferred taxes).

4. Cash flows

(in € millions)	First half 2022	First half 2021	Change first half 2022/2021
Cash flow from operations before tax and financing costs (Ebitda)	4,526	3,132	1,394
% of revenue	15.9%	13.9%	
Change in WCR and current provisions	(2,581)	(735)	(1,846)
Income taxes paid	(771)	(453)	(317)
Net interest paid	(273)	(326)	53
Dividends received from companies accounted for under the equity method	48	37	10
Cash flows (used in)/from operating activities	949	1,655	(706)
Net operating investments	(546)	(543)	(3)
Repayments of lease liabilities and financial expense on leases	(310)	(302)	(9)
Operating cash flow	93	811	(718)
Growth investments in concessions	(374)	(430)	56
Free cash flow	(281)	381	(662)
of which Concessions	1,651	830	821
of which VINCI Energies, Cobra IS and VINCI Construction	(1,867)	(368)	(1,499)
of which VINCI Immobilier and holding companies	(64)	(80)	16
Net financial investments	(492)	(138)	(355)
Other	(255)	(33)	(223)
Free cash flow after growth financing	(1,029)	211	(1,239)
Capital increases and reductions	378	605	(227)
Transactions on treasury shares	(905)	-	(905)
Dividends paid	(1,298)	(1,173)	(125)
Subtotal capital transactions	(1,824)	(568)	(1,256)
Net cash flow during the period	(2,853)	(357)	(2,496)
Other changes	(9)	(251)	242
Change in net financial debt	(2,862)	(608)	(2,254)
Net financial debt	(22,127)	(18,597)	(3,530)

Ebitda amounted to €4,526 million in the first half of 2022 (€3,132 million in the first half of 2021), well above its first-half 2019 level (€3,625 million) and equalling 15.9% of revenue compared with 13.9% in the first half of 2021 and 16.7% in the first half of 2019.

Ebitda in the **Concessions** business rose by more than 50% to €2,842 million from €1,879 million in the first half of 2021 (€2,692 million in the first half of 2019). Ebitda margin was 68.3% (64.8% in the first half of 2021 and 70.2% in the first half of 2019).

Ebitda at **VINCI Autoroutes** rose 17% to €2,114 million (€1,805 million in the first half of 2021), and exceeded its level for the first half of 2019 (€2,004 million). Ebitda margin was 75.1% in the first half of 2022, close to the 76.8% figure for the first half of 2019 (75.4% in the first half of 2021).

Ebitda at **VINCI Airports** amounted to €632 million, higher than in the first half of 2019 (€608 million, loss of €3 million in the first half of 2021). Ebitda margin was 56.1% in the first half of 2022 as opposed to 56.8% in the first half of 2019.

Ebitda at **VINCI Energies** was €618 million, equal to 8.0% of revenue, compared with €518 million and 7.2% of revenue in the first half of 2021.

Cobra IS generated Ebitda of €234 million, equal to 8.8% of revenue.

Ebitda at **VINCI Construction** totalled €578 million, equal to 4.3% of revenue, compared with €555 million and 4.6% of revenue in the first half of 2021.

Ebitda by business line

(in € millions)	First half 2022	% of revenue (*)	First half 2021	% of revenue (*)	Change first half 2022/2021
Concessions	2,842	68.3%	1,879	64.8%	963
VINCI Autoroutes	2,114	75.1%	1,805	75.4%	309
VINCI Airports	632	56.1%	(3)	-0.9%	635
Other concessions	96	-	77	-	19
VINCI Energies	618	8.0%	518	7.2%	100
Cobra IS	234	8.8%	-	-	234
VINCI Construction	578	4.3%	555	4.6%	24
VINCI Immobilier	42	5.8%	22	3.0%	20
Holding companies	212	-	158	-	54
Ebitda	4,526	15.9%	3,132	13.9%	1,394

(*) Excluding concession subsidiaries' revenue from work carried out by non-Group companies.

The change in the operating working capital requirement and current provisions – which traditionally have a negative impact on the cash position in the first half of the year due to seasonal variations in business levels in the Energy and Construction businesses – consumed €2,581 million of cash in the first half of 2022, more than in the first half of 2019 (€1,354 million) and the first half of 2021 (€735 million). This change should be viewed in the context of sharp reductions in the working capital requirement in 2020 and 2021, as well as the impact of consolidating Cobra IS. In the current inflationary context, certain Group entities brought forward purchases of raw materials and equipment in order to secure supplies. In addition, after being significantly shortened in 2020 and 2021 in a negative interest rate environment, payment collection periods were adversely affected in 2022 by rising interest rates in 2022.

Income taxes paid rose by €317 million to €771 million (€453 million in the first half of 2021).

Net interest paid totalled €273 million in the first half of 2022, down €53 million on the first half of 2021 (€326 million).

Dividends paid by companies accounted for under the equity method amounted to €48 million in the first half of 2022 (€37 million in the first half of 2021).

Cash flow from operating activities³ therefore totalled €949 million, down €706 million on the first half of 2021 (€1,655 million) and down €653 million on the first half of 2019 (€1,602 million).

After accounting for €546 million of operating investments net of disposals (including €54 million at Cobra IS) – close to the €543 million figure seen in the first half of 2021 – and €310 million of lease liability repayments (€302 million in the first half of 2021), **operating cash flow**³ was €93 million (€811 million in the first half of 2021, €823 million in the first half of 2019).

Growth investments in concessions and public-private partnerships totalled €374 million (€430 million in the first half of 2021 and €507 million in the first half of 2019). The figure includes €288 million invested by VINCI Autoroutes (€361 million in the first half of 2021) and €65 million by VINCI Airports (€68 million in the first half of 2021), mainly at Belgrade airport in Serbia.

Free cash flow³ was negative at €281 million, versus inflows of €381 million in the first half of 2021 and €316 million in the first half of 2019. This figure breaks down into:

- a net inflow of €1,651 million in Concessions (€830 million in the first half of 2021 and €1,191 million in the first half of 2019), including €1,273 million at VINCI Autoroutes and €265 million at VINCI Airports;
- a net outflow of €247 million at VINCI Energies (inflow of €135 million in the first half of 2021 and outflow of €155 million in the first half of 2019);
- a net outflow of €265 million at Cobra IS;
- a net outflow of €1,355 million at VINCI Construction (€504 million in the first half of 2021 and €832 million in the first half of 2019).

It should be recalled that most of the Group's free cash flow is generated in the second half of the year.

Financial investments, net of disposals, represented an outflow of €748 million, mainly arising from acquisitions made in the Energy business, along with deals to take control over TollPlus Inc and SCDI (which holds the concession for the Confederation Bridge in Canada), VINCI Highways' purchase of an additional stake in Lusoponte and two acquisitions in North America by VINCI Construction. In the first half of 2021, they represented an outflow of €170 million.

Transactions involving VINCI's capital generated a cash outflow of €527 million as opposed to an inflow of €605 million in the first half of 2021.

³ See glossary

They included €900 million of VINCI shares purchased in the market (9.8 million shares purchased at an average price of €91.68 per share) as part of the share buy-back programme, and €379 million of capital increases at VINCI SA as a result of Group savings plans (4.4 million shares created).

Dividends paid by the Group in the first half of 2022 amounted to €1,298 million (€1,173 million in the first half of 2021), including €1,266 million paid by VINCI in respect of the 2021 final dividend (€2.25 per share).

As a result of these cash flows, net financial debt increased by €2.9 billion in the first half of 2022, taking the total to €22.1 billion at 30 June 2022.

5. Balance sheet and net financial debt

Non-current assets amounted to €61.3 billion at 30 June 2022 (€55.0 billion at 30 June 2021 and €60.4 billion at 31 December 2021), including €40.6 billion in the Concessions business (€40.5 billion at 30 June 2021 and €40.4 billion at 31 December 2021), €7.6 billion at VINCI Energies (€7.5 billion at 31 December 2021), €5.5 billion at Cobra IS including provisional goodwill of €4.5 billion (€5.1 billion at 31 December 2021) and €6.4 billion at VINCI Construction (€6.3 billion at 31 December 2021).

After taking account of a net working capital surplus (attributable mainly to VINCI Energies and VINCI Construction) of €8.4 billion, down €3.2 billion on 31 December 2021 (€11.6 billion), capital employed amounted to €52.9 billion at 30 June 2022 (€47.0 billion at 30 June 2021 and €48.8 billion at 31 December 2021).

Capital employed in the Concessions business amounted to €38.9 billion, accounting for 74% of the total (83% at 30 June 2021 and 79% at 31 December 2021).

Equity totalled €26.2 billion at 30 June 2022, up €2.8 billion on 30 June 2021 (€23.4 billion) and up €1.4 billion on 31 December 2021 (€24.8 billion). It included €1.9 billion in respect of non-controlling interests (€1.9 billion at 30 June and at 31 December 2021), €1.3 billion of which related to London Gatwick airport.

The number of shares making up the Group's capital, including treasury shares, rose to 596,771,924 at 30 June 2022 (592,362,376 at 31 December 2021). Treasury shares amounted to 5.4% of the capital at 30 June 2022 (4.2% at 31 December 2021).

Net financial debt totalled €22.1 billion at 30 June 2022, up almost €3.5 billion over 12 months (€18.6 billion at 30 June 2021) and up €2.9 billion relative to 31 December 2021 (€19.3 billion). The figure breaks down into €28.2 billion of financial debt (€28.6 billion at 31 December 2021) and €6.0 billion of managed net cash (€9.3 billion at 31 December 2021).

Net financial debt for the Concessions business and its holding companies stood at €32.4 billion, down €0.3 billion relative to 31 December 2021 (€32.7 billion). VINCI Energies and VINCI Construction recorded a net financial surplus of €1.5 billion, a €0.1 billion improvement on 30 June 2021 (net financial surplus of €1.4 billion) but down €2.3 billion on 31 December 2021 (€3.8 billion). Cobra IS had a net financial surplus of €0.7 billion at 31 December 2021 and net financial debt of €0.1 billion at 30 June 2022. The holding companies and other activities posted a net financial surplus of €8.8 billion, slightly lower than at 31 December 2021 (€9.0 billion). That surplus included €14.5 billion representing the net balance of loans granted to Group subsidiaries and subsidiaries' investments in holding companies.

The ratio of net financial debt to equity was 0.8 at 30 June 2022 (0.8 at 31 December 2021). The ratio of net financial debt to Ebitda on a rolling 12-month basis was 2.4 at end-June 2022 (2.6 at end-June 2021 and 2.4 at 31 December 2021).

Group liquidity totalled €14.0 billion at 30 June 2022 (€17.3 billion at 30 June 2021 and €17.8 billion at 31 December 2021). The liquidity figure comprises €6.0 billion of managed net cash and a €8.0 billion unused confirmed bank credit facility held by VINCI, most of which (€7.7 billion) is due to expire in November 2025. In addition, London Gatwick airport has a £300 million revolving credit facility due to expire in June 2025, which was fully drawn at 30 June 2022.

Net financial surplus (debt)

(in € millions)	30/06/2022	Of which external financial surplus (debt)	Total net financial debt/Ebitda	30/06/2021	Of which external financial surplus (debt)	31/12/2021	Of which external financial surplus (debt)	Change	Change
								30/06/2022 / 30/06/2021	30/06/2022 / 31/12/2021
Concessions	(32,360)	(19,453)	x 5.7	(33,465)	(19,644)	(32,693)	(19,664)	1,105	333
VINCI Autoroutes	(17,088)	(13,257)	x 3.9	(18,037)	(13,336)	(18,008)	(13,296)	950	920
VINCI Airports	(11,251)	(5,488)	x 11	(11,515)	(5,691)	(11,723)	(5,860)	264	472
Other concessions	(4,021)	(709)		(3,913)	(617)	(2,962)	(508)	(109)	(1,059)
VINCI Energies	(42)	404	x 0	(226)	392	447	538	184	(489)
Cobra IS	(125)	(125)		-	-	676	676	(125)	(802)
VINCI Construction	1,569	1,404		1,623	1,268	3,334	1,670	(54)	(1,765)
Holding companies and miscellaneous	8,831	(4,358)		13,470	(613)	8,971	(2,485)	(4,639)	(140)
Total	(22,127)	(22,127)	x 2.4	(18,597)	(18,597)	(19,266)	(19,266)	(3,530)	(2,862)

6. Order book

At 30 June 2022, the order book of VINCI Energies, Cobra IS and VINCI Construction reached a record high of €56.2 billion, up 6.6% on 31 December 2021 (up 8.5% in France and up 5.7% outside France). Excluding Cobra IS, it was up 2% over 12 months (up 4.5% in France, up 0.6% outside France). It represented almost 14 months of average business activity in these three business lines. Orders outside France accounted for 68% of the total order book at end-June 2022.

VINCI Energies' order book stood at €12.7 billion at 30 June 2022, up 14.6% compared with 31 December 2021 (up 14.5% in France and up 14.8% outside France) and up 13% over 12 months (up 16% in France and up 11% outside France) and representing almost 10 months of VINCI Energies' average business activity.

Cobra IS's order book totalled €9.3 billion at 30 June 2022, up 12% compared with 31 December 2021 (up 29% in Europe and down 3% outside Europe), and representing more than 20 months of Cobra IS's average business activity.

VINCI Construction's order book stood at €34.3 billion, up almost 3% over six months (up 5.6% in France and up 1% outside France) down 1% over a 12-month period (stable in France and down 2% outside France), representing 15 months of VINCI Construction's average business activity.

Order book (*)

(in € billions)	30/06/2022	of which		30/06/2021	31/12/2021
		France	outside France		
VINCI Energies	12.7	5.7	6.9	11.2	11.0
Cobra IS	9.3		9.3		8.3
VINCI Construction	34.3	12.4	21.9	34.8	33.4
Total	56.2	18.1	38.1	46.0	52.7
VINCI Immobilier	1.1	1.1	-	1.0	1.3

(*) Unaudited data

7. Post-balance sheet events and outlook

7.1 Post-balance sheet events

Repayment of borrowings

On 4 July 2022, Autoroutes du Sud de la France (ASF) redeemed €1.6 billion of bonds issued in 2007 which carried a coupon of 5.6%.

Arrangement of a new credit facility

On 28 July 2022, VINCI arranged a new €2.5 billion bank credit facility expiring in July 2023 with around ten relationship banks. This facility is accompanied by two extension options of six months each.

VINCI Airports

In July 2022, VINCI Airports announced the signature of an agreement with the Cape Verde government to operate the seven airports of the archipelago under concession. For a 40-year period, VINCI Airports and its Portuguese subsidiary ANA will be responsible for financing, operating, maintaining, extending and upgrading these airports. The financial arrangements for the operation are expected to be finalised by mid-2023, when the new concession company will begin operating the airports.

7.2 Outlook

VINCI's good performance in the first half of 2022 supports the Group's expectations for 2022 presented when publishing its 2021 financial statements. The Group confirms that it expects the net income to be higher in 2022 than in 2019.

Guidance for the various business lines in 2022 is as follows:

- VINCI Autoroutes, where traffic levels were firm overall in the first half despite higher fuel prices, anticipates that full-year traffic levels will exceed those of 2019.
- VINCI Airports expected passenger numbers to be around 60% of their 2019 level in 2022, and to achieve net income close to break-even. After a stronger-than-expected recovery in the first half, VINCI Airports is now anticipating – barring a resurgence of the pandemic – passenger numbers close to 70% of their 2019 level allowing it to generate positive net income and free cash flow.
- VINCI Energies, which operates in buoyant markets, should be able to continue growing its business while solidifying its operating margin.
- Cobra IS, benefiting from firm momentum in its flow business and the ramp-up of its EPC projects, is expecting revenue of around €5.5 billion and operating margin in line with the industry's best in class.

- VINCI Construction, due to its very large order book, is likely to remain busy and improve its operating margin, while continuing to take a selective approach to new business.

Despite geopolitical, economic and pandemic-related uncertainty, VINCI remains confident that it will be able to maintain consistent growth. The Group is well equipped to deal with current inflationary pressure. It also has a number of key strengths, since its energy services, construction and mobility businesses place it at the heart of the new opportunities being generated by green growth

8. Interim dividend

On 28 July 2022, the Board of Directors approved the payment of an interim dividend with respect to 2022 of €1.0 per share. It will be paid on 17 November 2022 (ex date: 15 November 2022).

9. Main transactions with related parties

The main transactions with related parties are described in Note K.28 to the condensed half-year consolidated financial statements.

10. Risk factors

The main risk factors that VINCI could face are described in Section D "Risk factors and management procedures" of the Report of the Board of Directors contained in the 2021 Universal Registration Document.

Condensed consolidated interim financial statements at 30 June 2022

Consolidated interim financial statements	15
Consolidated income statement for the period	15
Consolidated comprehensive income statement for the period	16
Consolidated balance sheet	17
Consolidated cash flow statement	19
Consolidated statement of changes in equity	20

Notes to the consolidated interim financial statements 21

Consolidated interim financial statements

Consolidated income statement for the period

(in € millions)	Notes	First half 2022	First half 2021	Full year 2021
Revenue^(*)	1-2	28,517	22,607	49,396
Concession subsidiaries' revenue derived from works carried out by non-Group companies		263	272	586
Total revenue		28,779	22,879	49,982
Revenue from ancillary activities		94	115	248
Operating expenses	4	(25,984)	(21,396)	(45,507)
Operating income from ordinary activities	1-4	2,890	1,598	4,723
Share-based payments (IFRS 2)	27	(138)	(115)	(288)
Profit/(loss) of companies accounted for under the equity method	4-10	34	(17)	12
Other recurring operating items		(9)	1	17
Recurring operating income	4	2,777	1,467	4,464
Non-recurring operating items	4	54	-	(26)
Operating income	4	2,831	1,467	4,438
Cost of gross financial debt		(306)	(326)	(674)
Financial income from cash investments		41	7	17
Cost of net financial debt	5	(265)	(319)	(658)
Other financial income and expense	6	124	17	40
Income tax expense	7	(760)	(798)	(1,625)
Net income		1,930	368	2,195
Net income attributable to non-controlling interests		30	(314)	(402)
Net income attributable to owners of the parent		1,900	682	2,597
Basic earnings per share (in €)	8	3.37	1.20	4.56
Diluted earnings per share (in €)	8	3.34	1.19	4.51

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

Consolidated comprehensive income statement for the period

(in € millions)	First half 2022	First half 2021	Full year 2021
Net income	1,930	368	2,195
Changes in fair value of cash flow and net investment hedging instruments ^(*)	299	(74)	(138)
Hedging costs	9	(6)	(5)
Tax ^(**)	(84)	(31)	(50)
Currency translation differences	356	312	527
Share of profit/(loss) of companies accounted for under the equity method, net	234	62	115
Other comprehensive income that may be recycled subsequently to net income	813	263	449
Actuarial gains and losses on retirement benefit obligations	452	46	165
Tax	(106)	(13)	(37)
Other comprehensive income that may not be recycled subsequently to net income	345	33	129
Total other comprehensive income recognised directly in equity	1,159	295	578
Comprehensive income	3,088	663	2,773
<i>of which attributable to owners of the parent</i>	3,027	911	3,046
<i>of which attributable to non-controlling interests</i>	62	(248)	(274)

(*) Changes in the fair value of cash flow hedges are recognised in equity for the effective portion. Cumulative gains and losses in equity are taken to profit or loss at the time when the cash flow affects profit or loss.

In the first half of 2022, those changes consisted of a positive €336 million impact related to cash flow hedges and a negative €37 million impact related to net investment hedges.

(**) Tax effects relating to changes in the fair value of cash flow hedging financial instruments (effective portion) and hedging costs.

Consolidated balance sheet

Assets

(in € millions)	Notes	30/06/2022	30/06/2021	31/12/2021
Non-current assets				
Concession intangible assets	12	25,437	25,466	25,329
Goodwill	9	16,773	11,794	16,472
Other intangible assets	15.1	7,473	7,202	7,586
Property, plant and equipment	15.2	10,335	9,965	10,303
Investments in companies accounted for under the equity method	10	1,001	953	950
Other non-current financial assets	11-13	2,886	2,283	2,450
Derivative financial instruments - non-current assets		220	822	575
Deferred tax assets		711	489	708
Total non-current assets		64,836	58,974	64,373
Current assets				
Inventories and work in progress	16	1,719	1,604	1,591
Trade and other receivables	16	18,540	13,934	15,559
Other current assets	16	6,992	5,684	6,036
Current tax assets		332	276	238
Other current financial assets		96	67	100
Derivative financial instruments - current assets		153	262	291
Cash management financial assets	23	279	111	200
Cash and cash equivalents	23	9,632	10,341	11,065
Total current assets		37,744	32,279	35,080
Assets held for sale	A.2	699	-	569
Total assets		103,279	91,254	100,022

Consolidated balance sheet

Equity and liabilities

(in € millions)	Notes	30/06/2022	30/06/2021 ^(*)	31/12/2021
Equity				
Share capital	20.1	1,492	1,492	1,481
Share premium		12,610	12,120	12,242
Treasury shares	20.2	(2,681)	(1,914)	(1,973)
Consolidated reserves		11,219	10,748	9,956
Currency translation reserves		55	(502)	(304)
Net income attributable to owners of the parent		1,900	682	2,597
Amounts recognised directly in equity	20.3	(348)	(1,140)	(1,117)
Equity attributable to owners of the parent		24,247	21,486	22,881
Equity attributable to non-controlling interests	20.4	1,926	1,895	1,889
Total equity		26,173	23,381	24,771
Non-current liabilities				
Non-current provisions	17	1,010	1,162	1,137
Provisions for employee benefits	26	1,131	1,518	1,459
Bonds	22	20,089	23,175	22,212
Other loans and borrowings	22	2,976	2,865	2,757
Derivative financial instruments - non-current liabilities		1,226	390	422
Non-current lease liabilities	18	1,614	1,453	1,574
Other non-current liabilities		928	668	918
Deferred tax liabilities		3,225	2,989	2,979
Total non-current liabilities		32,198	34,221	33,457
Current liabilities				
Current provisions	16	5,770	5,061	5,923
Trade payables	16	12,590	9,579	12,027
Other current liabilities	16	17,266	14,531	16,736
Current tax liabilities		372	272	360
Current lease liabilities	18	531	501	524
Derivative financial instruments - current liabilities		473	442	513
Current borrowings	22	7,653	3,265	5,496
Total current liabilities		44,657	33,652	41,579
Liabilities directly associated with assets held for sale	A.2	252	-	214
Total equity and liabilities		103,279	91,254	100,022

(*) Includes the impact arising from the IFRS IC's agenda decision of May 2021 clarifying how to calculate retirement benefit obligations (see Note A.2.1 in the 2021 Universal Registration Document).

Consolidated cash flow statement

(in € millions)	Notes	First half 2022	First half 2021	Full year 2021
Consolidated net income for the period (including non-controlling interests)		1,930	368	2,195
Depreciation and amortisation		1,701	1,558	3,219
Net increase/(decrease) in provisions and impairment		(47)	82	206
Share-based payments (IFRS 2) and other restatements		110	30	84
Gain or loss on disposals		(78)	(11)	(27)
Change in fair value of financial instruments		(91)	(26)	(54)
Share of profit/(loss) of companies accounted for under the equity method and dividends received from unconsolidated companies		(36)	15	(18)
Cost of net financial debt recognised	5	265	319	658
Capitalised borrowing costs		(11)	(22)	(47)
Financial expense on leases	6	23	21	43
Current and deferred tax expense recognised		760	798	1,625
Cash flow from operations before tax and financing costs	1	4,526	3,132	7,884
Changes in operating working capital requirement and current provisions	16	(2,581)	(735)	1,579
Income taxes paid		(771)	(453)	(1,213)
Net interest paid		(273)	(326)	(557)
Dividends received from companies accounted for under the equity method		48	37	112
Net cash flows (used in)/from operating activities	I	949	1,655	7,806
<i>Purchases of property, plant and equipment and intangible assets</i>		(617)	(588)	(1,214)
<i>Proceeds from sales of property, plant and equipment and intangible assets</i>		71	46	137
Operating investments (net of disposals)	1	(546)	(543)	(1,077)
<i>Investments in concession fixed assets (net of grants received)</i>		(385)	(430)	(849)
<i>Financial receivables (PPP contracts and others)</i>		11	-	33
Growth investments in concessions and PPPs	1	(374)	(430)	(815)
<i>Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)</i>		(323)	(148)	(5,258) ^(*)
<i>Proceeds from sales of shares in subsidiaries and affiliates (consolidated and unconsolidated)</i>		6	4	9
<i>Cash and cash equivalents of acquired companies</i>		33	16	1,322 ^(*)
Net financial investments		(284)	(129)	(3,927) ^(*)
Other		(255)	(33)	(82)
Net cash flows (used in)/from investing activities	II	(1,459)	(1,134)	(5,902)
Share capital increases and decreases and repurchases of other equity instruments		379	613	739
Transactions on treasury shares	20.2	(905)	-	(602)
Acquisitions/disposals of non-controlling interests (without acquisition or loss of control)		(2)	(9)	(19)
Dividends paid	21	(1,298)	(1,173)	(1,558)
- to shareholders of VINCI SA		(1,266)	(1,157)	(1,528)
- to non-controlling interests		(31)	(16)	(30)
Proceeds from new long-term borrowings		857	934	1,791
Repayments of long-term borrowings		(1,190)	(1,603)	(2,195)
Repayments of lease liabilities and financial expense on leases		(310)	(302)	(631)
Change in cash management assets and other current financial debts		1,650	(841)	(785)
Net cash flows (used in)/from financing activities	III	(817)	(2,380)	(3,259)
Other changes	IV	102	49	117
Change in net cash	I+II+III+IV	(1,225)	(1,810)	(1,238)
Net cash and cash equivalents at beginning of period		10,188	11,426	11,426
Net cash and cash equivalents at end of period	23	8,963	9,616	10,188

(*) Including the acquisition of ACS's energy business (Cobra IS). See Note A.2, "Changes in consolidation scope".

Change in net financial debt during the period

(in € millions)	Notes	First half 2022	First half 2021	Full year 2021
Net financial debt at beginning of period		(19,266)	(17,989)	(17,989)
Change in net cash		(1,225)	(1,810)	(1,238)
Change in cash management assets and other current financial debts		(1,650)	841	785
(Proceeds from)/repayment of loans		333	669	404
Other changes		(320)	(309)	(1,228)
<i>Debts assumed during business combinations</i>		(209)	(9)	(634)
Change in net financial debt		(2,862)	(608)	(1,276)
Net financial debt at end of period	22	(22,127)	(18,597)	(19,266)

Consolidated statement of changes in equity

(in € millions)	Equity attributable to owners of the parent							Amounts recognised directly in equity	Total attributable to owners of the parent	Non- controlling interests	Total
	Share capital	Share premium	Treasury shares	Consolidated reserves	Net income	Currency translation reserves					
Balance at 01/01/2021	1,471	11,527	(2,111)	10,753	1,242	(723)	(1,148)	21,011	2,162	23,173	
Net income for the period	-	-	-	-	682	-	-	682	(314)	368	
Other comprehensive income recognised directly in the equity of controlled companies	-	-	-	-	-	237	(69)	167	67	234	
Other comprehensive income recognised directly in the equity of companies accounted for under the equity method	-	-	-	-	-	(15)	77	61	-	61	
Total comprehensive income for the period	-	-	-	-	682	221	7	911	(248)	663	
Increase in share capital	21	592	-	-	-	-	-	-	613	-	613
Decrease in share capital	-	-	-	-	-	-	-	-	-	-	-
Transactions on treasury shares	-	-	197	(197)	-	-	-	-	-	-	-
Appropriation of net income and dividend payments	-	-	-	85	(1,242)	-	-	(1,157)	(16)	(1,173)	
Share-based payments (IFRS 2)	-	-	-	84	-	-	-	84	-	84	
Impact of acquisitions or disposals of non-controlling interests after acquisition of control	-	-	-	(2)	-	-	-	(2)	(4)	(5)	
Changes in consolidation scope	-	-	-	-	-	-	-	-	1	1	
Other	-	-	-	24	-	1	-	25	(1)	24	
Balance at 30/06/2021^(*)	1,492	12,120	(1,914)	10,748	682	(502)	(1,140)	21,486	1,895	23,381	
Net income for the period	-	-	-	-	1,915	-	-	1,915	(88)	1,827	
Other comprehensive income recognised directly in the equity of controlled companies	-	-	-	-	-	183	(16)	168	62	229	
Other comprehensive income recognised directly in the equity of companies accounted for under the equity method	-	-	-	-	-	16	37	53	-	53	
Total comprehensive income for the period	-	-	-	-	1,915	199	21	2,135	(26)	2,109	
Increase in share capital	4	122	-	-	-	-	-	-	126	-	126
Decrease in share capital	(15)	-	538	(523)	-	-	-	-	-	-	-
Transactions on treasury shares	-	-	(597)	(5)	-	-	-	(602)	-	(602)	
Appropriation of net income and dividend payments	-	-	-	(371)	-	-	-	(371)	(14)	(385)	
Share-based payments (IFRS 2)	-	-	-	125	-	-	-	125	-	125	
Impact of acquisitions or disposals of non-controlling interests after acquisition of control	-	-	-	(15)	-	-	-	(15)	31	17	
Changes in consolidation scope	-	-	-	-	-	(2)	2	-	-	-	-
Other	-	-	-	(2)	-	-	-	(2)	4	1	
Balance at 31/12/2021	1,481	12,242	(1,973)	9,956	2,597	(304)	(1,117)	22,881	1,889	24,771	
Net income for the period	-	-	-	-	1,900	-	-	1,900	30	1,930	
Other comprehensive income recognised directly in the equity of controlled companies	-	-	-	-	-	369	524	893	32	925	
Other comprehensive income recognised directly in the equity of companies accounted for under the equity method	-	-	-	-	-	(11)	245	234	-	234	
Total comprehensive income for the period	-	-	-	-	1,900	358	768	3,027	62	3,088	
Increase in share capital	11	368	-	-	-	-	-	-	379	-	380
Decrease in share capital	-	-	-	-	-	-	-	-	-	-	-
Transactions on treasury shares	-	-	(708)	(197)	-	-	-	(905)	-	(905)	
Appropriation of net income and dividend payments	-	-	-	1,331	(2,597)	-	-	(1,266)	(31)	(1,298)	
Share-based payments (IFRS 2)	-	-	-	103	-	-	-	103	-	103	
Impact of acquisitions or disposals of non-controlling interests after acquisition of control	-	-	-	(6)	-	-	-	(5)	(3)	(8)	
Changes in consolidation scope	-	-	-	1	-	(1)	-	-	6	6	
Other	-	-	-	31	-	2	-	33	3	35	
Balance at 30/06/2022	1,492	12,610	(2,681)	11,219	1,900	55	(348)	24,247	1,926	26,173	

(*) Includes the impact arising from the IFRS IC's agenda decision of May 2021 clarifying how to calculate retirement benefit obligations (see Note A.2.1 in the 2021 Universal Registration Document).

Notes to the consolidated interim financial statements

A. Key events and changes in consolidation scope	23
1. Key events	23
2. Changes in consolidation scope	23
B. Accounting policies, consolidation methods, measurement methods and specific arrangements	25
1. Accounting policies	25
2. Consolidation methods	26
3. Measurement rules and methods	27
4. Specific arrangements	28
C. Financial indicators by business line and geographical area	30
1. Segment information by business line	30
2. Breakdown of revenue by geographical area	37
3. Reconciliation and presentation of key performance indicators	38
D. Main income statement items	39
4. Operating income	39
5. Cost of net financial debt	40
6. Other financial income and expense	40
7. Income tax expense	40
8. Earnings per share	41
E. Investments in other companies	42
9. Goodwill	42
10. Investments in companies accounted for under the equity method: associates and joint ventures	43
11. Other non-current financial assets	44
F. Concessions: PPP contracts, concession contracts and other infrastructure	45
12. Concession intangible assets	45
13. PPP financial receivables (controlled companies)	46
14. Off-balance sheet commitments in concessions	46
G. Other balance sheet items and business-related commitments	48
15. Other intangible assets and property, plant and equipment	48
16. Working capital requirement and current provisions	49
17. Non-current provisions	50
18. Lease liabilities	50
19. Other contractual obligations of an operational nature and other commitments given and received	50
H. Equity	52
20. Information on equity	52
21. Dividends	54

I. Financing and financial risk management	55
22. Net financial debt	55
23. Net cash managed and available resources	58
24. Financial risk management	59
25. Book and fair value of financial instruments by accounting category	60
J. Employee benefits and share-based payments	62
26. Provisions for employee benefits	62
27. Share-based payments	62
K. Other notes	65
28. Related party transactions	65
29. Note on litigation	65
30. Post-balance sheet events	67
L. Other consolidation rules and methods	68

A. Key events and changes in consolidation scope

1. Key events

Assessment of financial performance

The consolidated financial statements for the first half of 2022 include the Cobra IS business line, which was acquired on 31 December 2021 from Spanish group ACS. VINCI is currently pursuing the integration of the Cobra IS entities acquired (around 600 subsidiaries). This integration phase is progressing in accordance with the initially determined schedule.

This new business line contributed €2.7 billion to the Group's revenue in the first half of 2022 – and 11.8 points to its revenue growth – along with €190 million to operating income from ordinary activities and €122 million to net income attributable to owners of the parent.

In the first half of 2022, the Group's overall performance was strong:

- Consolidated revenue totalled €28.5 billion, up 26.1% relative to the first half of 2021, including organic growth of 11.8%.
- Operating income from ordinary activities was sharply higher than in the first half of 2021, amounting to €2,890 million and equal to 10.1% of revenue (7.1% in the first half of 2021).
- Recurring operating income – including a positive contribution from companies accounted for under the equity method – totalled €2,777 million (€1,467 million in the first half of 2021).
- Consolidated net income attributable to owners of the parent was €1,900 million, compared with €682 million in the first half of 2021.
- Net financial debt was €22.1 billion at 30 June 2022, up €3.5 billion over 12 months and up €2.9 billion relative to 31 December 2021.

The management report for the first half contains information on the operating performance of the Group's various business lines.

Financing transactions and liquidity management

The main financing transactions concerned VINCI SA and are presented in Note I, "Financing and financial risk management".

At 30 June 2022, VINCI had total liquidity of €14.0 billion, comprising:

- managed net cash of €6.0 billion;
- a syndicated bank credit facility remaining unused by VINCI, totalling €8.0 billion (including €7.7 billion issuing in November 2025), the balance in November 2024.

2. Changes in consolidation scope

The main changes in consolidation scope in the first half of 2022 are detailed below.

VINCI Concessions

VINCI Concessions took control of two companies that were previously accounted for under the equity method but are now fully consolidated:

- TollPlus: having owned a 30% stake in TollPlus Inc – a provider of software solutions for toll road management in the United States, Ireland and India – since 2016, VINCI Highways acquired the 70% it did not already own.
- Strait Crossing Development Inc: the Group acquired the 65.1% stake previously held by OMERS Infrastructure in Strait Crossing Development Inc, which holds the concession until 2032 for the Confederation bridge, connecting the Canadian provinces of Prince Edward's Island and New Brunswick. As a result, VINCI Highways' stake in this company rose from 19.9% to 85%.

VINCI Concessions also increased its stake in Lusoponte, which holds concessions for two bridges over the river Tagus in Lisbon, from 32.3% to 49.5%. This transaction had no impact on the Group's level of control, and Lusoponte is still accounted for under the equity method.

Demerger of DEME Group from its parent company CFE

On 29 June 2022, CFE's shareholders approved a demerger resulting in two separate listed companies: DEME Group (dredging and marine works) and CFE (construction, multitechnics and property development). Shares in DEME Group were issued to CFE shareholders in proportion to their existing shareholdings, and were admitted for trading on Euronext Brussels on 30 June 2022. Following that transaction, VINCI owns a 12.11% stake in both CFE and DEME Group and retains significant influence over both groups.

Finally, VINCI Energies acquired some twelve companies in the first half of 2022, while VINCI Construction made two acquisitions in North America.

Other changes relate mainly to legal restructuring within the Group's scope.

(number of companies)	30/06/2022			30/06/2021			31/12/2021		
	Total	France	Foreign	Total	France	Foreign	Total	France	Foreign
Controlled companies	2,637	1,155	1,482	2,102	1,157	945	2,643	1,179	1,464
Joint ventures (*)	165	88	77	160	99	61	181	101	80
Associates (*)	95	19	76	38	18	20	94	18	76
Total	2,897	1,262	1,635	2,300	1,274	1,026	2,918	1,298	1,620

(*) Companies accounted for under the equity method.

Changes in consolidation scope in previous periods

Cobra IS

On 31 December 2021, VINCI acquired Cobra IS, which comprised the energy business of ACS. The acquisition included:

- most of the works and services activities of the former ACS Industrial Services division;
- nine concession projects under development or construction, mainly involving electrical transmission networks in Latin America;
- renewables pipeline.

The preliminary allocation of the Cobra IS purchase price to assets and liabilities acquired at the date VINCI took control is in progress. For the works and services business and the renewables pipeline, this process requires in particular the harmonisation of accounting rules and methods so that VINCI can measure intangible assets and the main related risks. The allocation process will be completed before the end of 2022 and presented in the notes to the consolidated financial statements for the year ended 31 December 2022. Accordingly, the provisional goodwill of €4,529 million recognised at 31 December 2021 and presented in Note B, "Changes in consolidation scope" in the 2021 Universal Registration Document remained unchanged since 31 December 2021.

Cobra IS's performance in the first half of 2022 does not currently include any impact from the allocation of the purchase price.

Certain assets acquired in the transaction and needing to be sold were reclassified as assets held for sale in a net amount of €355 million at 31 December 2021. They are disclosed as a separate line item on the balance sheet. Information relating to the recognition and measurement of these assets is provided in Note L, "Other consolidation rules and methods".

Other acquisitions

Other changes in 2021 mainly concerned the acquisition of around 30 companies by VINCI Energies in Europe and North America. In relation to these companies, VINCI assessed the fair value of the identifiable assets and liabilities acquired in accordance with IFRS 3. The values allocated to identifiable acquired assets and liabilities on the dates when control was acquired in 2021 were not adjusted materially.

B. Accounting policies, consolidation methods, measurement methods and specific arrangements

1. Accounting policies

The accounting policies used at 30 June 2022 are consistent with those used in preparing the consolidated financial statements at 31 December 2021, except for the standards and/or amendments adopted by the European Union and mandatorily applicable as from 1 January 2022.^(*)

The Group's condensed consolidated interim financial statements at 30 June 2022 have been prepared in accordance with IAS 34 "Interim Financial Reporting". They were approved by the Board of Directors on 28 July 2022. As these are condensed consolidated financial statements, they do not include all the information required by IFRSs in relation to full-year financial statements and should therefore be read in conjunction with the Group's consolidated financial statements for the period ended 31 December 2021, as set out in the 2021 Universal Registration Document, filed with the AMF on 28 February 2022 under the number D.22-0060.

The Group's consolidated financial statements are presented in millions of euros, rounded to the nearest million. This may in certain circumstances lead to non-material differences between the sum of the figures and the subtotals that appear in the tables.

New standards and interpretations applicable from 1 January 2022

Standards and interpretations mandatorily applicable from 1 January 2022 have no material impact on VINCI's consolidated financial statements at 30 June 2022. These are mainly:

- Amendments to IAS 37 – "Onerous Contracts – Cost of Fulfilling a Contract":

In May 2020, the IASB published amendments to IAS 37 relating to the measurement of onerous contracts. These amendments specify the indirect costs to be taken into account when an entity defines the cost of fulfilling a contract in order to determine whether it is onerous. This impact of these amendments is not material for the Group.

- Amendments to IAS 16 – "Proceeds before Intended Use":

In May 2020, the IASB published amendments to IAS 16 relating to the recognition of proceeds generated by an asset while it is being transferred to site or prepared for its intended use. The amendments state that an entity cannot deduct those proceeds from the cost of the asset. The Group is not concerned by this kind of asset.

As regards the IFRS IC's conclusion regarding IAS 38, mentioned in Note 2.1 to the consolidated financial statements for the year ended 31 December 2021, VINCI analysed the cost of configuring and customising software used in SaaS (Software as a Service) mode in the first half of 2022. The IFRS IC agenda decision states that in most cases, these costs must be expensed and not capitalised, firstly because the entity does not control the software and secondly because the customisation/configuration activities do not generate any resource controlled by the client and separate from the software.

Applying that decision, SaaS software configuration and customisation costs that were previously capitalised were restated at 1 January 2022, with a balancing adjustment to equity under "Other changes".

Standards and interpretations adopted by the IASB but not yet applicable at 30 June 2022

The Group has not applied early the following standards and interpretations that could concern the Group and of which application was not mandatory at 1 January 2022:

- Amendments to IAS 1 – "Disclosure of Accounting Policies";
- Amendments to IAS 8 – "Definition of Accounting Estimates".

A study of the impacts and practical consequences of applying these amendments is under way. However, they do not contain any provisions that are contrary to the Group's current accounting practices.

The Group is also looking at the practical impacts and consequences of definitive IFRS IC agenda decisions taken in the first half of 2022, which should not be material.

^(*) Available at http://ec.europa.eu/finance/company-reporting/ifrs-financial-statements/index_en.htm

2. Consolidation methods

In accordance with IFRS 10, companies in which the Group holds, whether directly or indirectly, the majority of voting rights in shareholders' general meetings, in the boards of directors or in the equivalent management bodies, giving it the power to direct their operational and financial policies, are deemed to be controlled and are fully consolidated. To determine control, VINCI carries out an in-depth analysis of the established governance arrangements and of the rights held by other shareholders.

Where necessary, an analysis is performed in relation to instruments held by the Group or by third parties (potential voting rights, dilutive instruments, convertible instruments, etc.) that, if exercised, could alter the type of influence exerted by each party.

For some infrastructure project companies operating under public-private partnership (PPP) contracts and in which VINCI is not the only capital investor, in addition to the analysis of the governance arrangements with each partner, the Group may look at the characteristics of subcontracting contracts to check that they do not confer additional powers that could lead to a situation of de facto control. This generally concerns construction contracts and contracts to operate/maintain concession assets. An analysis is performed if a specific event takes place that may affect the level of control exerted by the Group, such as a change in an entity's ownership structure or governance, or the exercise of a dilutive financial instrument.

In accordance with IFRS 11, the Group's joint arrangements fall into two categories (joint operations and joint ventures) depending on the nature of the rights and obligations held by each party. Classification is generally determined by the legal form of the project vehicle. The Group has joint control over all of these joint arrangements.

Joint operations: most joint arrangements in the VINCI Energies and VINCI Construction business lines are joint operations because of the legal form of the vehicles used. In France, for example, parties generally use *sociétés en participation* (SEPs) to contractualise their joint works activities. In some situations, where the facts and circumstances show that a company's activities involve providing services to the parties to the joint arrangement, it is regarded as a joint operation even where the vehicle's legal form does not establish transparency between the joint operators' assets and those of the joint arrangement. In that situation, the parties have the rights to substantially all of the economic benefits associated with the company's assets, and will settle its liabilities. Within the VINCI Group, this situation concerns certain coating plants held and used by Eurovia in its road infrastructure construction and renovation activities.

Joint ventures: property development joint arrangements contractualised in France in the form of *sociétés civiles de construction-vente* (SCCVs) are joint ventures under IFRS 11 and therefore accounted for under the equity method. The same is true of the Group's other joint arrangements taking place through an entity with legal personality and whose production is not intended solely for the parties to the joint arrangement.

Associates are entities over which the Group exerts significant influence. They are accounted for under the equity method in accordance with IAS 28. Significant influence is presumed where the Group's stake is more than or equal to 20%. However, it may arise where the ownership interest is lower, particularly where the Group is represented on the board of directors or any equivalent governance body, and therefore takes part in determining the entity's operational and financial policies and strategy. This applies to the Group's stakes in CFE and DEME Group.

London Gatwick airport's holding company has material non-controlling interests (49.99%): information on that company's governance and information required by IFRS 12 regarding non-controlling interests is provided in Note I.23.5, "Non-controlling interests" in the 2021 Universal Registration Document. The Group's consolidation scope does not include any other material joint ventures or associates. VINCI does not own any interest in structured entities as defined by IFRS 12.

VINCI's consolidated financial statements include the financial statements of all companies with revenue of more than €2 million, and of companies whose revenue is below this figure but whose impact on certain of the Group's balance sheet and income statement indicators is material.

3. Measurement rules and methods

3.1 Use of estimates

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

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

The consolidated interim financial statements have been prepared with reference to the immediate environment, including as regards the estimates presented below:

- measurement of revenue from construction and service contracts using the stage of completion method;
- measurement of the fair value of identifiable assets and liabilities acquired in business combinations;
- determination of discount rates and lease terms to be used to determine the value of rights of use and associated liabilities in relation to leases (IFRS 16);
- measurement of amortisation calculated using the unit of production method;
- values used in impairment tests on goodwill, other intangible assets and property, plant and equipment;
- measurement of provisions;
- determination of the discount rates to be used when performing impairment tests (IAS 36) and when calculating the present value of provisions (IAS 37) and employee benefit obligations (IAS 19);
- measurement of certain financial instruments at fair value;
- measurement of retirement benefit obligations;
- measurement of share-based payment expense under IFRS 2;
- climate risks.

Given uncertainties related to the economic and geopolitical context, along with ongoing Covid-related issues in certain regions (mainly Asia), the Group has carried out an in-depth examination of these assumptions and estimates. Some of them have been materially adjusted relative to 31 December 2021, such as assumptions regarding discount and inflation rates used to measure retirement benefit obligations (see Note J.26, "Provisions for employee benefits") and provisions for the obligation to maintain the condition of concession assets.

3.2 Measurement of fair value

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

The Group mainly uses fair value in measuring, on a consistent basis, the derivative instruments, cash and cash equivalents, shares in unconsolidated subsidiaries and affiliates, cash management financial assets and identifiable assets and liabilities acquired in business combinations on its balance sheet. The fair value of other financial instruments (particularly debt instruments and assets measured at amortised cost) is stated in Note I.25, "Book and fair value of financial instruments by accounting category".

To determine these fair values, the Group uses several measurement methods:

- market-based approaches, based on observable market prices or transactions;
- revenue-based approaches, which convert future cash flows into a present value;
- cost-based approaches, which take into account the asset's physical, technological and economic obsolescence.

The following three-level hierarchy of fair values is used:

- Level 1 – price quoted on an active market. Marketable securities, some shares in unconsolidated subsidiaries and affiliates (mainly ADP) and listed bonds are measured in this way.
- Level 2 – internal model using internal measurement techniques with observable factors. These techniques are based on usual mathematical computation methods, which incorporate observable market data (forward prices, yield curves, etc.). The calculation of the fair value of most derivative financial instruments (swaps, caps, floors, etc.) traded over the counter is made on the basis of models commonly used to price such financial instruments.

Every quarter, the internally calculated values of derivative instruments are checked for consistency with those sent to VINCI by the counterparties.

- Level 3 – internal model using non-observable factors: this model applies to customer relationships and contracts acquired through business combinations, as well as to holdings of unlisted shares, which, in the absence of an active market, are measured at their cost of acquisition plus transaction costs.

3.3 Specific measurement rules and methods applied by the Group in preparing the interim financial statements

Seasonal nature of the business

The Group's activities are subject to seasonal variations. In general, first-half performance is characterised by the seasonal nature of the business in most of the Group's activities, particularly:

- roadworks, where business volumes are traditionally lower than in the second half of the year, due to weather conditions;
- motorway concession companies, where traffic volumes are generally lower in the first half than the second because of the high proportion of light vehicle traffic in the summer period.

In the last few years (except 2020, which was badly affected by the health crisis), first-half revenue has accounted for between 45% and 46% of the full-year total.

As a result, first-half revenue and earnings cannot be extrapolated over the full year.

The seasonality of the Group's business is usually reflected in the net use of cash in the first half, which is attributable to the lower level of receipts during this period and the pattern of operating cash flows, the majority of which is generated in the second half of the year.

The impact of seasonal factors has not resulted in any adjustment to the Group's consolidated interim financial statements.

Group income and expenses in respect of ordinary activities that are of a seasonal, cyclical or occasional nature are accounted for using the same accounting methods as those adopted for the full-year financial statements. They are neither brought forward nor deferred at the half-year accounts closing date.

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

Risks arising in the first half are provisioned in the financial statements for the period. As regards loss-making contracts in particular, losses on completion identified during the first half are provisioned in full.

Estimation of the tax expense

The tax expense for the first half is determined by applying the estimated average tax rate for the whole of 2022 (including deferred tax) to pre-tax income. This rate may be adjusted for the tax effects of unusual items recognised during the period.

Retirement benefit obligations

No new comprehensive actuarial assessment is carried out for the consolidated interim financial statements. The expense for the first half in respect of retirement benefit obligations is half the expense calculated for 2022 on the basis of actuarial assumptions at 31 December 2021. Impacts arising from changes in assumptions relating to post-employment benefits in the first half of 2022 (discount rate and long-term inflation rate) are recognised under "Other comprehensive income".

4. Specific arrangements

4.1 Climate risks

The Group takes climate risks into consideration, based on its best knowledge, as part of its accounts closing assumptions and reflects their potential impact in the financial statements. The process used, described in the 2021 Universal Registration Document in Note A.3, "Specific arrangements" to the consolidated financial statements, remained unchanged at 30 June 2022.

4.2 Consequences of the conflict between Ukraine and Russia

The direct financial consequences of the conflict between Russia and Ukraine are limited for the Group, since it does not have any material exposure to either country.

Its exposure mainly consists of stakes held by VINCI Concessions in several companies in Russia: a 50% stake in the concession company for section 0 of the Moscow-St Petersburg motorway (M11), a 40% stake in the company set up to operate sections 7 and 8 of the same motorway under a public-private partnership, and a 50% stake in a road operations company. The value of these equity interests has been written down to zero.

However, the Group continues to pay close attention to developments in the conflict and its consequences for the global economy, particularly in terms of cost inflation and supply chain disruption.

- In the Energy and Construction businesses:

- most projects are short-term, particularly in multi-technical maintenance and roadworks, which means that changes in costs can be factored into quotes for new contracts;
- some long-term contracts contain price adjustment clauses that link prices to industry indices. This is particularly the case with construction contracts signed with public sector customers in France.

In the circumstances, the Group has become more selective in terms of new contracts, and has decided to stop entering into medium- and long-term contracts if they do not include price adjustment clauses, unless there are specific provisions to protect against the risk of cost inflation.

As regards the availability of the materials and equipment necessary to complete projects, VINCI's decentralised model means that the Group's companies have a diverse range of procurement sources, which is an advantage in the current operating environment. In addition, to guard against supply shortages, the Group's companies may order some of their supplies ahead of time.

- In Concessions, price increases relating to the infrastructure managed by the Group (motorways and airports) are generally determined by contractual formulas, which mitigates inflation risk at least in part.

Finally, the current macroeconomic environment has led to a tightening of monetary policy around the world and higher interest rates. This is likely to make funding more expensive for the Group and its subsidiaries. In the circumstances, VINCI is monitoring developments in the financial markets very closely, and is taking particular care to maintain a good liquidity.

C. Financial indicators by business line and geographical area

1. Segment information by business line

Based on the Group's organisational structure and internal reporting system, segment information is presented by business line. The Group's organisation consists of six business lines in three businesses – concessions, energy and construction – along with VINCI Immobilier, which is a business line that reports directly to the holding company.

In accordance with IFRS 8 "Operating segments", segment information is now presented according to the new business lines defined by management.

Concessions

VINCI Autoroutes: motorway concessions in France (ASF, Escota, Cofiroute, Arcour, Arcos).

VINCI Airports: operation of airports in France and in 10 other countries under full ownership, concession contracts and/or delegated management.

Other concessions: VINCI Highways (motorway and road infrastructure, mainly outside France), VINCI Railways (rail infrastructure) and VINCI Stadium (stadium management).

Energy

VINCI Energies: services to the manufacturing sector, infrastructure, facilities management, and information and communication technology.

Cobra IS: Manufacturing- and energy-related services, development of renewable energy concession projects and EPC (engineering, procurement and construction) projects in the energy sector.

Construction

VINCI Construction, which is organised into three pillars:

- Major projects: companies designing and carrying out projects that require general contractor capabilities because of their size, complexity or type;
- Specialty networks: companies carrying out works requiring a high level of expertise in geotechnical and structural engineering, digital technology, nuclear power and renewable thermal energy;
- Proximity networks: local companies focused on a single core business area, such as buildings, civil engineering or infrastructure, and in a specific geographical area, working as closely as possible with their customers.

VINCI Immobilier: property development (residential and commercial properties), operation of managed residences and property services.

1.1 Segment information by business line

The data below is for the business lines concerned and is stated before elimination, at their own level, of transactions with the rest of the Group.

First half 2022

(in € millions)	Concessions		Energy		Construction		VINCI Immobilier and holding companies	Eliminations	Total			
	VINCI Autoroutes		VINCI Energies		VINCI Construction							
	VINCI Airports	Other concessions	Cobra IS	VINCI Energies	VINCI Construction							
Income statement												
Revenue^(*)	4,161	7,755	2,668	13,454	726	(247)			28,517			
Concession subsidiaries' works revenue	281	-	-	-	-	(19) ^(**)			263			
Total revenue	4,442	7,755	2,668	13,454	726	(266)			28,779			
Operating income from ordinary activities	1,899	507	190	254	40	-			2,890			
% of revenue ^(*)	45.6%	6.5%	7.1%	1.9%					10.1%			
Recurring operating income	1,877	455	195	207	43	-			2,777			
Operating income	1,930	450	195	213	43	-			2,831			
Cash flow statement												
Cash flow from operations before tax and financing costs	2,842	618	234	578	254	-			4,526			
% of revenue ^(*)	68.3%	8.0%	8.8%	4.3%					15.9%			
Depreciation and amortisation	932	220	45	464	39	-			1,701			
Operating investments (net of disposals)	(57)	(70)	(54)	(313)	(52)	-			(546)			
Repayment of lease liabilities ^(***)	(19)	(149)	(3)	(122)	(17)	-			(310)			
Operating cash flow	2,003	(248)	(237)	(1,361)	(64)	-			93			
Growth investments in concessions and PPPs	(352)	1	(29)	6	-	-			(374)			
Free cash flow	1,651	(247)	(265)	(1,355)	(64)	-			(281)			
Balance sheet												
Capital employed at 30/06/2022	38,875	4,531	4,961	2,399	2,108	-			52,873			
of which investments in companies accounted for under the equity method	369	11	22	442	156	-			1,001			
of which right-of-use assets in respect of leases	297	855	85	660	225	-			2,122			
Net financial surplus/(debt)	(32,360)	(42)	(125)	1,569	8,831	-			(22,127)			

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

(**) Intragroup revenue of the energy and construction businesses derived from works carried out for the Group's concession companies.

(***) Including associated financial expense.

PPP: Public-private partnership.

First half 2021

(in € millions)	Concessions		Energy		Construction		VINCI Immobilier and holding companies	Eliminations	Total
	VINCI Autoroutes	VINCI Airports	VINCI Energies	VINCI Construction	VINCI				
Income statement									
Revenue^(*)	2,900		7,162		12,151		742	(348)	22,607
Concession subsidiaries' works revenue	326		-		-		-	(54) ^(**)	272
Total revenue	3,226		7,162		12,151		742	(402)	22,879
Operating income from ordinary activities	944		428		213		13	-	1,598
% of revenue ^(*)	32.6%		6.0%		1.8%				7.1%
Recurring operating income	883		387		178		20	-	1,467
Operating income	883		389		177		19	-	1,467
Cash flow statement									
Cash flow from operations before tax and financing costs	1,879		518		555		180	-	3,132
% of revenue ^(*)	64.8%		7.2%		4.6%				13.9%
Depreciation and amortisation	898		209		428		23	-	1,558
Operating investments (net of disposals)	(43)		(78)		(291)		(131)	-	(543)
Repayment of lease liabilities ^(***)	(21)		(140)		(120)		(20)	-	(302)
Operating cash flow	1,255		134		(499)		(80)	-	811
Growth investments in concessions and PPPs	(426)		1		(5)		-	-	(430)
Free cash flow	830		135		(504)		(80)	-	381
Balance sheet									
Capital employed at 30/06/2021	38,902		4,354		1,915		1,833	-	47,004
of which investments in companies accounted for under the equity method	413		10		412		118	-	953
of which right-of-use assets in respect of leases	303		783		706		162	-	1,954
Net financial surplus/(debt)	(33,465)		(226)		1,623		13,470	-	(18,597)

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

(**) Intragroup revenue of the energy and construction businesses derived from works carried out for the Group's concession companies.

(***) Including associated financial expense.

PPP: Public-private partnership.

Full year 2021

(in € millions)	Concessions		Energy		Construction		VINCI Immobilier and holding companies	Eliminations	Total
	VINCI Autoroutes	VINCI Airports	VINCI Energies	Cobra IS	VINCI Construction				
Income statement									
Revenue^(*)	7,046		15,097	-	26,282	1,611	(639)		49,396
Concession subsidiaries' works revenue	680		-	-	-	-	(95) ^(**)		586
Total revenue	7,727		15,097	-	26,282	1,611	(734)		49,982
Operating income from ordinary activities	2,683		985	-	968	86	-		4,723
% of revenue ^(*)	38.1%		6.5%		3.7%				9.6%
Recurring operating income	2,583		882	-	879	120	-		4,464
Operating income	2,586		868	-	879	106	-		4,438
Cash flow statement									
Cash flow from operations before tax and financing costs	4,676		1,259	-	1,647	301	-		7,884
% of revenue ^(*)	66.4%		8.3%		6.2%				16.0%
Depreciation and amortisation	1,829		432	-	905	54	-		3,219
Operating investments (net of disposals)	(75)		(166)	-	(639)	(197)	-		(1,077)
Repayment of lease liabilities ^(***)	(38)		(289)	-	(265)	(39)	-		(631)
Operating cash flow	3,501		1,199	-	1,208	189	-		6,098
Growth investments in concessions and PPPs	(841)		2	-	23	-	-		(815)
Free cash flow	2,660		1,201	-	1,232	189	-		5,282
Balance sheet									
Capital employed at 31/12/2021	38,584		3,800	3,990	672	1,747	-		48,792
of which investments in companies accounted for under the equity method	353		12	17	422	145	-		950
of which right-of-use assets in respect of leases	310		827	85	685	177	-		2,084
Net financial surplus/(debt)	(32,693)		447	676	3,334	8,971	-		(19,266)

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

(**) Intragroup revenue of the energy and construction businesses derived from works carried out for the Group's concession companies.

(***) Including associated financial expense.

PPP: Public-private partnership.

1.2 Segment information (Concessions)

First half 2022

(in € millions)	Concessions			Total
	VINCI Autoroutes	VINCI Airports	Other concessions	
Income statement				
Revenue^(*)	2,816	1,126	219	4,161
Concession subsidiaries' works revenue	245	31	5	281
Total revenue	3,061	1,158	224	4,442
Operating income from ordinary activities	1,482	380	37	1,899
% of revenue ^(*)	52.6%	33.8%	16.9%	45.6%
Recurring operating income	1,475	363	39	1,877
Operating income	1,475	380	75	1,930
Cash flow statement				
Cash flow from operations before tax and financing costs	2,114	632	96	2,842
% of revenue ^(*)	75.1%	56.1%	43.9%	68.3%
Depreciation and amortisation	653	233	46	932
Operating investments (net of disposals)	(13)	(41)	(4)	(57)
Repayment of lease liabilities ^(**)	(4)	(12)	(3)	(19)
Operating cash flow	1,561	330	112	2,003
Growth investments in concessions and PPPs	(288)	(65)	1	(352)
Free cash flow	1,273	265	113	1,651
Balance sheet				
Capital employed at 30/06/2022	19,487	16,370	3,018	38,875
of which investments in companies accounted for under the equity method	15	169	185	369
of which right-of-use assets in respect of leases	13	262	23	297
Net financial surplus/(debt)	(17,088)	(11,251)	(4,021)	(32,360)

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

(**) Including associated financial expense.

PPP: Public-private partnership.

First half 2021

(in € millions)	Concessions			Total
	VINCI Autoroutes	VINCI Airports	Other concessions	
Income statement				
Revenue^(*)	2,393	371	136	2,900
Concession subsidiaries' works revenue	285	35	6	326
Total revenue	2,677	407	142	3,226
Operating income from ordinary activities	1,180	(251)	15	944
% of revenue ^(*)	49.3%	(67.6%)	11.0%	32.6%
Recurring operating income	1,176	(293)	(1)	883
Operating income	1,176	(293)	(1)	883
Cash flow statement				
Cash flow from operations before tax and financing costs	1,805	(3)	77	1,879
% of revenue ^(*)	75.4%	(0.9%)	56.9%	64.8%
Depreciation and amortisation	645	210	43	898
Operating investments (net of disposals)	(13)	(22)	(8)	(43)
Repayment of lease liabilities ^(**)	(4)	(12)	(6)	(21)
Operating cash flow	1,384	(219)	90	1,255
Growth investments in concessions and PPPs	(361)	(67)	2	(426)
Free cash flow	1,023	(286)	92	830
Balance sheet				
Capital employed at 30/06/2021	20,112	16,126	2,664	38,902
of which investments in companies accounted for under the equity method	14	216	183	413
of which right-of-use assets in respect of leases	11	265	27	303
Net financial surplus/(debt)	(18,037)	(11,515)	(3,913)	(33,465)

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

(**) Including associated financial expense.

PPP: Public-private partnership.

Full year 2021

(in € millions)	Concessions			Total
	VINCI Autoroutes	VINCI Airports	Other concessions	
Income statement				
Revenue^(*)	5,550	1,188	309	7,046
Concession subsidiaries' works revenue	569	100	11	680
Total revenue	6,119	1,288	320	7,727
Operating income from ordinary activities	2,841	(206)	48	2,683
% of revenue ^(*)	51.2%	(17.3%)	15.5%	38.1%
Recurring operating income	2,828	(265)	21	2,583
Operating income	2,829	(265)	22	2,586
Cash flow statement				
Cash flow from operations before tax and financing costs	4,116	385	175	4,676
% of revenue ^(*)	74.2%	32.4%	56.7%	66.4%
Depreciation and amortisation	1,299	444	87	1,829
Operating investments (net of disposals)	(23)	(43)	(9)	(75)
Repayment of lease liabilities ^(**)	(7)	(21)	(9)	(38)
Operating cash flow	3,274	(25)	253	3,501
Growth investments in concessions and PPPs	(677)	(163)	(1)	(841)
Free cash flow	2,597	(188)	252	2,660
Balance sheet				
Capital employed at 31/12/2021	19,676	16,388	2,520	38,584
of which investments in companies accounted for under the equity method	14	193	146	353
of which right-of-use assets in respect of leases	12	274	24	310
Net financial surplus/(debt)	(18,008)	(11,723)	(2,962)	(32,693)

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

(**) Including associated financial expense.

PPP: Public-private partnership.

2. Breakdown of revenue by geographical area

(in € millions)	First half 2022	%	First half 2021	%	Full year 2021	%
France	13,466	47.2%	12,365	54.7%	26,319	53.3%
United Kingdom	2,409	8.4%	1,506	6.7%	3,405	6.9%
Germany	1,718	6.0%	1,466	6.5%	3,459	7.0%
Spain	1,473	5.2%	207	0.9%	488	1.0%
Central and Eastern Europe ^(*)	1,034	3.6%	946	4.2%	2,304	4.7%
Portugal	550	1.9%	197	0.9%	589	1.2%
Other European countries	1,861	6.5%	1,739	7.7%	3,658	7.4%
Europe excluding France	9,046	31.7%	6,060	26.8%	13,903	28.1%
Europe^(**)	22,512	78.9%	18,426	81.5%	40,221	81.4%
of which European Union	19,560	68.6%	16,417	72.6%	35,705	72.3%
North America	2,026	7.1%	1,616	7.1%	3,914	7.9%
of which United States	1,284	4.5%	996	4.4%	2,319	4.7%
of which Canada	742	2.6%	620	2.7%	1,596	3.2%
Central and South America	1,602	5.6%	641	2.8%	1,204	2.4%
Africa	763	2.7%	720	3.2%	1,560	3.2%
Asia-Pacific and Middle East	1,614	5.7%	1,205	5.3%	2,496	5.1%
International excluding Europe	6,005	21.1%	4,182	18.5%	9,175	18.6%
International excluding France	15,050	52.8%	10,242	45.3%	23,078	46.7%
Total^(***)	28,517	100.0%	22,607	100.0%	49,396	100.0%

(*) Albania, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kosovo, Latvia, Lithuania, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine.

(**) Including the eurozone for €18,196 million in the first half of 2022 (63.8% of total revenue), €15,191 million in the first half of 2021 (67.2% of total revenue) and €32,926 million for full year 2021 (66.7% of total revenue).

(***) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

Revenue generated in France amounted to €13,466 million in the first half of 2022, up 8.9% relative to the first half of 2021.

Revenue generated outside France amounted to €15,050 million in the first half of 2022, up 46.9% relative to the first half of 2021 including the impact of Cobra IS acquisition. Cobra IS accounted for 25.9 points of revenue growth outside France (23.2 points in Europe excluding France and 29.7 points outside Europe).

Revenue generated outside France accounted for 52.8% of the total (45.3% in the first half of 2021 and 46.7% in full year 2021).

3. Reconciliation and presentation of key performance indicators

3.1 Cash flow statement indicators

<i>(in € millions)</i>	First half 2022	First half 2021	Full year 2021
Cash flows (used in)/from operating activities	949	1,655	7,806
Operating investments (net of disposals)	(546)	(543)	(1,077)
Repayments of lease liabilities and financial expense on leases	(310)	(302)	(631)
Operating cash flow	93	811	6,098
Growth investments in concessions and PPPs	(374)	(430)	(815)
Free cash flow	(281)	381	5,282
Purchases of shares in subsidiaries and affiliates (consolidated and unconsolidated)	(323)	(148)	(5,258) ^(*)
Proceeds from sales of shares in subsidiaries and affiliates (consolidated and unconsolidated)	6	4	9
Net impact of changes in scope including net debt assumed	(176)	7	688 ^(*)
Net financial investments	(492)	(138)	(4,561)
Other	(255)	(33)	(82)
Total net financial investments	(748)	(170)	(4,643)

(*) Including the purchase price for the acquisition of ACS's energy business (Cobra IS) for €4,902 million and the latter's net financial surplus of €676 million at 31 December 2021.

3.2 Capital employed

<i>(in € millions)</i>	Note	30/06/2022	30/06/2021	31/12/2021
Capital employed - assets		88,872	76,448	83,838
Concession intangible assets	12	25,437	25,466	25,329
- Deferred tax on business combination fair value adjustments		(2,914)	(2,965)	(2,961)
Goodwill, gross	9	17,075	12,050	16,761
Other intangible assets	15.1	7,473	7,202	7,586
Property, plant and equipment	15.2	10,335	9,965	10,303
Investments in companies accounted for under the equity method	10	1,001	953	950
Other non-current financial assets	11-13	2,886	2,283	2,450
- Collateralised loans and receivables (at more than one year)		(5)	(4)	(4)
Inventories and work in progress	16	1,719	1,604	1,591
Trade and other receivables	16	18,540	13,934	15,559
Other current assets	16	6,992	5,684	6,036
Current tax assets		332	276	238
Capital employed - liabilities		(35,999)	(29,444)	(35,046)
Current provisions	16	(5,770)	(5,061)	(5,923)
Trade payables	16	(12,590)	(9,579)	(12,027)
Other current liabilities	16	(17,266)	(14,531)	(16,736)
Current tax liabilities		(372)	(272)	(360)
Total capital employed		52,873	47,004	48,792^(*)

(*) Of which Cobra IS: €3,990 million including estimated goodwill of €4,529 million.

D. Main income statement items

4. Operating income

(in € millions)	First half 2022	First half 2021	Full year 2021
Revenue^(*)	28,517	22,607	49,396
Concession subsidiaries' revenue derived from works carried out by non-Group companies	263	272	586
Total revenue	28,779	22,879	49,982
Revenue from ancillary activities ^(**)	94	115	248
Purchases consumed	(6,809)	(4,876)	(10,672)
External services	(3,477)	(2,707)	(5,533)
Temporary staff	(658)	(643)	(1,373)
Subcontracting (including concession companies' construction costs)	(5,699)	(4,798)	(10,424)
Taxes and levies	(521)	(469)	(1,105)
Employment costs	(7,264)	(6,151)	(12,488)
Other operating income and expense	79	21	67
Depreciation and amortisation	(1,701)	(1,558)	(3,219)
Net provision expense	67	(214)	(760)
Operating expenses	(25,984)	(21,396)	(45,507)
Operating income from ordinary activities	2,890	1,598	4,723
% of revenue ^(*)	10.1%	7.1%	9.6%
Share-based payments (IFRS 2)	(138)	(115)	(288)
Profit/(loss) of companies accounted for under the equity method	34	(17)	12
Other recurring operating items	(9)	1	17
Recurring operating income	2,777	1,467	4,464
Goodwill impairment losses	-	(1)	(19)
Impact from changes in scope and gain/(loss) on disposals of shares	54	1	(7)
Other non-recurring operating items	-	-	-
<i>Total non-recurring operating items</i>	<i>54</i>	<i>-</i>	<i>(26)</i>
Operating income	2,831	1,467	4,438

(*) Excluding concession subsidiaries' revenue derived from works carried out by non-Group companies.

(**) Revenue from ancillary activities mainly comprises rental income, sales of equipment, materials and merchandise, study work and fees other than those generated by concession operators.

Operating income from ordinary activities measures the operational performance of fully consolidated Group subsidiaries. It excludes share-based payment expense (IFRS 2), certain recurring operating items (including the share of profit or loss of companies accounted for under the equity method), together with non-recurring operating items.

Recurring operating income is obtained by taking operating income from ordinary activities and adding the IFRS 2 expense associated with share-based payments (chiefly Group savings plans and performance share plans), the Group's share of profit or loss of subsidiaries accounted for under the equity method, and other recurring operating income and expense. The latter category includes recurring income and expense relating to companies accounted for under the equity method and to non-consolidated companies (financial income from shareholder loans and advances granted by the Group to some subsidiaries, dividends received from non-consolidated companies). Recurring operating income represents the Group's operational performance excluding the impact of non-recurring transactions and events during the period.

Operating income is calculated by taking recurring operating income and adding non-recurring income and expense, which mainly includes goodwill impairment losses, restructuring charges and income and expense relating to changes in scope (capital gains or losses on disposals of securities and the impact of changes in control).

Non-recurring operating items in the first half of 2022 comprised €54 million of scope effects, mainly arising from transactions to take control of SCDI and TollPlus Inc by VINCI Highways, see Note A.2, "Changes in consolidation scope", as well as the disposal of Skavsta airport in Sweden. Non-recurring operating items were not material in the first half of 2021.

5. Cost of net financial debt

The cost of net financial debt amounted to €265 million in the first half of 2022, down €54 million compared with the first half of 2021 (€319 million).

Refinancing transactions in 2021 took place on better terms than those of the debts being repaid, and returns on the Group's cash holdings also improved, this led to a reduction in the cost of net financial debt.

The cost of net financial debt can be analysed as follows:

(in € millions)	First half 2022	First half 2021	Full year 2021
Financial liabilities at amortised cost	(373)	(361)	(724)
Financial assets and liabilities at fair value through profit and loss	35	(2)	1
Derivatives designated as hedges: assets and liabilities	68	72	140
Derivatives at fair value through profit and loss: assets and liabilities	4	(29)	(75)
Total cost of net financial debt	(265)	(319)	(658)

6. Other financial income and expense

Other financial income and expense break down as follows:

(in € millions)	First half 2022	First half 2021	Full year 2021
Effect of discounting to present value	43	(14)	(30)
Capitalised borrowing costs	11	22	47
Financial expenses on lease liabilities	(23)	(21)	(43)
Foreign exchange gains and losses and other changes in fair value	93	31	66
Total other financial income and expense	124	17	40

Changes in discount rates led to a gain of €57 million in the first half of 2022 in relation to provisions for obligations to maintain the condition of concession assets, as opposed to a loss of €1 million in the first half of 2021. Discounting expenses also relate to provisions for retirement benefit obligations (€7 million expense in the first half of 2022 and the first half of 2021) and fixed fees to concession grantors at more than one year in relation to Salvador Bahia airport in Brazil and Belgrade airport in Serbia for €7 million (as opposed to €6 million in the first half of 2021).

Capitalised borrowing costs mainly related to VINCI Autoroutes, Belgrade airport in Serbia and London Gatwick airport in the United Kingdom.

Other changes in fair value amounted to €59 million in the first half of 2022 (against €28 million in the first half of 2021) and mainly concern shares in Groupe ADP.

7. Income tax expense

The tax expense amounted to €760 million (€798 million in the first half of 2021, which included a negative impact of €386 million from revaluing deferred tax as a result of the UK corporation tax rate from 1 April 2023, which will increase to 25% from the current 19%).

In the first half of 2022, excluding non-recurring items:

- in France, the effective tax rate was 27.1%;
- outside France, the effective tax rate was 34.1%.

8. Earnings per share

Basic earnings per share is the net income for the period after non-controlling interests, divided by the weighted average number of shares outstanding during the period less the weighted average number of treasury shares.

In calculating diluted earnings per share, the weighted average number of existing shares is adjusted for the potentially dilutive effect of all equity instruments issued by the company, in particular Group savings plans and unvested performance shares. Dilution is determined in accordance with the rules laid down by IAS 33. In accordance with this standard, plans for which the stock market price is greater than the average price during the period are excluded from the diluted earnings per share calculation.

In calculating basic and diluted earnings per share, earnings are also adjusted as necessary for changes in income and expenses taken directly to equity resulting from the conversion into shares of all potentially dilutive instruments.

The table below shows the transition from basic earnings per share to diluted earnings per share:

		First half 2022	First half 2021	Full year 2021
Net income (in € millions)	I	1,900	682	2,597
Total shares		593,750,933	592,432,337	594,984,755
Treasury shares		(29,538,833)	(25,656,387)	(25,474,453)
Before dilution	II	564,212,100	566,775,950	569,510,302
Group savings plans		196,039	772,387	504,297
Performance shares		4,589,671	4,454,536	5,835,884
After dilution	III	568,997,810	572,002,873	575,850,483
Basic earnings per share (in €)	I / II	3.37	1.20	4.56
Diluted earnings per share (in €)	I / III	3.34	1.19	4.51

E. Investments in other companies

9. Goodwill

In accordance with IAS 36 "Impairment of Assets", an entity must assess on each reporting date whether there is any indication that an asset may be impaired.

Recoverable amounts are based on a value in use calculation. To this end, VINCI Airports checked whether business plans established at the time of the 2021 accounts closing, based on management assumptions in accordance with macroeconomic forecasts, had been materially called into question or whether trends were more positive than anticipated. No impairment loss was recognised after this analysis.

The methods used by the Group are described, along with additional information, in Note E.9, "Goodwill and goodwill impairment tests" to the 2021 consolidated financial statements presented in the 2021 Universal Registration Document.

Changes in the period were as follows:

(in € millions)	30/06/2022	31/12/2021
Net at beginning of period	16,472	11,619
Goodwill recognised during the period	181	4,613 ^(*)
Impairment losses	-	(19)
Companies leaving the consolidation scope	(4)	(1)
Currency translation differences	112	241
Other movements	11	19
Net at end of period	16,773	16,472

(*) Including the provisional goodwill relating to the acquisition of Cobra IS (see Note A.2, "Changes in consolidation scope").

Goodwill recognised in the period mainly concerned acquisitions made by VINCI Energies and VINCI Concessions.

The main goodwill items at 30 June 2022 were as follows:

(in € millions)	30/06/2022	31/12/2021		
	Gross	Impairment losses	Net	Net
Cobra IS ^(*)	4,529	-	4,529	4,529
VINCI Airports	2,641	-	2,641	2,649
VINCI Energies France	2,503	-	2,503	2,490
ASF group	1,935	-	1,935	1,935
VINCI Energies Germany	823	-	823	807
VINCI Energies North America	759	(94)	665	610
VINCI Energies Benelux	450	-	450	439
VINCI Highways	346	-	346	210
VINCI Energies Scandinavia	341	-	341	349
Eurovia USA	232	-	232	213
Other	2,516	(209)	2,308	2,242
Total	17,075	(302)	16,773	16,472

(*) Provisional estimate (see Note A.2, "Changes in consolidation scope").

10. Investments in companies accounted for under the equity method: associates and joint ventures

10.1 Movements during the period

(in € millions)	30/06/2022			31/12/2021		
	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Value of shares at beginning of period	438	512	950	428	608	1,035
of which concessions	32	321	353	31	420	451
of which VINCI Energies	6	6	12	10	8	18
of which Cobra IS	5	13	17	-	-	-
of which VINCI Construction	393	92	485	384	86	470
of which VINCI Immobilier	2	80	82	2	95	96
Increase / decrease in share capital of companies accounted for under the equity method	10	3	12	-	(4)	(4)
Group share of profit or loss for the period	32	2	34	28	(16)	12
Group share of other comprehensive income for the period	15	219	234	3	112	114
Dividends paid	(1)	(47)	(48)	(17)	(94)	(112)
Changes in consolidation scope and other	9	25	34	4	(40)	(36)
Reclassifications ^(*)	(14)	(202)	(215)	(6)	(54)	(60)
Value of shares at end of period	489	512	1,001	438	512	950
of which concessions	58	311	369	32	321	353
of which VINCI Energies	7	4	11	6	6	12
of which Cobra IS	10	13	22	5	13	17
of which VINCI Construction	412	98	510	393	92	485
of which VINCI Immobilier	2	85	88	2	80	82

(*) Reclassifications of shares in the negative net equity of equity-accounted companies under provisions for financial risks.

NB: The terms "associates" and "joint ventures" are defined in Note B.2, "Consolidation methods".

At 30 June 2022, the Group's interests in companies accounted for under the equity method included, for VINCI Airports, the stake in Kansai Airports (€139 million) and, for VINCI Construction, the stakes in CFE and DEME Group (€270 million).

The amounts recorded under "Group share of other comprehensive income for the period" relate mainly to the impact of interest rate hedging transactions on concession and public-private partnership projects.

10.2 Aggregated financial information

The contribution of equity-accounted companies to the Group's consolidated comprehensive income during the period is as follows:

(in € millions)	First half 2022			First half 2021			Full year 2021		
	Associates	Joint ventures	Total	Associates	Joint ventures	Total	Associates	Joint ventures	Total
Net income	32	2	34	10	(27)	(17)	28	(16)	12
of which concessions	19	(23)	(4)	-	(55)	(55)	1	(94)	(93)
of which VINCI Energies	1	1	2	2	1	3	4	4	8
of which Cobra IS	5	1	5	-	-	-	-	-	-
of which VINCI Construction	7	12	19	9	15	24	23	24	47
of which VINCI Immobilier	1	11	11	-	12	12	-	50	50
Other comprehensive income	15	219	234	(1)	62	61	3	112	114
of which concessions	3	221	225	3	62	65	7	112	119
of which VINCI Construction	12	(3)	9	(4)	(1)	(4)	(4)	-	(4)
Comprehensive income	48	220	268	10	35	45	30	96	126
of which concessions	23	199	221	3	8	10	8	18	26
of which VINCI Energies	1	1	2	2	1	3	4	4	8
of which Cobra IS	5	1	5	-	-	-	-	-	-
of which VINCI Construction	18	9	28	6	14	20	19	24	43
of which VINCI Immobilier	1	11	11	-	12	12	-	50	50

11. Other non-current financial assets

(in € millions)	30/06/2022	31/12/2021
Financial assets measured at amortised cost	1,530	1,161
Equity instruments	1,178	1,078
PPP financial receivables ^(*)	177	210
Other non-current financial assets	2,886	2,450

(*) Information relating to "PPP financial receivables" is provided in Note F.13.

Non-current financial assets measured at amortised cost

Financial assets measured at amortised cost mainly comprise receivables relating to shareholdings, such as shareholders' advances to entities managing concession or PPP projects for €745 million (€730 million at 31 December 2021).

During the period, the change broke down as follows:

(in € millions)	First half 2022	Full year 2021
Beginning of period	1,161	1,034
Acquisitions during period	340	142
Acquisitions as part of business combinations	-	56
Impairment losses	(4)	(6)
Disposals during period	(62)	(71)
Other movements and currency translation differences	95	6
End of period	1,530	1,161

Acquisitions during the period mainly comprised €261 million of investments made by Cobra IS.

Equity instruments

Equity instruments mainly include VINCI's stake in Groupe ADP, which has been measured at fair value through profit and loss since 15 December 2020, along with shareholdings in subsidiaries that do not meet VINCI's minimum financial criteria for consolidation.

F. Concessions: PPP contracts, concession contracts and other infrastructure

12. Concession intangible assets

(in € millions)	VINCI Autoroutes	VINCI Airports	Other concessions ^(*)	Total
Gross				
01/01/2021	34,375	5,463	2,136	41,974
Acquisitions during period ^(**)	599	121	33	753
Disposals during period	(2)	(1)	(5)	(8)
Currency translation differences	-	95	(39)	55
Changes in scope and other	14	117	54	184
	34,986	5,794	2,179	42,959
Grants received	(21)	-	(25)	(47)
31/12/2021	34,964	5,794	2,153	42,912
Acquisitions during period ^(**)	247	54	34	335
Disposals during period	(1)	-	-	(1)
Currency translation differences	-	174	215	389
Changes in scope and other	(9)	(2)	33	22
	35,201	6,020	2,436	43,657
Grants received	(8)	-	(5)	(13)
30/06/2022	35,193	6,020	2,430	43,644
Depreciation and impairment losses				
01/01/2021	(14,797)	(898)	(393)	(16,088)
Depreciation during period	(1,167)	(116)	(66)	(1,348)
Impairment losses	-	(68)	-	(68)
Disposals during period	-	1	5	6
Currency translation differences	-	(32)	4	(28)
Other movements	(16)	(46)	(19)	(81)
31/12/2021	(15,979)	(1,135)	(469)	(17,583)
Depreciation during period	(590)	(73)	(39)	(702)
Impairment losses	-	-	-	-
Reversals of impairment losses	-	2	-	2
Disposals during period	-	-	-	-
Currency translation differences	-	(47)	(27)	(74)
Other movements	(9)	(7)	167	151
30/06/2022	(16,578)	(1,260)	(368)	(18,206)
Net				
01/01/2021	19,578	4,564	1,744	25,886
31/12/2021	18,985	4,659	1,684	25,329
30/06/2022	18,615	4,760	2,062	25,437

(*) Including the concessions of Cobra IS.

(**) Including capitalised borrowing costs.

Acquisitions in the period totalled €335 million, as opposed to €358 million in the first half of 2021.

They include investments by the ASF group for €143 million, Cofiroute for €91 million, Arcos for €2 million, VINCI Airports for €50 million (respectively €141 million, €93 million, €37 million, and €38 million).

Investments by Cobra IS totalled €29 million in the first half of 2022.

Concession intangible assets include assets under construction for a gross amount of €1,426 million at 30 June 2022 (€1,307 million at 31 December 2021). These relate mainly to subsidiaries of VINCI Autoroutes for €1,045 million (including €453 million for Cofiroute, €402 million for ASF and €187 million for Escota) and of VINCI Airports for €372 million.

At 31 December 2021, they related mainly to subsidiaries of VINCI Autoroutes for €959 million (including €388 million for ASF, €371 million for Cofiroute and €169 million for Escota) and of VINCI Airports for €343 million.

The main features of concession and PPP contracts are set out in Note F, "Concessions: PPP contracts, concession contracts and other infrastructure" in the 2021 Universal Registration Document.

13. PPP financial receivables (controlled companies)

PPP financial receivables related to concession and PPP contracts managed by the Group are presented on the consolidated balance sheet, for their part at more than one year, under the "Other non-current financial assets" item (see Note E.11, "Other non-current financial assets").

During the period, the change broke down as follows:

(in € millions)	First half 2022	Full year 2021
Beginning of period	210	252
Acquisitions during period	5	15
Redemptions	(37)	(49)
Other movements and currency translation differences	-	(8)
End of period	177	210

14. Off-balance sheet commitments in concessions

14.1 Companies controlled by the Group

Contractual investment and renewal obligations

(in € millions)	30/06/2022	31/12/2021
ASF group	981	690
Cofiroute	373	467
Cobra IS	298	105
Belgrade airport (Serbia)	130	184
ANA group (Portugal)	87	106
ADL - Aéroports de Lyon	68	20
London Gatwick airport (United Kingdom)	52	64
Lima Expresa (Peru)	34	80
Other	16	122
Total	2,040	1,837

Contractual investment obligations of motorway concession companies consist mainly of undertakings made under concession contracts, multi-year master contracts as part of the 2015 motorway stimulus plan and the motorway investment plan approved in 2018.

The increase in VINCI Autoroutes' undertakings was mainly due to the investment undertaking made by Autoroutes du Sud de la France in relation to the western Montpellier bypass. Overall, VINCI Autoroutes' investment undertakings amounted to €1,354 million at 30 June 2022 (€1,157 million at 31 December 2021).

The above amounts do not include obligations relating to expenditure to maintain the condition of infrastructure under concession, in respect of which specific provisions based on maintenance plans are set aside (see Note G.16, "Breakdown of current provisions").

Collateral security connected with financing

Collateral security (in the form of pledges of shares, mortgages on land and buildings) is generally granted to secure financing arranged within subsidiaries, and breaks down as follows:

(in € millions)	Start date	End date	30/06/2022
London Gatwick airport	2011	2049	2,574
Arcour	2008	2047	584
Arcos	2018	2045	360
Aerodom	2017	2029	358
Lima Expresa (Peru)	2016	2037	284
ADL - Aéroports de Lyon	2016	2033	229
Belgrade airport	2018	2035	218
Gefyra	1997	2029	133
Caraibus (Martinique)	2015	2035	56
Other concession companies			115

Other securities related to the funding of concession projects have been granted in an amount of €261 million, including a corporate guarantee given by VINCI Concessions on behalf of the airports in Brazil's North Region (€118 million).

14.2 Companies accounted for under the equity method

Contractual investment obligations

At 30 June 2022, the Group's share of investment commitments given by these companies amounted to €1,036 million (€1,362 million at 31 December 2021). They relate to the Vía 40 Express motorway between the cities of Bogotá and Girardot in Colombia (€151 million), the Via Muhlhausen project (B247 federal road in Germany: €111 million) and the Via Salis project (D4 motorway in the Czech Republic: €93 million). Progress with works on these projects reduced the related investment commitments by €326 million in the first half of 2022.

Collateral security connected with financing

Collateral security has been granted in the form of pledges of shares in companies accounted for under the equity method.

The net carrying amount of the shares pledged at 30 June 2022 was €37 million, representing no material change relative to 31 December 2021.

In addition, €172 million of corporate guarantees were granted, including those given by Cobra IS to the banks providing finance for four high-voltage line projects in Brazil (€130 million).

Funding commitments

The Group has made commitments to provide funding (capital and/or subordinated loans) to companies accounted for under the equity method. At 30 June 2022, those commitments amounted to €44 million (€55 million at 31 December 2021). They mainly concern the D4 motorway project in the Czech Republic (€27 million) and the new B247 federal road in Germany (€11 million).

G. Other balance sheet items and business-related commitments

15. Other intangible assets and property, plant and equipment

15.1 Other intangible assets

(in € millions)	Patents and licences	Software	Other intangible assets	Total
Gross				
31/12/2021	256	704	7,400	8,359
30/06/2022	254	605	7,327	8,186
Amortisation and impairment losses				
31/12/2021	(50)	(530)	(194)	(773)
30/06/2022	(48)	(435)	(229)	(712)
Net				
31/12/2021	206	174	7,206	7,586
30/06/2022	206	169	7,098	7,473

At 30 June 2022, other intangible assets amounted to €7,473 million (€7,586 million at 31 December 2021). The main change resulted mainly from movements in the sterling exchange rate since 31 December 2021.

Other intangible assets include €6,444 million corresponding to the right to operate London Gatwick airport at 30 June 2022. Since that right to operate is analogous to a perpetual licence, it is not amortised in accordance with IAS 38 "Intangible Assets". As the review of assumptions adopted at 31 December 2021 (traffic, discount rates, economic context etc.) did not show any indications of impairment, the Group did not carry out any impairment tests at 30 June 2022.

15.2 Property, plant and equipment

(in € millions)	Concession operating fixed assets	Land	Constructions and investment property	Plant, equipment and fixtures	Right-of-use assets in respect of leases			Total
					Concession operating fixed assets	Property	Movable assets	
Gross								
31/12/2021	4,630	1,398	3,939	10,269	25	1,997	1,674	23,933
30/06/2022	4,942	1,495	3,935	10,536	27	2,069	1,702	24,706
Depreciation and impairment losses								
31/12/2021	(3,580)	(402)	(1,179)	(6,857)	(13)	(805)	(794)	(13,629)
30/06/2022	(3,829)	(410)	(1,254)	(7,202)	(14)	(810)	(852)	(14,371)
Net								
31/12/2021	1,050	997	2,760	3,412	12	1,192	880	10,303
30/06/2022	1,113	1,085	2,681	3,334	13	1,259	851	10,335

Property, plant and equipment includes assets under construction for €709 million at 30 June 2022 (€753 million at 31 December 2021).

At 30 June 2022, right-of-use assets in respect of leases totalled €2,122 million (compared with €2,084 million at 31 December 2021).

16. Working capital requirement and current provisions

16.1 Change in working capital requirement

(in € millions)	30/06/2022	30/06/2021 ^(*)	31/12/2021	Changes 30/06/2022 vs 31/12/2021		
				Business – related changes in the WCR	Changes in consolidation scope	Other changes ^(**)
Inventories and work in progress (net)	1,719	1,604	1,591	103	11	14
Trade and other receivables	18,540	13,934	15,559	2,300	81	601
Other current assets	6,992	5,684	6,036	843	(2)	115
- Non-operating assets	(22)	(20)	(22)	1	-	(1)
Inventories and operating receivables	I	27,229	21,202	23,164	3,246	89
Trade payables	(12,590)	(9,579)	(12,027)	(313)	(10)	(240)
Other current liabilities	(17,266)	(14,531)	(16,736)	(287)	(11)	(232)
- Non-operating liabilities	381	368	450	(93)	1	23
Trade and other operating payables	II	(29,475)	(23,742)	(28,313)	(693)	(19)
Working capital requirement (excluding current provisions)	I+II	(2,247)	(2,541)	(5,149)	2,553	70
Current provisions		(5,770)	(5,061)	(5,923)	28	(21)
of which part at less than one year of non-current provisions		(108)	(148)	(188)	81	-
Working capital requirement (including current provisions)		(8,017)	(7,602)	(11,071)	2,581	49
						424

(*) Before integration of Cobra IS.

(**) Mainly currency translation differences.

16.2 Breakdown of current provisions

Changes in current provisions reported in the balance sheet for the first half of 2022 and full year 2021 were as follows:

(in € millions)	Opening	Provisions taken	Provisions used	Other reversals not used	Changes in consolidation scope and miscellaneous			Change in the part at less than one year	Currency translation differences	Closing
					scope and miscellaneous	Change in the part at less than one year	Currency translation differences			
01/01/2021	4,741	1,912	(1,346)	(247)	(20)	(15)	(52)	4,973		
Obligation to maintain the condition of concession assets	987	164	(111)	(18)	1	-	1		1,024	
After-sales service	401	145	(117)	(12)	19	-	5		442	
Losses on completion and construction project liabilities	1,558	1,010	(750)	(46)	7	-	22		1,800	
Disputes	553	279	(124)	(31)	1	-	-		678	
Restructuring costs	58	13	(28)	(11)	(5)	-	-		27	
Other current liabilities	1,235	645	(339)	(78)	287 ^(*)	-	14		1,763	
Reclassification of the part at less than one year	182	-	-	-	19	(14)	1		188	
31/12/2021	4,973	2,256	(1,469)	(196)	329	(14)	44	5,923		
Obligation to maintain the condition of concession assets	1,024	63	(62)	(7)	-	-	5		1,023	
After-sales service	442	37	(29)	(2)	3	-	-		452	
Losses on completion and construction project liabilities	1,800	680	(677)	(38)	7	-	12		1,784	
Disputes	678	58	(88)	(6)	2	-	2		647	
Restructuring costs	27	2	(9)	(1)	-	-	-		19	
Other current liabilities	1,763	143	(129)	(21)	(41)	-	22		1,737	
Reclassification of the part at less than one year	188	-	-	-	-	(81)	-		108	
30/06/2022	5,923	983	(993)	(75)	(28)	(81)	41	5,770		

(*) Including €277 million relating to the Cobra IS acquisition.

Current provisions relating to the operating cycle consist mainly of provisions in respect of construction contracts and provisions for the obligation to maintain the condition of concession assets. In particular, they are intended to cover expenses to be incurred by:

- motorway concession operating companies for repairs of roads, bridges, tunnels and hydraulic infrastructure. At 30 June 2022, they mainly concerned the ASF group for €502 million (€501 million at 31 December 2021) and Cofiroute for €262 million (€270 million at 31 December 2021);
- airport concession companies (repairs to runways, traffic lanes and other paved surfaces) for €226 million (€224 million at 31 December 2021) including €114 million for the ANA group (€113 million at 31 December 2021).

Provisions for other current liabilities mainly consist of individual provisions with a value of less than €2 million each. They include provisions for worksite restoration and removal costs for €210 million (€216 million at 31 December 2021).

17. Non-current provisions

Changes in other non-current provisions (excluding employee benefits) were as follows in the first half of 2022 and full year 2021:

(in € millions)	Opening	Changes in consolidation				Change in the part at less than one year	Currency translation differences	Closing
		Provisions taken	Provisions used	Other reversals not used	scope and miscellaneous			
01/01/2021	1,341	90	(58)	(16)	(228)	15	(5)	1,140
Financial risks	1,019	50	(4)	(1)	(132)	-	-	933
Other liabilities	303	144	(66)	(5)	15	-	1	393
Reclassification of the part at less than one year	(182)	-	-	-	(19)	14	(1)	(188)
31/12/2021	1,140	194	(69)	(6)	(137)	14	-	1,137
Financial risks	933	44	(4)	-	(220)	-	-	753
Other liabilities	393	23	(63)	(1)	10	-	3	365
Reclassification of the part at less than one year	(188)	-	-	-	-	81	-	(108)
30/06/2022	1,137	68	(68)	(1)	(209)	81	3	1,010

Provisions for financial risks

Provisions for financial risks include the Group's share of the negative net equity of companies accounted for under the equity method. That negative net equity results from the measurement of interest rate derivative instruments (cash flow hedges) at fair value in the financial statements of the companies concerned.

Provisions for other liabilities

Provisions for other liabilities, not directly linked to the operating cycle, include provisions for disputes and arbitration, some of which are described in Note K.29, "Note on litigation".

18. Lease liabilities

At 30 June 2022, lease liabilities amounted to €2,145 million, including €1,614 million for the part at more than one year and €531 million for the part at less than one year.

The net increase of €47 million during the period breaks down as follows:

- new lease liabilities: increase of €318 million;
- repayments of lease liabilities: decrease of €287 million;
- other changes: increase of €16 million, mainly due to translation differences.

19. Other contractual obligations of an operational nature and other commitments given and received

19.1 Other contractual obligations of an operational nature

(in € millions)	30/06/2022	31/12/2021
Purchase and capital expenditure obligations ^(*)	1,219	1,291
Obligations related to quarrying rights	99	112

(*) Excluding capital investment obligations related to concession and PPP contracts (see Note F, "Concessions: PPP contracts, concession contracts and other infrastructure" in the 2021 Universal Registration Document).

Other purchase and capital expenditure obligations, excluding those relating to concession contracts, mainly concern Cobra IS's photovoltaic projects in Brazil and Spain for €566 million and, to a lesser extent, commitments made by VINCI Energies, VINCI Construction and VINCI Immobilier.

VINCI Concessions, via its VINCI Concessions Ventures subsidiary, has made a commitment to invest in the Clean H2 Infra Fund dedicated to clean hydrogen infrastructure solutions.

Obligations related to quarry operations include quarrying rights and quarry leases at VINCI Construction.

19.2 Other commitments made and received

(in € millions)	30/06/2022	31/12/2021
Other commitments made	1,225	1,325
Other commitments received	251	310

These amounts include various tax and social security-related guarantees as well as personal sureties provided as performance guarantees relating to work done by concession companies.

The Group's off-balance sheet commitments are subject to specific reporting at each full-year and half-year closing. They are presented according to the activity to which they relate, in the corresponding notes.

The commitments made and received by the Group in connection with concession contracts and items connected with unrecognised retirement benefit obligations are shown in the following notes:

- Note F.14, "Off-balance sheet commitments in concessions";
- Note J.26 "Provisions for employee benefits".

Commitments made and received by the Group in connection with construction and service contracts and are detailed in Note G.16.3 in the 2021 Universal Registration Document.

H. Equity

20. Information on equity

Capital management policy

VINCI has a share buy-back programme approved in its Shareholders' General Meeting of 8 April 2021 and a programme approved in its Shareholders' General Meeting of 12 April 2022 for a period of 18 months, with a maximum purchase amount of €4 billion at a maximum share price of €140. In the first half of 2022, VINCI acquired 9,817,131 shares on the market at an average price of €91.68 per share, for a total of €900 million.

Treasury shares (see Note H.20.2, "Treasury shares") are allocated to financing external growth transactions and to covering performance share plans and the employer contributions to international employee share ownership plans. They may also be cancelled.

VINCI's employee savings policy aims to make it easier for Group employees to become shareholders. At 30 June 2022, over 42% of the Group's employees (85% in France) were VINCI shareholders through collective employee share ownership arrangements. Since those funds own 10.18% of the company's shares, the Group's current and former employees form its largest group of shareholders.

Neither the Group's consolidated equity nor the equity of parent company VINCI SA is subject to any external constraints in the form of financial covenants.

20.1 Share capital

At 30 June 2022, the parent company's share capital was represented by 596,771,924 ordinary shares of €2.5 nominal value each.

The changes in the number of shares during the period were as follows:

	30/06/2022	31/12/2021
Number of shares at beginning of period	592,362,376	588,519,218
Increases in share capital	4,409,548	9,843,158
Cancelled treasury shares	-	(6,000,000)
Number of shares at end of period	596,771,924	592,362,376
Number of shares issued and fully paid	596,771,924	592,362,376
Nominal value of one share (in €)	2.5	2.5
Treasury shares held directly by VINCI	32,289,487	24,781,783
<i>of which shares allocated to covering performance share plans and employee share ownership plans</i>	<i>17,080,126</i>	<i>19,389,553</i>

20.2 Treasury shares

Changes in treasury shares were as follows:

	30/06/2022	31/12/2021
Number of shares at beginning of period	24,781,783	26,457,495
Shares repurchased during the period	9,817,131	6,714,354
Shares granted to employees (2019 performance share plan)	(1,821,638)	(1,615)
Shares granted to employees (2020 performance share plan)	(985)	(1,570)
Shares granted to employees (2021 performance share plan)	(300)	(875)
Delivery of shares in connection with the Castor International plan	(486,504)	(460,298)
Cancelled treasury shares	-	(6,000,000)
Number of shares at end of period	32,289,487	24,781,783

At 30 June 2022, the total number of treasury shares held was 32,289,487. These were recognised as a deduction from consolidated equity for €2,681 million.

A total of 17,080,126 shares are allocated to covering long-term incentive plans and employee share ownership transactions and 15,209,361 shares are intended to be used as payment in external growth transactions or to be sold or cancelled.

20.3 Amounts recognised directly in equity

The main amounts recognised directly in equity are as follows:

(in € millions)	30/06/2022			31/12/2021		
	Attributable to owners of the parent	Attributable to non-controlling interests	Total	Attributable to owners of the parent	Attributable to non-controlling interests	Total
Hedging costs						
Reserve at beginning of period	(43)	-	(43)	(28)	-	(28)
Gross reserve before tax effect at balance sheet date	I	(37)	-	(37)	(43)	-
Cash flow hedge and net investment hedges						
Reserve at beginning of period		(879)	1	(878)	(906)	-
Changes in fair value of companies accounted for under the equity method		334	-	334	163	163
Other changes in fair value in the period		252	1	253	(235)	1
Fair value items recognised in profit or loss		46	-	46	97	97
Changes in consolidation scope and miscellaneous		-	-	-	2	2
Gross reserve before tax effect at balance sheet date	II	(246)	1	(245)	(879)	1
of which gross reserve relating to companies accounted for under the equity method		(209)	-	(209)	(543)	-
Total gross reserve before tax effects (items that may be recycled to income)	I+II	(283)	1	(281)	(922)	1
Associated tax effect		29	-	29	200	200
Reserve net of tax (items that may be recycled to income)	III	(254)	1	(253)	(722)	1
Equity instruments						
Reserve at beginning of period		(1)	-	(1)	(2)	-
Reserve net of tax at end of period	IV	(1)	-	(1)	(1)	-
Actuarial gains and losses on retirement benefit obligations						
Reserve at beginning of period		(394)	31	(362)	(500)	10
Actuarial gains and losses recognised in the period		396	55	452	134	30
Associated tax effect		(96)	(11)	(106)	(28)	(8)
Reserve net of tax at end of period	V	(93)	76	(17)	(394)	31
Total reserve net of tax (items that may not be recycled to income)	IV+V	(94)	76	(19)	(395)	31
Total amounts recognised directly in equity	III+IV+V	(348)	77	(271)	(1,117)	32
						(1,085)

The amounts recognized directly in equity mainly relate to hedging transactions (-€245 million). These include:

- transactions relating to net investment hedges for -€198 million. These mainly concern concession activities abroad;
- interest rate risk hedging for -€67 million;
- other currency and commodity hedging for +€20 million.

The main changes for the period are directly linked to the increase in interest and discount rates observed during the first half.

These transactions are described in Note J.27.1.2, "Description of hedging transactions" in the 2021 Universal Registration Document.

20.4 Non-controlling interests

The only subsidiary in which non-controlling interests are material is the holding company that indirectly owns a 50.01% stake in London Gatwick airport. At 30 June 2022, they amounted to €1,265 million (€1,256 million at 31 December 2021).

21. Dividends

In the 12 April 2022 Shareholders' General Meeting, shareholders approved a dividend payment of €2.90 per share with respect to 2021. An interim dividend of €0.65 per share was paid in November 2021 and the final dividend of €2.25 per share was paid in cash on 28 April 2022.

Dividends paid by VINCI SA to its shareholders in respect of 2021 and 2020 break down as follows:

	2021	2020
Dividend per share (in €)		
Interim dividend	0.65	-
Final dividend	2.25	2.04
Net total dividend	2.90	2.04
 Amount of dividend (in € millions)		
Interim dividend	372	-
Final dividend	1,266	1,157
<i>Amount paid in cash</i>	1,266	1,157
Net total dividend	1,637	1,157

I. Financing and financial risk management

22. Net financial debt

At 30 June 2022, net financial debt, as defined by the Group, stood at €22.1 billion, up almost €2.9 million compared with 31 December 2021. It breaks down as follows:

Analysis by accounting heading	(in € millions)	30/06/2022			31/12/2021		
		Non-current	Current ^(*)	Total	Non-current	Current ^(*)	Total
	Bonds	(20,089)	(2,827)	(22,917)	(22,212)	(2,741)	(24,952)
	Other bank loans and other non-current financial debt	(2,976)	(964)	(3,940)	(2,757)	(788)	(3,545)
	Long-term financial debt^(**)	(23,066)	(3,791)	(26,857)	(24,969)	(3,528)	(28,497)
	Commercial paper	-	(2,223)	(2,223)	-	(412)	(412)
Financial liabilities at amortised cost	Other current financial liabilities	-	(902)	(902)	-	(618)	(618)
	Bank overdrafts	-	(669)	(669)	-	(876)	(876)
	Financial current accounts - liabilities	-	(68)	(68)	-	(61)	(61)
	I - Gross financial debt	(23,066)	(7,653)	(30,719)	(24,969)	(5,496)	(30,465)
	of which impact of fair value hedges	981	(6)	975	(481)	(26)	(507)
	of which effect of recognising London Gatwick's debt at fair value	(415)	-	(415)	(445)	-	(445)
Financial assets at amortised cost	Collateralised loans and financial receivables	5	-	5	4	-	4
	Financial current accounts - assets	-	119	119	-	86	86
Financial assets measured at fair value through profit or loss	Cash management financial assets	-	161	161	-	114	114
	Cash equivalents	-	1,453	1,453	-	3,042	3,042
	Cash	-	8,180	8,180	-	8,022	8,022
	II - Financial assets	5	9,912	9,917	4	11,264	11,268
Derivatives	Derivative financial instruments - liabilities	(1,226)	(473)	(1,699)	(422)	(513)	(935)
	Derivative financial instruments - assets	220	153	373	575	291	866
	III - Derivative financial instruments	(1,005)	(320)	(1,326)	153	(222)	(69)
	Net financial debt	I+II+III	(24,066)	1,938	(22,127)	(24,812)	5,547
	<i>Net financial debt breaks down by business line as follows:</i>						
	Concessions	(34,249)	1,889	(32,360)	(34,792)	2,098	(32,693)
	VINCI Energies	(2,042)	2,000	(42)	(2,099)	2,545	447
	Cobra IS	(235)	109	(125)	(187)	864	676
	VINCI Construction	(1,227)	2,796	1,569	(1,254)	4,589	3,334
	Holding companies and VINCI Immobilier	13,687	(4,856)	8,831	13,520	(4,549)	8,971

(*) The current part includes accrued interest not matured.

(**) Including the part at less than one year.

Derivative financial instruments that are not designated as hedges for accounting purposes are reported as "Derivative financial instruments - current assets" or "Derivative financial instruments - current liabilities", whatever their maturity dates.

Change in net financial debt

(in € millions)	Opening	Cash flows	Ref.	"Non-cash" changes					Ref.	Closing
				Changes in consolidation scope	Exchange rate effect	Changes in fair value	Other changes	"Non-cash" total		
Bonds (non-current)	(22,212)	13	(3)	(145)	(33)	1,464	824	2,109	(4)	(20,089)
Other loans and borrowings (non-current)	(2,757)	(324)	(3)	(99)	(28)	-	232	105	(4)	(2,976)
Current borrowings	(5,496)	(765)		9	(107)	18	(1,312)	(1,392)		(7,653)
of which the part at less than one year of long-term debts	(3,193)	713	(3)	60	(83)	18	(1,009)	(1,014)	(4)	(3,494)
of which current financial debts at inception	(1,090)	(1,717)	(2)	(21)	(19)	-	(344)	(384)	(4)	(3,191)
of which accrued interest on bank debts	(337)	-	(4)	(4)	1	-	41	38	(4)	(299)
of which bank overdrafts	(876)	239	(1)	(26)	(6)	-	-	(32)	(1)	(669)
Collateralised loans and receivables	4	-	(4)	1	1	-	-	2	(4)	5
Cash management financial assets	200	67		4	11	-	(3)	12		279
of which cash management financial assets (excluding accrued interest)	199	67	(2)	4	11	-	(3)	12	(4)	278
of which accrued interest on cash management assets	1	-	(4)	-	-	-	-	-	(4)	1
Cash and cash equivalents	11,065	(1,599)	(1)	59	107	2	(1)	167	(1)	9,632
Derivative financial instruments	(69)	(69)		-	40	(1,205)	(23)	(1,188)		(1,326)
of which fair value of derivatives	(198)	(69)	(3)	-	41	(1,205)	-	(1,165)	(4)	(1,432)
of which accrued interest on derivatives	129	-	(4)	-	-	-	(23)	(23)	(4)	106
Net financial debt	(19,266)	(2,678)	(5)	(171)	(9)	278	(283)	(184)	(5)	(22,127)

Comments regarding cash flows in the period (outflow of €2.7 billion) can be found in the management report (see Note 4, "Cash flows"). Repayments of long-term debts that fell due during the period were mainly financed by new bank borrowings and existing cash. Non-cash changes in net financial debt during the period (increase of €184 million) resulted partly from changes in scope, mainly the change in consolidation method in respect of SCDI in Canada (previously accounted for under the equity method but now fully consolidated after the purchase of a further 65% stake) and changes in the fair value of debt hedging instruments.

The table below reconciles changes in net financial debt with the cash flow statement.

Reconciliation of net financial debt with financing flows shown in the cash flow statement

(in € millions)	Ref.	30/06/2022
Change in net cash	(1)	(1,225)
Change in cash management assets and other current financial debts	(2)	(1,650)
(Proceeds from)/repayment of loans	(3)	333
Other changes	(4)	(320)
Change in net financial debt	(5)	(2,862)

22.1 Detail of long-term financial debt by business line

The breakdown of net long-term financial debt (including the part at less than one year) by business line at 30 June 2022 was as follows:

(in € millions)	30/06/2022			31/12/2021		
	Bonds	Other bank loans and other financial debt	Total	Bonds	Other bank loans and other financial debt	Total
Concessions	(17,118)	(2,921)	(20,039)	(17,763)	(2,998)	(20,761)
VINCI Energies	-	(34)	(34)	-	(37)	(37)
Cobra IS	-	(874)	(874)	-	(405)	(405)
VINCI Construction	-	(111)	(111)	-	(103)	(103)
Holding companies and VINCI Immobilier	(5,799)	-	(5,799)	(7,189)	(1)	(7,191)
Total	(22,917)	(3,940)	(26,857)	(24,952)	(3,545)	(28,497)

At 30 June 2022, long-term net financial debt amounted to €26.9 billion, down €1.6 billion compared with the 31 December 2021 figure of €28.5 billion. Besides the increase in the fair value of interest-rate hedging instruments, the change is mainly due to the following transactions:

- VINCI SA redeemed two bond issues: 100 million Swiss francs of bonds issued in 2012 with a coupon of 3% (redeemed in January 2022) and \$717 million of bonds issued in 2017 with a coupon of 0.375% (redeemed in February 2022).
- In the first-half period, ASF repaid €54 million of debt owed to the European Investment Bank.
- In May, Lima Expressa took out a new 1,380 million Peruvian sol 18-month bridging loan to refinance the previous loan of 1,195 million Peruvian sol.
- The change in SCDI's consolidation method led to the inclusion on VINCI's balance sheet of C\$204 million of bonds repayable until September 2031 with a coupon of 6.17%.

Maturity of debts

At 30 June 2022, the weighted average maturity of the Group's long-term financial debt was 6.9 years (7.3 years at 31 December 2021). The average maturity was 7 years in Concessions, 7.3 years for holding companies and VINCI Immobilier, 3.2 years for VINCI Energies, 1 year for Cobra IS and 3.4 years for VINCI Construction.

22.2 Credit ratings and financial covenants

Credit ratings

At 30 June 2022, the Group's credit ratings were as follows:

	Agency	Rating		
		Long-term	Outlook	Short-term
VINCI SA	Standard & Poor's	A-	Stable	A2
	Moody's	A3	Stable	P2
ASF	Standard & Poor's	A-	Stable	A2
	Moody's	A3	Stable	
Cofiroute	Standard & Poor's	A-	Stable	A2
	Moody's	BBB	Negative	
Gatwick Funding Limited ^(*)	Standard & Poor's	Baa2	Negative	
	Moody's	BBB+	Negative	
	Fitch			

(*) Company that raises funding for London Gatwick airport.

None of the rating agencies adjusted its credit ratings in the first half of 2022.

Financial covenants

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

The Group regularly monitors developments in relation to these financial covenants and pays particular attention to finance agreements that could give rise to risks of failing to comply with financial ratios in the short and medium term.

Talks take place with lenders as the case may be to inform them of potential instances of default related to such failures. Group entities seeking to renegotiate some of their financing terms have been able to reach agreements.

In particular, waivers and amendments were obtained by London Gatwick airport in September 2021 in relation to its bank and bond debt (in a total amount of £3.4 billion). The agreement comprises:

- an exemption from the requirement to comply, in December 2021 and June 2022, with the two financial ratios (interest coverage ratio and debt ratio) provided for in its financing agreements;
- a change to the method for calculating the debt ratio until June 2024 in order to adjust for the non-recurring impact of the health crisis on the airport's Ebitda.

Given the economic improvement in the first half of 2022, the Group does not expect to have to negotiate additional waivers.

Other agreements subject to covenants do not involve material amounts (individually less than €300 million for fully consolidated companies). All ratios are complied with.

23. Net cash managed and available resources

At 30 June 2022, the Group's available resources amounted to €14.0 billion comprising €6.0 billion of net cash managed and €8.0 billion of unused confirmed medium-term bank credit facilities.

23.1 Net cash managed

Net cash managed, which includes in particular cash management financial assets and commercial paper issued, breaks down as follows:

30 June 2022

(in € millions)	30/06/2022					
	Concessions		Energy		Construction	
	VINCI Autoroutes	VINCI Airports	VINCI Energies	Cobra IS	VINCI Construction	VINCI Immobilier and holding companies
Cash equivalents	133	24	260	74	962	1,453
Marketable securities and mutual funds (UCITS)	-	-	-	-	-	-
Negotiable debt securities with an original maturity of less than 3 months ^(*)	133	24	260	74	962	1,453
Cash	1,658	459	959	2,022	3,081	8,180
Bank overdrafts	-	(76)	-	(551)	(42)	(669)
Net cash and cash equivalents	1,791	408	1,219	1,545	4,001	8,963
Cash management financial assets	1	52	102	2	4	161
Negotiable debt securities and bonds with an original maturity of less than 3 months	1	41	-	2	4	48
Negotiable debt securities and bonds with an original maturity of more than 3 months	-	11	102	-	-	113
Commercial paper issued	-	-	(98)	-	(2,125)	(2,223)
Other current financial liabilities	(362)	(23)	(475)	(42)	(1)	(902)
Balance of cash management current accounts	3,838	1,578	-	1,326	(6,692)	51
Net cash managed	5,269	2,015	748	2,831	(4,813)	6,050

(*) Including term deposits, interest earning accounts and certificates of deposit.

31 December 2021

(in € millions)	31/12/2021					
	Concessions		Energy		Construction	
	VINCI Autoroutes	VINCI Airports	VINCI Energies	Cobra IS	VINCI Construction	VINCI Immobilier and holding companies
Cash equivalents	165	45	255	137	2,441	3,042
Marketable securities and mutual funds (UCITS)	-	-	-	-	732	732
Negotiable debt securities with an original maturity of less than 3 months ^(*)	165	45	255	137	1,708	2,310
Cash	1,686	584	1,036	2,417	2,299	8,022
Bank overdrafts	(5)	(52)	-	(760)	(60)	(876)
Net cash and cash equivalents	1,846	577	1,291	1,795	4,680	10,188
Cash management financial assets	14	22	72	1	5	114
Negotiable debt securities and bonds with an original maturity of less than 3 months	14	-	-	1	5	20
Negotiable debt securities and bonds with an original maturity of more than 3 months	-	21	72	-	-	93
Commercial paper issued	(327)	-	(85)	-	-	(412)
Other current financial liabilities	(367)	(25)	(194)	(32)	(1)	(618)
Balance of cash management current accounts	3,661	1,988	-	2,854	(8,477)	25
Net cash managed	4,827	2,562	1,084	4,618	(3,794)	9,297

(*) Including term deposits, interest earning accounts and certificates of deposit.

The investment vehicles used by the Group are money market UCITS, interest earning accounts, term deposits and negotiable debt securities (certificates of deposit generally with a maturity of less than three months). They are measured and recognised at their fair value.

At 30 June 2022, net cash managed by VINCI SA amounted to €0.9 billion, arising mainly from the cash surpluses transferred upwards from French subsidiaries through a cash pooling system. VINCI Finance International, a wholly owned subsidiary of VINCI SA that centralises the cash surpluses of foreign subsidiaries, managed cash investments of €0.8 billion at 30 June 2022.

This centralisation enables the management of financial resources to be optimised at Group level and the risks relating to the counterparties and investment vehicles used to be better managed.

Certain subsidiaries' cash investments are managed in a decentralised manner while complying with the guidelines and instructions issued by VINCI, which define aspects such as the investment vehicles and the counterparties authorised. The investments amounted to €4.2 billion at 30 June 2022, including €1.4 billion for the Concessions business and €2.7 billion for the VINCI Energies, Cobra IS and VINCI Construction business lines combined.

23.2 Other available resources

Revolving credit facilities

VINCI has a €8 billion confirmed syndicated revolving loan facility, due to expire in November 2024 and extended to November 2025 for €7.7 billion. It does not contain any default clause relating to non-compliance with financial ratios. This credit facility was undrawn at 30 June 2022. The company that owns London Gatwick airport has a £300 million revolving credit facility due to expire in June 2025. That facility was fully drawn at 30 June 2022.

Commercial paper

VINCI SA has a €5 billion commercial paper programme rated A2 by Standard & Poor's and P2 by Moody's. At 30 June 2022, €2.1 billion had been issued under that programme.

Cobra IS has a €200 million commercial paper programme, of which it was using €98 million at 30 June 2022.

24. Financial risk management

The Group's policies and procedures for managing financial risk are identical to those described in Note J.27, "Financial risk management" in the 2021 Universal Registration Document. Transactions to set up or unwind hedging instruments during the first-half period did not materially alter VINCI's exposure to financial risks.

The main risks – interest rate risk, foreign exchange risk, credit and counterparty risk and equity risk – are described respectively in Notes J.27.1, J.27.2, J.27.3 and J.27.4 in the 2021 Universal Registration Document.

The Group regularly analyses its hedge relationships to ensure that the hedged cash flows remain highly probable. The main interest rate exposures hedged by the Group concern financing arranged by VINCI SA, ASF and Cofiroute. The Group does not expect any change in the timing or amount of the hedged cash flows relating to this financing.

The other hedged exposures concern project financing; hedges of exposures that show a risk of a change in the repayment schedule have been adjusted to maintain perfect matching.

As regards currency translation risk, the net positions of hedged subsidiaries were closely monitored in order to ensure the absence of over-hedging.

The principles used to measure financial instruments take into account changes in counterparty credit risk, along with the Group's own credit risk. VINCI's risk management policy includes setting strict limits on the basis of counterparties' ratings.

As part of benchmark interest rate reforms, the Group has set up a working party bringing together all stakeholders. The Group transitioned to new indices during the first half of 2022. Coupons are now being calculated on the basis of the new indices. The accounting impacts are not material since the transition regarding hedged instruments and hedging instruments is taking place in a synchronised manner. Finally, the transition to the new indices has no impact on the Group's risk management policy.

The details of the main financing transactions (nominal and carrying amounts) concerned by these reforms are presented in the table under Note J.25 in the 2021 Universal Registration Document.

25. Book and fair value of financial instruments by accounting category

The method of measuring the fair value of financial assets and liabilities was not altered in the first half of 2022.

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

30/06/2022	Accounting categories						Fair value				
	Derivatives at fair value through profit and loss	Derivatives designated as hedges	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income	Financial assets at amortised cost	Financial liabilities at amortised cost	Total net book value	Level 1: quoted prices and cash	Level 2: internal model using observable factors	Level 3: internal model using non-observable factors	Fair value of the class
Equity instruments			1,168	10			1,178	958 ^(*)		220	1,178
Financial assets at amortised cost and PPP financial receivables					1,708		1,708		1,708		1,708
I - Non-current financial assets ^(**)	-	-	1,168	10	1,708	-	2,886	958	1,708	220	2,886
II - Derivative financial instruments - assets	32	422					454		454		454
Cash management financial assets			161				161	-	161		161
Financial current accounts - assets				119			119	119			119
Cash equivalents			1,453				1,453	-	1,453 ^(***)		1,453
Cash			8,180				8,180	8,180			8,180
III - Current financial assets	-	-	9,793	-	119	-	9,912	8,298	1,613	-	9,912
Total assets	32	422	10,961	10	1,826	-	13,251	9,256	3,775	220	13,251
Bonds					(22,917)		(22,917)	(20,512)	(1,608)		(22,120)
Other bank loans and other financial debt					(3,940)		(3,940)	-	(3,984)		(3,984)
IV - Long-term financial debt	-	-	-	-	-	(26,857)	(26,857)	(20,512)	(5,592)	-	(26,104)
V - Derivative financial instruments - liabilities	(441)	(1,280)					(1,721)		(1,721)		(1,721)
Other current financial liabilities					(3,125)		(3,125)		(3,125)		(3,125)
Financial current accounts - liabilities					(68)		(68)	(68)			(68)
Bank overdrafts					(669)		(669)	(669)			(669)
VI - Current financial liabilities	-	-	-	-	-	(3,862)	(3,862)	(737)	(3,125)	-	(3,862)
Total liabilities	(441)	(1,280)	-	-	-	(30,719)	(32,440)	(21,249)	(10,439)	-	(31,687)

(*) Fair value of Groupe ADP shares – see Note E.11, “Other non-current financial assets”.

(**) See Note E.11, “Other non-current financial assets” and Note F.13, “PPP financial receivables (controlled companies)”.

(***) Mainly comprising certificates of deposit, term deposits and interest-bearing accounts.

The table below shows the carrying amount and fair value of financial assets and liabilities as reported at 31 December 2021 by accounting category as defined by IFRS 9:

31/12/2021	Accounting categories						Fair value				
	Derivatives at fair value through profit and loss	Derivatives designated as hedges	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income	Financial assets at amortised cost	Financial liabilities at amortised cost	Total net book value	Level 1: quoted prices and cash	Level 2: internal model using observable factors	Level 3: internal model using non-observable factors	Fair value of the class
Balance sheet headings and classes of instrument											
Equity instruments			1,069	9			1,078	898 ^(*)		180	1,078
Financial assets at amortised cost and PPP financial receivables					1,372		1,372		1,372		1,372
I - Non-current financial assets^(*)	-	-	1,069	9	1,372	-	2,450	898	1,372	180	2,450
II - Derivative financial instruments - assets	128	767					894		894		894
Cash management financial assets			114				114	-	114		114
Financial current accounts - assets			-		86		86	86			86
Cash equivalents			3,042				3,042	732	2,310 ^(**)		3,042
Cash			8,022				8,022	8,022			8,022
III - Current financial assets	-	-	11,178	-	86	-	11,264	8,841	2,423	-	11,264
Total assets	128	767	12,247	9	1,458	-	14,609	9,739	4,690	180	14,609
Bonds					(24,952)		(24,952)	(24,472)	(1,309)		(25,782)
Other bank loans and other financial debt					(3,545)		(3,545)	-	(3,592)		(3,592)
IV - Long-term financial debt	-	-	-	-	-	(28,497)	(28,497)	(24,472)	(4,902)	-	(29,374)
V - Derivative financial instruments - liabilities	(488)	(456)					(944)		(944)		(944)
Other current financial liabilities					(1,031)		(1,031)		(1,031)		(1,031)
Financial current accounts - liabilities					(61)		(61)	(61)			(61)
Bank overdrafts					(876)		(876)	(876)			(876)
VI - Current financial liabilities	-	-	-	-	-	(1,968)	(1,968)	(937)	(1,031)	-	(1,968)
Total liabilities	(488)	(456)	-	-	-	(30,465)	(31,409)	(25,409)	(6,876)	-	(32,286)

(*) Fair value of Groupe ADP shares – see Note E.11, “Other non-current financial assets”.

(**) See Note E.11, “Other non-current financial assets” and Note F.13, “PPP financial receivables (controlled companies)”.

(***) Mainly comprising certificates of deposit, term deposits and interest-bearing accounts.

J. Employee benefits and share-based payments

26. Provisions for employee benefits

26.1 Provisions for retirement benefit obligations

At 30 June 2022, provisions for retirement benefit obligations amounted to €1,078 million (including €1,030 million at more than one year) compared with €1,408 million at 31 December 2021 (including €1,357 million at more than one year). They comprise provisions for lump sums on retirement and provisions for obligations for supplementary retirement benefits. The decrease in the first half of 2022 arose from the sharp increase in discount rates in all currency zones.

The part at less than one year of these provisions (€49 million at 30 June 2022 and €51 million at 31 December 2021) is reported under "Other current liabilities".

The expense recognised for the first half of 2022 in respect of retirement benefit obligations is half the forecast expense for 2022 determined on the basis of actuarial assumptions at 31 December 2021 and in accordance with IAS 19.

Details of benefits enjoyed by Group employees are provided in Note K.29.1, "Provisions for retirement benefit obligations" in the 2021 Universal Registration Document.

26.2 Other employee benefits

Provisions for other employee benefits mainly include long-service bonuses and jubilee bonuses. At 30 June 2022, these provisions amounted to €116 million (€114 million at 31 December 2021).

27. Share-based payments

The expense relating to employee benefits was €138 million for the first half of 2022 (€115 million in the first half of 2021), including €80 million in respect of performance share plans (€60 million in the first half of 2021) and €58 million in respect of employee savings plans in France and other countries (€55 million in the first half of 2021).

The features of the various plans in progress are described below.

27.1 Performance shares

Information on changes in performance share plans currently in force

	30/06/2022	31/12/2021
Number of shares granted subject to performance conditions at beginning of period	7,173,432	7,034,538
Shares granted	2,489,710	2,489,680
Shares vested	(1,822,923)	(1,929,768)
Shares cancelled	(699,008)	(421,018)
Number of shares granted subject to performance conditions not vested at end of period	7,141,211	7,173,432

Information on the features of the performance share plans currently in force

	Plan set up on 12/04/2022	Plan set up on 08/04/2021	Plan set up on 09/04/2020	Plan set up on 17/04/2019
Original number of beneficiaries	4,114	3,960	3,529	3,271
Vesting date of the shares granted	12/04/2025	08/04/2024	09/04/2023	17/04/2022
Number of shares initially granted subject to performance conditions^(*)	2,489,710	2,489,680	2,365,032	2,453,497
Shares cancelled	-	(43,760)	(154,806)	(626,264)
Shares vested	-	(1,175)	(3,470)	(1,827,233)
Number of shares granted subject to performance conditions at end of period	2,489,710	2,444,745	2,206,756	-

(*) This includes shares granted to the Chief Executive Officer under a plan set up in accordance with ordinary law and subject to the same performance conditions.

On 3 February 2022, VINCI's Board of Directors decided that 80% of the performance shares initially granted under the 2019 plan (i.e. 1,827,073 shares) would vest for beneficiaries having remained with the Group (i.e. 2,970 employees). That percentage reflects the fact that the external economic performance criterion, which represents 20% of the weighting, was not fulfilled: the difference between VINCI's total shareholder return (TSR) calculated between 1 January 2019 and 31 December 2021 (38.9%) and that of the CAC 40 over the same period (63.5%) was negative by 25 points, and so no shares vested in respect of this criterion. The internal economic performance criterion and the external environmental criterion (accounting for 65% and 15% of the initial award respectively) were 100% fulfilled.

On 12 April 2022, VINCI's Board of Directors decided to set up a new performance share plan to grant a total of 2,489,710 shares subject to performance conditions to 4,114 employees. They will not vest until a three-year period has elapsed, subject to beneficiaries being employed by the Group until the end of the vesting period and to the fulfilment of the following performance conditions:

- An economic criterion (50% weighting) relating to value creation. This will be measured by the ratio of the return on capital employed (ROCE, determined after deconsolidation of the airports business until global airport passenger numbers have returned to 2019 levels over a full year according to IATA figures), calculated as an average over a three-year period, to the weighted average cost of capital (WACC), also calculated as an average over a three-year period. The proportion of shares vested will vary between 0% if the ratio is 1.0x or lower and 100% if the ratio is 1.25x or higher, with linear interpolation between the two limits of this range;
- Financial criteria (25% weighting) including:
 - a) Relative stock market performance (12.5%), measuring VINCI's share price performance by comparison with a composite industry index, calculated on the basis of the stock market valuations of a list of companies regarded as comparable with VINCI. This relative performance corresponds to the difference, ascertained at 31 December 2024, between the following two indicators:
 - VINCI's TSR between 1 January 2022 and 31 December 2024;
 - the TSR of the composite industry index between 1 January 2022 and 31 December 2024.
- Environmental, social and governance criteria (25% weighting) comprising:
 - a) an external environmental criterion (15% weighting) measured by the Climate Change score received each year by VINCI from CDP Worldwide in respect of the 2022, 2023 and 2024 financial years;
 - b) a safety criterion (5% weighting) measuring the Group's safety performance, based on the frequency rate of workplace accidents with at least 24 hours of lost time per million hours worked for VINCI employees worldwide;
 - c) a criterion relating to increasing female representation (5% weighting) measuring the increase in the percentage of women hired or promoted to management positions across the Group's whole scope.

The Board may adjust these performance conditions either in the event of a strategic decision that may change the scope of the Group's business activities or under exceptional circumstances.

Fair value of the performance share plans

The fair value of the performance shares has been calculated by an external actuary at the respective grant dates of the shares on the basis of the following characteristics and assumptions:

	2022 plan	2021 plan	2020 plan	2019 plan
Price of VINCI share on date plan was announced (in €)	90.91	90.70	76.50	89.68
Fair value of performance share at grant date (in €)	76.85	78.64	61.69	74.84
Fair value compared with share price at grant date	84.53%	86.70%	80.64%	83.45%
Original maturity (in years) - vesting period	3 years	3 years	3 years	3 years
Risk-free interest rate ^(*)	0.52%	(0.64%)	(0.44%)	(0.40%)

(*) Three-year government bond yield in the eurozone.

27.2 Group savings plans

VINCI's Board of Directors defines the conditions for subscribing to Group savings plans in accordance with the authorisations given to it by shareholders at the Shareholders' General Meeting.

Group savings plan – France

In France, VINCI generally issues new shares reserved for employees three times a year (in January, April and October) at a subscription price that includes a 5% discount against the average stock market price over the 20 trading days preceding the Board of Directors meeting that set the subscription price. Subscribers also benefit from an employer contribution with an annual maximum of €3,500 per person. The benefits granted in this way to Group employees are recognised in profit or loss and are valued in accordance with IFRS 2 on the basis of the following assumptions:

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

Group savings plan – international

In the first half of 2022, in accordance with authorisations given to the Board of Directors by shareholders at the Shareholders' General Meeting, VINCI initiated new savings plans for the employees of certain foreign subsidiaries. Known as Castor International, the plan covers 45 countries: Australia, Austria, Bahrain, Belgium, Brazil, Cambodia, Cameroon, Canada, Chile, Colombia, Côte d'Ivoire, the Czech Republic, Denmark, the Dominican Republic, Estonia, Finland, Germany, Greece, Hong Kong, Hungary, Indonesia, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malaysia, Mexico, Morocco, the Netherlands, New Zealand, Norway, Peru, Poland, Portugal, Romania, Senegal, Singapore, Slovakia, Spain, Sweden, Switzerland, the United Arab Emirates, the United Kingdom and the United States.

The main characteristics of this plan are as follows:

- subscription period: from 16 May to 3 June 2022 for all countries except the United Kingdom (seven successive periods between March and September 2022);
- employer contribution consisting of bonus shares, with delivery deferred for three years where possible, or with immediate delivery but a three-year vesting period;
- no lock-up period beyond the three-year vesting period for bonus shares.

Castor International plan (excluding the UK)	2022	2021	2020	2019
Subscription price (in €)	91.71	91.72	73.41	88.08
Closing share price on the last day of the subscription period (in €)	90.14	93.45	90.32	90.28
Anticipated dividend payout rate	4.06%	2.97%	2.51%	2.60%
Fair value of bonus shares on the last day of the subscription period (in €)	79.81	85.47	83.78	83.60

K. Other notes

28. Related party transactions

The Group's transactions with related parties mainly concern:

- remuneration and similar benefits paid to members of the governing and management bodies;
- transactions with companies over which VINCI exercises significant influence or joint ventures over which VINCI has joint control.

Transactions with related parties are undertaken at market prices.

There was no material change in the first half of 2022 in the nature of transactions conducted by the Group with its related parties from those at 31 December 2021, which were referred to in Note E.10.3 "Controlled subsidiaries' transactions with associates and joint ventures" and Note L.31 "Related party transactions" in the 2021 Universal Registration Document.

29. Note on litigation

The companies comprising the VINCI Group are sometimes involved in litigation arising from their activities. The related risks are assessed by VINCI and the subsidiaries involved on the basis of their knowledge of the cases, and provisions are taken in consequence as appropriate.

The main legal, administrative or arbitration proceedings that were in progress on or had ended by 30 June 2022 were as follows:

- In a judgment handed down on 17 December 2013, the Paris Regional Court declared time-barred and inadmissible a claim by Région Île-de-France (the regional authority for the Greater Paris area) for compensation for the harm it purportedly suffered because of the anti-competitive practices penalised by the Conseil de la Concurrence^(*) on 9 May 2007 in relation to the programme to refurbish schools in the Paris region between 1989 and 1996. After that judgment, on 16 November 2015, the *tribunal des conflits* (jurisdiction court) declared the ordinary courts not competent to decide the dispute between the regional authority and various construction companies. More than two years after the jurisdiction court's decision, the regional authority made 88 applications to the Paris Administrative Court relating to an equal number of school refurbishment contracts, claiming €293 million of damages from 14 companies – including several Group companies – and 11 individuals. In late July 2019, the Paris Administrative Court dismissed Région Île-de-France's claims. The regional authority is appealing against those decisions. On 19 February 2021, in its judgments in two of the 88 sets of proceedings, the Paris Administrative Court of Appeal took the view that Région Île-de-France's action would not be time-barred in the end, that the regional authority would therefore have grounds to ask the court to find the defendants jointly and severally liable, but that its wrongdoing reduced the defendants' liability by a third, and ordered an expert opinion to determine any harm suffered by Région Île-de-France. This expert opinion has not yet been issued. The defendants have lodged an appeal at last instance against these two judgments before the Conseil d'Etat, and the other 86 sets of proceedings remain adjourned. The Group takes the view that these proceedings, whose origin dates back more than 30 years and which concerns a claim that has already been found to be time-barred in 2013 and then again in 2019, represent a contingent liability whose impact it is unable to measure.
- In August 2019, after the French government notified its intention to terminate early the concession contract relating to the Notre-Dame-des-Landes, Nantes Atlantique and Saint-Nazaire Montoir airports, Aéroports du Grand Ouest (AGO) twice sought to commence the conciliation procedure provided for in Article 94 of the concession contract. The government refused to comply and, through an order dated 24 October 2019, declared that the concession contract had been terminated for public interest reasons. On 5 December 2019, to safeguard its right to compensation, AGO sent to the government an initial compensation request and, on 6 December 2019, it filed an application to the Nantes Administrative Court to challenge the termination order. In its application, AGO reiterated that it was prepared to commence, as an alternative, a mediation procedure under Article L.213-7 of the French Code of Administrative Justice, to try to reach a balanced agreement that would resolve the dispute. On 3 June 2021, AGO received the government's defence, sent by the Nantes Administrative Court. On 30 June 2021, the President of the Nantes Administrative Court proposed a mediation procedure to the parties, pursuant to Article L.213-7 of the French Code of Administrative Justice. AGO accepted this proposed mediation, but the latter was not able to take place due to the government's refusal to implement the procedure. The dispute is therefore still ongoing before the Nantes Administrative Court.

(*) Now known as the Autorité de la Concurrence.

• The Czech Republic's roads and motorways department (RSD) has made several claims against Eurovia CS, a Eurovia subsidiary based in the Czech Republic, as well as other non-Group companies. These claims concern works carried out between 2003 and 2007 in building the D47 motorway. Since late 2012, the RSD has brought several arbitration and legal proceedings mainly to seek damages for what the RSD alleges was defective work affecting the roads and engineering structures that were built as well as additional compensation for various other losses. Repairs have been carried out since the start of 2014, costing substantially less than the amount sought by the RSD. A partial arbitration decision was handed down in June 2021. The corresponding works are expected to be completed by the end of 2022 for amounts that are also considerably lower than those sought by the RSD. An arbitration decision is pending for two other motorway sections and civil proceedings have been brought in relation to a fourth section. Regarding the claims relating mainly to defective work and covered by the proceedings already under way, the RSD is claiming damages of 3.1 billion Czech koruna, of which Eurovia CS's share would be around 75%. In view of its current status and its latest developments, the Group considers that this dispute will not have a material effect on its financial situation.

• Soletanche Bachy France had submitted a request for arbitration to the International Chamber of Commerce after ACT (Aqaba Container Terminal) terminated a contract for the construction of an extension to a container terminal in the port of Aqaba in Jordan. The company was disputing the grounds for terminating the contract, and was claiming \$10 million in damages. ACT contended that it had valid grounds for terminating the contract and that it had incurred additional costs in completing the works, and was counter-claiming \$44 million in damages. The arbitration tribunal, in an arbitration award dated 30 August 2017 amended by two awards dated 28 September 2017 and 1 May 2018, dismissed the company's claim and ordered it to pay ACT \$38.3 million plus \$9.1 million of legal expenses. The company has commenced proceedings to oppose the execution of that decision and against the joint contractors. In a judgment on 25 May 2022, the Cour de Cassation dismissed Soletanche Bachy France's appeal against the judgment of the Paris Court of Appeal that had made the arbitration award of 30 August 2017 enforceable, thereby bringing the proceedings to an end, without material effect on its financial situation.

• On 6 November 2019, the Metropolitan Municipality of Lima (Peru) commenced arbitration proceedings against Lima Expresa, the concession holder of the Línea Amarilla motorway, before the International Arbitration Chamber of Paris. The Metropolitan Municipality of Lima's main claim, as concession grantor, relates to the termination of the 12 November 2009 concession contract and to the series of amendments to that contract. Lima Expresa is contesting the Metropolitan Municipality of Lima's claims based on allegations of bribery prior to the Group's 2016 acquisition of Lima Expresa, and has filed a counterclaim. In addition, in proceedings against a former official of the Metropolitan Municipality of Lima, Lima Expresa was ordered at first instance to pay around 25 million Peruvian sol (€6 million) as civil compensation. In two other sets of criminal proceedings currently taking place against an ex-mayor of Lima, the public prosecutors have requested that Lima Expresa's civil liability be invoked. Lima Expresa is disputing these requests in each set of proceedings. The Group takes the view that these proceedings represent a contingent liability whose impact it is unable to measure.

• On 12 May 2015, VINCI Construction Grands Projets formed a non-incorporated joint venture with Italian company Astaldi. The entity was created for the purpose of carrying out construction works on the new Santiago airport in Chile under an engineering, procurement and construction contract formed on 18 November 2015 with the concession holder Sociedad Concesionaria Nuevo Pudahuel. VINCI Construction Grands Projets and Astaldi have equal interests in the joint venture. A dispute has arisen between VINCI Construction Grands Projets and Astaldi regarding (i) allegations of mismanagement made by Astaldi against VINCI Construction Grands Projets, which VINCI Construction Grands Projets rejects entirely; and (ii) VINCI Construction Grands Projets' exclusion of Astaldi from the joint venture's governance because of misconduct by Astaldi, which is disputed by Astaldi. Astaldi commenced arbitration proceedings against VINCI Construction Grands Projets on 14 December 2020 before the International Chamber of Commerce. VINCI Construction Grands Projets entirely disputes the compensation sought by Astaldi and has made a counterclaim aimed at (i) forcing Astaldi to pay its share of the loss suffered by the consortium at the time of its exclusion and (ii) forcing Astaldi to reimburse its share of the calls for funds made during the works, which total €73.3 million. An initial arbitral tribunal, the seat of which is in Geneva, was constituted on 14 June 2021. Subsequently, following Astaldi's acquisition by Webuild, on 25 November 2021 VINCI Construction Grands Projets commenced new arbitration proceedings against Webuild, without abandoning its counterclaim against Astaldi. VINCI Construction Grands Projets' view is that since the date of the aforementioned acquisition (1 August 2021), Webuild has been liable for the compensation it is claiming from Astaldi in relation to the airport construction work. This is disputed by Webuild. Subsequently, on 11 March 2022, the International Chamber of Commerce's International Court of Arbitration joined the two existing sets of proceedings into a new set of proceedings. The arbitral tribunal then resigned and on 3 June 2022 the same International Court of Arbitration, noting that the parties had not agreed on the appointment of new arbitrators, appointed them itself in order to form a new arbitral tribunal, which has since been in charge of the new tripartite proceedings. In view of the current situation, the Group considers that this dispute will not have a material effect on its financial situation.

There are no other judicial, administrative or arbitration proceedings, including any proceedings known to the Company, pending or with which it is threatened, that are likely to have, or have had in the last 12 months, a material effect on the financial situation or profitability of the Company and/or Group.

30. Post-balance sheet events

Repayment of borrowings

On 4 July 2022, Autoroutes du Sud de la France (ASF) redeemed €1.6 billion of bonds. Those bonds were issued in 2007 and paid a coupon of 5.6%.

Arrangement of a new credit facility

On 28 July 2022, VINCI arranged a €2.5 billion credit facility with a 12-month maturity and two six-month extension options on VINCI's hand.

VINCI Airports

In July 2022, VINCI Airports announced that it had signed an agreement with the Cape Verde government to operate the country's seven airports under concession. For a 40-year period, VINCI Airports and its Portuguese subsidiary ANA will be responsible for financing, operating, maintaining, extending and upgrading these airports. The financial arrangements for the project are expected to be finalised by mid-2023, when the new concession company will begin operating the airports.

Interim dividend

On 28 July 2022, the Board of Directors decided to pay an interim dividend of €1 per share in respect of 2022.

This interim dividend will be paid in November 2022.

L. Other consolidation rules and methods

Intragroup transactions

Reciprocal operations and transactions relating to assets, liabilities, income and expenses between companies that are fully consolidated are eliminated in the consolidated financial statements.

Where a fully consolidated Group entity carries out a transaction with a joint venture or associate that is accounted for under the equity method, income and losses resulting from the transaction are only recognised in the Group's consolidated financial statements to the extent of the interest owned by third parties in the joint venture or associate.

Translation of the financial statements of foreign companies and establishments

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

The financial statements of foreign companies of which the functional currency is different from that used in preparing the Group's consolidated financial statements are translated at the closing rate for balance sheet items and at the average rate for the period for income statement items. Any resulting translation differences are recognised under other comprehensive income. Goodwill relating to foreign entities forms part of the assets acquired and is therefore denominated in the company's functional currency and translated at the exchange rate in force at the balance sheet date.

Foreign currency transactions

Transactions in foreign currency are translated into euros at the exchange rate at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate. Foreign exchange gains and losses are recognised in income.

Foreign exchange gains and losses arising on loans denominated in foreign currency or on foreign currency exchange rate derivatives qualifying as hedges of net investments in foreign subsidiaries are recorded under currency translation differences in equity.

Business combinations

Under IFRS 3, the cost of a business combination is the fair value, at the date of exchange, of the assets given, liabilities assumed, and/or equity instruments issued by the acquirer in exchange for control of the acquiree. Contingent price adjustments are included in the cost of the business combination and are measured at fair value at each balance sheet date. From the acquisition date, any subsequent changes to this fair value resulting from events after control was acquired are recognised in profit or loss.

Expenses that are directly attributable to the acquisition, such as professional fees for due diligence and other related fees, are expensed as they are incurred. They are presented in the "Impact of changes in scope and gain/(loss) on disposals of shares" item on the income statement.

Non-controlling interests in the acquiree, where they give their holders present ownership interests in the entity (voting rights, a share of earnings, etc.) and entitle them to a proportionate share of net assets in the event of liquidation, are measured either at their share of the acquiree's net identifiable assets, or at their fair value. This option is applied on a case-by-case basis for each acquisition.

On the date control is acquired, the cost of acquisition is allocated by recognising the identifiable assets acquired and liabilities assumed from the acquiree at their fair value at that date, except for tax assets and liabilities and employee benefits, which are measured according to their reference standard (IAS 12 and IAS 19, respectively) and asset groups classified as held for sale, which are recognised under IFRS 5 at their fair value less costs to sell. The positive difference between the cost of acquisition and the fair value of the identifiable assets and liabilities acquired constitutes goodwill. Where applicable, goodwill can include a portion of the fair value of non-controlling interests if the full goodwill method has been selected.

The Group has 12 months from the date of acquisition to finalise the accounting for business combinations.

In the case of a business combination achieved in stages, previously acquired shareholdings in the acquiree are measured at fair value at the date of acquisition of control. Any resulting gain or loss is recognised in profit or loss.

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

In accordance with IFRS 10, acquisitions or disposals of non-controlling interests, with no impact on control, are considered as transactions with the Group's shareholders. The difference between the consideration paid to increase the percentage shareholding in an already-controlled entity and the supplementary share of equity thus acquired is recorded under equity attributable to owners of the parent. Similarly, a decrease in the Group's percentage interest in an entity that continues to be controlled is booked in the accounts as a transaction between shareholders, with no impact on profit or loss. Professional fees and other costs relating to acquisitions and disposals of non-controlling interests that have no impact on control, and any associated tax effects, are recorded under equity. Cash flow related to transactions between shareholders is presented under cash flow (used in)/from financing activities in the consolidated cash flow statement.

Put options granted to non-controlling shareholders

Put options (options to sell) granted to the non-controlling shareholders of certain Group subsidiaries are recognised under other non-current liabilities for the present value of the exercise price of the option and as a corresponding reduction of consolidated equity (non-controlling interest and equity attributable to equity holders of the parent for the surplus, if any).

Assets held for sale and discontinued operations

Assets held for sale

Non-current assets (or groups of assets) are classified as held for sale and recognised at the lower of their carrying amount and their fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction instead of through continuing use.

Non-current assets (including those forming part of a group held for sale) classified as held for sale are not depreciated or amortised.

Discontinued operations

Discontinued operations, whether halted, disposed of or classified as held for sale, and provided they:

- represent a business line or a geographical area of business that is material for the Group,
- form part of a single disposal plan relating to a business line or a geographical area of business that is material for the Group, or
- correspond to a subsidiary acquired exclusively for resale,

are shown on a separate line of the consolidated income statement and the consolidated cash flow statement at the balance sheet date.

The Group assesses their materiality using various criteria, both qualitative (market, product, geographical area) and quantitative (revenue, profitability, cash flow, assets). Assets connected with discontinued operations, if held for sale, are measured at the lower of their carrying amount and fair value less costs to sell.

Report of the Statutory Auditors on the 2022 half-year financial information

Report of the Statutory Auditors on the 2022 half-year financial information

For the period from 1 January 2022 to 30 June 2022

To the Shareholders,

In accordance with our appointment as Statutory Auditors by the shareholders at the Shareholders' General Meeting and with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (Code Monétaire et Financier), we hereby report to you on:

- the review of the accompanying condensed consolidated interim financial statements of VINCI for the period from 1 January 2022 to 30 June 2022,
- the verification of the information presented in the management report for the first half.

The condensed consolidated interim financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our limited review.

I – Conclusion on the financial statements

We conducted our review in accordance with the professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for accounting and financial matters, and applying analytical and other review procedures. A review is substantially smaller in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 – the standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II – Specific verification

We have also verified the information presented in the management report for the first half on the condensed consolidated interim financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed consolidated interim financial statements.

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

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit

Deloitte et Associés

Bertrand Baloche

Jean-Romain Bardoz

Mansour Belhiba

Amnon Bendavid

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

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

"I certify that, to the best of my knowledge, the condensed half-year financial statements presented in the half-year financial report have been prepared in accordance with the applicable financial reporting standards and give a true and fair view of the assets and liabilities, financial position and results of the operations of the Company and of the Group formed by the companies included in the consolidated financial statements, and that the management report for the half-year period (featuring on pages 1 to 13) faithfully presents the important events that have occurred during the first six months of the financial year, their impact on the half-year financial statements, the main transactions between related parties and a description of the main risks and uncertainties in respect of the remaining six months of the financial year."

Xavier Huillard

Chairman and Chief Executive Officer

Glossary

Cash flows from operations before tax and financing costs (Ebitda): Ebitda corresponds to recurring operating income adjusted for additions to depreciation and amortisation, changes in non-current provisions and non-current asset impairment, gains and losses on asset disposals. It also includes restructuring charges included in non-recurring operating items.

Concession subsidiaries' revenue from works done by non-Group companies: this indicator relates to construction work done by concession companies as programme manager on behalf of concession grantors. Consideration for that work is recognised as an intangible asset or financial asset depending on the accounting model applied to the concession contract, in accordance with IFRIC 12 "Service Concession Arrangements". It excludes work done by VINCI Energies and VINCI Construction business lines.

Cost of net financial debt: the cost of net financial debt comprises all financial income and expense relating to net financial debt as defined below. It therefore includes interest expense and income from interest rate derivatives allocated to gross debt, along with financial income from investments and cash equivalents. The reconciliation between this indicator and the income statement is detailed in the notes to the Group's consolidated financial statements.

Ebitda margin, Ebit margin and recurring operating margin: ratios of Ebitda, Ebit, or recurring operating income to revenue excluding concession subsidiaries' revenue from works done by non-Group companies.

Free cash flow: free cash flow is made up of operating cash flow and growth investments in concessions and public-private partnerships (PPPs).

Like-for-like revenue growth: this indicator measures the change in revenue at constant scope and exchange rates.

Constant scope: the scope effect is neutralised as follows.

- For revenue in year N, revenue from companies that joined the Group in year N is deducted.

- For revenue in year N-1, the full-year revenue of companies that joined the Group in year N-1 is included, and revenue from companies that left the Group in years N-1 and N is excluded.

Constant exchange rates: the currency effect is neutralised by applying exchange rates in year N to foreign currency revenue in year N-1.

Net financial surplus/debt: this corresponds to the difference between financial assets and financial debt.

If the assets outweigh the liabilities, the balance represents a net financial surplus, and if the liabilities outweigh the assets, the balance represents net financial debt. Financial debt includes bonds and other borrowings and financial debt (including derivatives and other liabilities relating to hedging instruments). Financial assets include cash and cash equivalents and assets relating to derivative instruments.

On 1 January 2019, IAS 17 was replaced by IFRS 16, which specifies a single method for recognising leases. The Group now recognises a right to use under non-current assets, along with a liability corresponding to the present value of lease payments still to be made. That liability is not included in net financial surplus/debt as defined by the Group, and is presented directly on the balance sheet.

Non-recurring operating items: non-recurring income and expense mainly includes impairment losses on goodwill and other material assets, restructuring charges and income and expense relating to changes in scope (capital gains or losses on disposals of securities and the impact of changes in control).

Operating cash flow: operating cash flow is a measurement of cash flows generated by the Group's ordinary activities.

It is made up of Ebitda, the change in operating working capital requirement and current provisions, interest paid, income taxes paid, dividends received from companies accounted for under the equity method, operating investments net of disposals and repayments of lease liabilities and the associated financial expense. Operating cash flow does not include growth investments in concessions and PPPs.

Operating income: this indicator is included in the income statement. Operating income is calculated by taking recurring operating income and adding non-recurring income and expense (see below).

Operating income from ordinary activities (Ebit): this indicator is included in the income statement.

Ebit measures the operational performance of fully consolidated Group subsidiaries. It excludes share-based payment expense (IFRS 2), other recurring operating items (including the share of the income or loss of companies accounted for under the equity method) and non-recurring operating items.

Order book

- In VINCI Energies, VINCI Construction and Cobra IS the order book represents the volume of business yet to be carried out on projects where the contract is in force (in particular after service orders have been obtained or after conditions precedent have been met) and financed.

- At VINCI Immobilier, the order book corresponds to the revenue, recognised on a progress-towards-completion basis, that is yet to be generated on a given date with respect to property sales confirmed by a notarised deed or with respect to property development contracts on which the works order has been given by the project owner.

Order intake

- In VINCI Energies, VINCI Construction and Cobra IS, a new order is recorded when the contract has been not only signed but is also in force (for example, after the service order has been obtained or after conditions precedent have been met) and when the project's financing is in place. The amount recorded in order intake corresponds to the contractual revenue.
- At VINCI Immobilier, order intake corresponds to the value of properties sold off-plan or sold after completion in accordance with a notarised deed, or revenue from property development contracts where the works order has been given by the project owner.

For joint property developments:

- If VINCI Immobilier has sole control over the development company, it is fully consolidated. In that case, 100% of the contract value is included in order intake.
- If the development company is jointly controlled, it is accounted for under the equity method and its order intake is not included in the total.

Public-private partnership – concessions and partnership contracts: public-private partnerships are forms of long-term public sector contracts through which a public authority calls upon a private sector partner to design, build, finance, operate and maintain a facility or item of public infrastructure and/or manage a service.

In France, a distinction is drawn between concessions (for works or services) and partnership contracts.

Outside France, there are categories of public contracts – known by a variety of names – with characteristics similar to those of the French concession and partnership contracts.

In a concession, the concession holder receives a toll (or other form of remuneration) directly from users of the infrastructure or service, on terms defined in the contract with the public sector authority that granted the concession. The concession holder therefore bears "traffic level risk" related to the use of the infrastructure.

In a partnership contract, the private partner is paid by the public authority, the amount being tied to performance targets, regardless of the infrastructure's level of usage. The private partner therefore bears no traffic level risk.

Recurring operating income: this indicator is included in the income statement. Recurring operating income is intended to present the Group's operational performance excluding the impact of non-recurring transactions and events during the period. It is obtained by taking operating income from ordinary activities (Ebit) and adding the IFRS 2 expense associated with share-based payments (Group savings plans and performance share plans), the Group's share of the profit or loss of subsidiaries accounted for under the equity method, and other recurring operating income and expense. The latter category includes recurring income and expense relating to companies accounted for under the equity method and to non-consolidated companies (financial income from shareholder loans and advances granted by the Group to some of its subsidiaries, dividends received from non-consolidated companies, etc.).

VINCI Autoroutes motorway numbers: this is the number of kilometres travelled by light and heavy vehicles on the motorway network managed by VINCI Autoroutes during a given period.

VINCI Airports passenger numbers: this is the number of passengers who have travelled on commercial flights from or to a VINCI Airports airport during a given period, an appropriate metric for estimating both aeronautical and non-aeronautical revenue generated by an airport.

REAL
SUCCESS
IS THE
SUCCESS
YOU SHARE

VINCI
1973 boulevard de La Défense
CS 10268
92757 Nanterre Cedex - France
Tel: +33 1 57 98 61 00

www.vinci.com

