



**HIT Finance B.V.**

*(incorporated with limited liability under the laws of The Netherlands)*

**EUR 1,500,000,000**

**4.875 per cent. Guaranteed Notes due 2021**

**unconditionally and irrevocably guaranteed by**

**Holding d'Infrastructures de Transport**

*(a société par actions simplifiée incorporated under the laws of France)*

The issue price of the EUR 1,500,000,000 4.875 per cent. Guaranteed Notes due 2021 (the "**Notes**") of HIT Finance B.V. (the "**Issuer**") is 98.878 per cent. of their principal amount.

Unless previously redeemed or cancelled, the Notes will be redeemed at their principal amount on 27 October 2021. The Notes are subject to redemption in whole at their principal amount at any time in the event of certain changes affecting taxation in The Netherlands or in the Republic of France. In addition, the holder of a Note may, by the exercise of the relevant option, require the Issuer to redeem such Note at its principal amount plus accrued interest in the circumstances set out in Conditions 5(c), 5(d) and 5(e). See "Terms and Conditions of the Notes—Redemption and Purchase".

The Notes will bear interest from 27 October 2006 at the rate of 4.875 per cent. per annum payable annually in arrear on 27 October in each year commencing on 27 October 2007. Payments on the Notes will be made in Euro without deduction for or on account of taxes imposed or levied by The Netherlands or the Republic of France to the extent described under "Terms and Conditions of the Notes—Taxation". Holding d'Infrastructures de Transport, a *société par actions simplifiée* (the "**Guarantor**" or "**HIT**") will unconditionally and irrevocably guarantee the due and punctual payment of all amounts at any time becoming due and payable in respect of the Notes.

This Prospectus has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of Directive 2003/71/EC (the "**Prospectus Directive**"), as a Prospectus for the purposes of Article 5.3 of the Prospectus Directive and the Luxembourg law of 10 July 2005 implementing the Prospectus Directive. Application has been made for the Notes to be admitted to listing on the official list and trading on the Luxembourg Stock Exchange's Regulated Market.

The Luxembourg Stock Exchange's Regulated Market is a regulated market for the purposes of the Market and Financial Instruments Directive 2004/39/EC (the "**Regulated Market**"). References in this document to the Luxembourg Stock Exchange (the "**Luxembourg Stock Exchange**") and all related references shall include the Regulated Market.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933 (the "**Securities Act**") and are subject to United States tax law requirements. The Notes are being offered outside the United States by the Managers (as defined in the section "**Subscription and Sale**") in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Notes will be in bearer form and in the denomination of EUR 50,000 only each. The Notes will initially be in the form of a temporary global note (the "**Temporary Global Note**"), without interest coupons, which will be deposited on or around 27 October 2006 (the "**Issue Date**") with a common depository for Euroclear Bank SA/NV, as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme, Luxembourg ("**Clearstream, Luxembourg**"). The Temporary Global Note will be exchangeable, in whole or in part, for interests in a permanent global note (the "**Permanent Global Note**"), without interest coupons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership. The Permanent Global Note will be exchangeable in certain limited circumstances in whole, but not in part, for Notes in definitive form in the denomination of EUR 50,000 each and with interest coupons attached. See "Summary of Provisions Relating to the Notes in Global Form".

#### **Global Coordinator**

**HSBC**

#### **The Joint Bookrunners and Joint Lead Managers**

**Barclays Capital**

**HSBC**

**La Caixa**

**CALYON Corporate and  
Investment Bank**

**JPMorgan**

**Société Générale  
Corporate & Investment  
Banking**

**The Royal Bank of Scotland**

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## RESPONSIBILITY STATEMENT

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Prospectus to the best of its knowledge is in accordance with the facts and contains no omission likely to affect its import.

## IMPORTANT NOTICES

Neither the Issuer nor the Guarantor has authorised the making or provision of any representation or information regarding the Issuer, the Guarantor or the Notes other than as contained in this Prospectus or as approved for such purpose by the Issuer and the Guarantor. Any such representation or information should not be relied upon as having been authorised by the Issuer, the Guarantor or the Managers.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or the Guarantor since the date of this Prospectus.

This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase, any Notes in those jurisdictions where it is unlawful to do so.

The distribution of this Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor and the Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Prospectus and other offering material relating to the Notes, see "Subscription and Sale".

In particular, the Notes have not been and will not be registered under the Securities Act and are subject to United States tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

In this Prospectus, unless otherwise specified, references to a "Member State" are references to a Member State of the European Economic Area, references to "€", "EUR" or "Euro" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

No representation or warranty is made or implied by the Managers or any of their respective affiliates, and none of the Managers and any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus.

**In connection with the issue of the Notes, HSBC France (the "Stabilising Manager") (or persons acting on behalf of the Stabilising Manager) may over allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate principal amount of the Notes) or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes.**

## RISK FACTORS

*The following description is a description of risk factors which are material in respect of the Notes and the financial situation of the Issuer and the Guarantor and which may affect the Issuer's and/or the Guarantor's ability to fulfil their respective obligations under the Notes and/or the Guarantee and which prospective investors should consider carefully before deciding to purchase the Notes. The sequence in which the following risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. The following statements are not exhaustive: prospective investors should read and consider all of the information provided in this Prospectus or incorporated by reference in this Prospectus and should make their own independent evaluations of all risk factors and consult with their own professional advisers if they consider it necessary. Terms defined in "Terms and Conditions of the Notes" below shall have the same meaning where used below.*

### **Risks Relating To The Issuer**

#### ***The Issuer is a finance vehicle of the HIT group***

The Issuer is a finance vehicle of the HIT group and the performance of its payment obligations under the Notes will depend on cashflows at the level of the operating companies of the HIT group (the only operating company of HIT currently being Sanef, a wholly owned subsidiary of the Guarantor) (the "**Operating Companies**"). The current business of the Issuer is to raise money by issuing Notes or undertaking other obligations for the purposes of the financing or refinancing of the acquisition of assets and entering into related contracts. The Issuer will have no assets other than its issued and paid up share capital, such remuneration payable to it in connection with the on-lending of the proceeds of the Notes and any profits of any deposits and investments made from such assets. The Issuer is therefore subject to all risks to which the Operating Companies are subject.

### **Risks Relating To The Guarantor**

#### ***The Guarantor is a holding company of the HIT group***

The Guarantor is a holding company of the HIT group with no business operations other than the holding of the shares in certain Operating Companies and certain other activities ancillary to its incorporation. Following the Issue Date, the Guarantor's principal sources of funds to meet its obligations under the Guarantee will be the dividends paid to it by the Operating Companies. The Guarantor is therefore subject to all risks to which the Operating Companies are subject. A description of the material risks to which the Operating Companies are subject is contained in the sections below.

#### ***Sanef is exposed to risks related to traffic volumes and toll revenue***

Sanef's revenues consist primarily of toll receipts, which are directly linked to variations in traffic volumes, toll rate increases and customer reactions to higher tolls. Traffic volumes depend on a number of factors, including the quality, convenience and travel time on toll-free roads or on toll motorways outside Sanef's network, the quality and state of repair of Sanef's motorways, the capacity of Sanef's network to absorb traffic and avoid saturation of its motorways, fuel prices in France, environmental regulation (including measures restricting motor vehicle use in order to reduce air pollution), existence of competing forms of transport and changes in customer behavior, including due to economic, socio-cultural, weather factors or tourist market conditions. Heavy goods vehicle traffic, which represents a significant part of Sanef's revenues, may also be affected by changes in the European economy.

#### ***Sanef is exposed to operating risks***

In the context of its activity as operator of toll motorways, Sanef, like all motorway concessionaires, may be subject to exceptional events including natural disasters (such as landslides or earthquakes) and climatic conditions (such as snow, freezing rain or floods), multiple-vehicle accidents, criminal acts or other external factors (such as requisitions by the government, road haulier or employees strikes, demonstrations at toll collection points or computer viruses). Each of these events or incidents could result in the temporary disruption of traffic, loss of a critical item of equipment, part of Sanef's network ceasing to be operational or liability claims being made against Sanef's network, all leading to a temporary decrease in toll

revenues or generating significant additional costs to maintain or to restore Sanef's network to working order. Further, Sanef must keep pace with technological advances, notably in the area of toll collection such as electronic toll collection systems. Failure in this respect may result in a decrease of traffic volumes, a slower decline of toll collection or an increase in toll collection costs, which in turn may limit growth of Sanef's results of operations.

***Sanef is exposed to construction risks***

Although Sanef has implemented appropriate operational management structures and regularly consults with independent experts, Sanef acts as project manager for the construction work carried out on the network under concession, and is exposed to construction risks on the projects carried out by its own employees or by external contractors, especially if such defects are discovered after the expiry of sub-contractors' warranties. These risks may lead to additional costs, operational delays and payment of overrun penalties pursuant to the motorway concession agreements and/or loss of toll revenues due to the resulting interruption or disruption of traffic.

***Sanef may have difficulty in extending its activities profitably***

Sanef intends to develop certain activities that are outside its core activity of concessionaire (including telematic services, telecommunications and services to local authorities). Although Sanef is developing these projects only as a means of generating additional revenues and the proportion of such additional revenues remains limited relative to Sanef's revenues, the failure of the development of these activities, however limited, could adversely affect Sanef's results of operations.

***Sanef may incur losses that are not covered by insurance***

Sanef has taken out property, casualty and liability insurance in the ordinary course of its business and in accordance with market practice. However, Sanef can give no assurance that these policies will cover all amounts that may be due in connection with the maintenance or operation of its motorway network and infrastructure, or the increase in costs resulting from damage to the network, or any claims of third parties in connection with the construction of Sanef's structures. Sanef may not be able to purchase appropriate insurance coverage in the market to cover its risks. In addition, subject to certain exceptions, Sanef does not carry engineering-related civil liability policies, insurance covering specific risks related to the operation of part of its infrastructure such as tunnels, or any business interruption insurance.

***Changes in the inflation rate may have a negative effect on Sanef's results of operations***

Toll rate adjustments are based on annual changes in the consumer price index (excluding tobacco). Accordingly, Sanef is exposed to the risk of a decline in the rate of inflation. A decrease in the inflation rate would result in lower toll rate increases, which could adversely affect Sanef's results of operation.

***Sanef has substantial indebtedness***

Sanef indebtedness, comprised mostly of loans from the *Caisse Nationale des Autoroutes* ("CNA"), represents 65% of total consolidated liabilities and shareholders' equity of Sanef. The level of indebtedness of Sanef as well as the financing costs associated with this debt could have a material adverse effect on Sanef's operations and its ability to obtain future financing for acquisitions, capital expenditure on replacement assets, new investments or for any other purposes.

***Sanef may face increased competition***

The award of new concessions is subject to competition on a Europe-wide basis and it may be difficult for Sanef to obtain new concessions or Sanef may be required to accept new concessions on economic terms less favorable than those it enjoys under current concessions. In addition, Sanef may also be subject to competition from other forms of transport, improvements of existing road or motorway networks, construction of new motorway connections or competition from toll-free networks.

***Sanef's concession agreements are governed by administrative law and the procedures for their amendment may adversely affect Sanef's ability to adapt to changing conditions***

Sanef's activities are governed by concession agreements, which can only be amended by way of amendments negotiated with the French State as the grantor of the concession. These negotiations can be long and complex due to changes in national and European transport policy or other political considerations that influence Sanef's counterparties. Given the economic, financial and technological changes to which Sanef must adapt rapidly, the peculiarities of the concession agreements regime may impair Sanef's ability to react or to adapt its operations, and consequently may adversely affect its results of operations.

***Sanef may be required to widen certain sections of its motorways***

Pursuant to the specifications annexed to the concession agreements of each of Sanef and *Société des Autoroutes Paris-Normandie* ("SAPN", a wholly owned subsidiary of Sanef), the French State can require each company to widen certain segments of their respective motorways within two years, without further compensation, if average daily traffic over a period of 12 months exceeds a threshold specified for each motorway segment. These thresholds have already been exceeded on several sections of Sanef's network. Although Sanef has undertaken a thorough review with the French State of the segments subject to widening during the term of its management contract for the period 2004 to 2008 in the course of the negotiation of this contract, Sanef cannot give any assurance that a new review of the segments that are subject to widening will not be made before 2008. The completion of any such widening could result in significant additional investments having to be made.

***The French State can terminate or repurchase the concession agreements***

The French State may, under French rules applicable to administrative contracts, unilaterally terminate concession agreements at any time in the public interest or, under contractual provisions, buy back the related concession. Sanef would then be entitled to compensation in an amount intended to match the fair value of the concession, as determined by the net present value of projected pre tax future cash flows, had it not been terminated or repurchased. If the concession agreements are terminated on the basis that Sanef is found to have seriously breached its contractual obligations, the concession would be awarded to another entity following a competitive bidding process and the concessionaire would be entitled to the price paid by the successful bidder.

***Regulatory changes may adversely affect Sanef's results of operations***

Sanef's operations are affected by the influence of the French State in its role of regulator and European Union policies. As in all highly regulated activities, future regulatory changes, particularly more stringent environmental and road safety regulations, may generate additional costs for Sanef, thereby adversely affecting Sanef's operating results. Similarly, there may be substantial modification to or introduction of taxes, duties or other levies specific to motorway *concessionaires* which seriously compromise the underlying profitability of any of Sanef's concessions. Sanef's motorway concession agreements provide that Sanef and the French State would then jointly agree on the level of compensation due to Sanef. Nonetheless, such measures may not totally nor immediately compensate Sanef for the effects of such regulatory changes.

**Risks Relating To The Notes**

***The Notes may be redeemed prior to maturity***

In the event that the Issuer or the Guarantor would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of The Netherlands or the Republic of France or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may, and in certain circumstances must, redeem all outstanding Notes in accordance with the Conditions.

### ***No limitation on issuing debt***

There is no restriction on the amount of debt which the Issuer or the Guarantor or any Subsidiary of the Guarantor (including Sanef) may issue. Such issuance of further debt may reduce the amount recoverable by the Noteholders upon liquidation or insolvency of the Issuer or the Guarantor or any Subsidiary of the Guarantor (including Sanef).

### ***No voting rights***

The Notes do not give the Noteholders the right to vote at meetings of the shareholders of the Issuer or the Guarantor.

### ***No prior market for the Notes and liquidity risk***

There is currently no secondary market for the Notes. Application has been made to list the Notes on the regulated market of the Luxembourg Stock Exchange. However, there can be no assurance that a liquid secondary market for the Notes will develop or, if it develops, that it will continue. In an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

### ***Modification and waivers***

The conditions of the Notes contain provisions for calling General Meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant General Meeting and Noteholders who voted in a manner contrary to the majority.

### ***Legality of purchase***

Neither the Issuer, the Guarantor, the Manager(s) nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

### ***Change of law***

The Terms and Conditions of the Notes and the Guarantee are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in English law or the official application or interpretation of English law after the date of this Prospectus.

### ***Currency risk***

Prospective investors of the Notes should be aware that an investment in the Notes may involve exchange rate risks. The Notes may be denominated in a currency other than the currency of the purchaser's home jurisdiction. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets which are influenced by macro economic factors, speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Notes.

### ***Credit ratings may not reflect all risks***

The Guarantor has been assigned a rating of A by Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. ("**S&P**") and the Notes have been assigned a rating of A- by S&P, in each case on credit watch with negative outlook. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes.

### ***Market Value of the Notes***

The market value of the Notes will be affected by the creditworthiness of the Issuer and the Guarantor and a number of additional factors, including market interest and yield rates. The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in France, in The Netherlands or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes are admitted to trading. The price at which a Noteholder will be able to sell the Notes may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

### ***Global Notes***

The Notes will be represented by global Notes except in certain limited circumstances described in the Permanent Global Note. The Notes will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Permanent Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Notes. While the Notes are represented by global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

The Issuer will discharge its payment obligations under the Notes by making payments to the common depository for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Notes.

Holders of beneficial interests in the Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Notes will not have a direct right under the Notes to take enforcement action against the Issuer in the event of a default under the Notes but will have to rely upon their rights under the Deed of Covenant.

### ***Taxation***

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.



## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the Terms and Conditions of the Notes which (subject to completion and amendment) will be endorsed on each Note in definitive form:*

The EUR 1,500,000,000 4.875 per cent. Guaranteed Notes due 2021 (the “**Notes**”, which expression includes any further notes issued pursuant to Condition 14 (Further Issues) and forming a single series therewith) of HIT Finance B.V. (the “**Issuer**”) are the subject of (a) a deed of guarantee dated 27 October 2006 (as amended or supplemented from time to time, the “**Deed of Guarantee**”) entered into by Holding d’Infrastructures de Transport (the “**Guarantor**”) and (b) an agency agreement dated 27 October 2006 (as amended or supplemented from time to time, the “**Agency Agreement**”) between the Issuer, the Guarantor, HSBC Bank plc as fiscal agent and principal paying agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent and principal paying agent appointed from time to time in connection with the Notes and together with Dexia Banque Internationale à Luxembourg, société anonyme as paying agent, the “**Paying Agents**”, which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes). Certain provisions of these Conditions are summaries of the Deed of Guarantee and the Agency Agreement and subject to their detailed provisions. The holders of the Notes (the “**Noteholders**”) and the holders of the related interest coupons (the “**Couponholders**” and the “**Coupons**”, respectively) are bound by, and are deemed to have notice of, all the provisions of the Deed of Guarantee and the Agency Agreement applicable to them. Copies of the Deed of Guarantee and the Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices (as defined in the Agency Agreement) of each of the Paying Agents, the initial Specified Offices of which are set out below.

### 1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form in the denomination of EUR 50,000 with Coupons attached at the time of issue. Title to the Notes and the Coupons will pass by delivery. The holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such holder. No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

### 2. STATUS AND GUARANTEE

#### (a) *Status of the Notes*

The Notes constitute direct, general, unsubordinated, unconditional and (subject to Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

#### (b) *Guarantee of the Notes*

The Guarantor has in the Deed of Guarantee unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes. This guarantee (the “**Guarantee of the Notes**”) constitutes direct, general, unsubordinated, unconditional and (subject to Condition 3 (*Negative Pledge*)) unsecured obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsubordinated and unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law.

### 3. NEGATIVE PLEDGE

So long as any Note remains outstanding (as defined in the Agency Agreement):

- (a) neither the Issuer nor the Guarantor shall create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its

present or future undertaking, assets or revenues to secure any Relevant Indebtedness or any Guarantee of Relevant Indebtedness of a Person;

- (b) the Issuer and the Guarantor shall procure that none of the Material Subsidiaries will create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of such Material Subsidiaries' present or future undertaking, assets or revenues to secure any Relevant Indebtedness or any Guarantee of Relevant Indebtedness of a Person; and
- (c) neither the Issuer nor the Guarantor nor any Material Subsidiary shall give any Guarantee of any Relevant Indebtedness of any person (other than the Issuer and any Subsidiary of the Guarantor) other than the Deed of Guarantee given by the Guarantor in relation to the Notes,

without at the same time or prior thereto (i) securing or guaranteeing the Notes equally and rateably therewith or (ii) providing such other security for the Notes as may be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of Noteholders.

In these Conditions:

**"Guarantee of Relevant Indebtedness"** means, in relation to any Relevant Indebtedness of any person, any obligation of a Person to pay such Relevant Indebtedness including (without limitation) any indemnity against the consequences of a default in the payment of such Relevant Indebtedness;

**"Relevant Indebtedness"** means any present or future indebtedness for borrowed money of any Person which is in the form of, or represented by, bonds or notes (*obligations*), which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter market or other securities market and which does not constitute Limited-recourse Borrowings;

**"Limited-recourse Borrowings"** means any indebtedness for borrowed money, whether or not in the form of, or represented by, bonds or notes ("**Indebtedness**") incurred by any Material Subsidiary to finance the ownership, acquisition, development, operation and/or maintenance of an asset or project in respect of which the person (or persons) to whom any such Indebtedness is or may be owed by such Material Subsidiary has (or have) no recourse to such Material Subsidiary for the repayment thereof other than:

- (i) recourse to such Material Subsidiary for amounts not exceeding an amount equal to the cash flow from, or the value of, such asset or project; and/or
- (ii) recourse to such Material Subsidiary for the purpose of enabling amounts to be claimed in respect of such Indebtedness in an enforcement of any security interest given by such Material Subsidiary over such asset or rights under, or in respect of, such project (or the income, cash flow or other proceeds deriving therefrom) to secure such Indebtedness; and/or
- (iii) recourse to such Material Subsidiary under any form of assurance, undertaking or support, which is limited to a claim for damages for breach of an obligation (not being a payment obligation or an indemnity in respect thereof, which, for the avoidance of doubt, would fall to be considered under sub-paragraph (i) above, by such Material Subsidiary;

**"Material Subsidiary"** means Sanef and any other direct or indirect Subsidiary of the Guarantor whose gross assets or gross revenues equal or exceed 10 per cent. of the Guarantor's gross assets or gross revenues (on a consolidated basis), as the case may be;

**"Permitted Security Interest"** means (i) any Security Interest in existence on 27 October 2006 to the extent that it secures Relevant Indebtedness of any Material Subsidiary outstanding on such date and (ii) any security interest upon the shares (or equity equivalent) any Material Subsidiary holds in, or its rights under a loan made to, a Project Entity (as defined below) for the benefit of the holders of the Relevant Indebtedness of such Project Entity;

**"Person"** means the Issuer, the Guarantor or any Material Subsidiary;

**“Project Entity”** means a company, corporation, partnership, joint venture, undertaking association, organisation or trust whose principal business is constituted by the ownership, acquisition, development, operation or maintenance of an asset or a project;

**“Security Interest”** means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction; and

**“Subsidiary”** means, in relation to any person (the **“First Person”**) at any particular time, any other person who owns, directly or indirectly, more than fifty per cent. of the share capital of, or voting rights in the shareholders’ general meeting of the First Person.

#### 4. INTEREST

The Notes bear interest from 27 October 2006 (the **“Issue Date”**) at the rate of 4.875 per cent. per annum, (the **“Rate of Interest”**) payable in arrear on 27 October in each year (each, an **“Interest Payment Date”**), subject as provided in Condition 6 (*Payments*).

Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

The amount of interest payable on each Interest Payment Date shall be EUR 2,437.50 in respect of each Note of EUR 50,000 denomination. If interest is required to be paid in respect of a period other than a Regular Period (the **“Relevant Period”**), it shall be calculated by applying the Rate of Interest to the principal amount of such Note, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards), *where*:

**“Day Count Fraction”** means the number of days in the Relevant Period, from (and including) the first day in such period to (but excluding) the last day in such period, divided by the number of days in the Regular Period in which the Relevant Period falls; and

**“Regular Period”** means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date.

#### 5. REDEMPTION AND PURCHASE

##### (a) *Scheduled redemption*

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 27 October 2021 (the **“Maturity Date”**), subject as provided in Condition 6 (*Payments*).

##### (b) *Redemption for tax reasons*

(A) The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (which notice shall be irrevocable) at their principal amount, together with interest accrued to the date fixed for redemption, if:

- (i) (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of The Netherlands or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 25 October 2006; and (B) such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or

- (ii) (A) the Guarantor has or (if a demand was made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) or the Guarantee of the Notes, as the case may be, as a result of any change in, or amendment to, the laws or regulations of the Republic of France or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 25 October 2006; and (B) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it;

*provided, however, that* no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obliged to pay such additional amounts if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee of the Notes were then made.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver or procure that there is delivered to the Fiscal Agent a certificate signed by one director of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

Upon the expiry of any such notice as is referred to in this Condition 5(b)(A), the Issuer shall be bound to redeem the Notes in accordance with this Condition 5(b)(A).

- (B) If the Guarantor would, in respect of the payment of any amount under the Guarantee of the Notes, be prevented by French law from making payment to the Noteholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts contained in Condition 7 (*Taxation*) and in the Guarantee of the Notes, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 15 (*Notices*), redeem all, but not some only, of the Notes then outstanding at their principal amount, together with interest accrued to the date fixed for redemption, provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Guarantor could make payment of the full amount of principal and interest payable without withholding for French taxes, or if such date has passed, as soon as practicable thereafter.

(c) *Change of control redemption at the option of Noteholders*

If at any time while any Note remains outstanding a Put Change of Control Event occurs, the holder of each Note will have the option (unless, prior to the giving of the Put Change of Control Event Notice referred to below, the Issuer gives notice of its intention to redeem the Notes under Condition 5(b)) to require the Issuer to redeem that Note or, at the Issuer's option, to procure the purchase of that Note on the date determined by the Issuer and notified to the Noteholders in accordance with Condition 15 (the "**Put Change of Control Settlement Date**", which date shall be within a period of not less than 60 nor more than 90 days following the Put Change of Control Event Notice) at the principal amount of such Notes, together with (or, where purchased, together with an amount equal to) interest accrued to but excluding such Put Settlement Date.

Promptly upon the Issuer becoming aware that a Put Change of Control Event has occurred, the Issuer shall give notice (a "**Put Change of Control Event Notice**") to the Noteholders in accordance with Condition 15 specifying the nature of the Put Change of Control Event and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 5(c).

In order to exercise the option contained in this Condition 5(c), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Put Settlement Date, deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed put option notice (a "**Put Option Notice**") in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly

completed receipt for such Note (a **"Put Option Receipt"**) to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 5(c), may be withdrawn; *provided, however, that* if, prior to the relevant Put Settlement Date, any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Put Settlement Date, payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 5(c), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

A **"Change of Control"** shall be deemed to have occurred:

- (i) if at any time following the Issue Date Abertis Infraestructuras S.A. holds directly or indirectly (A) less than 40 per cent. of the issued ordinary share capital of the Guarantor or (B) such number of the shares in the capital of the Guarantor carrying less than 40 per cent. of the voting rights normally exercisable at a general meeting of the Guarantor; or
- (ii) if any person or persons acting in concert or any person or persons acting on behalf of any such person(s) at any time directly or indirectly owns or acquires (A) a percentage of the issued ordinary share capital of the Guarantor or (B) such number of the shares in the capital of the Guarantor carrying voting rights normally exercisable at a general meeting of the Guarantor, in either case greater than the percentage or number (as the case may be) held by Abertis Infraestructuras S.A.;

**"Change of Control Period"** means the period ending 120 days after the public announcement of the Change of Control;

**"Investment Grade Rating"** means a rating of Baa3 by Moody's or BBB- by S&P or its equivalent for the time being, or better;

A **"Negative Rating Event"** shall be deemed to have occurred if (i) the Guarantor does not on or before the 60th day after the start of the Change of Control Period seek, and thereafter use all reasonable endeavours to obtain from a Rating Agency, a rating for the Notes or (ii) if it does so seek and use such endeavours, it has not at the expiry of the Change of Control Period and as a result of such Change of Control obtained an Investment Grade Rating, *provided that* the Rating Agency publicly announces or confirms in writing that its declining to assign an Investment Grade Rating was the result, in whole or in part, of the applicable Change of Control;

**"Put Change of Control Event"** means either (i) in anticipation of a Change of Control or (ii) within the Change of Control Period, on or after the occurrence of a Change of Control (A) (if at the time that the Put Change of Control Event occurs the Notes are rated) a Rating Downgrade (Control) in respect of that Put Change of Control Event occurs and has not been cured prior to the expiry of the Change of Control Period, or (B) (if at such time the Notes are not rated) a Negative Rating Event in respect of that Change of Control occurs, *provided that*, in the case of an anticipated Change of Control, a Put Change of Control Event will be deemed to have occurred only if and when a Change of Control subsequently occurs;

**"Rating Agency"** means Moody's Investors Service Inc. ("**Moody's**") (or any successor rating agency thereto), Standard & Poor's Rating Services, a division of The McGraw Hill Companies, Inc. ("**S&P**") (or any successor rating agency thereto) or any other rating agency of equivalent international standing specified from time to time which has a current rating of the Notes at any relevant time; and

A **"Rating Downgrade (Control)"** shall be deemed to have occurred in respect of a Put Change of Control Event if the rating previously assigned to the Notes by any Rating Agency is (x) withdrawn or (y) changed from an Investment Grade Rating to a non Investment Grade Rating (Ba1 by Moody's or BB+ by S&P, or their equivalents for the time being, or worse) or (z) (if the rating previously assigned to the Notes by any Rating Agency was below an Investment Grade Rating) lowered at least one full rating category (for example, from Ba1 to

Ba2 by Moody's or from BB+ to BB by S&P or such similar lower or equivalent rating), provided that a Rating Downgrade (Control) otherwise arising by virtue of a particular change in rating shall be deemed not to have occurred in respect of a particular Put Change of Control Event if the Rating Agency making the change in rating to which this definition would otherwise apply does not publicly announce or confirm that such reduction was the result, in whole or in part, of any event or circumstance comprised in or arising as a result of, or in respect of, the applicable Put Change of Control Event.

(d) *Loss of concessions redemption at the option of Noteholders*

If at any time while any Note remains outstanding a Put Loss of Concession Event occurs, the holder of each Note will have the option (unless, prior to the giving of the Put Loss of Concession Event Notice referred to below, the Issuer gives notice of its intention to redeem the Notes under Condition 5(b)) to require the Issuer to redeem that Note or, at the Issuer's option, to procure the purchase of that Note on the date determined by the Issuer and notified to the Noteholders in accordance with Condition 15 (the "**Put Loss of Concession Settlement Date**", which date shall be within a period of not less than 60 nor more than 90 days following the Put Loss of Concession Event Notice) at the principal amount of such Notes, together with (or, where purchased, together with an amount equal to) interest accrued to such Put Loss of Concession Settlement Date.

Promptly upon the Issuer becoming aware that a Put Loss of Concession Event has occurred, the Issuer shall give notice (a "**Put Loss of Concession Event Notice**") to the Noteholders in accordance with Condition 15 specifying the nature of the Put Loss of Concession Event and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 5(d).

In order to exercise the option contained in this Condition 5(d), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Put Loss of Concession Settlement Date, deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed put option notice (a "**Put Option Notice**") in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed receipt for such Note (a "**Put Option Receipt**") to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 5(d), may be withdrawn; *provided, however, that* if, prior to the relevant Put Loss of Concession Settlement Date, any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Put Loss of Concession Settlement Date, payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 5(d), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

**"Concession Subsidiary"** means any Subsidiary of Sanef which, as "*cessionnaire*", becomes a party to any Concession Agreements or enters into any agreement of a similar nature to such Concession Agreements and whose gross assets or gross revenues (on a consolidated basis) equal or exceed 10 per cent. of the Guarantor's gross assets or gross revenues (on a consolidated basis), as the case may be;

**"Concession Agreements"** means collectively the *contrat de concession* entered into between the French government and Sanef relating to the concession of the operation of certain motorways located in France, including its appendices, as amended from time to time, and the *contrat de concession* entered into between the French government and Société des Autoroutes Paris-Normandie relating to the concession of the operation of certain motorways located in France, including its appendices, as amended from time to time; and

**"Put Loss of Concession Event"** means Sanef or any present or future Concession Subsidiary receiving notice from any relevant authority of default or triggering the

termination, revocation, suspension, cancellation or invalidation of any Concession Agreement or any such Concession Agreement is terminated, revoked, suspended, cancelled or invalidated or amended for any reason.

(e) *Reduction in controlling shareholder redemption at the option of Noteholders*

If at any time while any Note remains outstanding a Put Reduction in Controlling Shareholder Event occurs, the holder of each Note will have the option (unless, prior to the giving of the Put Reduction in Controlling Shareholder Event Notice referred to below, the Issuer gives notice of its intention to redeem the Notes under Condition 5(b)) to require the Issuer to redeem that Note or, at the Issuer's option, to procure the purchase of that Note on the date determined by the Issuer and notified to the Noteholders in accordance with Condition 15 (the "**Put Reduction in Controlling Shareholder Settlement Date**", which date shall be within a period of not less than 60 nor more than 90 days following the Put Reduction in Controlling Shareholder Event Notice) at the principal amount of such Notes, together with (or, where purchased, together with an amount equal to) interest accrued to such Put Settlement Date.

Promptly upon the Issuer becoming aware that a Put Reduction in Controlling Shareholder Event has occurred, the Issuer shall give notice (a "**Put Reduction in Controlling Shareholder Event Notice**") to the Noteholders in accordance with Condition 15 specifying the nature of the Put Reduction in Controlling Shareholder Event and the circumstances giving rise to it and the procedure for exercising the option contained in this Condition 5(e).

In order to exercise the option contained in this Condition 5(e), the holder of a Note must, not less than 30 nor more than 60 days before the relevant Put Settlement Date, deposit with any Paying Agent such Note together with all unmatured Coupons relating thereto and a duly completed put option notice (a "**Put Option Notice**") in the form obtainable from any Paying Agent. The Paying Agent with which a Note is so deposited shall deliver a duly completed receipt for such Note (a "**Put Option Receipt**") to the depositing Noteholder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 5(e), may be withdrawn; *provided, however, that* if, prior to the relevant Put Settlement Date, any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Put Settlement Date, payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 5(e), the depositor of such Note and not such Paying Agent shall be deemed to be the holder of such Note for all purposes.

"**Put Reduction in Controlling Shareholder Event**" means a reduction in the direct or indirect holding of the Guarantor in the share capital of Sanef below 95 per cent. of the issued ordinary share capital. For the avoidance of doubt, any merger (*fusion*) of the Guarantor with Sanef shall not constitute a Put Reduction in Controlling Shareholder Event.

(f) *No other redemption*

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) (*Scheduled redemption*) and (b) (*Redemption for tax reasons*) above.

(g) *Purchase*

The Issuer, the Guarantor or any of the Guarantor's Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured Coupons are purchased therewith.

(h) *Cancellation*

All Notes so redeemed or purchased by the Issuer or the Guarantor and any unmatured Coupons attached to or surrendered with them shall be or shall be caused to be cancelled and may not be reissued or resold.

## 6. PAYMENTS

### (a) *Principal*

Payments of principal shall be made only against presentation and (*provided that* payment is made in full) surrender of Notes at the Specified Office of any Paying Agent outside the United States by Euro cheque drawn on, or by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with, a bank in a city in which banks have access to the Trans European Automated Real time Gross settlement Express Transfer (TARGET) system (the "**TARGET System**").

### (b) *Interest*

Payments of interest shall, subject to paragraph (f) (*Payments other than in respect of matured Coupons*) below, be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) (*Principal*) above.

### (c) *Payments subject to fiscal laws*

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*). No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

### (d) *Deduction for unmatured Coupons*

If a Note is presented without all unmatured Coupons relating thereto, then:

- (i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;
- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
  - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; *provided, however, that* where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
  - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; *provided, however, that*, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) (*Principal*) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons. No payments will be made in respect of void coupons.

### (e) *Payments on business days*

If the due date for payment of any amount in respect of any Note or Coupon is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding business day in such place and shall not be entitled to any further interest or other payment in respect of any such delay. In this



paragraph, "**business day**" means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a Euro account as referred to above, on which the TARGET System is open.

(f) *Payments other than in respect of matured Coupons*

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States.

(g) *Partial payments*

If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

## 7. TAXATION

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of The Netherlands or the Republic of France or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer or (as the case may be) the Guarantor shall, to the extent permitted by law, pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

- (a) by or on behalf of a holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the jurisdiction by which such taxes, duties, assessments or charges have been imposed, levied, collected, withheld or assessed other than the mere holding of the Note or Coupon; or
- (b) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (c) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a member state of the European Union; or
- (d) more than 30 days after the Relevant Date except to the extent that the holder of such Note or Coupon would have been entitled to such additional amounts on presenting such Note or Coupon for payment on the last day of such period of 30 days.

In these Conditions, "**Relevant Date**" means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 7 (*Taxation*).

If the Issuer or the Guarantor becomes subject at any time to any taxing jurisdiction other than The Netherlands or the Republic of France respectively, references in these Conditions

to The Netherlands or the Republic of France shall be construed as references to The Netherlands or (as the case may be) the Republic of France and/or such other jurisdiction.

## 8. FINANCIAL STATEMENTS

So long as any Note remains outstanding (as defined in the Agency Agreement), the Issuer shall prepare at least annual audited financial statements and the Guarantor shall prepare at least annual audited consolidated financial statements, in each case prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union and in each case prepared no later than four months after the end of each financial year, commencing with the financial year ending 31 December 2006, and shall, no later than 30 days after the preparation of such financial statements, make copies of them available to Noteholders for collection free of charge at the Specified Offices of the Fiscal Agent.

## 9. EVENTS OF DEFAULT

If any of the following events occurs:

(a) *Non payment*

The Issuer fails to pay any amount of principal or interest in respect of the Notes within ten days of the due date for payment thereof; or

(b) *Breach of other obligations*

The Issuer or the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Notes or the Guarantee of the Notes and such default remains unremedied for 30 days after written notice thereof, addressed to the Issuer and the Guarantor by any Noteholder, has been delivered to the Issuer and the Guarantor or to the Specified Office of the Fiscal Agent; or

(c) *Cross default of Issuer, Guarantor or Subsidiary*

(i) Any Indebtedness (which does not constitute Limited-recourse Borrowings) of the Issuer, the Guarantor or any of the Material Subsidiaries is not paid when due or (as the case may be) within any originally applicable grace period unless the Issuer is contesting in good faith and by appropriate proceedings before a competent court that such indebtedness was due and payable;

(ii) Any Indebtedness (which does not constitute Limited-recourse Borrowings) of the Issuer, the Guarantor or any of the Material Subsidiaries becomes (or becomes capable of being declared) due and payable prior to its stated maturity as a result of a default thereunder and unless the Issuer is contesting in good faith and by appropriate proceedings before a competent court that such indebtedness was due and payable; or

(iii) The Issuer, the Guarantor or any of the Material Subsidiaries fails to pay when due any amount payable by it under any Guarantee of any Indebtedness (which does not constitute Limited-recourse Borrowings),

*provided that* the amount of Indebtedness referred to in sub paragraph (i) and/or sub paragraph (ii) above and/or the amount payable under any Guarantee referred to in sub paragraph (iii) above individually or in the aggregate exceeds EUR 25,000,000 (or its equivalent in any other currency or currencies); or

(d) *Security enforced*

A secured party takes possession, or a receiver, manager or other similar officer is appointed, of the whole or a substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries; or

(e) *Insolvency, etc.*

(i) The Issuer, the Guarantor or any of the Material Subsidiaries becomes insolvent or is unable to pay its debts as they fall due,

- (ii) An administrator or liquidator of the Issuer, the Guarantor or any of the Material Subsidiaries or the whole or a substantial part of the undertaking, assets and revenues of the Issuer, the Guarantor or any of the Material Subsidiaries is appointed (or application for any such appointment is made),
- (iii) the Issuer, the Guarantor or any Material Subsidiary sells, transfers or otherwise disposes of, directly or indirectly, the whole or a substantial part of its assets, or enters into, or commences any proceedings, all in furtherance of forced or voluntary liquidation or dissolution, except in the case of a disposal, dissolution, liquidation, merger (*fusion*) or other reorganisation in which all of or substantially all of the Issuer's, the Guarantor's or any Material Subsidiary's assets, as the case may be, are transferred to a legal entity which simultaneously assumes all of the Issuer's, the Guarantor's or any Material Subsidiary's debt, as the case may be, and liabilities including the Notes and whose main purpose is the continuation of, and which effectively continues, the Issuer's, the Guarantor's or any Material Subsidiary's activities, as the case may be,
- (iv) the Issuer, the Guarantor or any Material Subsidiary makes any proposal for a general moratorium in relation to its debt or applies for, or is subject to, the appointment of a *mandataire ad hoc* or enters into a conciliation procedure (*procédure de conciliation*) or into a safeguard procedure (*procédure de sauvegarde*) or a judgement is issued for the judicial liquidation (*liquidation judiciaire*) or the transfer of the whole of the business (*cession totale de l'entreprise*) of the Issuer, the Guarantor or of any of its Material Subsidiaries or, to the extent permitted by applicable law; if the Issuer, the Guarantor or of any of its Material Subsidiaries is subject to any other insolvency or bankruptcy proceedings or makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors; or

(f) *Change of Business*

The Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries ceases or threatens to cease to carry on all or a substantial part of its business (otherwise than in the case of Permitted Reorganisation); or

(g) *Analogous event*

Any event occurs which under the laws of The Netherlands or the Republic of France or any other jurisdiction in which any Material Subsidiary is incorporated has an analogous effect to any of the events referred to in paragraph (e) (*Insolvency*); or

(h) *Guarantee not in force*

The Guarantee of the Notes is not (or is claimed by the Guarantor not to be) in full force and effect; or

(i) *Ownership by the Guarantor*

The Issuer ceases to be directly wholly-owned by the Guarantor,

then any Note may, by written notice addressed by the holder thereof to the Issuer and the Guarantor and delivered to the Issuer and Guarantor or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its principal amount together with accrued interest without further action or formality.

**"Permitted Reorganisation"** means a reconstruction, amalgamation, merger, consolidation or transfer of assets and/or activities (a **"Reorganisation"**) where the surviving legal entity which acquires or to which is transferred all or a substantial part of the business and/or activities of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries:

- (i) is a company incorporated and resident in a Member State of the OECD;
- (ii) carries on the same or similar business and activities of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries;

(iii) expressly and effectively by law assumes all the obligations of the Issuer, the Guarantor or any of the Guarantor's Material Subsidiaries under the Notes and has obtained all authorisations therefor; and

benefits from a senior long term debt rating from either Moody's or S&P which is equal to or higher than the senior long term debt rating as that of the Notes immediately prior to the Reorganisation taking place.

#### 10. **PRESCRIPTION**

Claims for principal shall become void unless the relevant Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date.

#### 11. **REPLACEMENT OF NOTES AND COUPONS**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent and the Paying Agent having its Specified Office in Luxembourg, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

#### 12. **PAYING AGENTS**

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Paying Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Paying Agents and their initial Specified Offices are listed below. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor fiscal agent and additional or successor paying agents; *provided, however, that* the Issuer and the Guarantor shall at all times maintain (a) a fiscal agent, (b) a paying agent in Luxembourg, and (c) a paying agent in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced to conform to, such Directive.

Notice of any change in any of the Paying Agents or in their Specified Offices shall promptly be given to the Noteholders.

#### 13. **MEETINGS OF NOTEHOLDERS; MODIFICATION**

##### (a) *Meetings of Noteholders*

The Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and the Guarantor (acting together) and shall be convened by them upon the request in writing of Noteholders holding not less than one tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more persons holding or representing one more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* certain proposals (including any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of payments under the Notes, to amend the terms of

the Guarantee of the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a “**Reserved Matter**”) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more persons holding or representing not less than three quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) *Modification*

The Notes, these Conditions and the Deed of Guarantee may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

14. **FURTHER ISSUES**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes.

15. **NOTICES**

Notices to the Noteholders shall be valid if published in a leading newspaper having general circulation in Luxembourg (which is expected to be *d’Wort*) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe or on the website of the Luxembourg Stock Exchange, *www.bourse.lu*. Any such notice shall be deemed to have been given on the date of first publication. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

16. **GOVERNING LAW AND JURISDICTION**

(a) *Governing law*

The Notes and all matters arising from or connected with the Notes are governed by, and shall be construed in accordance with, English law.

(b) *English courts*

The courts of England have exclusive jurisdiction to settle any dispute (a “Dispute”) arising from or connected with the Notes.

(c) *Appropriate forum*

The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

(d) *Rights of the Noteholders to take proceedings outside England*

Condition 16(b) (*English courts*) is for the benefit of the Noteholders only. As a result, nothing in this Condition 16 (*Governing Law and Jurisdiction*) prevents any Noteholder from taking proceedings relating to a Dispute (“**Proceedings**”) in any other courts with jurisdiction. To the extent allowed by law, Noteholders may take concurrent Proceedings in any number of jurisdictions.

(e) *Process agent*

The Issuer agrees that the documents which start any Proceedings and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to TBI plc at Britannia House, Frank Lester Way, London Luton Airport, Luton, Bedfordshire LU2 9NQ or, if different, its registered office for the time being or at any address of the Issuer in Great Britain at which process may be served on it in accordance with Part XXIII of the Companies Act 1985. If such person is not or ceases to be effectively appointed to accept service of process on behalf of the Issuer, the Issuer shall, on the written demand of any Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 Business Days, any Noteholder shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Fiscal Agent. Nothing in this paragraph shall affect the right of any Noteholder to serve process in any other manner permitted by law. This Condition applies to Proceedings in England and to Proceedings elsewhere.

(f) *Consent to enforcement etc.*

The Issuer consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which is made or given in such Proceedings.

(g) *Waiver of immunity*

To the extent that the Issuer may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or its assets or revenues, the Issuer agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

*There will appear at the foot of the Conditions endorsed on each Note in definitive form the names and Specified Offices of the Paying Agents as set out at the end of this Prospectus.*

## SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The Notes will initially be in the form of a Temporary Global Note which will be deposited on or around the Issue Date with a common depository for Euroclear and Clearstream, Luxembourg. The Temporary Global Note will be exchangeable in whole or in part for interests in a Permanent Global Note not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

The Permanent Global Note will become exchangeable in whole, but not in part, for Notes in definitive form ("**Definitive Notes**") in the denomination of EUR 50,000 each at the request of the bearer of the Permanent Global Note if (a) Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 9 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons attached, in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note at the Specified Office of the Fiscal Agent within 30 days of the bearer requesting such exchange.

If:

- (a) Definitive Notes have not been delivered by 5.00 p.m. (London time) on the thirtieth day after the bearer has duly requested exchange of the Permanent Global Note for Definitive Notes; or
- (b) the Permanent Global Note (or any part of it) has become due and payable in accordance with the Conditions or the date for final redemption of the Notes has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the bearer in accordance with the terms of the Permanent Global Note on the due date for payment,

then the Permanent Global Note (including the obligation to deliver Definitive Notes) will become void at 5.00 p.m. (London time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (London time) on such due date (in the case of (b) above) and the bearer of the Permanent Global Note will have no further rights thereunder (but without prejudice to the rights which the bearer of the Permanent Global Note or others may have under a deed of covenant dated 27 October 2006 (the "**Deed of Covenant**") executed by the Issuer). Under the Deed of Covenant, persons shown in the records of Euroclear and/or Clearstream, Luxembourg as being entitled to an interest in the Permanent Global Note will acquire directly against the Issuer all those rights to which they would have been entitled if, immediately before the Permanent Global Note became void, they had been the holders of Definitive Notes in an aggregate principal amount equal to the principal amount of Notes they were shown as holding in the records of Euroclear and/or (as the case may be) Clearstream, Luxembourg.

In addition, the Temporary Global Note and the Permanent Global Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to the Temporary Global Note and the Permanent Global Note. The following is a summary of certain of those provisions:

*Payments:* All payments in respect of the Temporary Global Note and the Permanent Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Temporary Global Note or (as the case may be) the Permanent Global Note at the Specified Office of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Temporary Global Note or (as the case may be) the Permanent Global Note, the Issuer shall procure that the same is noted in a schedule thereto.

*Notices:* Notwithstanding Condition 15 (*Notices*), while all the Notes are represented by the Permanent Global Note (or by the Permanent Global Note and/or the Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a common depository for Euroclear and Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and Clearstream, Luxembourg and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 15 (*Notices*) on the date of delivery to Euroclear and Clearstream, Luxembourg; *provided, however, that*, so long as the Notes are listed on the Luxembourg Stock Exchange and its rules so require, notices will also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *d'Wort* or the *Tageblatt*) or on the website of the Luxembourg Stock Exchange, [www.bourse.lu](http://www.bourse.lu).



## **USE OF PROCEEDS**

The net proceeds of the issue of the Notes, expected to amount to EUR 1,478,670,000 after deduction of the combined management and underwriting commission and the selling concession and the other expenses incurred in connection with the issue of the Notes will be used by the Issuer to refinance the acquisition debt of HIT relating to HIT's acquisition of Sanef and for general corporate purposes. The total expenses relating to the admission to trading of the Notes on the Luxembourg Stock Exchange are estimated to be EUR 13,000.

## DESCRIPTION OF THE ISSUER AND FINANCIAL STATEMENTS

### General

The Issuer was incorporated as a private company with limited liability under the laws of The Netherlands on 21 September 2006. The Issuer has been registered with the trade registry of the Chamber of Commerce and Industries in Amsterdam under No. 34256448. The address of the Issuer is 55 Rokin, 1012KK Amsterdam and the telephone number of the Issuer is +31 20 521 4713.

The Issuer is a wholly owned subsidiary of Holding d'Infrastructures de Transport, the Guarantor (as further set out in "Description of the Guarantor and Financial Statements"). The Issuer is a credit institution within the meaning of the Dutch Act on the Supervision of Credit Institutions 1992, as amended, restated or re-enacted, as the case may be, (*Wet toezicht kredietwezen 1992*, the "**WTK**") and is exempted from the obligation to obtain a licence from the Dutch Central Bank (*De Nederlandsche Bank*) ("**DCB**") pursuant to Section 3 of the Exemption Regulation of 26 June 2002, as amended, in respect of the Act on the Supervision of Credit Institutions 1992, as amended or re-enacted, as the case may be, (*Vrijstellingsregeling Wet toezicht kredietwezen 1992*), (the "**Exemption Regulation**"), because of the following: (i) the Issuer is obtaining funds by means of the issue of securities in compliance with the Act on the Supervision of Securities Transactions 1995, as amended or re-enacted, as the case may be, (*Wet toezicht effectenverkeer 1995*), (ii) at least 95 per cent. of the total balance sheet of the Issuer will be invested or on-lent within the group, and (iii) the Guarantor is providing an unconditional and irrevocable guarantee in respect of the obligations of the Issuer, so long as the Guarantor has a positive consolidated equity capital during the full term of its guarantee. The Issuer has notified the DCB in accordance with section 4 of the Exemption Regulation.

The Issuer may be appointed by the DCB as a reporter, pursuant to the Regulation of 4 February 2003, issued by DCB, implementing reporting instructions under the Act on Financial Foreign Relations 1994 (*Wet financiële betrekkingen buitenland 1994*) and if so appointed, the Issuer has to file reports with DCB for the benefit of the composition of the balance of payments for The Netherlands by DCB. If the Notes are listed on a stock exchange, the Issuer may be subject to insider trading rules in The Netherlands pursuant to the Act on the Supervision of Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*).

### Articles of Association

The principal objects of the Issuer are set out in Article 3 of its Articles of Association and are the activities of a typical holding and finance company.

### Share Capital

The authorised share capital of the Issuer consists of EUR 10,000,000 divided into 10,000 ordinary shares of EUR 1,000 nominal value each. The issued share capital of the Issuer consists of EUR 2,000,000 divided into 2,000 ordinary shares of EUR 1,000 nominal value each and fully paid up.

### Investments

As of the date of this Prospectus, the Issuer has no borrowings or indebtedness in the nature of borrowings (including loan capital issued, or created but unused), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities, except as otherwise described in this Prospectus.

### Management

The Managing Directors of the Issuer are:

- (a) Fortis Intertrust (Netherlands) B.V., a private limited liability company under Dutch law (*'besloten vennootschap met beperkte aansprakelijkheid'*), having its official seat in Amsterdam (The Netherlands), its office address at Rokin 55, 1012 KK Amsterdam and registered in the Commercial Register under number 33144202; and
- (b) Holding d'Infrastructures de Transport, a company under French law (*société par actions simplifiée*), having its office address at 100 avenue de Suffren, 75015 Paris (France) and

registered under number 484 918 123 (the Guarantor, as further set out under “Description of the Guarantor and Financial Statements”).

The managing directors of Fortis Intertrust (Netherlands) B.V. are Otgerus Joseph Anton van der Nap, Peter de Langen, Ronald Willem Bakker and Carlo Paul Maria Roelofs.

There are no actual or potential conflicts of interest between the duties owed by the managing directors of the Managing Directors of the Issuer to the Issuer and their private interests or other duties.

## **Auditors' Report on the Financial Statements of the Issuer**

To the Shareholders and Board of directors of  
HIT Finance B.V.

### **Auditors' Report**

#### ***Introduction***

In accordance with your assignment we have audited the interim financial statements of HIT Finance B.V. (the "Company"), incorporated in Amsterdam, the Netherlands, for the period from 21 September 2006 up to and including 30 September 2006 as set out on pages 3 to 11. These interim financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these interim financial statements based on our audit.

#### ***Scope***

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the interim financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the interim financial statements. We believe that our audit provides a reasonable basis for our opinion.

#### ***Opinion***

In our opinion, the Company's interim financial statements give a true and fair view of the financial position of the Company as at 30 September 2006 and of the result and the cash flows for the period from 21 September 2006 up to and including 30 September 2006 in accordance with International Financial Reporting Standards as adopted by the EU.

Rotterdam, 17 October 2006

PricewaterhouseCoopers Accountants N.V.

drs S. Barendregt-Roojers RA

**Financial Statements of the Issuer**  
**Balance sheet as at 30 September 2006**  
(amounts in euro)

	Note	2006
<b>ASSETS</b>		
Cash at bank .....	4	<u>18,131</u>
<b>Total assets</b> .....		<u><b>18,131</b></u>
<b>EQUITY</b>		
Ordinary share capital .....	5	18,000
Accumulated loss .....		<u>(119)</u>
<b>Total equity</b> .....		<u><b>17,881</b></u>
<b>LIABILITIES</b>		
Fees payable and accrued expenses.....	6	<u>250</u>
<b>Total liabilities</b> .....		<u><b>250</b></u>
<b>Total liabilities and equity</b> .....		<u><b>18,131</b></u>

Amsterdam, 17 October 2006

Holding d'Infrastructures de Transport S.A.S      Fortis Intertrust (Netherlands) B.V.

*The accompanying notes form an integral part of these financial statements.*

**Income statement for the period from 21 September 2006 to 30 September 2006**

(amounts in euro)

	<b>Note</b>	<b>Period from 21 September 2006 to 30 September 2006</b>
<b>INCOME</b> .....		—
<b>EXPENSES</b>		
Bank charges .....		(119)
<b>Total expenses</b> .....		(119)
Loss before tax .....		(119)
Income tax .....	7	—
<b>Net loss for the period</b> .....		<u>(119)</u>

*The accompanying notes form an integral part of these financial statements.*

**Statement of changes in shareholders' equity for the period from 21 September 2006 to 30 September 2006**

(amounts in euro)

	<b>Number of shares</b>	<b>Share capital</b>	<b>Retained loss</b>	<b>Total</b>
<b>Balance as at 21 September 2006</b> .....	—	—	—	—
Issue of shares.....	18	18,000	—	18,000
Net loss for the period .....	—	—	(119)	(119)
<b>Balance as at 30 September 2006</b> .....	<u>18</u>	<u>18,000</u>	<u>(119)</u>	<u>17,881</u>

*The accompanying notes form an integral part of these financial statements.*

## Cash flow statement for the period from 21 September 2006 to 30 September 2006

(amounts in euro)

	Note	Period from 21 September 2006 to 30 September 2006
<b>Cash flows used in operating activities:</b>		
Net loss for the period .....		(119)
Net increase in fees payable and accrued expenses .....		250
<b>Net cash from (used) in operating activities.....</b>		<b>131</b>
<b>Cash flows from financing activities:</b>		
Proceeds from ordinary shares issued .....		18,000
<b>Net cash from (used in) financing activities .....</b>		<b>18,000</b>
<b>Net increase in cash and cash equivalents.....</b>		<b>18,131</b>
<b>Cash and cash equivalents at the beginning of the period.....</b>		<b>—</b>
<b>Cash and cash equivalents at the end of the period.....</b>	4	<b>18,131</b>

*The accompanying notes form an integral part of these financial statements.*



## Notes to the financial statements for the period from 21 September 2006 to 30 September 2006

### 1. General

The Company was incorporated as a limited liability company under the laws of the Netherlands on 21 September 2006 and has its statutory seat in Amsterdam.

The principal activity of the Company is to act as a finance company.

The ultimate holding company is Holding d'Infrastructures de Transport S.A.S., a *société par actions simplifiée* incorporated under the laws of France.

The Company has no employees.

The Company's financial statements were authorised for issue on 17 October 2006 by the Board of Directors.

### 2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below.

#### ***Basis of preparation***

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) effective at period-end on 30 September 2006.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

No comparative information has been presented as this is the Company's first period of trade.

The balance sheet presents assets and liabilities in decreasing order of liquidity and does not distinguish between current and non-current items. All the company's assets and liabilities are held for the purpose of being traded or are expected to be realised within one year.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

#### ***Foreign currency translation***

##### (a) Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which its investors operate (the "functional currency"). This is the euro, which reflects the denomination of the fee structure of the Company and the fact that the issued ordinary shares of the Company are denominated in euro. The Company has also chosen the euro as its presentation currency.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

#### ***Cash and cash equivalents***

For the purposes of the cash flow statement, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

### **Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

### **Income tax**

Income tax payable on profits, based on the applicable tax law in each jurisdiction, is recognised as an expense in the period in which profits arise. The tax effects of income tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

## **3. Financial risk management**

The Company may be exposed to interest rate risk and credit risk arising from the financial instruments it holds. The main risk management policies employed by the Company to manage these risks are discussed below.

### **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. As the Company has only cash and cash equivalents that are invested at short-term market interest rates it is not subject to significant interest rate risk.

### **Credit risk**

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment it has entered into with the Company. Financial assets, which potentially expose the Company to credit risk, consist of cash due from banks. The Company's cash balances are primarily with high credit quality, well-established financial institutions. The Company has no significant concentrations of credit risk as at 30 September 2006.

## **4. Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents includes the following:

<b>As at 30 September</b>	<b>2006 Euro</b>
Current bank account.....	18,131

## **5. Ordinary share capital**

The authorised share capital of the Company amounts to EUR 90,000 divided into 90 shares of EUR 1,000 each. As at 30 September 2006, 18 shares of EUR 1,000 had been issued and fully paid up.

## **6. Fees payable and accrued expenses**

<b>As at 30 September</b>	<b>2006 Euro</b>
Amount due to group entities .....	250

## **7. Income tax**

As at 30 September 2006, the Company has not accounted for the interest tax as the amounts of profits for which the tax is recognised is negligible.

## **8. Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Company has two managing directors. The names of the directors are Holding d'Infrastructures de Transport S.A.S and Fortis Intertrust (Netherlands) B.V. Directors' fees for the period ended 30 September 2006 were EUR nil. The Company will pay on an annual basis a fee of EUR 3,500 to Fortis Intertrust (Netherlands) B.V. The directors of Holding d'Infrastructures de Transport S.A. are not entitled to receive any fees. The ultimate holding company is Holding d'Infrastructures de Transport S.A.S., a *société par actions simplifiée* incorporated under the laws of France.

**9. Subsequent events**

HIT Finance B.V. intends to sign the Board resolution to issue on 27 October 2006 EUR 1,500,000,000 in Guaranteed Notes that will be redeemed at their principal amount on 27 October 2021. The intention of the Company is that the Notes will be in bearer form and in the denomination of EUR 50,000 only each and will bear interest from 27 October 2006 at the rate of 4.875% per annum, payable annually in arrears on 27 October of each year, commencing on 27 October 2007.

At the moment of the issue of the financial statements, an application has been made for the Notes to be admitted to listing on the official list and trading on the Luxembourg Stock Exchange's Regulated Market.

The Company intends to sign the Board resolution on 18 October 2006 that HIT Finance B.V. will issue 1,982 new shares of the Company, with a nominal value of EUR 1,000 each, numbered 19 through 2,000 to Holding d'Infrastructures de Transport S.A.S., at an issue price of EUR 1,000 per share, amounting to EUR 1,982,000 in order to have EUR 2,000,000 equity.

## DESCRIPTION OF THE GUARANTOR AND FINANCIAL STATEMENTS

### General information

HIT's legal name is Holding d'Infrastructures de Transport.

HIT is incorporated as a *société par actions simplifiée* (a form of limited liability company) organised and existing under the laws of France.

HIT's registered office is 100, avenue de Suffren, 75015 Paris, France (telephone + 33 1 44 38 62 00).

HIT is registered at the *Registre du commerce et des sociétés* (commerce and companies registry) of Paris under the reference number 484 918 123.

HIT was incorporated on 14 November 2005 for a term of 99 years and is scheduled to expire on 13 November 2104 unless it is previously dissolved or its term is extended by law or pursuant its *statuts* (bylaws).

HIT's financial year runs from 1 January to 31 December (except for its first financial year which will run from 14 November 2005 to 31 December 2006).

### Business activities

HIT's principal corporate purpose is:

- to acquire, subscribe to, hold, manage, administer, and dispose of financial stakes in Sanef;
- more generally, to participate in all industrial, commercial, financial and civil activities and transactions, and to invest in short or long term financial instruments, as well as to exercise all rights directly or indirectly pertaining to the corporate purpose indicated above or all similar purposes and their ancillary functions.

HIT has not engaged in any activity since its incorporation, other than the acquisition of a controlling block stake in Sanef from the French state and *Autoroutes de France* and the subsequent purchase of all remaining shares by way of a public tender offer at a guaranteed price and an obligatory repurchase offer (delisting tender offer).

### Shareholding and ownership

HIT's share capital consists of 1,512,267,743 shares in registered form of par value of one euro each, in a single class and fully paid up. The share capital consisted of 42,000 shares on HIT's incorporation and was increased on 3 February 2006 by the distribution of 1,512,215,743 new shares and again increased on 30 June 2006 by a further 10,000 shares.

Title of any person(s) to the shares is constituted by book-entries in the name of such person(s) in a register held, at HIT's registered office, by HIT (which may, at its discretion, name an administrator for this purpose). The shares are unconditionally transferable as per HIT's *statuts*, subject to the terms of the shareholders' agreement described below.

Each share gives right to one vote in relation to resolutions of the *assemblée générale* (general meeting of the shareholders) of HIT. However, shares do not carry voting rights when held by or through controlled subsidiaries of HIT.

HIT has not distributed any dividends since its incorporation. To date, HIT's shares have not been provided in support of any guarantees, liens or any other forms of security. HIT has not issued securities other than its shares.

The relationships between HIT's shareholders are subject to a shareholders' agreement, which came into force on the day of the transfer of the French state's direct and indirect holding in Sanef to HIT. The agreement lays out certain rules relative to the transfer of HIT's shares, including preference and pre-emptive rights, a right of joint proportional sale and a right of complete disposal. The agreement also details the rules of governance that are applicable within the initiating institution, as well as certain rules of governance pertaining to Sanef.

An agreement by the HIT Consortium (as defined below) was also signed by HIT's shareholders on 7 November 2005 with the principle purpose of defining (i) their contributions to the financing of HIT's acquisition of the controlling stake in Sanef from the French State, (ii) the public tender

offer with a guaranteed price and the potential follow on squeeze out offer and compulsory retirement of Sanef shares from the market.

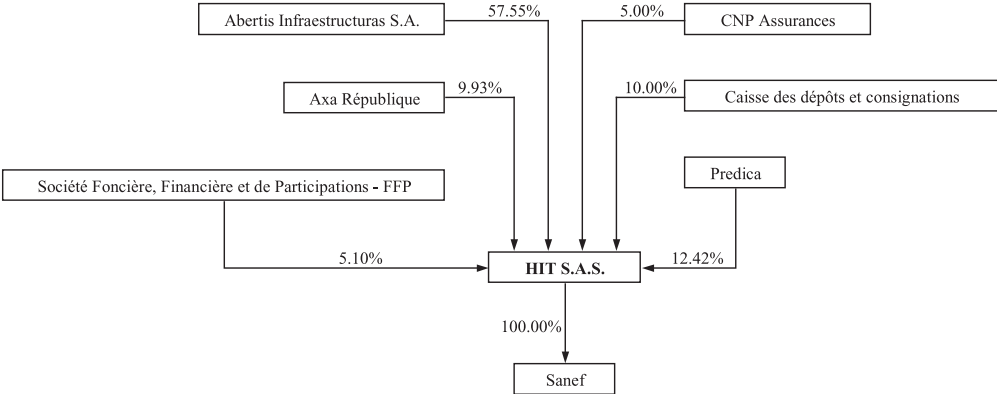
**The HIT Consortium**

The share capital of HIT is currently distributed among the following entities (the “HIT Consortium”):

Abertis Infraestructuras S.A. ....	57.55%
AXA République.....	9.93%
CDC .....	10.00%
CNP .....	5.00%
FFP .....	5.10%
Predica .....	12.42%
<i>Total</i> .....	<u>100.00%</u>

HIT is directly owned or controlled as shown above.

Set out below is the capital structure chart of the HIT Consortium.



**HIT Consortium members**

*HIT confirms that the information below is accurately reproduced from information published by the relevant Consortium members and that, as far as HIT is aware and is able to ascertain from information published by the relevant Consortium members, no facts have been omitted which would render the reproduced information inaccurate or misleading.*

**Abertis**

Abertis is the leading listed transport and communications infrastructure manager in Spain. Its group comprises 60 companies worldwide, under either direct management or by way of participating stakes, which operate in the following business segments: toll motorways, parking facilities, logistics platforms, telecommunications infrastructure and airports. Abertis is a leading European toll road operator in terms of market capitalisation, with a market capitalisation of approximately 12 billion euros, with (as at 31 December 2005) equity funds of 3.1 billion euros and net debt of 4.2 billion euros. It is also one of the leading European operators of toll motorways in terms of the length of road kilometres managed (currently approximately 3,200 km). The Abertis group’s 2005 consolidated revenues were 1.9 billion euros, EBITDA was 1.2 billion euros and net profit was 0.5 billion euros. The Abertis group is currently present principally in Spain and France, but also in Italy, Portugal, the United Kingdom, Sweden, the United States, Argentina, Chile, Columbia, Bolivia, Puerto Rico, Morocco and Andorra. Abertis main shareholders are the construction group ACS (24.83%) and the Cajas de Ahorros (with over 40%, including la Caixa’s stake of approximately 23.28%).

### *AXA République*

The AXA group, of which AXA République is a subsidiary, is focused on the financial protection market. This comprises a service offering, to individuals, small, medium and large businesses, of insurance, asset management and trust and estate services, at different points in the life of the client. These activities are geographically diversified, with a concentration of businesses in the West European, North American and Asia/Pacific markets. The AXA group had 2005 annual revenues of 72 billion euros and managed 1.1 billion euros of assets at the end of 2005.

AXA République is advised by the Specialised Infrastructure Team of AXA Investment Manager, a dedicated multi-expert investment manager backed by the AXA group.

### *Caisse des Dépôts et Consignations ("CDC")*

CDC is a financial institution owned by the French state, responsible for various public interest goals which are attributed to it by the French state and French local authorities. It is also a major long term institutional investor. Within the CDC group, CDC is the leading shareholder in the insurer CNP. CNP manages major portfolios of listed shares, investment capital and real estate assets.

### *Caisse Nationale de Prévoyance Assurances ("CNP")*

Specialised in the business of insuring individuals (life insurance, investment and savings policies, property and asset damage insurance), CNP is, since 1991, the leading player in France in this segment, with a market share of over 18%. CNP has 14 million insured customers. CNP Assurances is quoted on the Eurolist A section of Euronext Paris.

### *Société Foncière, Financière et de Participations ("FFP")*

FFP is a holding company and the largest shareholder in the PSA Peugeot-Citroën group. Aside from this stake, which is the main asset in its portfolio, FFP holds interests in various other industrial and commercial corporations, such as SEB, Lisi and the FCC group in Spain, as well as real estate assets, short term instruments and cash. FFP is quoted on the Eurolist market of Euronext Paris.

### *Predica*

The retail insurance arm of the Credit Agricole group, Predica is the leading banking and insurance player (*bancassurance*) and the second life policy insurer in France (source: *Fédération Française des Sociétés d'Assurances*, 2005 Industry Annual Report) with 144 billion euros of assets managed at year end 2005. Created in 1986, Predica very quickly took on a leading position in its markets. The merger with l'Union des assurances fédérales, completed in 2004, as part of the merger of Crédit Agricole with Crédit Lyonnais, allowed it to reinforce this leadership position. The newly enlarged company is positioned as one of the major insurers for individuals in France, with revenues of 18.8 billion euros in 2005.

## **Management**

The Guarantor is represented, administered and managed by a *président* (president). The president may be an individual or an institution, an HIT shareholder or not, appointed, for a defined or undefined term, by either the founding shareholder or by a collective vote of all the shareholders.

The president assumes, under his responsibility, the general management of the firm and represents it in its relations with third parties. In this regard, he is invested within legal bounds with the most extensive powers in order to act on behalf of HIT under all circumstances. Within these limits, the president may partially delegate his powers.

HIT's president is Mr. Josep Martínez Vila of Gran Via Carlos III 57 8º 2A, 08028 Barcelona, Spain. There are no actual or potential conflicts of interest between Mr. Vila's duties to HIT and his other duties or private interests.

Outside HIT, Mr. Vila is also a director of the following companies: ACCESOS DE MADRID, SEVISUR, PARC LOGÍSTIC, ARABA LOGÍSTICA, CILSA, SANEF, SCHEMA28, ACESA ITALIA and AUTOSTRADE PER L'ITALIA.

## **Auditors' Limited Review Report on the Interim Financial Statements**

### **Holding d'Infrastructures de Transport (H.I.T.) – S.A.S.**

Head office: 100, avenue de Suffren, 75015 Paris

### **STATUTORY AUDITORS' LIMITED REVIEW REPORT ON THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2006**

*This is a free translation into English of the Statutory Auditors' limited review report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the shareholders,

In our capacity as Statutory Auditors of the Company, we have performed a review of the accompanying interim consolidated financial statements of H.I.T. at 30 June 2006.

These interim consolidated financial statements are the responsibility of the Chairman. Our role is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less 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, no material errors have come to our attention causing us to believe that the accompanying interim consolidated financial statements do not provide a true and fair view of the assets, liabilities, financial position and results of the consolidated group of companies, in accordance with IFRS as adopted within the European Union.

Without qualifying the conclusion expressed above, we draw your attention to note 2.2 – "Business combinations" to the interim consolidated financial statements at 30 June 2006, which indicates the provisional nature of the process adopted for allocating the cost of Sanef shares.

Neuilly-sur-Seine and Paris La Défense, 14 September 2006

The Statutory Auditors

PricewaterhouseCoopers Audit

KPMG Audit

Xavier Aubry

Benoit Lebrun

## Financial Statements of the Guarantor

### 1. CONSOLIDATED STATEMENT OF INCOME

*(in thousands of euros)*

	Notes	H1 2006
<b>Revenues</b> .....	3.3	<u>579,475</u>
<b>Operating expenses</b> .....		<u>(420,524)</u>
Purchases and external charges.....	3.4	(70,598)
Payroll costs.....	3.5	(75,515)
Other operating income and expense, net .....	3.6	936
Taxes other than on income .....	3.7	(78,744)
Depreciation, amortization and provisions .....	3.8	<u>(196,603)</u>
<b>Operating income</b> .....		<u>158,951</u>
Interest expense .....		(125,354)
Other financial expenses.....		(10,060)
Financial income .....	3.9	<u>23,246</u>
<b>Income before tax and minority interests</b> .....		<u>46,783</u>
Income tax.....	3.10	<u>(17,154)</u>
<b>Net income before minority interests</b> .....		<u>29,629</u>
<b>Minority interests</b> .....		<u>64</u>
<b>Group share in net income</b> .....		<u>29,565</u>
<b>Earnings per share</b> .....	3.11	
Earnings per share (in euros) .....		0.02
Weighted average number of shares.....		1,250,365,631
Diluted earnings per share (in euros) .....		0.02
Weighted average number of shares.....		1,250,365,631



## 2. CONSOLIDATED BALANCE SHEET

	Notes	30/6/2006
<b>ASSETS</b>		
<i>(in thousands of euros)</i>		
Goodwill .....	3.12	2,487,187
Intangible assets .....	3.13	9,069
Property, plant and equipment .....	3.14	7,845,965
Non-current financial assets .....	3.15	41,890
<b>Total non-current assets</b> .....		<b><u>10,384,111</u></b>
Inventories .....		5,776
Trade and other accounts receivable .....	3.16	119,812
Current financial assets .....	3.15	5,900
Cash and cash equivalents .....	3.17	1,077,274
<b>Total current assets</b> .....		<b><u>1,208,762</u></b>
<b>TOTAL ASSETS</b> .....		<b><u><u>11,592,873</u></u></b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<i>(in thousands of euros)</i>		
Capital stock .....		1,512,268
Additional paid-in capital .....	3.18	490,949
Unrealized foreign currency translation gains .....		29,565
Retained earnings and net income .....		29,565
<b>Shareholders' equity (Group share)</b> .....		<b><u>2,032,782</u></b>
<b>Minority interests</b> .....		<b><u>403</u></b>
<b>Total shareholders' equity</b> .....		<b><u>2,033,185</u></b>
Non-current provisions .....	3.19	20,953
Borrowings (non-current portion) .....	3.21	7,068,984
Deferred tax liabilities .....		904,294
<b>Total non-current liabilities</b> .....		<b><u>7,994,231</u></b>
Current provisions .....	3.19	28,407
Borrowings (current portion) .....	3.21	1,308,175
Trade and other accounts payable .....	3.22	205,402
Current tax liability .....		23,473
<b>Total current liabilities</b> .....		<b><u>1,565,457</u></b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> .....		<b><u><u>11,592,873</u></u></b>

### 3. STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AND MINORITY INTERESTS

<i>(in thousands of euros)</i>	Capital stock	Additional paid-in capital	Unrealized foreign currency translation gains (losses)	Retained earnings and net income	Shareholders' equity (Group share)	Minority interests	Total shareholders' equity
<b>At January 1, 2006</b>	42				42		42
Operations affecting capital stock	1,512,226	490,949			2,003,175	339	2,003,514
H1 2006 net income				29,565	29,565	64	29,629
Total expenses and income for the year							
<b>At June 30, 2006</b>	<b><u>1,512,268</u></b>	<b><u>490,949</u></b>		<b><u>29,565</u></b>	<b><u>2,032,782</u></b>	<b><u>403</u></b>	<b><u>2,033,185</u></b>

#### 4. CONSOLIDATED STATEMENT OF CASH FLOWS

*(in thousands of euros)*

**H1 2006**

##### **Cash flows from operating activities**

Operating income .....	158,951
Elimination of non-cash items:	
Depreciation, amortization and provisions (other than provisions on assets) .....	200,329
Disposal (gains) losses .....	233
Change in inventories .....	(369)
Change in trade and other receivables .....	45,769
Change in trade and other payables .....	(37,277)
Taxes paid .....	(18,070)

**349,566**

##### **Cash flows from investing activities**

Additions to property, plant and equipment .....	(48,687)
Disposals of property, plant and equipment .....	147
Acquisitions of intangible assets .....	(1,955)
Net payments on acquisitions of Sanef shares .....	(4,476,765)
Acquisition of non-current financial assets .....	(635)
Interest income .....	20,528
Dividends received .....	70

**(4,507,297)**

##### **Cash flows from financing activities**

Increase in capital stock .....	2,003,217
New borrowings .....	3,526,312
Reimbursement of borrowings .....	(109,459)
Investment grants received .....	3,460
Interest expense .....	(188,521)
Dividends paid .....	(4)

##### **Net cash flows from financing activities**

**5,235,005**

Cash and cash equivalents, opening balance .....	0
Net change in cash and cash equivalents .....	1,077,274
Cash and cash equivalents, closing balance .....	1,077,274

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. INFORMATION CONCERNING THE GROUP

#### 1.1 Information concerning HIT, the parent company

HIT was founded on November 2, 2005, as the holding vehicle for the acquisition of Sanef's shares, as part of the competitive bidding process launched by the French government for the disposal of its holdings in three motorway concessionaire companies.

HIT won the bid and acquired the French government's stake on February 3, 2006 (see below: regarding Sanef, the sub-group). HIT then launched price support and a mandatory minority buyout, ultimately enabling it to become Sanef's sole shareholder.

HIT holds no assets other than Sanef's stock. All of these shares have been pledged as security.

On February 2, 2006 HIT increased its share capital by 1,512,216 thousand euros.

On June 30, 2006 HIT increased its share capital through the contribution of 100% its associates' current accounts for a total of 490,959 thousand euros.

HIT's registered office is located at 100 avenue de Suffren, 75015 Paris - France.

The majority shareholder of HIT is the Abertis group, which is headquartered in Barcelona, Spain. The consolidated financial statements of HIT will be included in the consolidated financial statements of Abertis.

The consolidated financial statements for the first half of 2006 were prepared by the executive management of the company on September 11, 2006.

#### 1.2 Information concerning Sanef, the sub-group

The Sanef group holds two motorway concessions, granted by the French government, which manage the construction and operation of 1,772 kilometers of motorways, engineering structures and facilities. Of this total, Sanef manages 1,393 kilometers and SAPN manages 379 kilometers. As of June 30, 2006, the Group's network in service totaled 1,743 kilometers.

On November 5, 2004, contractual amendments were signed by Sanef (No. 7) and by SAPN (No. 6) which substantially modify the concession agreement specifications applicable to the two companies. These specifications describe the general legal and financial conditions that will be applied to the concessions until December 31, 2028.

On December 31, 2004, long-term program contracts (*contrats d'entreprise*) were signed by member companies of the Sanef group and the French government, defining capital expenditure and tariff policies for 2004 – 2008.

In the context of the privatization of the Company, the French government announced its desire to modify the concession contract awarded to Sanef via a contractual modification that were approved by the Boards of Directors of Sanef and SAPN on April 27 and May 4, 2006, respectively.

Sanef was first listed on the Paris stock exchange on March 24, 2005. The total capital raised by this operation, excluding costs allocated to additional paid-in capital, amounted to €884.6 million, including €489.7 million from subscriptions to the open-priced offer, €347.7 million from the guaranteed global placement, €20.6 million from the over-allotment option and €26.8 million from the employee offering.

Following the announcement on June 8, 2005 by the French Prime Minister of the complete privatization of Sanef, a competitive bidding process was launched on July 18. The HIT consortium, comprising Abertis (57%) and institutional investors including CDC, Predica, CNP, FFP and AXA, was declared the winner on December 14. The sale of the French government's stake in Sanef to HIT took place on February 3, 2006.

Following this acquisition, the HIT consortium launched a public tender offer at a guaranteed price for all of the remaining shares, followed by a mandatory minority buyout. The latter took place on April 25, 2006 and enabled HIT to hold 100% of Sanef's shares.

## 2. ACCOUNTING METHODS

Due to the seasonality of motorway traffic, which is heavier during the last six months of the year, the business activity and results for the first half are usually lower than those for the second half.

### 2.1 Accounting standards

The consolidated financial statements for the first half of 2006 (H1 2006) have been prepared in compliance with the international accounting standards published by the IASB (International Accounting Standards Board), as endorsed by the European Union. These international accounting standards include the interpretations published by the IFRIC, all amendments to the existing standards and IFRIC Interpretation 4, application of which became mandatory effective January 1, 2006.

HIT's interim consolidated financial statements for H1 2006 were prepared using historical costs, unless specifically stated below. The preparation of the financial statements requires that estimates be used and that choices be made regarding how accounting standards are applied to certain transactions. HIT's principal source of estimates results from the process by which the cost of Sanef's shares is allocated to the primary balance sheet items of that company and its subsidiaries. The allocation process will be definitively completed during the second half of 2006.

### 2.2 Business combinations

HIT's acquisition of Sanef's shares result in a business combination and is accounted for using the acquisition method prescribed by IFRS 3. The cost of acquiring Sanef's shares was allocated to the identifiable components of its balance sheets, including all contingent liabilities, which were recorded at their fair value on the acquisition date. These new values are historical costs for HIT.

Fair value valuations are presently being performed, and the amounts reflected in the interim financial statements at June 30, 2006 must be considered temporary.

If the definitive allocation of the acquisition cost had been known at the time of the closing of the half year 2006 accounts, it would have had an impact on the amortization charge booked.

### 2.3 Accounting treatment of concession contracts

A substantial share of the cost of Sanef's shares was allocated to two of the Sanef group's motorway concession contracts. The contracts are presented under the heading "property, plant and equipment" and are depreciated over their remaining lives.

All replaceable assets needed to operate motorways are recorded as "property, plant and equipment."

This accounting treatment will be re-examined once the IFRIC interpretation regarding concession contracts, currently under discussion, is published definitively.

### 2.4 Basis of consolidation

Subsidiaries are fully consolidated when they are controlled by the Group. Such control is established when the Group has the direct or indirect power to make decisions relating to operations and finance in order to obtain advantages from the subsidiary.

Minority interests are presented in the balance sheet in a separate category from shareholders' equity. The share of minority interests in income is presented on a separate line of the income statement.

Companies that have been newly acquired are consolidated as from the effective date of acquisition. Their assets and liabilities are valued at this date in accordance with the acquisition method used.

### 2.5 Basis of translation

In Group companies, transactions in foreign currencies are translated using the exchange rate in effect at the time they occur. Assets and liabilities denominated in foreign currencies are

translated at the closing exchange rate for the period. Any foreign exchange gains and losses that may result are booked in the income statement as other financial income and expenses.

The subsidiaries and equity investments located outside of the euro zone use their local currency as their operating currency, and this currency is used for the majority of their transactions. Their balance sheets are translated using the exchange rate in effect at the balance sheet date. Their income statements are translated using the average yearly foreign exchange rate. Any foreign exchange gains or losses that may result from the translation of the financial statements of these subsidiaries and equity investments are booked to consolidated shareholders' equity under the "Unrealized foreign currency translation gains and losses" category. Goodwill on these subsidiaries is booked in the local operating currency.

## 2.6 Segment information

The Group operates almost exclusively in France, and its diversification efforts (in particular into telematics, via the acquisition of Masternaut) are not currently material in comparison with the overall activities of the Group. The Group therefore remains present in one primary sector of activity and located in one primary geographical area.

## 2.7 Goodwill

Goodwill represents the difference between the acquisition price (to which ancillary costs have been added) of the shares of companies that are controlled by the Group, and the Group's share in the fair value of their net assets at the date of acquisition. It corresponds to non-identifiable elements of the acquired companies. Goodwill is not amortized, in accordance with IFRS 3 ("Business combinations").

An impairment test is conducted as soon as signs of impairment appear, or at least once per year. For this test, goodwill is allocated at the cash-generating unit level, representing the smallest groups of assets generating autonomous cash flows, compared to the total cash flows of the Group.

## 2.8 Intangible assets

Intangible assets consist mainly of software purchased by the Group. They are booked at cost and are depreciated on a straight-line basis over a period of three to five years, depending on their useful life.

Currently, development expenses are charged to the income statement in the period during which they occurred, as they do not meet the requirements for capitalization.

## 2.9 Property, plant and equipment

Property, plant and equipment reported in the Group balance sheet consist almost entirely of concession assets and will for the most part be returned to the French government at the end of the concession period without consideration.

The concession covers all land, engineering structures and facilities required for the construction, maintenance and operation of each motorway or motorway section, including on- and off-ramps, out-buildings and other facilities used to provide services to motorway users or designed to optimize motorway operations. Assets may include either original infrastructure or complementary investments on motorways in service.

Concession assets correspond to either non-replaceable "construction assets", which are assets that will not have to be replaced during the life of the concession (mainly infrastructure and engineering structures), or replaceable "operating assets", such as toll booth equipment, signage, remote transmission and video-surveillance systems, computer equipment, vehicles, machinery and tools, whose useful life is shorter than that of the concession. Motorway road surfaces, which must be replaced on average every 10 years, have been classified as replaceable assets.

Concession assets are carried at historical cost, which, for HIT, represents the allocation to these assets of a portion of the acquisition cost of the shares of Sanef. Non-replaceable assets are subject to financial depreciation calculated on a straight-line basis over the period from the date

when the assets are put in service up to the end of the concession. The replaceable assets are depreciated over their estimated useful lives.

<b>Useful lives</b>	<b>Number of years</b>
Motorway road surfaces .....	10
Machinery and tools .....	5 to 8 years
Computer equipment .....	3
Vehicles .....	5
Facilities .....	8

#### 2.10 Leasing contracts

Finance leases on equipment sold by Masternaut, a Group subsidiary, generated financial receivables that have since been sold to other financial institutions. For this reason, they no longer appear as assets in the balance sheet.

#### 2.11 Impairment tests for goodwill, other intangible assets, and property, plant and equipment

The legal stipulations and the financial provisions of the concession contracts require that each contract be associated with a cash-generating unit. The useful value of these units is determined by discounting all future net cash flows. An impairment loss is booked when the recoverable amount of the asset is less than the book value of the goodwill, the other intangible assets and the property, plant and equipment that are associated with the cash-generating unit. The recoverable amount will be defined as the market value or its value as a going concern (whichever is highest). Impairment losses are credited to the asset account in question.

As the goodwill on the acquisition of Sanef is related to neither of the concession contracts, it will be tested for impairment on the basis of the valuations performed at the Sanef group level.

#### 2.12 Financial assets

Financial assets include assets relating to operations as well as:

- non-consolidated equity investments
- financial advances
- loans received for building projects
- financial derivatives with positive value (see section 2.12)
- cash and cash equivalents (see section 2.17).

Equity investments in non-consolidated subsidiaries are stated in the balance sheet at their purchase price, in the absence of an active market.

Advances and loans are stated at their amortized cost, calculated using the effective interest rate.

At each balance sheet date, the portfolio of non-consolidated equity investments and other financial assets is reviewed to determine if there has been a decrease in its value. If such is the case, the relevant impairment of the assets is booked.

#### 2.13 Accounting for derivative instruments

Derivative instruments are stated in the balance sheet at fair value, whether this is positive or negative. In cases where they qualify as fair value hedges, the change in their fair value is recorded through profit or loss. A change in fair value of the hedge mirroring that of the hedged position, resulting from the risk that is covered, is recorded in the income statement with a corresponding entry in the balance sheet. Given the characteristics of the derivatives instruments used by Sanef, this accounting method has no impact on the income statement.

In cases of derivative instruments that may not be considered to be hedging instruments, or in cases where the Company has decided not to reflect the hedging in its accounts, changes in the value of the derivative instruments are recorded through profit or loss.

#### 2.14 Inventories

Inventories consist primarily of supplies and spare parts for motorway maintenance vehicles. They are stated at the lower of cost and market, determined by the weighted average cost method. They are written down if their net realisable value is below cost.

#### 2.15 Trade and other receivables

Trade and other receivables are expected to be paid within a short time and do not generate interest. For this reason, they are stated at nominal value. If necessary, an impairment loss is recorded for doubtful receivables on the basis of estimated recoverable cash flows.

#### 2.16 Accounting for income tax

Taxes include both current income tax and deferred taxes.

Tax receivables and payables currently due and generated during the year are classified as current assets or liabilities.

Deferred taxes are recorded on all timing differences between the book value of assets and liabilities and their tax basis value. Deferred taxes are calculated based on anticipated future tax rates applicable to the period when deferral is to end, in as much as future tax rates have been enacted prior to the year end of recognition of the deferred taxes. Deferred tax assets are recognized only when it is probable that they will be set off against future taxable income. Deferred tax assets and liabilities expected to reverse in the same or different periods are netted off where they concern entities in the tax group. Deferred taxes are not discounted to present value and are recorded in the balance sheet as non-current assets and liabilities.

#### 2.17 Cash and cash equivalents

Cash includes liquidities held in bank current accounts. Cash equivalents are highly liquid investments which do not present any significant risk of loss in value. The Company has chosen to state cash equivalents at their fair value. Any changes in fair value are recorded through profit or loss.

#### 2.18 Shareholders' equity

Costs related to share capital increases are deducted from additional paid-in capital.

#### 2.19 Employee remuneration in the form of stock

Employee remuneration in the form of stock is recorded as an expense in the income statement, with a corresponding entry in equity (under additional paid-in capital). These shares are recorded at fair value.

#### 2.20 Interest expense

Interest expense accrued during the construction of conceded engineering structures is included in the building cost of these structures.

#### 2.21 Current and non-current provisions

In accordance with IAS 37 ("Provisions, contingent liabilities and contingent assets"), a provision is booked when the Group has an obligation vis-à-vis a third party arising from a past event and when it is probable that uses of funds will be required to fulfill this obligation.

#### 2.22 Defined benefits plan

Salaried employees of the HIT group receive bonus retirement payments which are paid to those employees who have continued to work in the Group until their effective retirement dates. Furthermore, employees who have retired from the subsidiary SAPN receive a retirement insurance premium contribution. A complementary defined benefits retirement plan was also set in place in 2005.

Prior to retirement, certain employees are paid awards for long service by the Group.

These defined obligations are recorded in the balance sheet and measured using the projected unit credit method, based on estimated end-of-career salaries. Expenses booked during the fiscal



year include the cost of services rendered during that period, the financial cost of the reversal of the discounting of the actuarial obligation, and all of the actuarial variances that were stated during the year. This expense is offset by income procured from assets covering these obligations.

**2.23 Financial liabilities**

Financial liabilities include borrowings, trade and other payables, as well as derivative instruments with negative value.

Borrowings consist of loans and interest accrued, financial advances and guarantees received corresponding to payments made by motorway toll subscribers. These appear in the balance sheet at amortized cost, calculated using the applicable interest rate.

In light of their short-term maturity, trade and other payables are stated in the balance sheet at cost. An amortization of these payables using the effective interest rate results in a very similar assessment.

**2.24 Recognition of revenues**

Revenues are generated primarily by motorway toll receipts and are recorded as they are earned.

**3. DETAILS OF THE FINANCIAL STATEMENTS**

**3.1 Scope of consolidation**

The HIT group includes HIT, the parent company, and the following fully-consolidated subsidiaries:

<b>Company</b>	<b>Activity</b>
SANEF.....	Motorway concession
SAPN .....	Motorway concession
Nacional P .....	Telematics
Masternaut .....	Telematics
Sanef d.o.o .....	Engineering services

### 3.2 Impact of the acquisition of control of Sanef on HIT's consolidated balance sheet

Analysis of the impact of the Sanef acquisition on HIT's consolidated balance sheet at the time HIT assumed control of Sanef:

<b>Assets acquired</b>	<b>January 2006</b>
<b>(in thousands of euros)</b>	
Goodwill .....	2,487,179
Intangible assets .....	8,240
Property, plant and equipment .....	7,994,591
Non-current financial assets .....	41,405
Inventories.....	5,407
Trade and other accounts receivable.....	123,450
Current financial assets .....	51,368
Cash and cash equivalents .....	847,164
<b>Total assets</b> .....	<b><u>11,558,804</u></b>
<b>Deductions</b>	
Minority interests .....	347
Non-recurring provisions .....	19,956
Borrowings .....	4,506,016
(non-current portion) .....	
Deferred tax liabilities .....	921,468
Current provisions .....	25,343
Borrowings .....	557,279
(current portion) .....	
Trade and other accounts payable.....	197,251
Current tax liability .....	7,214
<b>Total liabilities and shareholders' equity</b> .....	<b><u>6,234,874</u></b>
<b>Net value: cost of Sanef's shares</b> .....	<b><u>5,323,930</u></b>

The impact on the statement of cash flows of the acquisition of Sanef is detailed below (in thousands of euros):

– Acquisition cost of Sanef shares paid by HIT.....	5,323,930
– To be deducted: cash and cash equivalents on Sanef's balance sheet at the date of acquisition .....	<u>(847,164)</u>
Net outlays for the acquisition of globally consolidated entities purchased.....	4,476,766

### 3.3 Revenues

<b>(in thousands of euros)</b>	<b>H1 2006</b>
Toll receipts .....	544,285
Subscription sales and telematics services.....	16,947
Fees from service station and other service area operators .....	10,761
Telecom services .....	3,060
Engineering services and other revenues .....	4,422
Revenues from activities other than toll receipts .....	35,190
<b>Revenues</b> .....	<b><u>579,475</u></b>

Subscription sales and telematics services include the billing of management fees related to subscriptions, which are charged to subscribers on a monthly basis. Sales of subscriptions are increasingly becoming a separate activity, particularly since the launch of the Liber-t toll payment system.

Telematics services include the sale of devices and the processing of information collected by these devices.

Fees from service station and other service area operators correspond to fees received from the operators of service stations and other retail outlets located on motorway rest and service areas.

Telecom services correspond mainly to the rental of fiber optic cables and masts to telecoms operators.

Sales of petrol and other services are made in the network or nearby.

### 3.4 Purchases and external charges

<b>(in thousands of euros)</b>	<b>H1 2006</b>
Energy, supplies and replacement parts.....	(14,598)
Infrastructure maintenance.....	(3,241)
Other maintenance.....	(3,542)
Other external charges.....	(23,799)
Banking and similar charges.....	(25,418)
<b>Purchases and external charges.....</b>	<b><u>(70,598)</u></b>

### 3.5 Payroll costs

<b>(in thousands of euros)</b>	<b>H1 2006</b>
Salaries and wages.....	(44,584)
Payroll taxes.....	(22,330)
Incentive bonuses.....	(4,709)
Employee profit-sharing.....	(3,267)
Post-employment benefits and severance payments.....	(625)
Other long-term benefits.....	—
<b>Payroll costs.....</b>	<b><u>(75,515)</u></b>

### 3.6 Other operating income and expense, net

<b>(in thousands of euros)</b>	<b>H1 2006</b>
Income on disposals of property, plant and equipment and intangible assets.....	4,019
Miscellaneous income.....	—
<b>Other income.....</b>	<b><u>4,019</u></b>
Net losses on disposals of property, plant and equipment and intangible assets....	(233)
Miscellaneous expenses.....	(2,850)
<b>Other expenses.....</b>	<b><u>(3,083)</u></b>
<b>Other income and expenses, net.....</b>	<b><u>936</u></b>

### 3.7 Taxes other than on income

<b>(in thousands of euros)</b>	<b>H1 2006</b>
Regional development tax.....	(43,995)
Local business tax.....	(14,824)
Local government royalty.....	(15,830)
Other taxes and duties.....	(4,095)
<b>Taxes other than income.....</b>	<b><u>(78,744)</u></b>

The regional development tax is calculated on the basis of the number of kilometers of toll-paying motorways in the network that were traveled during the year. This tax is calculated as an estimated annual charge and is paid on a monthly basis. A final adjustment payment is made at the end of the year. Since January 2000, the regional development tax is levied at the rate of €6.86 per thousand kilometers traveled.

The royalty paid to the local government (also known as the annual royalty for occupation of a public domain) is an obligation created by Article 1 of Decree 97-606, dated May 31, 1977 and included as Article R.122-27 of the French Motorway Code. It is a tax calculated on the basis of the revenues earned by the concessionaire from its motorway concession activity, operated in the public domain, and the number of kilometers of motorways operated at December 31 of the preceding year. This tax is paid in July of each year, to cover the period from July 1 to June 30 of the following year.

### 3.8 Depreciation, amortization and provisions

<b>(in thousands of euros)</b>	<b>H1 2006</b>
Amortization of intangible assets .....	<u>(1,106)</u>
Depreciation of conceded assets:	
Depreciation of non-replaceable property, plant and equipment .....	(166,856)
Depreciation of replaceable property, plant and equipment: motorway road surfacing .....	(12,752)
Depreciation of replaceable property, plant and equipment: other.....	(14,948)
Depreciation of other companies' fixed assets .....	<u>(342)</u>
Total depreciation and amortization.....	(196,004)
Other provisions.....	<u>(599)</u>
<b>Depreciation, amortization and provisions.....</b>	<b><u>(196,603)</u></b>

### 3.9 Financial income

<b>(in thousands of euros)</b>	<b>H1 2006</b>
Financial income on short-term investments .....	21,415
Positive change in fair value of financial assets and derivative instruments .....	1,760
Dividends from non-consolidated companies .....	<u>71</u>
<b>Total other financial income (excluding net borrowings).....</b>	<b><u>23,246</u></b>

### 3.10 Income tax

<b>(in thousands of euros)</b>	<b>H1 2006</b>
Current taxes.....	(34,328)
Deferred taxes .....	<u>17,174</u>
<b>Total .....</b>	<b><u>(17,154)</u></b>

A tax rate of 36% was used for the second half of 2006.

Income tax was calculated taking into account the creation of the HIT tax consolidation group. The companies in the Sanef tax group closed their accounts early with a May 31, 2006 balance sheet date. Their taxable income for the period from June 1 through December 31, 2006 will be incorporated into the new group, and should allow HIT to offset its entire tax loss for fiscal year 2006.

### 3.11 Earnings per share and dividends

Basic earnings per share are calculated by dividing distributable net income for the year by the weighted average number of shares outstanding at the end of the year.

If there are no dilutive instruments, diluted earnings per share will equal basic earnings per share.

### 3.12 Goodwill

A portion of the goodwill arising from the Sanef group acquisition, in the amount of €4.838 million was allocated to the company Masternaut. The activity of Masternaut is compared to the sum of discounted future cash flows given in the latest forecasts. The weighted average cost of

capital that may be used to discount future cash flows has been set at 10%. The extrapolation of forecasts made in the last year (2008) of the medium-term business plan is obtained by applying an infinite growth rate of 5%.

#### Allocation of the goodwill on the acquisition of Sanef's shares

The €3,964 million difference between the cost of Sanef's shares (€5,324 million) and the company's net assets at the time of the acquisition (€1,360 million) was allocated to goodwill in the following way:

(in millions of euros)	Fair value	Net book value	Fair value adjustment
Fixed assets .....	7,995	5,220	2,775
Net debt.....	(4,216)	(3,701)	(515)
Fair value adjustment .....	3,779	1,519	2,260
Deferred tax.....	—	—	(778)
<b>Goodwill .....</b>			<b>2,482</b>
<b>Total difference in value upon consolidation.....</b>			<b>3,964</b>

This breakdown was made on a temporary basis, as HIT is continuing to evaluate the fair value of the Sanef group's concessions. The definitive result of this analysis will be incorporated into the annual financial statements at December 31, 2006.

If the definitive acquisition cost had been known at the time of the closing of the 2006 half year accounts, it would have had an impact on the amortisation expense booked.

#### 3.13 Intangible assets

Gross value (in thousands of euros)	At time of company's creation	Additions	Disposals	Changes in scope of consolidation and other	At June 30, 2006
Purchased software.....	—	1,662	(1,033)	16,049	16,678
Other intangible assets.	—	278	(11)	3,949	4,216
<b>Total .....</b>	<b>—</b>	<b>1,940</b>	<b>(1,044)</b>	<b>19,998</b>	<b>20,894</b>

Amortization (in thousands of euros)	At time of company's creation	Provisions	Reversals on disposals	Changes in scope of consolidation and other	At June 30, 2006
Purchased software.....	—	(1,050)	1,031	(10,717)	(10,736)
Other intangible assets.	—	(77)	11	(1,023)	(1,089)
<b>Total .....</b>	<b>—</b>	<b>(1,127)</b>	<b>1,042</b>	<b>(11,740)</b>	<b>(11,825)</b>

### 3.14 Property, plant and equipment

Property, plant and equipment correspond almost entirely to conceded public assets. The net value of these assets was €714 thousand at June 30, 2006 (compared to €678 thousand at December 31, 2005). Tables below refer to conceded assets only.

Gross value (in thousands of euros)	At time of company's creation	Additions	Disposals	Changes in scope of consolidation and other	At June 30, 2006
Non-replaceable assets	—	43,129	—	10,349,481	10,392,610
Replaceable assets					
– motorway road surfaces .....	—	522	—	269,153	269,675
– other assets .....	—	2,640	(6,152)	353,750	350,238
<b>Total .....</b>	<b>—</b>	<b>46,291</b>	<b>(6,152)</b>	<b>10,972,384</b>	<b>11,012,523</b>

Depreciation (in thousands of euros)	At time of company's creation	Provisions	Reversals on disposals	Changes in scope of consolidation and other	At June 30, 2006
Non-replaceable assets	—	(166,856)	—	(2,623,617)	(2,790,473)
Replaceable assets					
– motorway road surfaces .....	—	(12,752)	—	(111,674)	(124,426)
– other assets .....	—	(14,948)	5,777	(243,201)	(252,372)
<b>Total .....</b>	<b>—</b>	<b>(194,556)</b>	<b>5,777</b>	<b>(2,978,492)</b>	<b>(3,167,271)</b>

Works signed for but not yet executed were €132.675 million at June 30, 2006. These works correspond mainly to long term fixed assets.

### 3.15 Non-current and current financial assets

(in thousands of euros)	At June 30, 2006	
	Non-current	Current
Non-consolidated equity investments .....	4,219	—
Receivables from non-consolidated equity investments .....	—	1,372
ALIS advance .....	36,054	—
Other loans .....	1,618	125
Deposits .....	—	4
Derivative instruments .....	—	4,399
<b>Total .....</b>	<b>41,890</b>	<b>5,900</b>

Non-consolidated equity investments:

(in thousands of euros)	Percentage interest	Acquisition Cost at June 30, 2006
– Soderane .....	99.4	15
– Sonora .....	98.6	8
– Centaure Pas de Calais.....	34	259
– Centaure Normandie .....	49.9	343
– Alis.....	19.67	2,257
– Routalis .....	30	12
– GIE Autoroutes Traffic .....	24	72
– GSA Location .....	100	500
– Eurotoll.....	100	40
– Softrack .....	100	713
– Codéryl.....	100	34
– Anyscan.....	100	16
<b>Total non-consolidated equity investments .....</b>	<b>—</b>	<b>4,269</b>

Codéryl and Anyscan are fully provisioned.

The concession of the A28 motorway between Rouen and Alençon was awarded by the French government to Alis (*Autoroute de liaison Seine-Sarthe*), whose shareholders of reference are Bouygues and IXIS.

SAPN had been initially contacted as a possible concessionaire and had committed expenses of €29.6 million. As a reimbursement for this expense, SAPN acquired 8% of the share capital of Alis in June 2002. SAPN furthermore has provided a financial advance which is to be reimbursed on a straight line basis as of the opening of the A28 is opened, and until 2028.

Since Alis has not yet prepared interim financial statements at June 30 but only a management report, HIT has booked a €3 million provision for contingencies corresponding to its share in Alis' estimated loss at June 30.

Building-related loans that are included in the "Other loans" category represent a net present value of €1.416 million at 30 juin 2006. These loans, which were extended as required by law in support of construction programmes, are to be repaid over a period of 20 years and do not bear interest. The interest rate used to discount these loans is 4% and is also used to calculate financial income stated in the income statement.

Derivative instruments were used for the following operations:

- a cross-currency swap made by the *Caisse Nationale des Autoroutes* for Sanef, in the amount of €2.393 million in 2005,
- interest rate swaps considered perfect hedges, in the amount of (€18.362) million,
- caps covering fluctuation risk, treated as independent financial derivatives, in the amount of €1.732 million.

### 3.16 Trade and other accounts receivable

<b>(in thousands of euros)</b>	<b>At June 30, 2006</b>
Prepayments and down payments made on orders.....	687
Receivables from toll activities .....	53,635
Receivables from other activities.....	23,603
Other receivables and accrued income .....	40,629
Doubtful accounts.....	6,652
Provisions for impairment of trade receivables .....	<u>(5,394)</u>
<b>Total trade and other accounts receivable .....</b>	<b><u><u>119,812</u></u></b>

### 3.17 Cash and cash equivalents

<b>(in thousands of euros)</b>	<b>At June 30, 2006</b>
Treasury bills and notes and others.....	150,000
Money market funds.....	908,285
Cash equivalents .....	1,058,285
Cash .....	<u>18,989</u>
<b>Total cash and cash equivalents .....</b>	<b><u><u>1,077,274</u></u></b>

Cash equivalents are stated at market value, which represents an unrealized gain of €1.095 million compared to their purchase price.

### 3.18 Capital stock and additional paid-in capital

At June 30, 2006, HIT had capital stock of 1,512,267,743 common shares with a par value of €1.

<b>(in thousands of euros)</b>	<b>Number of shares</b>	<b>Par value</b>	<b>Capital</b>	<b>Additional paid-in capital</b>
At January 1, 2006 .....	42,000	0,001	42	—
Extraordinary General Shareholders' Meeting held on February 2, 2006.....	1,512,215,743	0,001	1,512,216	—
Extraordinary General Shareholders' Meeting held on June 3, 2006.....	<u>10,000</u>	<u>0.001</u>	<u>10</u>	<u>490,949</u>
<b>At June 30, 2006 .....</b>	<b><u><u>1,512,267,743</u></u></b>	<b><u><u>0,001</u></u></b>	<b><u><u>1,512,268</u></u></b>	<b><u><u>490,949</u></u></b>



### 3.19 Provisions

(in thousands of euros)	At January 1, 2006	Increases	Reversals of unused provisions	Utilizations	Changes in scope of consolidation and other	At June 30, 2006
Claims and litigation.....	—	594	(142)	(50)	2,331	2,733
Tax risk.....	—	523	—	—	20,340	20,863
Employee post- employment benefits (3.20)	—	1,000		(62)	19,314	20,252
Other long-term benefits (long-service awards).....	—	59			642	701
Others .....	—	2,611	(3)	(469)	2,672	4,811
<b>Total .....</b>	<b>—</b>	<b>4,787</b>	<b>(145)</b>	<b>(581)</b>	<b>45,299</b>	<b>49,360</b>
<b>Of which: current .....</b>	<b>—</b>	<b>3,728</b>	<b>(145)</b>	<b>(519)</b>	<b>25,343</b>	<b>28,407</b>
<b>Of which: non-current .....</b>	<b>—</b>	<b>1,059</b>		<b>(62)</b>	<b>19,956</b>	<b>20,953</b>

#### Tax risk

In 2001, an analysis of tax returns filed by Sanef since its inception showed that certain capitalized expenses in fixed assets and other asset categories had not been deducted for tax purposes. As a consequence, the 2000 tax declaration shows a €114 million adjustment made on prior deductions for tax purposes, corresponding to a tax adjustment of €41.542 thousand at a rate of 36.43%.

A letter on this subject was addressed to the French tax authorities. A difference in interpretation has shown a tax risk of €55.835 million, which was booked as a provision in the 2002 financial statements at a rate of 36.43%, or €20.340 million. Since January 1, 2005, this tax risk has become short-term.

The company is now undergoing a tax audit for fiscal years 2002, 2003 and 2004. Given the tax repayment proposals made by the French tax authorities in December 2005, the company considers that the amount booked as a provision at December 31, 2004 sufficiently covers the tax risk.

### 3.20 Post-employment benefits

Post-employment benefits include bonus retirement payments and a supplemental retirement benefits program that was set in place in 2005. For SAPN, these also include a retirement health insurance premium contribution.

#### Actuarial assumptions are given below:

	<b>At June 30, 2006</b>
Discount rate.....	4%
Salaries increase rate.....	3.10%
Mortality rates .....	INSEE 2003
Age of entry into professional life .....	20/24
Retirement age .....	60/64
Rate of social charges .....	45%

### 3.21 Borrowings

#### Non-current borrowings

	<b>At June 30, 2006</b>
<b>(in thousands of euros)</b>	
Borrowings .....	7,084,953
Revaluation linked to the implementation of the fair value hedge .....	<u>(15,969)</u>
<b>Total non-current borrowings .....</b>	<b><u>7,068,984</u></b>

The borrowings on the acquisition of Sanef were entered into with maturities of up to four years.

#### Current borrowings

	<b>At June 30, 2006</b>
<b>(in thousands of euros)</b>	
Borrowings .....	1,146,947
Local public authority .....	701
Central government advances .....	17,318
Other: deposits and guarantees received .....	36,220
Subtotal .....	1,201,186
Accrued interest .....	<u>106,989</u>
<b>Total current borrowings .....</b>	<b><u>1,308,175</u></b>

Total borrowings by maturity:

	<b>At June 30, 2006</b>
<b>(in thousands of euros)</b>	
Within one year .....	1,308,175
During the 2 <sup>nd</sup> year .....	3,239,335
During the 3 <sup>rd</sup> year and through the 5 <sup>th</sup> year .....	1,396,621
Beyond the 5 <sup>th</sup> year .....	<u>2,433,028</u>
<b>Total .....</b>	<b><u>8,377,159</u></b>

Total borrowings by currency:

	<b>At June 30, 2006</b>
<b>(in thousands of euros)</b>	
Euro-based loans .....	8,201,471
Pound sterling-based loans .....	<u>14,460</u>
<b>Total .....</b>	<b><u>8,215,231</u></b>

Rate structure of loans prior to interest rate swaps:

	<b>At June 30, 2006</b>
<b>(in thousands of euros)</b>	
Fixed rate loans .....	4,721,443
Floating rate loans .....	<u>3,494,488</u>
<b>Total .....</b>	<b><u>8,215,931</u></b>

Taking into account the adjusted fair market value of Sanef's debt, the debt portfolio is subject to effective interest rates of between 2.6% and 4.1%.

The value of the loans at June 30, 2006 is estimated at €8,042.613 million.

Analysis of loans by maturity:

Years	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	Total
2006.....	956 404			956 404
2007.....	190 543	2 804 731		2 995 274
2008.....		510 145		510 145
2009.....		409 360		409 360
2010.....		464 775		464 775
2011.....			487 107	487 107
2012.....			296 202	296 202
2013.....			423 732	423 732
2014.....			347 312	347 312
2015.....			335 955	335 955
2016.....			308 880	308 880
2017.....			294 971	294 971
2018.....			385 814	385 814
<b>Total at June 30, 2006.....</b>	<b><u>1,146,947</u></b>	<b><u>4,189,011</u></b>	<b><u>2,879,973</u></b>	<b><u>8,215,931</u></b>

3.22 Trade and other accounts payable

(in thousands of euros)	At June 30, 2006
Advances and down payments received on orders.....	1,247
Trade payables .....	19,030
Accrued taxes and payroll costs.....	86,963
Due to suppliers of non-current assets.....	33,324
Deferred income.....	42,618
Other payables.....	22,220
<b>Total trade and other accounts payable.....</b>	<b><u>205,402</u></b>

3.23 Contingent liabilities

Claims and litigation

Group companies are involved in a number of claims and legal proceedings in the normal course of their business. At June 30, 2006, HIT considers that none of these claims or legal proceedings is likely to have a material adverse effect on its results of operations or financial position (in addition to the risks already provisioned in the accounts).

Employee training benefits

In accordance with Law 2004-391 of May 4, 2004 concerning continuing professional education, the French companies of the Group grant their employees the right to benefit from a minimum of 20 hours of training per year. This benefit may be cumulated and accrued over a six-year period, at the end of which this benefit is limited to 120 hours in case of non-utilization. Expenses related to utilization of these benefits are booked as such when the employer and employee decide upon the type of training to be received.

Repayment of value added tax (VAT)

Following an appeal made to the French *Conseil d'Etat* by various motorway transportation companies, a decision was published on June 29, 2005 in cancellation of the letter dated January 15, 2003 in which the tax authorities informed motorway concessionaire companies that they are not obliged to issue corrective invoices showing value added tax paid by motorway users during the period from January 1, 1996 through January 1, 2001.

The result of this decision – which nevertheless concerns only the relationship between the French government and the transportation companies – is that motorway concessionaire

companies must issue such corrective invoices for the 1996 – 2001 period if the transportation companies so request.

On the basis of Article 283-3 of the French General Tax Code (which obliges any person who receives an invoice specifically mentioning a value added tax to pay this tax, on the simple basis of the invoice), companies would then be obliged to pay the value added tax amounts indicated on the corrective invoices. The company is currently investigating the impact of the *Conseil d'Etat's* decision with its government advisors.

Sanef and SAPN received a letter from the French Minister of Economy, Finance and Industry dated October 19, 2005, indicating that “the resolution of this matter would cause no new financial burden for motorway concessionaire companies.” This letter was followed by another letter from the French Minister of Budget and State Reform, dated February 2, 2006, confirming that “motorway concessionaire companies would not be held liable for the value added tax mentioned on the corrective invoices that would be issued to their customers concerning tolls paid between January 1, 1996 and December 31, 2000”.

Given this guarantee given by the French government, at June 30, 2006, the Company decided to maintain the decision it had taken at December 31, 2005 to not record a provision.

“1% countryside development” commitment

Under the government “1% countryside development” policy, for each motorway section under construction, the Group contributes to the expenditure required to ensure that the motorway blends harmoniously into the local landscape, provided that the local authorities concerned contribute an equivalent amount.

<b>(in thousands of euros)</b>	<b>At June 30, 2006</b>
“1% countryside development” commitment.....	2,305
<b>Total</b> .....	<b>2,305</b>

“1% countryside development” expenditure is made under the government policy described in a note dated December 12, 1995 on the environment and the economic development of regions served by the motorways and major interregional trunk roads. This expenditure is defined as follows in the concession agreement specifications:

“For motorways that are due to be built or are already under construction, the concessionaire shall contribute to the expenditure needed to ensure that the motorway blends harmoniously into the landscape, in the interests of both local inhabitants and motorway users. Such expenditure shall include maintenance costs and the cost of any necessary landscaping work, and may be incurred beyond the motorway’s boundaries. The concessionaire’s contribution shall not exceed 0.5% of the cost of the work, provided that the local authorities concerned contribute an equivalent amount, on the basis prescribed by the French government.” (Article 12.10).

However, the contribution may only be claimed by local authorities if a government decree is issued listing the motorway work. When the project work has been listed, the work concerned becomes eligible for the “1% countryside development” scheme and the concessionaire company becomes committed to paying a contribution.

Commitment to purchase additional shares

By an exchange of put and call options, Sanef agreed at the time of its acquisition of Masternaut to acquire the remaining shares held by minority shareholders (1,464 of 9,652 shares outstanding) at a price linked to the company’s performance. The amount to be paid (at December 31, 2006 at the earliest) will represent between €985,000 and €1,941,000.

Guarantees given

All Sanef shares have been pledged to guarantee the financing provided for their acquisition.

Sanef has given four guarantees to a bank in a total amount of €10.084 million in relation to its performance of a supply contract in Croatia, two guarantees in a total amount of €1.381 million to participate in a competitive bid for a project in Italy, and a €6.647 million guarantee to

guarantee payment on ALIS. This brings the total amount of guarantees given at June 30, 2006 to €18.112 million.

### 3.24 Foreign exchange risk

The HIT group operates mainly in countries belonging to the euro zone and principally in France. The Group incurs practically no foreign exchange risk on the transactions it enters into.

### 3.25 Interest rate risks

Financing obtained for the Group from external sources is almost exclusively euro-denominated and fixed rate. The Group does not, therefore, face any significant risk in terms of increases in interest rates. However, the Company has used interest rate swaps to make a portion of its fixed-rate position variable.

The characteristics of the swaps are as follows:

(in thousands of euros)	Market value at June 30, 2006	Sanef receives fixed rate	Sanef pays floating rate	Face value
At year-end 2008 .....	(2,018)	2.833%	3-month Euribor	90,000
	(1,506)	2.716%	3-month Euribor	61,000
	(1,233)	2.901%	3-month Euribor	60,000
At year-end 2009 .....	(1,601)	2.811%	3-month Euribor	45,600
At year-end 2014 .....	(1,155)	3.805%	3-month Euribor	43,000
At year-end 2015 .....	(477)	4.078%	3-month Euribor	32,000
At year-end 2017 .....	(2,415)	4.036%	3-month Euribor	100,000
	(4,919)	3.316%	3-month Euribor	58,000
	(3,038)	3.601%	3-month Euribor	50,000
<b>Total .....</b>	<b>(18,362)</b>			<b>539,600</b>

### 3.26 Related party transactions

The company abertis, the parent company of HIT, has among its major shareholders the banks Caixa and Caixa Catalunya. These two banks are creditors of HIT having extended loans to the company for 183,511 thousand euros and 78,372 thousand euros respectively.

### 3.27 Financial and accounting indicators concerning the performance of concessionaire companies and other activities

(in thousands of euros)	Sanef	SAPN	Sub-total: Concessionaire companies	Others	Inter-company eliminations	Group
Revenues .....	433,939	135,320	569,259	10,369	(153)	579,475
EBITDA .....	290,498	86,688	377,186	1,260		378,446
EBITDA margin (%) .....	66.9	64.1	66.3	12.1		65.3
Operating income .....	197,974	43,586	241,560	683		242,243

EBITDA is calculated as operating income (excluding non-recurring items) before depreciation and provisions (excluding provisions on current assets).

### 3.28 Post closing event

A first court decision in favour of MKI/ETDE in its litigation with Sanef, is requiring the company Sanef to pay an amount of € 11 million. Sanef will appeal the court's ruling and will proceed with a detailed analysis of this decision in view potentially booking a provision at December 31, 2006.

## TAXATION

The following is a general description of certain EU, Luxembourg, Dutch and French tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Luxembourg, The Netherlands and the Republic of France of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

Also investors should note that the appointment by an investor in Notes, or any person through which an investor holds Notes, of a custodian, collection agent or similar person in relation to such Notes in any jurisdiction may have tax implications. Investors should consult their own tax advisers in relation to the tax consequences for them of any such appointment

### **EU Savings Tax Directive**

On 3 June 2003, the European Council of Economic and Finance Ministers adopted the Directive 2003/48/EC regarding the taxation of savings income in the form of interest payments (the "Directive"). The Directive entered into force on 1 July 2005.

The Directive requires, subject to a number of conditions being met, Member States to provide to the tax authorities of other Member States details of payments of interest and other similar income within the meaning of the Directive ("Interest") made by a paying agent located within its jurisdiction to the benefit of an individual or an entity without legal personality that meets certain conditions and has not opted to be treated as UCITS for purposes of the Directive (together "Beneficial Owners") resident in another Member State.

For purposes of the Directive, a paying agent is broadly defined and especially includes any economic operator who pays Interest to or secures the payment of Interest for the immediate benefit of a Beneficial Owner.

However, during a transitional period, Belgium, Luxembourg and Austria will not apply this automatic exchange of information system and will instead levy a withholding tax on Interest unless the Beneficial Owner of this Interest payment elects for the exchange of information. The rate of this withholding tax will be 15 per cent. during the first three years as from the entry into force of the Directive, 20 per cent. for the subsequent three years and 35 per cent. until the end of the transitional period. Such transitional period will end at the end of the first full fiscal year following the latest of (i) the date on which the European Council unanimously agrees that the United States of America is committed to exchange of information upon request and (ii) the date of entry into force of an agreement between the European Community, following a unanimous decision of the Council, and the last of Switzerland, Liechtenstein, San Marino, Monaco and Andorra providing for the exchange of information upon request with respect to payments of Interest.

If an Interest payment were to be made or collected through a Member State which has opted for a withholding tax system and an amount of tax or in respect of tax were to be withheld from that Interest payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on Interest payment made by a paying agent, the Issuer will be required to maintain a paying agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

With effect from 1 July 2005, a number of non-EU countries (Switzerland, Andorra, Liechtenstein, Monaco and San Marino) have agreed to adopt similar measures (transitional withholding or, upon specific election, provision of information) in relation to payments made by a paying agent located within its jurisdiction to, or collected by such a paying agent for, a Beneficial Owner resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain dependent or associated territories (Jersey, Guernsey, Isle of Man, Montserrat, British Virgin Islands, Netherlands Antilles and Aruba) in relation to payments made by a paying agent in a Member

State to, or collected by such a paying agent for, a Beneficial Owner resident in one of those territories.

## **France**

*The following summary of certain French taxation matters is based on the laws and practice in force as of the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in Notes) may be subject to special rules. Save as otherwise indicated, this summary only addresses the position of investors who do not have any connection with France other than the holding of the Notes. Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of the Notes.*

## **Withholding Tax**

All payments by the Issuer of interest and principal under the Notes can be made free of withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by France or any political subdivision or taxing authority thereof or therein.

In the absence of any specific tax provision, case law or official guidance on this point from the French tax authorities, there is some uncertainty as to the precise tax qualification applicable in France to payments made by the Guarantor. On the basis that the Issuer is a Dutch resident company acting from its head office, payments made by the Guarantor should be exempt from withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by France or any political subdivision or taxing authority thereof or therein.

The interest from the Notes received by French tax resident individuals holding the Notes as part of their private assets may, at the taxpayer's option and subject to compliance with certain formalities, be subject to a final withholding tax (*prélèvement libératoire*) at the rate of 16%, the CSG of 8.2%, the *prélèvement social* of 2% and its *contribution additionnelle au prélèvement social* of 0.3% and the CRDS of 0.5%, resulting in a global tax rate of 27%.

## **Taxes on Income and Capital Gains**

A holder of a Note who derives income from a Note or who realises a gain on the disposal or redemption of a Note will not be subject to French taxation on such income or capital gains unless:

- (i) the holder is or is deemed to be resident in France for French tax purposes (or for the purposes of the relevant provisions), or
- (ii) such income or gain is attributable to an enterprise or part thereof which is either effectively managed in France or carried on through a permanent establishment, a fixed base or permanent representative in France.

## **Luxembourg**

*The following is a general description of certain Luxembourg tax considerations relating to the Notes. It specifically contains information on taxes on the income from the securities withheld at source. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This summary is based upon the law as in effect on the date of this Prospectus. The information contained within this section are limited to certain taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.*

## **Withholding Tax**

All payments of interest and principal made by the Issuer to non-residents of Luxembourg under the Notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Luxembourg or any political subdivision or taxing authority thereof or therein, in accordance with applicable Luxembourg laws and administrative practice, subject however to:

- (i) the application of the Luxembourg law of 21 June 2005 implementing the European Union Savings Directive (see "General Information"), which may be applicable in the event of the Issuer appointing a paying agent in Luxembourg within the meaning of the above-mentioned Directive;
- (ii) the application of the Luxembourg law of 23 December 2005 which provides for the application of a 10 per cent. withholding tax on interest payments made by a Luxembourg paying agent to Luxembourg individual residents. However, interest which is accrued once a year on savings accounts (short and long term) and which does not exceed Euro 250 per person and per paying agent is exempt from the withholding tax. This law should apply to savings income accrued as from 1 July 2005 and paid as from 1 January 2006. This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers.

## **Netherlands**

### **General**

The following summary describes the principal Dutch tax consequences of the acquisition, holding and disposal of the Notes, but does not purport to be a comprehensive description of all Dutch tax considerations thereof. This summary is based on the Dutch tax legislation, published case law, treaties, regulations and published policy, in force as of the date of this Prospectus, though it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

Save as otherwise indicated, this summary only addresses the position of investors who do not have any connection with The Netherlands other than the holding of the Notes. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes.

### **Withholding tax**

All payments made by the Issuer under the Notes may be made free of withholding or deduction for, or on account of, any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

### **Corporate and individual income tax**

If a holder is not a resident nor deemed to be a resident of The Netherlands for Dutch tax purposes (nor has opted to be taxed as a resident of The Netherlands), such holder is not taxable in respect of income derived from the Notes and gains realised upon the redemption or disposal of the Notes, unless:

- the holder has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands to which permanent establishment or a permanent representative the Notes are attributable; or
- the holder is entitled to a share in the profits of an enterprise that is effectively managed in The Netherlands, other than by way of securities or through an employment contract, and to which enterprise the Notes are attributable; or
- the holder is an individual and such income or gains qualify as income from miscellaneous activities in The Netherlands, which includes the performance of activities in The Netherlands with respect to the Notes that exceed regular, active portfolio management; or
- the holder has a substantial interest (*aanmerkelijk belang*) or a deemed substantial interest in the Issuer and such interest does not form part of the assets of an enterprise. Generally speaking, a holder of Notes holds a substantial interest in the Issuer, if such holder, alone or, where such holder is an individual, together with his or her partner (statutory defined term)



or certain other related persons, directly or indirectly, holds (i) an interest of 5 percent or more of the total issued capital of the Issuer or of 5 percent or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer.

#### **Gift and Inheritance taxes**

No gift or inheritance taxes will arise in The Netherlands in respect of the acquisition of the Notes by way of gift by, or as a result of the death of, a holder that is neither a resident nor deemed to be a resident of The Netherlands for the purposes of the Dutch gift and inheritance tax, unless:

- (i) such holder at the time of the gift has, or at the time of his or her death had, an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands and to which permanent establishment or a permanent representative, the Notes are or were attributable; or
- (ii) the Notes are or were attributable to the assets of an enterprise that is effectively managed in The Netherlands and the donor is or the deceased was entitled, other than by way of securities or through an employment contract, to a share in the profits of that enterprise, at the time of the gift or at the time of his or her death; or
- (iii) in the case of a gift of the Notes by a holder that at the date of the gift was neither a resident nor deemed to be a resident of The Netherlands, such holder dies within 180 days after the date of the gift, while at the time of his or her death being a resident or deemed to be a resident of The Netherlands.

#### **Value added tax**

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of the cash payment made under the Notes, or in respect of a transfer of Notes.

#### **Other taxes and duties**

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty, will be payable in The Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

#### **Residence**

A holder of a Note will not be treated as resident of The Netherlands by reason only of the holding of a Note or the execution, performance and delivery of the Notes.

## SUBSCRIPTION AND SALE

Barclays Bank PLC, Calyon, HSBC France, J.P. Morgan Securities Ltd., Caja de Ahorros y Pensiones de Barcelona, Société Générale and The Royal Bank of Scotland plc (the “**Joint Lead Managers**” or the “**Managers**”) have, in a subscription agreement dated 25 October 2006 (the “**Subscription Agreement**”) and made between the Issuer, the Guarantor and the Managers upon the terms and subject to the conditions contained therein, jointly and severally agreed to subscribe for the Notes at their issue price of 98.878 per cent. of their principal amount less a combined management and underwriting commission of 0.30 per cent. of their principal amount. The Issuer (failing which, the Guarantor) has also agreed to reimburse HSBC France for certain of the Joint Lead Managers’ expenses incurred in connection with the management of the issue of the Notes. The Managers are entitled in certain circumstances to be released and discharged from their obligations under the Subscription Agreement prior to the closing of the issue of the Notes.

### General

No action has been or will be taken by the Managers that would be permit a public offering of the Notes or possession or distribution of any offering material in relation to the Notes in any jurisdiction where action for that purpose is required. No offer, sale or delivery of the Notes, or distribution of any offering material relating to the Notes, may be made in or from any jurisdiction except in circumstances which to the Managers’ best knowledge and belief on reasonable grounds will result in all material respects in compliance with any applicable securities laws and regulations.

### United Kingdom

Each Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated, an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of the Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

### United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

Each of the Managers has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions an offer and sale of the Notes within the United States or to, or for the account or benefit to U.S. persons.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act. Terms used above have the same meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

### Republic of France

Each of the Managers, the Issuer and the Guarantor has acknowledged that the Notes are being issued outside the Republic of France and, accordingly each of the Managers, the Issuer and the Guarantor has represented and agreed that (i) it has not offered or sold and will not offer or sell,

directly or indirectly, any Notes to the public (*appel public à l'épargne*) in the Republic of France and (ii) offers or sales of Notes in the Republic of France will be made to qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*, but excluding individuals referred to in Article D. 411-1 II 2<sup>o</sup>.

This Prospectus has not been admitted to the clearance procedures of the *Autorité des marchés financiers*.

In addition, each of the Managers, the Issuer and the Guarantor has represented and agreed that, it has not distributed or caused to be distributed and will not distribute in the Republic of France, this Prospectus or any other offering material relating to the Notes other than to those investors (if any) to whom offers and sales of the Notes in the Republic of France may be made as described above.

## Spain

Each Manager has represented and agreed that neither the Notes nor this Prospectus have been approved or registered in the administrative registries of the Spanish Securities Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Notes may not be offered or sold in Spain except in circumstances which do not constitute a public offering of securities in Spain within the meaning of article 30bis of the Spanish Securities Market Law of 28 July 1988 (*Ley 24/1988, de 28 de julio, del Mercado de Valores*), as amended, Royal Decree 1310/2005, of 4 November, and further relevant legislation.

## Italy

The offering of the Notes has not been registered pursuant to the Italian securities legislation and, accordingly, each Manager has represented and agreed that it has not offered or sold, and will not offer or sell, any Notes in the Republic of Italy in a solicitation to the public, and that sales of the Notes in the Republic of Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Each of the Managers has represented and agreed that it will not offer, sell or deliver any Notes or distribute copies of this Prospectus any other document relating to the Notes in the Republic of Italy except:

- (1) to "**Professional Investors**", as defined in Article 31.2 of CONSOB Regulation No. 11522 of 2 July 1998 as amended ("**Regulation No. 11522**"), pursuant to Article 30.2 and 100 of Legislative Decree No. 58 of 24 February 1998 as amended ("**Decree No. 58**"), or
- (2) in any other circumstances where an expressed exemption to comply with the solicitation restrictions provided by Decree No. 58 or Regulation No. 11971 of 14 May 1999 as amended applies,

*provided*, however, that any such offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with Legislative Decree No. 385 of 1 September 1993 as amended ("**Decree No. 385**"), Decree No. 58, CONSOB Regulation No. 11522 and any other applicable laws and regulations;
- (b) in compliance with Article 129 of Decree No. 385 and the implementing instructions of the Bank of Italy ("*Istruzioni di Vigilanza della Banca d'Italia*"), pursuant to which the issue, offer, sale, trading or placement of securities in Italy is subject to a prior notification to the Bank of Italy, unless an exemption, depending, *inter alia*, on the aggregate amount and the characteristics of the Notes issued, offered, sold, traded or placed in the Republic of Italy, applies; and
- (c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

*Please note that in any case, in connection with the subsequent distribution of the Notes in the Republic of Italy, Article 100 bis of Decree No.58 is expected to require, in certain cases, to comply also on the secondary market with the public offering rules and the disclosure requirements under Decree No.58 and the relevant CONSOB regulations.*

## GENERAL INFORMATION

1. This Prospectus is available on the website of the Luxembourg Stock Exchange, [www.bourse.lu](http://www.bourse.lu)
2. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg with the Common Code number of 027175830. The International Securities Identification Number (ISIN) for the Notes is XS0271758301. The common depository for Euroclear Bank, SA/NV as operator of Euroclear and Clearstream, Luxembourg will be HSBC Bank plc, the address of which is 8 Canada Square, London E14 5HQ.
3. The creation and issue of the Notes has been authorised by a resolution of the Management Board of the Issuer dated 11 October 2006 and by a resolution of the General Meeting of the shareholders of the Issuer dated 11 October 2006.
4. The giving of the Guarantee of the Notes has been authorised by a resolution of the shareholders of the Guarantor dated 25 October 2006.
5. On the basis of the issue price of the Notes of 98.878 per cent. of their principal amount, the yield of the Notes is 4.983 per cent. per annum.
6. Since 30 September 2006 there has been no material adverse change in the prospects of the Issuer. Since 30 September 2006 there has been no significant change in the financial or trading position of the Issuer. Since 30 June 2006 there has been no material adverse change in the prospects of the Guarantor or the Guarantor and its subsidiaries. Since 30 June 2006 there has been no significant change in the financial or trading position of the Guarantor or the Guarantor and its subsidiaries.
7. There are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuer or the Guarantor is aware), which may have, or have had during the 12 months prior to the date of this Prospectus, a significant effect on the financial position or profitability of the Issuer or of the Guarantor and its/their subsidiaries.
8. The auditors of the Issuer are PricewaterhouseCoopers N.V. Accountants, PO Box 8800, 3009 AV Rotterdam, The Netherlands, member of the Royal Dutch Institute for registered accountants ('*Koninklijk Nederlands Instituut voor register accountants*'). The auditors of the Guarantor are PricewaterhouseCoopers Audit S.A., 63, rue de Villiers – 92200 Neuilly sur Seine cedex, France and KPMG Audit, 1 cours Valmy, 92923 Paris La Défense Cedex, France, members of the French *Compagnie nationale des commissaires aux comptes*.

The auditors of the Issuer have audited the financial statements of the Issuer for its first interim financial period from 21 September 2006 to 30 September 2006. The Guarantor has not produced any audited financial statements since its incorporation. The auditors of the Guarantor have performed a limited review of the consolidated financial statements of the Guarantor for its first interim financial period from 14 November 2005 to 30 June 2006.

9. So long as any of the Notes are outstanding, the following documents will be available during usual business hours on any weekday (except Saturdays, Sundays and public holidays) for inspection and, in the case of documents listed at (a), (b), (c), (d) and (e) collection free of charge at the offices of Dexia Banque Internationale à Luxembourg, société anonyme at 69 route d'Esch, L-2953 Luxembourg:
  - (a) the Agency Agreement;
  - (b) this Prospectus;
  - (c) the Guarantee;
  - (d) the Deed of Covenant;
  - (e) the most recent financial statements of the Issuer and the Guarantor delivered pursuant to Condition 8 of the Terms and Conditions of the Notes (beginning with such financial statements for the year ended 31 December 2006);
  - (f) the Articles of Association of the Issuer; and

(g) the *statuts* of the Guarantor.

In addition, each of these documents will be published on the website of the Luxembourg Stock Exchange, [www.bourse.lu](http://www.bourse.lu).

10. The Notes and any Coupons appertaining thereto will bear a legend to the following effect: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code." The sections referred to in such legend provide that a United States person who holds a Note, Coupon recognised on such sale, exchange or redemption will be treated as ordinary income.
11. Save for Manager participation in the acquisition debt being refinanced by the issue of the Notes (as described in "Use of Proceeds") and save as disclosed in "Subscription and Sale", to the knowledge of the Issuer, no person involved in the issue of the Notes has an interest material to the issue.
12. The Guarantor has been assigned a rating of A by S&P and the Notes have been assigned a rating of A- by S&P, in each case on credit watch with negative outlook.

**REGISTERED OFFICE OF  
HIT FINANCE B.V.**

Rokin 55  
1012KK Amsterdam

**REGISTERED OFFICE OF HOLDING  
D'INFRASTRUCTURES DE TRANSPORT**

100 avenue de Suffren  
75015 Paris

**FISCAL AND PRINCIPAL  
PAYING AGENT**

**HSBC Bank plc**  
8 Canada Square  
London E14 5HQ

**PAYING AGENT**

**Dexia Banque Internationale  
à Luxembourg, société anonyme**

69 route d'Esch  
L-2953 Luxembourg

**LEGAL ADVISERS**

*To the Issuer as to Dutch law:*

**Allen & Overy LLP**  
Apollolaan 15  
1077 AB Amsterdam

*To the Issuer and the Guarantor as  
to English and French law:*

**Allen & Overy LLP**  
Edouard VII  
26 boulevard des Capucines  
75009 Paris

*To the Managers as to Dutch law:*

**Clifford Chance LLP**  
Droogbak 1A  
1013 GE Amsterdam

*To the Managers as to English and  
French law:*

**Clifford Chance Europe LLP**  
9 Place Vendôme  
CS 50018  
75038 Paris Cedex 01

**AUDITORS TO THE ISSUER  
PricewaterhouseCoopers N.V.  
Accountants**

PO Box 8800  
3009 AV Rotterdam

**AUDITORS TO THE GUARANTOR**

**PricewaterhouseCoopers Audit S.A.**

63, rue de Villiers  
92200 Neuilly sur Seine cedex

**KPMG Audit**

1 cours Valmy  
92923 Paris La Défense Cedex

**LISTING AGENT**

**Dexia Banque Internationale à  
Luxembourg, société anonyme**

69 route d'Esch  
L-2953 Luxembourg

