

Financial Report 2012



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Caisse des Dépôts Group

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Notion of Group

The French Monetary and Financial Code (*Code monétaire et financier*) defines Caisse des Dépôts as “a state-owned group at the service of the public interest and the country’s economic development. The said group fulfils public interest functions in support of the policies pursued by the State and local authorities, and may engage in competitive activities. [...]”

Caisse des dépôts et consignations is a long-term investor promoting business development in line with its own patrimonial interests.

Caisse des dépôts et consignations is closely supervised by the French Parliament and the legislative process”.

The Group is therefore unique as a public institution with subsidiaries and affiliates that operate in the competitive sector.

From an accounting perspective, the Public Institution comprises two reporting entities:

- ▶ the Central Sector which prepares consolidated Group financial statements for the entities over which Caisse des Dépôts exercises exclusive or joint control or significant influence, and whose consolidation has a material impact on the Group financial statements;
- ▶ the Savings Funds which prepare separate financial statements.

Audit of the financial statements

In compliance with Article L.518-15-1 of the French Monetary and Financial Code:

“Each year, Caisse des dépôts et consignations shall present its company and consolidated financial statements, audited by two statutory auditors, to the Finance Committees of the National Assembly and the Senate.”

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Consolidated financial statements 2012

Adopted by the Chairman and Chief Executive Officer
of Caisse des Dépôts on 14 March 2013

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Consolidated income statement, year ended 31 December 2012

(in millions of euros)	Notes	31.12.2012	31.12.2011
Interest income	3.1	5,566	4,920
Interest expense	3.1	(1,142)	(1,044)
Fee and commission income	3.2	98	81
Fee and commission expense	3.2	(67)	(64)
Gains and losses on financial instruments at fair value through profit or loss, net	3.3	847	729
Gains and losses on available-for-sale financial assets, net	3.4	771	912
Income from other activities	3.5	20,890	21,428
Expenses from other activities	3.5	(18,776)	(18,800)
Net banking income		8,187	8,162
General operating expenses	3.6	(5,538)	(5,343)
Depreciation, amortisation and impairment of property and equipment and intangible assets		(490)	(531)
Gross operating profit		2,159	2,288
Cost of risk	3.7	(206)	(69)
Operating profit		1,953	2,219
Share of profit (loss) of associates	4.10	(2,311)	(828)
Gains and losses on other assets, net	3.8	30	173
Change in value of goodwill	4.12	(57)	(225)
Profit (loss) before tax		(385)	1,339
Income tax expense	3.9	(739)	(580)
Net profit (loss) from discontinued operations	4.9	(23)	(1)
Net profit (loss)		(1,147)	758
Non-controlling interests		689	(552)
Net profit (loss) attributable to owners		(458)	206

Statement of comprehensive income

(in millions of euros)	31.12.2012	31.12.2011
Net profit (loss)	(1,147)	758
Exchange differences on translation of foreign operations	(87)	(27)
Fair value adjustments on remeasurement of available-for-sale financial assets	4,182	(3,275)
Fair value adjustments on remeasurement of hedging instruments	(154)	(121)
Actuarial gains and losses on post-employment defined benefit obligations	(38)	(9)
Share of gains and losses on investments in associates recognised directly in equity	475	(410)
Total changes in assets and liabilities recognised directly in equity	4,378	(3,842)
Net profit and total income and expense recognised directly in equity	3,231	(3,084)
Attributable to owners	2,897	(2,517)
Attributable to non-controlling interests	334	(567)

Consolidated statement of financial position, at 31 December 2012

(in millions of euros)	Notes	31.12.2012	31.12.2011
Assets			
Cash and amounts due from central banks and post office banks		3,672	5
Financial assets at fair value through profit or loss	4.1	31,251	31,794
Hedging instruments with a positive fair value	4.2	735	502
Available-for-sale financial assets	4.3	156,396	150,255
Loans and receivables due from credit institutions	4.4	8,037	11,880
Loans and receivables due from customers	4.5	13,491	12,807
Cumulative fair value adjustments to portfolios hedged against interest rate risk			
Held-to-maturity investments	4.6	21,219	20,970
Current and deferred tax assets	4.7	895	952
Prepayments, accrued income and other assets	4.8	11,558	11,121
Non-current assets held for sale	4.9	16,790	124
Deferred participation assets	4.17		249
Investments in associates	4.10	3,144	5,734
Investment property	4.11	15,170	11,025
Owner-occupied property and equipment	4.11	2,474	2,584
Intangible assets	4.11	650	850
Goodwill	4.12	1,166	1,411
Total assets		286,648	262,263
Liabilities and equity			
Due to central banks and post office banks			
Financial liabilities at fair value through profit or loss	4.1	7,070	6,123
Hedging instruments with a negative fair value	4.2	2,007	1,444
Due to credit institutions	4.13	22,752	13,938
Due to customers	4.14	50,073	50,736
Debt securities	4.15	25,088	25,879
Cumulative fair value adjustments to portfolios hedged against interest rate risk			
Current and deferred tax liabilities	4.7	1,991	1,154
Accruals, deferred income and other liabilities	4.16	8,571	10,249
Liabilities related to non-current assets held for sale	4.9	642	109
Insurance company technical reserves	4.17	127,894	116,185
Provisions	4.18	860	867
Subordinated debt	4.19	1,040	1,025
Equity attributable to owners			
Reserves and retained earnings		19,869	20,125
Gains and losses recognised directly in equity		4,284	837
Profit (loss) for the year		(458)	206
Total equity attributable to owners		23,695	21,168
Non-controlling interests		14,965	13,386
Total equity		38,660	34,554
Total liabilities and equity		286,648	262,263

Consolidated statement of changes in equity, 1 January 2011 to 31 December 2012

	Reserves and retained earnings	Gains and losses recognised directly in equity			Net profit (loss) attributable to owners	Equity attributable to owners	Non-controlling interests in reserves	Non-controlling interests in gains and losses recognised directly in equity	Non-controlling interests in profit (loss)	Non-controlling interests	Total equity
		Translation reserve	Cumulative fair value adjustments to available-for-sale financial assets	Cumulative fair value adjustments to cash flow hedges							
(in millions of euros)											
Equity at 1 January 2011	18,924	11	3,757	(334)	2,151	24,509	12,937	351	1,087	14,375	38,884
Effect of changes in accounting methods											
Appropriation of 2010 profit	2,151				(2,151)		1,087		(1,087)		
2010 dividend	(839)					(839)	(378)			(378)	(1,217)
Transactions with non-controlling interests	2					2	189			189	191
Other movements	(113)	(7)	81	28		(11)	(233)	(2)		(235)	(246)
Profit for the period					206	206			552	552	758
Gains and losses recognised directly in equity											
Exchange differences on translation of foreign operations		(48)				(48)		5		5	(43)
Fair value adjustments to financial instruments recognised directly in equity			(2,148)	(195)		(2,343)		(1,053)		(1,053)	(3,396)
Fair value adjustments to financial instruments reclassified to the income statement			(307)	(1)		(308)		(69)		(69)	(377)
Equity at 31 December 2011	20,125	(44)	1,383	(502)	206	21,168	13,602	(768)	552	13,386	34,554
Effect of changes in accounting methods											
Appropriation of 2011 profit	206				(206)		552		(552)		
2011 dividend	(103)					(103)	(374)			(374)	(477)
Transactions with non-controlling interests	(24)			18		(6)	763	(18)		745	739
Other movements	(335)	2	9	(3)		(327)	840	30		870	543
Profit (loss) for the period					(458)	(458)			(689)	(689)	(1,147)
Gains and losses recognised directly in equity											
Exchange differences on translation of foreign operations		63				63		(45)		(45)	18
Fair value adjustments to financial instruments recognised directly in equity			3,955	(124)		3,831		1,098		1,098	4,929
Fair value adjustments to financial instruments reclassified to the income statement			(563)	90		(473)		(26)		(26)	(499)
Equity at 31 December 2012	19,869	21	4,784	(521)	(458)	23,695	15,383	271	(689)	14,965	38,660

Consolidated statement of cash flows, year ended 31 December 2012

The statement of cash flows is prepared using the indirect method.

Investing activities correspond to purchases and sales of interests in consolidated companies, property and equipment and intangible assets.

Financing activities are activities that result in changes in the size and composition of equity, subordinated debt and bond debt.

Operating activities correspond to all cash flows that do not fall within the above two categories.

(in millions of euros)	31.12.2012	31.12.2011
Profit (loss) before tax (excluding discontinued operations)	(385)	1,339
Net depreciation, amortisation and impairment of property and equipment and intangible assets	920	719
Impairment losses on goodwill and other non-current assets	163	340
Net provision expense and impairment losses ⁽¹⁾	4,051	4,303
Share of profit/loss of associates ⁽²⁾	2,311	828
Gains/losses from investing activities, net	(562)	(471)
Gains/losses from financing activities, net		
Other movements ⁽³⁾	(3,168)	(543)
Total non-monetary items included in profit (loss) before tax and other adjustments	3,715	5,176
Cash flows relating to transactions with credit institutions ⁽⁴⁾	8,936	(9,272)
Cash flows relating to customer transactions ⁽⁵⁾	(1,017)	17,518
Cash flows relating to other transactions affecting financial assets and liabilities ⁽⁶⁾	(4,400)	(3,952)
Cash flows relating to investment property	(338)	(721)
Cash flows relating to other transactions affecting non-financial assets and liabilities	(2,576)	(1,386)
Income taxes paid	(896)	(928)
Net increase (decrease) in cash relating to assets and liabilities from operating activities	(291)	1,259
Net cash from operating activities	3,039	7,774
Cash flows relating to financial assets and investments	(1,845)	(1,907)
Cash flows relating to property and equipment and intangible assets	(523)	(411)
Net cash used in investing activities	(2,368)	(2,318)
Cash flows from (used in) transactions with owners ⁽⁷⁾	171	(1,511)
Other net cash flows from (used in) financing activities	614	(52)
Net cash from (used in) financing activities	785	(1,563)
Effect of discontinued operations on cash and cash equivalents	4	(59)
Effect of changes in exchange rates on cash and cash equivalents	8	3
Effect of changes in accounting methods⁽⁸⁾	265	(75)
Net increase (decrease) in cash and cash equivalents	1,732	3,762
Cash and cash equivalents at the beginning of the period	8,559	4,797
Cash, central banks and post office banks, net	5	7
Net loans to (borrowings from) credit institutions repayable on demand	8,554	4,790
Cash and cash equivalents at the end of the period	10,291	8,559
Cash, central banks and post office banks, net	3,672	5
Net loans to (borrowings from) credit institutions repayable on demand	6,619	8,554
Net increase (decrease) in cash and cash equivalents	1,732	3,762

Composition of cash and cash equivalents

Cash and cash equivalents comprise cash, advances to and from central banks and post office banks, loans to and borrowings from credit institutions repayable on demand, and short-term investments in money market instruments. These investments generally have maturities of less than three months, are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(in millions of euros)	31.12.2012		31.12.2011	
	Assets	Liabilities	Assets	Liabilities
Cash	3		3	
Central banks and post office banks	3,669		2	
Sub-total	3,672		5	
Loans to (borrowings from) credit institutions repayable on demand	3,561	1,482	5,600	1,213
Money market mutual funds	4,540		4,167	
Sub-total	8,101	1,482	9,767	1,213
Cash and cash equivalents	10,291		8,559	

1. This item corresponds mainly to other-than-temporary impairment of variable-income securities and net transfers to insurance company technical reserves.
2. This item includes an impairment loss recognised on France Telecom goodwill (€1.9 billion) and the share in the loss incurred by Dexia (€0.45 billion) in 2012.
3. This item mainly corresponds to fair value adjustments recognised by CNP Assurances on financial assets at fair value through profit or loss in 2012 (€3 billion).
4. The change is attributable to the Central Sector and mainly concerns the €11.8 billion net increase in interbank loans and a €4.1 billion decrease in collateralised repurchase agreements.
5. The net change in cash and cash equivalents relating to customer transactions mainly reflects a €1.1 billion increase in cash and cash equivalents for ACOSS (the central body for France's social security system) and a €2.2 billion decrease in deposits from notaries in 2012. The net change in this caption in 2011 essentially reflects the reimbursement of the loan granted to ACOSS for €20 billion and a €1.4 billion drop in deposits from notaries.
6. This item corresponds to the net effect on cash and cash equivalents of purchases and sales of long-term equity interests.
7. This includes dividends of €0.1 billion and €1.2 billion paid to the French State in 2012 and 2011, respectively.
8. This item chiefly reflects the reclassification of non-monetary mutual funds by SNI to cash and cash equivalents in 2012.

Notes to the consolidated financial statements

1. SIGNIFICANT EVENTS

I - Banque Publique d'Investissement (BPI)

"The Banque Publique d'Investissement (Public Investment Bank) is a public group dedicated to financing and developing businesses by supporting government-sponsored policies carried out by the State and the regions." *First Article of the law of 31 December 2012 which set up the Banque Publique d'Investissement.*

The organisation of BPI will only be finalised once the foundation process has been completed. This involves the State and Caisse des Dépôts handing over control of three distinct entities – Oséo, the Strategic Investment Fund (SIF) and CDC Entreprises – to the new bank. The handover is scheduled to take place at the end of the first-half of this year following discussions with employee representative bodies and EU competition authorities and it will provide BPI with equity of approximately €20 billion.

BPI will be structured around three entities:

- ▶ a holding company owned in equal proportions by the State and Caisse des Dépôts that will oversee and coordinate the new bank;
- ▶ a financing arm based around Oséo and tasked with financing innovation, entering into co-financing arrangements with banks and providing loan guarantees;
- ▶ an investment arm drawn from the SIF and CDC Entreprises and its subsidiaries, and responsible for equity or quasi-equity financing operations.

The governance of BPI will be structured around:

- ▶ a Board of Directors, chaired by the Chairman and Chief Executive Officer of Caisse des Dépôts, and comprising 15 members: the Chief Executive Officer of BPI, two representatives from the regions, four representatives of the State, four representatives from Caisse des Dépôts (including the Chairman of the Board), two eminent personalities and two employee representatives;
- ▶ steering committees tasked with issuing opinions on strategic, investment and operational guidelines for BPI and its subsidiaries in the exercise of their public interest missions. Regional steering committees will issue opinions in particular on the fit between BPI's regional initiatives and its broader national strategic focuses.

BPI will partner a very broad spectrum of businesses ranging from start-ups to mid-caps throughout all stages of their development and it will be the public partner of choice for SMEs. The bank may also acquire stakes in large corporations in order to stabilise their shareholder base.

BPI's actions will take a number of different forms:

- ▶ financing innovation through subsidies and reimbursable advances;
- ▶ providing loan guarantees and equity financing in certain circumstances;

- ▶ entering into medium- and long-term co-financing arrangements with banks to fund development;
- ▶ investing in the equity or quasi-equity of SMEs, mid- and large-caps either directly or via partner equity funds;
- ▶ providing a full range of export financing solutions.

In light of the decisions taken and undertakings provided by Caisse des Dépôts in relation to the creation of BPI, the assets and liabilities belonging to the entities to be contributed to the new bank were shown in "Non-current assets held for sale" and "Liabilities related to non-current assets held for sale" at 31 December 2012.

II - Dexia

The deterioration of the eurozone sovereign debt crisis during the summer of 2011 revived fears over the liquidity of the Dexia group, forcing it to implement a series of structural measures in the form of an orderly resolution plan.

Caisse des Dépôts (Central Sector) owned 13% of the share capital of Dexia SA until 30 December 2012.

The equity-accounted value of the Group's investment in Dexia SA at 30 June 2012 and at 31 December 2011 was zero.

At 30 June 2012, the delay by the European Commission in handing down a definitive decision regarding state guarantees was weighing heavily on the cost of refinancing the Dexia group and increasing the likelihood that any improvement in Dexia's financial situation would benefit first and foremost the guarantor states through the interest charges on this guarantee. In view of developments over the period, at 30 June 2012 Caisse des Dépôts decided to recognise accumulated unrealised losses since the first-time consolidation of Dexia in October 2008 totalling €453 million. Consequently, since 30 June 2012, the purchase price of Dexia SA shares of €2.9 billion has been written down in full in the books of Caisse des Dépôts Group and Caisse des Dépôts (Central Sector).

On 31 December 2012, the Belgian and French States fully subscribed to a €5.5 billion capital increase for the group authorised by the Extraordinary Shareholders' Meeting of Dexia SA of 21 December 2012 within the scope of the revised Dexia orderly resolution plan approved by the European Commission on 28 December 2012. The Belgian and French States received new Dexia SA preference shares in return, increasing their interests in Dexia SA to 50% and 44%, respectively. This operation resulted in a significant dilution of the interests of other shareholders, particularly Caisse des Dépôts (Central Sector) which only held 0.82% of Dexia SA's share capital at 31 December 2012 and no longer had a seat on its Board of Directors. Consequently, Caisse des Dépôts (Central Sector) derecognised Dexia SA at this date.

Dexia SA generated a negative contribution of €453 million in 2012, against a negative contribution of €1 billion in 2011.

III – Société de Financement Local (SFIL)

On 23 January 2013, the French Minister of Finance, la Banque Postale, the Dexia group and Caisse des Dépôts signed an agreement setting up Société de Financement Local, a local and territorial development bank.

The French State, Caisse des Dépôts and La Banque Postale will own 75%, 20% and 5%, respectively, of SFIL. The local development bank will provide medium and long-term refinancing – via its mortgage credit arm to be known as Caisse Française de Financement Local – for the loans granted by la Banque Postale in partnership with Caisse des Dépôts to local authorities and their business groups, and to hospitals and healthcare establishments.

Loans of approximately €5 billion a year will be issued as part of the Banque Postale/Caisse des Dépôts joint venture and refinanced by SFIL. These loans will constitute a significant portion of the local authority and hospital financing market.

This venture will reinforce Caisse des Dépôts' position as a key partner for local authorities alongside its role in administering additional loans out of the Savings Funds to finance regional and local development.

In early 2013, Caisse des Dépôts granted SFIL liquidity support for a maximum amount of €12.5 billion under the terms of SFIL's shareholder agreement.

IV – Merger between Icade and Silic

On 30 December 2011, Caisse des Dépôts ceded its entire 55.58% stake in Icade to Holdco SIIC, a holding company specifically set up for this purpose and controlled by Caisse des Dépôts. Groupama then ceded 6.5% of Silic's share capital in exchange for shares in Holdco SIIC. Upon completion of these transactions, Caisse des Dépôts controlled over 95% of the share capital of Holdco SIIC at 31 December 2011.

On 6 February 2012, Caisse des Dépôts and Groupama entered into a shareholders' agreement governing their relationship with regard to Holdco SIIC. This agreement will remain in force for a 20 year period and stipulates the following:

- ▶ Groupama has agreed to "lock up" its Holdco SIIC shares for a period of 30 months following the date on which the shareholders' agreement was signed;
- ▶ Caisse des Dépôts has been granted pre-emptive rights to purchase these Holdco SIIC shares once the lock-up period expires;
- ▶ tag-along rights and proportional tag-along rights have been granted to Groupama in the event that Caisse des Dépôts should wish to transfer all or part of its holding in Holdco SIIC to a third party other than one of its associates;
- ▶ liquidity facilities have been granted to Groupama.

Once the green light was obtained from the French competition authority on 13 February 2012, Groupama ceded the remaining portion of its 37.45% stake in Silic to Holdco SIIC on 16 February 2012. Following this contribution, Holdco SIIC, Icade and Caisse des Dépôts hold 43.94% of Silic's capital and voting rights in concert. Caisse des Dépôts and Groupama own 75.07% and 24.93%, respectively, of the capital and voting rights of Holdco SIIC.

The contribution of Silic shares by Groupama to Holdco SIIC on 16 February 2012 gave Caisse des Dépôts control of Silic, concomitant with a decrease in Caisse des Dépôts' interests in Holdco SIIC and Icade. From 16 February 2012, Caisse des Dépôts exercises exclusive

control over Holdco SIIC, Icade and Silic and these subsidiaries are fully consolidated in its books. Caisse des Dépôts Group's acquisition of control over Silic gave rise to the recognition of attributable net profit of €124 million.

Following the share contribution, Holdco SIIC, acting in concert with Icade and Caisse des Dépôts, crossed the 30% threshold in terms of Silic's share capital and voting rights and Icade filed a mandatory public offer for Silic's shares on 13 March 2012. This offer consisted of a public exchange offer for Silic shares and a tender offer for Silic's cash- or equity-settled bonds convertible into new and/or existing shares ("ORNANES").

The offer stipulated that:

- ▶ for the public exchange offer, the share exchange ratio would be identical to the exchange ratio applied to the contribution by Groupama to Holdco SIIC of its stake in Silic, i.e., five Icade shares for four Silic shares;
- ▶ for the tender offer, the nominal value of one ORNANE (which includes the accrued coupon up to settlement/delivery) was €126 based on settlement/delivery on 14 June 2012.

On 24 April 2012, the AMF issued a declaration of compliance concerning the public offer and on 26 April 2012 it issued a notice formally opening the offer. On 3 and 4 May 2012, SMA Vie BTP and ADAM (an association for the defence of minority shareholders) made an application to the Paris Court of Appeal seeking the annulment of the AMF's declaration of compliance. In submissions filed at the Paris Court of Appeal on 31 May 2012, the AMF undertook "in the interests of the market and as an interim measure, to extend the closing date of the public offer, initially fixed for 1 June 2012, so that the new closing date only falls at least eight days after the Court of Appeal hands down its decision concerning the application for annulment of the AMF's decision".

On 26 June 2012, the Paris Court of Appeal scheduled the hearing on the pleadings for 21 March 2013 and a decision is expected by the end of June 2013. In accordance with the AMF's decision of 15 May 2012 to extend the closing date, the public offer remains open until further notice.

V - Veolia Transdev

On 22 October 2012, Caisse des Dépôts and Veolia Environnement announced that they had initiated discussions aimed at finalising an agreement to consolidate Veolia Transdev's financial structure and provide it with the means to deploy its strategic development plan.

Under this agreement, Caisse des Dépôts and Veolia Environnement would subscribe to a new €800 million capital increase by converting part of their shareholder loans into equity of Veolia Transdev. Upon completion of this operation, Caisse des Dépôts would own 60% of Veolia Transdev's capital and exercise exclusive control while Veolia Environnement would hold onto the remaining 40%. At the same time, Veolia Transdev would sell off certain investments and refinance a portion of its bank debt. Prior to this structuring, Veolia Environnement would reacquire Veolia Transdev's 66% stake in SNCM and its subsidiaries together with the related rights and obligations.

As a long-term investor in local development, Caisse des Dépôts' acquisition of control would be part of its long-term focus on new types of mobility.

It should be noted that discussions are still pending. The process of consulting with employee representative bodies is in progress and an agreement has not yet been finalised between the two parties.

Veolia Transdev group's results in 2012 were very badly hit by the ongoing recession in certain European countries together with the loss of a number of major contracts in the Netherlands. It was in this context that Veolia Transdev revised the long-term business plans of its cash-generating units (CGU) resulting in the recognition of impairment losses totalling €301 million on the "Netherlands", "Iberia" and "International operations" CGUs.

As a result of these developments, Veolia Transdev generated a negative contribution of €203 million to Caisse des Dépôts' consolidated results in 2012.

VI – SIF's participating interest in France Telecom

When the SIF was created in July 2009, the State transferred 13.5% of France Télécom's capital to the SIF for a carrying amount of €5.7 billion (measured under IFRS). These securities were previously recognised in available-for-sale financial assets. From end-2012, following the amendment to the shareholders' agreement between the SIF and the State, and the creation of a consultation body for decisions taken by France Télécom's governance bodies (Board of Directors and Shareholders' Meetings), the SIF exercised significant influence over France Télécom.

The total cost of acquiring the France Télécom shares was €5.7 billion and the goodwill initially recognised in the consolidated financial statements of the SIF group amounted to €6 billion. The SIF decided to write down this investment by an amount of €2.4 billion based on France Télécom's stock market price in 2012 and its results for the year. This calculation is based on France Télécom's net asset value as per the accounts approved by its Board of Directors and corresponds to €9.20 a share (compared with an initial contribution value of €16 a share when the investment was transferred by the State).

France Télécom generated a negative contribution of €1 billion to Caisse des Dépôts' consolidated results in 2012.

VII – Impact of financial markets in 2012

Stock markets benefited from a calming of investor worries over the sovereign debt crisis and by the end of the summer all of the losses incurred during the second quarter had been wiped out. This strong rally then continued through to the end of December and the CAC 40 was up 15% for the year as a whole (from 3,160 to 3,641 points).

The Central Sector recognised €0.5 billion in impairment losses on equity instruments classified as available-for-sale and €1.6 billion net of tax in positive fair value adjustments in equity.

The SIF group recognised €0.6 billion in impairment losses on equity instruments classified as available-for-sale and €0.9 billion net of tax in positive fair value adjustments in equity, excluding the impact of write-downs taken on France Télécom shares.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I - Basis of preparation of the financial statements

Caisse des Dépôts Group applies IFRS, which include International Financial Reporting Standards (IFRSs) 1 to 8 and International Accounting Standards (IASs) 1 to 41, along with the related interpretations as adopted by the European Union at 31 December 2012. The Group applies the IAS 39 carve-out provisions adopted by the European Union, which allow certain exceptions from the standard regarding macro-hedge accounting.

The consolidated financial statements for the year ended 31 December 2012 have been prepared in accordance with the recognition and measurement principles set out in the relevant IASs/IFRSs and IFRS IC (IFRIC) interpretations that were applicable at the end of the reporting period.

The amendment to IFRS 7 – *Financial Instruments: Disclosures – Transfers of Financial Assets* (EC Regulation No. 1205/2011 of 22 November 2011 and EC Regulation No. 1256/2012 of 13 December 2012) is effective for the first time in the 2012 financial year.

This amendment allows users of financial statements to improve their understanding of transfer transactions of financial assets (for example, securitisations), since it requires disclosure of specific financial information on the risks that remain with the entity that transferred the assets (which may or may not have been fully derecognised).

The application of this amendment did not have a material impact on the consolidated financial statements of Caisse des Dépôts Group.

The Group did not adopt the standards, amendments and interpretations not yet adopted by the European Union at 31 December 2012.

The Group decided not to early adopt the following standards, amendments and interpretations that will only be effective in subsequent reporting periods:

► The five standards on consolidation (IFRS 10, IFRS 11, IFRS 12, IAS 27 [amended] and IAS 28 [amended])

These new and amended standards on consolidation will be effective for reporting periods beginning on or after 1 January 2014. Early adoption is permitted, in which case all of the new and amended standards on consolidation must be applied.

- IFRS 10 – Consolidated Financial Statements

(EC Regulation No. 1254/2012 of 11 December 2012)

This new standard introduces a single control model which reinforces the role of judgement when determining control. According to the new definition of control, entities must consider the power exercised over another entity, their exposure or rights to variable returns and their ability to affect those returns through power over an investee.

- IFRS 11 – Joint Arrangements

(EC Regulation No. 1254/2012 of 11 December 2012)

This standard identifies two types of partnership arrangements (joint operations and joint ventures), based on the type of rights and obligations of the parties involved. IFRS 11 no longer permits use of the proportionate consolidation method to account for joint ventures, which must now be accounted for by the equity method.

- IFRS 12 – Disclosure of Interests in Other Entities

(EC Regulation No. 1254/2012 of 11 December 2012)

This standard defines all of the disclosures required in the notes to financial statements about an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated 'structured' entities. The objective of IFRS 12 is to allow users of financial statements to evaluate (i) the nature of, and risks associated with, the entity's interests in other entities, and (ii) the effects of those interests on its financial position, financial performance and cash flows.

- IAS 27 (amended) – Separate Financial Statements

(EC Regulation No. 1254/2012 of 11 December 2012)

The amended standard outlines the accounting requirements for investments in subsidiaries, joint ventures and associates in separate financial statements.

- IAS 28 (amended) – Investments in Associates and Joint Ventures

(EC Regulation No. 1254/2012 of 11 December 2012)

The amended IAS 28 takes into account the relevant amendments made to IFRS 10 and IFRS 11 concerning investments in associates and joint ventures. It outlines the accounting treatment for such investments and describes how to apply the equity method.

An analysis looking at the impact of applying these new and amended standards in future reporting periods is currently being finalised at the level of Caisse des Dépôts Group. The main impacts are as follows:

▶ IFRS 10: the retrospective application of this standard dealing with the scope of consolidation will not have a material impact on the published consolidated financial statements for the year ended 31 December 2012.

▶ IFRS 11: the retrospective application of this standard will have a material impact on the presentation of the published consolidated financial statements for the year ended 31 December 2012 as concerns CNP Assurances.

Net assets are expected to decrease by €138.8 billion and net banking income by €1.3 billion as a result of the change in consolidation method applicable to CNP Assurances (from proportionate consolidation to equity accounting).

▶ IFRS 12: the Group will have to provide more disclosures in the notes to financial statements about subsidiaries, joint arrangements and investments in associates.

▶ IAS 28 (amended): this standard will not have a material impact on the published consolidated financial statements for the year ended 31 December 2012.

These findings were based on an analysis of the standards in their present form.

The standards will be early adopted by Caisse des Dépôts with effect from 1 January 2013.

▶ Other new standards, amendments and interpretations

Other new standards, amendments and interpretations should not have a material impact on the consolidated financial statements of Caisse des Dépôts Group. These chiefly concern:

- Amendment to IAS 1 – Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income

(EC Regulation No. 475/2012 of 5 June 2012)

This amendment, effective for reporting periods beginning on or after 1 July 2012, clarifies the requirements regarding the presentation of the statement of comprehensive income and introduces the "Statement of profit or loss and other comprehensive income" (still known as "Other comprehensive income") which distinguishes between items of other

comprehensive income that may subsequently be reclassified to profit or loss, and those that will never be reclassified to profit or loss.

- Amendment to IAS 19 – Employee Benefits

(EC Regulation No. 475/2012 of 5 June 2012)

This amendment, effective for reporting periods beginning on or after 1 January 2013, modifies (i) the accounting treatment of past service costs in the event of a change in pension plan and (ii) the presentation of the impact of changes in employee benefit obligations in profit or loss. The amended standard also abolishes the various accounting options available for actuarial gains and losses arising on defined benefit plans, which must now be recognised directly in equity (this method was already used by Caisse des Dépôts Group).

- Amendment to IAS 12 – Deferred Tax – Recovery of Underlying Assets

(EC Regulation No. 1255/2012 of 11 December 2012)

The amount of deferred taxes depends on the manner in which an entity expects to recover an asset (i.e., through use or sale). The amendment to IAS 12, effective for reporting periods beginning on or after 1 January 2013, introduces the rebuttable presumption that the asset will be recovered through sale, unless the entity has a clear intention to recover the asset by another means. This presumption solely concerns investment property, property, plant and equipment and intangible assets carried or remeasured at fair value.

- IFRS 13 – Fair Value Measurement

(EC Regulation No. 1255/2012 of 11 December 2012)

This standard, effective for reporting periods beginning on or after 1 January 2013, sets out in a single IFRS a framework for measuring fair value and the fair value disclosures required in the notes to financial statements.

- Amendments to IFRS 7 and IAS 32 – Offsetting Financial Assets and Financial Liabilities

(EC Regulation No. 1256/2012 of 13 December 2012)

The amendment to IFRS 7, effective for reporting periods beginning on or after 1 January 2013, requires entities to present the gross amounts of financial assets and liabilities (before the impact of offsetting), along with the offset amounts and the net amount in the statement of financial position. The amendment to IAS 32, applicable for reporting periods beginning on or after 1 January 2014, provides clarifications on offsetting rules for financial assets and liabilities. A financial asset and financial liability must be offset and the net amount reported when, and only when, an entity has an unconditional and legally enforceable right at all times to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Use of the CNC financial statement format for banks

In the absence of any requisite IFRS financial statement format, the layout of these financial statements complies with Recommendation No. 2009-R-04 dated 2 July 2009 issued by the French National Accounting Board (*Conseil National de la Comptabilité*).

In accordance with IAS 1 as amended, Caisse des Dépôts Group presents a separate consolidated income statement providing a breakdown of profit. It also presents a statement of comprehensive income which starts with profit and details gains and losses recognised directly in equity, net of tax.

Use of estimates

The preparation of the Group's financial statements involves making certain estimates and assumptions which affect the reported amounts of income and expenses, assets and liabilities, as well as the disclosures in the accompanying notes. To make any such estimates and assumptions, management is required to exercise judgement and consider

information available when the financial statements are drawn up. The actual outcome of transactions for which estimates and assumptions are made could differ significantly from the anticipated outcome, in particular with respect to different market conditions, and this may have a material impact on the financial statements.

Current market conditions and the economic crisis make it far more difficult to establish projections regarding the Group's business and financing arrangements or to make the accounting estimates needed to prepare the financial statements.

Estimates and assumptions are used to calculate:

- ▶ the fair value of unlisted financial instruments carried in the statement of financial position under financial assets or liabilities at fair value through profit or loss, hedging instruments or available-for-sale financial assets;
- ▶ any impairment taken on financial assets (loans and receivables, available-for-sale financial assets, held-to-maturity investments);
- ▶ the amount of investments in equity-accounted companies (associates);
- ▶ the fair value of investment property disclosed in the notes;
- ▶ any impairment taken on property, plant and equipment, intangible assets and goodwill;
- ▶ deferred tax;
- ▶ the amount to be reported in captions related to the insurance business (technical reserves and deferred participation asset or liability);
- ▶ provisions reported in liabilities (including for employee benefits) in respect of contingencies and expenses;
- ▶ the initial amount of goodwill recognised on business combinations.

II - BASIS OF CONSOLIDATION

1. Scope of consolidation

The consolidated financial statements comprise the financial statements of the Central Sector, the consolidated financial statements of the sub-groups and the financial statements of subsidiaries over which Caisse des Dépôts exercises exclusive or joint control or significant influence, whose consolidation has a material impact on the Group's financial statements.

2. Consolidation methods and definition of control

Subsidiaries over which the Group exercises exclusive control are fully consolidated. Exclusive control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. It is presumed to exist when Caisse des Dépôts owns, directly or indirectly, more than half of the voting power of an entity or when it owns half or less of the voting power but has the power (i) to appoint or remove the majority of the members of the board of directors or equivalent governing body or (ii) to exercise dominant influence.

In assessing the existence and percentage of control, account is taken of the existence and effect of potential voting rights that are currently exercisable or convertible.

Jointly controlled companies are proportionately consolidated. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control.

Companies over which the Group exercises significant influence are accounted for by the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence

is presumed to be exercised when the Group holds, directly or indirectly, 20% or more of the voting power of the investee.

The results of companies acquired during the period are included in the consolidated financial statements from the acquisition date, while the results of companies sold during the period are included up to the date when control is relinquished.

Special purpose entities

Special purpose entities ("SPEs") set up specifically to manage a transaction or a group of similar transactions are consolidated when the substance of the relationship between Caisse des Dépôts and the SPE indicates that the SPE is controlled by the Group. Control over an SPE may result from any of the following circumstances:

- ▶ in substance, the activities of the SPE are being conducted on behalf of the Group so that the Group obtains benefits from the SPE's operation;
- ▶ in substance, the Group has the decision-making powers to obtain the majority of the benefits of the activities of the SPE or, by setting up an 'autopilot' mechanism, the Group has delegated these decision-making powers;
- ▶ in substance, the Group has rights to obtain the majority of the benefits of the SPE;
- ▶ in substance, the Group retains the majority of the residual or ownership risks related to the SPE or its assets.

Financial year-end

Almost all consolidated companies have a 31 December year-end. Companies whose financial year-end is more than three months before or after the Group's year-end are consolidated based on financial statements drawn up at 31 December. In the case of companies whose financial year-end falls within three months of the Group's year-end, any material transactions occurring between their year-end and 31 December are taken into account in preparing the consolidated financial statements when this is necessary to comply with the true and fair view principle.

3. Companies excluded from the scope of consolidation

Investments in associates and jointly-controlled companies held by the Group's venture capital organisations are not consolidated, in line with the exclusions provided for in IFRS. These investments are classified as financial assets as at fair value through profit or loss under the fair value option.

The low-cost housing companies (HLM) are excluded from the scope of consolidation because they are not controlled by the Group within the meaning of IFRS. Shares in these companies are classified as available-for-sale financial assets.

Semi-public companies (SEMs, SAIEMs) not exclusively controlled by Caisse des Dépôts Group are also excluded from the scope of consolidation and classified as available-for-sale financial assets.

Shares in companies acquired with the intention of being sold in the near term are excluded from the scope of consolidation and classified as non-current assets held for sale.

In application of IFRS, the agreements signed with the French State concerning the national loan require the assets and liabilities covered by the investment programmes to be derecognised in the consolidated financial statements. In the French GAAP accounts of the Central Sector, these assets and liabilities are transferred to adjustment accounts.

4. Consolidation adjustments and intra-group eliminations

The financial statements of consolidated companies are restated based on Group accounting policies when the effects of the restatement are

material. The accounting policies applied by associates are aligned with Group policies where necessary.

Intra-group balances, income and expenses between fully and proportionately consolidated companies are eliminated when their impact on the consolidated financial statements is material.

Gains and losses on intra-group sales of assets to associates are eliminated proportionately, based on the Group's percentage interest in the associate, except when the asset sold is considered as being other-than-temporarily impaired.

5. Foreign currency translation

The consolidated financial statements are presented in euros. The financial statements of entities whose functional currency is different from the Group's presentation currency are translated by the closing rate method. Under this method, all monetary and non-monetary assets and liabilities are translated at the exchange rate at the end of the reporting period, while income and expenses are translated at the average exchange rate for the year. The differences arising from translation are recognised as a separate component of equity.

Gains and losses arising from the translation of the net investment in foreign operations, borrowings and foreign exchange instruments that are effective hedges of these investments are deducted from consolidated equity.

When the foreign operation is sold, the cumulative exchange differences recorded in equity are recognised in the income statement as part of the gain or loss on the sale.

6. Business combinations and goodwill

In accordance with the option available under IFRS 1, the Group has chosen not to restate business combinations which occurred prior to 1 January 2006. Any goodwill existing at that date is no longer amortised but tested for impairment. Intangible assets acquired prior to 1 January 2006 that did not fulfil IFRS recognition criteria, such as market shares, were reclassified as goodwill.

Accounting principles applicable to transactions carried out between 1 January 2006 and 31 December 2009 (IFRS 3)

Business combinations carried out since the IFRS transition date are accounted for using the purchase method. The cost of a business combination is measured as the aggregate of the fair values, at the date of acquisition, of assets given, liabilities or contingent liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

The assets given and liabilities and contingent liabilities incurred or assumed that fulfil the recognition criteria under IFRS 3 are measured at fair value at the date of acquisition.

If the fair values to be assigned to the acquiree's identifiable assets, liabilities or contingent liabilities can be determined only provisionally, any adjustments to those provisional values are recorded within 12 months of the acquisition date.

The excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in assets, under goodwill. If the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is greater than the cost of the business combination, the resulting negative goodwill is recognised directly in profit or loss.

Goodwill is initially measured at cost in the currency of the acquiree and is translated at the exchange rate at the end of the reporting period.

Goodwill is tested for impairment, as explained in section III.8.

Accounting principles applicable to transactions carried out on or after 1 January 2010 (IFRS 3R)

The main changes to accounting for business combinations and goodwill as from 1 January 2010 are set out below:

- ▶ Costs directly attributable to the business combination (acquisition-related costs) are now recognised as an expense in the income statement.
- ▶ The acquirer may choose to measure non-controlling interests in the acquiree at the date control is obtained on a transaction-by-transaction basis:
 - either at fair value, whereby the full amount of goodwill is calculated and recognised (allocation of a portion of goodwill to non-controlling interests);
 - or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, which requires determining "partial" goodwill in accordance with the original requirement applicable to business combinations carried out prior to 1 January 2010.
- ▶ Any adjustment to the purchase price is recognised at fair value as from the date control is acquired.
- ▶ In a business combination achieved in stages (step acquisitions), any previously held equity interest in the acquiree is remeasured to fair value through profit or loss. Goodwill is therefore calculated at the date control is obtained and no longer at each transaction date. From a regulatory standpoint, loss of control of a consolidated subsidiary qualifies as an "economic event" which is material for the Group, and requires the remaining holding to be remeasured to fair value through profit or loss.

7. Transactions with non-controlling interests

As from the end of the 2007 reporting period, Caisse des Dépôts Group chose to recognise in equity any difference between the cost of the shares and its share in the acquiree's adjusted net assets in transactions involving the acquisition of non-controlling interests in an entity already controlled by the Group. Costs directly attributable to the acquisition are also recognised as a deduction from equity.

Partial sales of non-controlling interests which do not result in a loss of control are also recognised by adjusting equity.

8. Segment information

In accordance with IFRS 8, the segment information presented is based on internal reports that are used by Group management and reflect the Group's internal business organisation. Operating activities are organised and managed based on the type of service provided.

The Group's five business segments at 31 December 2012 and 31 December 2011 are:

- ▶ Caisse des Dépôts Division;
- ▶ Banking, Insurance & La Poste Division;
- ▶ Corporate Finance Division;
- ▶ Real Estate & Tourism Division;
- ▶ Infrastructure, Transport & Environment Division.

III - ACCOUNTING POLICIES

1. Financial instruments

Financial assets and liabilities are recognised and measured in accordance with IAS 39, as adopted by the European Commission on 19 November 2004 and subsequently amended, in particular by the amendment relating to the use of the fair value option published in 2005.

Financial assets and liabilities at fair value through profit or loss, hedging derivatives and available-for-sale financial assets are measured and recognised at market value on initial recognition and at subsequent reporting dates.

1.1 - Fair value of financial instruments

IAS 39 defines fair value as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The best estimate of fair value when the financial instrument is quoted in an active market is the quoted price. If the market for a financial instrument is not active, fair value is established by using valuation techniques.

● Instruments traded on an active market

A market is considered active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

If there is an active market for the instrument, the prices quoted in this market are used as the basis for calculating fair value.

If no quoted price is available at the measurement date, fair value is based on prices used in recent transactions.

These financial instruments are measured according to level 1 of the fair value hierarchy set out in the amendment to IFRS 7.

● Instruments traded on a market that is not active

If the market for a financial instrument is not active, fair value is established by using a valuation technique based on "observable" or "unobservable" market inputs.

These techniques and valuation models incorporate all factors that market participants would consider in setting a price. The calculation of fair value notably takes into account liquidity and counterparty risks.

- Instruments measured using models based on observable inputs

Most instruments traded over-the-counter are measured using standard models drawing on observable market inputs, i.e., inputs that can be obtained on a regular basis from several independent sources outside the Group.

For example, the fair value of interest rate swaps is generally established using yield curves based on the market interest rates observed at the end of the reporting period.

These financial instruments are measured according to level 2 of the fair value hierarchy set out in the amendment to IFRS 7.

- Instruments measured using models based largely on unobservable market inputs

The fair value of certain complex market instruments that are not traded on an active market is established using valuation techniques based on unobservable inputs, i.e., inputs that are not directly comparable to market data or valuation models not recognised by the markets.

These financial instruments are measured according to level 3 of the fair value hierarchy set out in the amendment to IFRS 7.

- Unlisted equity instruments

The fair value of unlisted equity instruments is generally computed using a number of different techniques (discounted cash flows, adjusted net asset value or multiples for comparable companies):

- ▶ if fair value is based on data relating to comparable listed companies or, for property investments, on a revaluation of property using observable market inputs, equity instruments are classified in level 2 of the fair value hierarchy as defined by the amendment to IFRS 7;
- ▶ however, if fair value is calculated based on discounted cash flows or adjusted net asset value using internal company data, the equity instruments are classified in level 3 of the fair value hierarchy. This also applies to instruments measured using the multiples approach when the inputs require significant adjustments to reflect factors specific to the entity concerned.

When the fair value of unlisted equity instruments is equal to their carrying amount (no revaluation), the instruments should be classified in level 2 of the fair value hierarchy.

In accordance with IAS 39, in the event that valuation techniques are unsatisfactory or the resulting range of reasonable fair value estimates is significant, the instrument continues to be recorded at cost within "Available-for-sale financial assets", as its fair value cannot be determined reliably. It is then classified in level 2 of the fair value hierarchy.

1.2 - Securities

Securities held by the Group are classified in the four categories of financial assets defined by IAS 39, as follows:

- ▶ financial assets at fair value through profit or loss (including financial assets designated as at fair value through profit or loss upon initial recognition or under the fair value option);
- ▶ available-for-sale financial assets;
- ▶ held-to-maturity investments;
- ▶ loans and receivables.

Securities purchases and sales are recognised in the statement of financial position on the settlement/delivery date, except in certain specific cases.

● Financial assets at fair value through profit or loss

In accordance with IAS 39, this category includes financial assets and liabilities held for trading and financial assets and liabilities designated as at fair value through profit or loss under the fair value option.

Financial assets and liabilities held for trading are financial assets and liabilities acquired or incurred principally for the purpose of selling or repurchasing them in the near term.

IAS 39 also allows the fair value option to be used in place of hedge accounting (i) to avoid separately recognising and measuring derivatives embedded in hybrid contracts, or (ii) in the event that a group of financial assets and/or financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and provided that information about this group is reported on this basis internally.

Financial assets classified as at fair value through profit or loss are initially recognised at fair value, excluding directly attributable transaction costs but including accrued interest. They are subsequently measured at fair value, with changes in fair value recognised in the income statement under "Gains and losses on financial instruments at fair value through profit or loss, net". Exceptionally, on the first-time adoption of IFRS, fair

value adjustments to opening financial assets at fair value through profit or loss were recognised in equity and will never be reclassified to the income statement.

Changes in fair value and disposal gains and losses are recognised in the consolidated income statement under “Gains and losses on financial instruments at fair value through profit or loss, net”.

• Available-for-sale financial assets

In accordance with IAS 39, this category is used by default for all financial assets not classified in any of the other three categories.

It comprises fixed and variable income securities that are initially recognised at cost, including directly attributable transaction costs (unless it can be demonstrated that these costs are not material) and accrued interest.

Changes in fair value are recognised in equity.

When the assets are sold or have suffered from other-than-temporary impairment, the cumulative unrealised gain or loss recognised in equity is reclassified to the income statement under “Gains and losses on available-for-sale financial assets, net”.

An impairment loss is recognised on equity instruments when there is objective evidence of other-than-temporary impairment, defined as a significant or prolonged decline in the fair value of the investment below its cost.

The criteria for assessing other-than-temporary impairment separate the notion of “significant” and “prolonged”. Therefore, either a significant or a prolonged decline is sufficient to require the recognition of an impairment loss. The criteria used by Caisse des Dépôts (Central Sector) are based on two levels.

- ▶ Level 1: factors triggering a documented analysis
 - Criteria associated with a “significant” decline in value: the closing price for the instrument at the end of the reporting period is more than 30% lower than its acquisition cost; or
 - Criteria associated with a “prolonged” decline in value: the average price for the instrument over the previous 12 months is more than 30% lower than its acquisition cost.

These two criteria represent substantial evidence of impairment allowing the Group to identify the securities which will be subject to a documented multi-criteria analysis. Once the analysis is complete, the Group uses its “expert judgement” to determine whether impairment should be recognised against profit or loss.

- ▶ Level 2: factors automatically triggering an impairment loss
- Except in duly authorised exceptional circumstances, an impairment loss will be recognised when either of the criteria automatically triggering impairment is met:
- the closing price for the instrument at the end of the reporting period is more than 50% lower than its acquisition cost; or
 - the instrument has been trading at a price below its acquisition cost for more than three years.

When either of these conditions is met, the unrealised capital loss on the investment is automatically taken to the income statement.

The criteria applied by Caisse des Dépôts (Central Sector) are also applied by Group entities, unless alternative criteria for determining other-than-temporary impairment are deemed more relevant in light of the entity’s business.

Impairment taken against equity instruments is recognised in “Gains and losses on available-for-sale financial assets, net” in the income statement

and can only be reversed when the instrument is sold. Any subsequent decrease in market value results in an impairment loss recognised in the income statement.

An impairment loss is recognised in the income statement on debt instruments when there is a proven counterparty risk. If, in a subsequent period, the amount of the impairment loss decreases, the previously recognised impairment loss may be reversed.

Revenue from fixed income securities classified as available-for-sale is reported in the income statement under “Interest income”. Dividends received on variable income securities are reported in the income statement under “Gains and losses on available-for-sale financial assets, net”.

• Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity.

If any financial assets classified in this category are sold before maturity, the entire portfolio must be reclassified as “available-for-sale” and no further financial assets may be classified as “held-to-maturity” for a period of two years, unless (i) the sale takes place at a date very close to the financial asset’s maturity, (ii) the Group has collected substantially all of the financial asset’s principal, or (iii) the sale is attributable to an isolated, unforeseeable event, such as a serious adverse change in the issuer’s credit quality.

To qualify for classification as held-to-maturity investments, the financial assets concerned may not be hedged against interest rate risks.

Held-to-maturity investments are initially recognised at cost, including directly attributable transaction costs (unless it can be demonstrated that these costs are not material) and accrued interest. They are subsequently measured at amortised cost, determined using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability.

If there is objective evidence that an impairment loss has been incurred on held-to-maturity investments, a provision is booked for the difference between the carrying amount and the estimated recoverable amount, discounted at the original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases, the previously recognised impairment loss is reversed.

• Loans and receivables

The option of classifying non-derivative financial assets with fixed or determinable payments that are not quoted in an active market as “Loans and receivables” has not been used by the Group.

1.3 - Loans

Loans made by the Group are classified as “Loans and receivables” due from financial institutions or from customers, as appropriate.

They are initially recognised at fair value. The fair value of loans corresponds to the nominal amount less any fees and commissions received, less any discount and plus transaction costs.

They are subsequently measured at amortised cost, determined using the effective interest method.

The effective interest rate includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Accrued interest is recorded separately, with the contra-entry recorded in the income statement.

An impairment loss is recognised when there is objective evidence of an event that occurred after the initial recognition of the loan (a “loss event”), and that loss event has an impact on the estimated future cash flows of the loan that can be reliably estimated.

Impairment losses are identified at the level of each individual loan and then at the level of the related loan book.

The amount of the impairment loss corresponds to the difference between the carrying amount of the loans, before impairment, and the sum of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are recognised either as allowances or as discounts on loans restructured following borrower default.

There are two types of impaired loans:

- ▶ loans for which impairment losses are recognised on an individual basis: these are non-performing loans covered by allowances and loans restructured following borrower default for which the impairment is recognised as a discount;
- ▶ loans covered by general provisions: these are loans with similar credit risk characteristics for which the impairment loss is determined for all of the loans taken as a whole.

• Specific allowances

Loans covered by specific allowances include non-performing loans and irrecoverable loans. These classifications, which are applicable in the individual financial statements under French GAAP in accordance with standard CRC 2002-03, have also been used in the IFRS financial statements.

In the case of non-performing loans, the “proven risk” criteria used under French GAAP are applied to determine the existence of objective evidence of impairment under IAS 39.

A proven risk exists when it is probable that all or some of the amounts due under the loan agreement will not be received, notwithstanding the existence of collateral or a guarantee.

As a general principle, loans are classified as non-performing when:

- ▶ one or more instalments are over three months past due (or six months in the case of real estate loans and nine months in the case of loans to local authorities);
- ▶ the borrower’s financial position has deteriorated, resulting in a collection risk;
- ▶ legal collection procedures have been launched.

Irrecoverable loans are non-performing loans for which the likelihood of collection is remote and that are expected to be written off. Non-performing loans not meeting these criteria are qualified as recoverable.

When a loan is classified as non-performing, an impairment loss is booked immediately for the probable loss. The impairment loss corresponds to the present value of the aggregate probable losses on non-performing and irrecoverable loans, discounted at the original effective interest rate.

Discounts on restructured loans and allowances on non-performing loans are recognised in the income statement under “Cost of risk”. Discounts on restructured loans reclassified as performing are reversed over the remaining life of the loans by crediting interest income.

Reversals of allowances for credit losses due to a reduction in the underlying risk are recognised in the income statement under “Cost of risk”, while reductions in allowances and discounts due to the passage of time adjust the interest margin.

• General provisions

The analyses performed by the Group show that there are no material groups of loans with similar credit risk characteristics requiring the recognition of significant general provisions.

1.4 - Financial liabilities

IAS 39 identifies two categories of financial liabilities:

- ▶ financial liabilities at fair value through profit or loss (including financial liabilities designated as at fair value through profit or loss upon initial recognition or under the fair value option);
- ▶ other financial liabilities.

Financial liabilities in the latter category are initially recognised at fair value and are subsequently measured at amortised cost by the effective interest method.

1.5 - Debt securities

Financial instruments are classified as debt securities if the issuer has a contractual obligation to deliver cash or a financial asset, or to exchange instruments on potentially unfavourable terms.

Debt securities are initially recognised at their issue value including transaction costs. They are subsequently measured at amortised cost by the effective interest method.

Perpetual subordinated notes are classified as equity instruments when the timing of interest payments is determined by the Group. All other dated and undated debt instruments are included in debt.

1.6 - Derivative financial instruments

Derivative instruments are financial assets and liabilities initially recognised in the statement of financial position at the transaction price. They are subsequently measured at fair value, regardless of whether they are held for trading or as part of a hedging relationship.

• Derivative instruments held for trading

Derivative instruments held for trading are recognised in the statement of financial position under “Financial assets/liabilities at fair value through profit or loss”. They are recognised as assets when their market value is positive and as liabilities when it is negative. Realised and unrealised gains are recognised in the income statement under “Gains and losses on financial instruments at fair value through profit or loss, net”.

• Derivative instruments and hedge accounting

The accounting principles applicable to hedging instruments and hedged items depend on the hedging strategy and on whether or not they meet the criteria set out below:

- ▶ the hedging instrument and the hedged item must both be eligible for hedge accounting;
- ▶ the documentation of the hedging relationship must include identification of the hedging instrument and the hedged item, the nature of the hedging relationship and the nature of the risk being hedged;
- ▶ details must be provided of the hedge’s expected effectiveness at the inception of the hedge and its actual effectiveness at the end of each reporting period.

A fair value hedge is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment. In a fair value hedging relationship, the hedging instruments are remeasured at market value on the statement of financial position,

with an offsetting entry to “Gains and losses on financial instruments at fair value through profit or loss, net” in the income statement, symmetrically with the gains and losses that arise on the item hedged. In the statement of financial position, the gain or loss from remeasuring the hedged component is recognised based on the classification of the hedged item in a relationship hedging identifiable assets or liabilities.

If the hedging relationship is discontinued or no longer meets the effectiveness criteria, the hedging instruments are reclassified to the trading book and accounted for in accordance with the rules applicable to this category.

A cash flow hedge is a hedge of the exposure to variability in cash flows from financial instruments or a highly probable forecast transaction. In a cash flow hedging relationship, hedging instruments are remeasured at market value on the statement of financial position, with an offsetting entry to a specific line of equity, “Unrealised or deferred gains and losses”. The amounts accumulated in equity over the life of the hedge are taken to profit or loss under “Interest income” or “Interest expense” as and when the hedged item itself affects profit or loss. Hedged items continue to be accounted for under the rules applicable to their category.

If the hedging relationship is discontinued or no longer meets the effectiveness criteria, the cumulative gain or loss on the hedging instruments that has been recognised in equity will remain in equity until the forecast transaction affects profit or loss or until the transaction is no longer expected to occur, in which case it is reclassified to profit or loss. If the hedged item no longer exists, the amounts accumulated in equity are recognised immediately in profit or loss.

A net investment hedge is a hedge of the exposure to unfavourable changes in fair value attributable to the currency risk on an investment other than in euros. The recognition principles applicable to net investment hedges are identical to those for cash flow hedges.

Irrespective of the hedging strategy, hedge ineffectiveness is recognised in the income statement under “Gains and losses on financial instruments at fair value through profit or loss, net”.

The Group has chosen to recognise certain hedged items and the related hedging instruments under “Financial assets/liabilities at fair value through profit or loss” as allowed under IAS 39. This treatment has been applied primarily to government bonds and negotiable debt securities hedged by swaps under asset swap agreements.

• Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that fulfils the definition of a derivative instrument. If the hybrid instrument is not measured at fair value through profit or loss, the embedded derivative is separated from the host contract when, at inception, the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract. In this case, the embedded derivative is recognised at fair value under “Financial assets/liabilities at fair value through profit or loss”.

1.7 - Financial guarantees given

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees are initially recognised at fair value and subsequently measured at the higher of the amount of the obligation and the

amount initially recognised less accumulated amortisation of the related commission.

Where appropriate, a provision is recorded in liabilities in accordance with IAS 37.

1.8 - Financing commitments

Financing commitments are initially recognised at fair value. They are accounted for in accordance with IAS 37 unless they meet the criteria for classification as derivative instruments.

1.9 - Repurchase agreements and securities lending/borrowing

Securities lent or sold under a repurchase agreement continue to be shown on the statement of financial position of the lender/seller. However, if the borrower/acquiree is free to sell, lend or enter into a repurchase agreement concerning the securities, they are reclassified in a sub-account of securities or receivables.

Securities borrowed or acquired under a repurchase agreement are not shown on the statement of financial position of the borrower/acquiree. However, if the borrower/acquiree sells, lends or enters into a repurchase agreement concerning the securities, a liability is recorded at fair value in the borrower/acquiree’s statement of financial position, representing the obligation to buy back these securities.

2. Investments in associates

The Group’s investments in associates are accounted for by the equity method.

Under this method, the investment is initially recognised at cost and subsequently adjusted to reflect any changes in the Group’s equity in net assets after the acquisition date. Goodwill relating to investments in associates is included in the carrying amount of the investment and is not amortised.

The income statement reflects the Group’s share of the associate’s earnings.

After the investment has been accounted for by the equity method, the Group applies the provisions of IAS 39 to determine whether an impairment loss should be recognised.

If there is evidence that the investment may be impaired within the meaning of IAS 39, the full amount of the investment is tested for impairment in accordance with IAS 36. In practice, impairment is usually determined by comparing the carrying amount of the equity-accounted investment with its value in use, calculated using the discounted cash flow method.

When an impairment loss is recognised, it is charged against the value of the equity-accounted investment in the statement of financial position, and may subsequently be reversed if the value in use or market value of the investment increases.

3. Non-current assets held for sale and related liabilities, discontinued operations

A non-current asset or a disposal group is classified as held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The asset or disposal group is reported on a separate line of the statement of financial position when it is highly probable that the sale will be completed within 12 months.

As soon as they are classified as held for sale, non-current assets and disposal groups are carried at the lower of their carrying amount and fair value less costs to sell and are no longer depreciated/amortised.

However, financial instruments classified in this category continue to be measured in accordance with the principles of IAS 39.

Any impairment on non-current assets held for sale and disposal groups is recognised in profit or loss and may be reversed in subsequent periods.

An operation is considered as discontinued when the related assets fulfil the criteria for classification as held for sale or the operation has been sold. The profits or losses from discontinued operations are shown on a single line of the income statement for the periods presented. The reported amounts include the net profit or loss of the discontinued operations up to the date of sale and the after-tax disposal gain or loss.

4. Foreign currency transactions

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are converted into the Group's functional currency at the year-end exchange rate.

The resulting conversion gains and losses are recognised in the income statement. As an exception to this principle, for monetary assets classified as available-for-sale financial assets, only the portion of the conversion gain or loss calculated on these assets' amortised cost is recognised in the income statement, with the other portion recognised in equity.

Concerning non-monetary assets:

- ▶ assets measured at historical cost are converted at the exchange rate on the transaction date;
- ▶ assets measured at fair value are converted at the exchange rate at the end of the reporting period.

Conversion gains and losses on non-monetary items are recognised in the income statement if the gain or loss on the non-monetary item is also recognised in the income statement, or in equity if the gain or loss on the non-monetary item is also recognised in equity.

5. Employee benefits

Benefits granted to the Group's employees fall into four categories:

- ▶ short-term benefits, such as salaries, paid annual leave, matching payments to employee savings plans, discretionary and non-discretionary profit-sharing, that are payable within 12 months of the end of the reporting period; post-employment benefits, corresponding to pensions, length-of-service awards payable to employees on retirement, and financial support for employees receiving reduced rate pensions;
- ▶ other long-term benefits such as jubilee and other long-service benefits, that are payable 12 months or more after the end of the reporting period;
- ▶ termination benefits.

5.1 - Short-term benefits

Short-term employee benefits are employee benefits which fall wholly due within 12 months after the end of the period in which the employees render the related service. A liability and an expense are recognised when the Group has a contractual obligation or constructive obligation arising from past practices.

5.2 - Post-employment benefits

Post-employment benefits comprise defined contribution plans and defined benefit plans.

Obligations under defined contribution plans are generally covered by contributions paid to a pay-as-you-go pension scheme or to an insurance company that manages benefit payments or by the State

for public service employees. In all cases, the contributions are in full discharge of any future liability. Contributions paid are expensed as incurred.

Defined benefit plans are plans under which the Group has an obligation to pay agreed benefits to current and former employees. These plans give rise to a medium- or long-term liability which is measured and recognised in the financial statements.

In accordance with IAS 19, the projected benefit obligation is measured by the projected unit credit method based on a range of actuarial, financial and demographic assumptions. The projected unit credit method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Units of benefit entitlement are determined based on the discounted present value of the future benefits.

The discount rate used by the Group is determined by reference to the French government bond rate or the interest rate for investment grade corporate bonds denominated in the benefit payment currency, whose maturity approximates the estimated average duration of the benefit obligation.

The provision for defined post-employment benefits is therefore equal to the present value of the defined benefit obligation at the end of the reporting period, calculated by the projected unit credit method, less the fair value of the plan assets, if any.

The provision is adjusted at the end of each reporting period to reflect changes in the projected benefit obligation.

Differences resulting from changes in actuarial assumptions or experience adjustments give rise to actuarial gains and losses.

The Group uses the option available under IAS 19 as amended in 2005, whereby all actuarial gains and losses relating to post-employment defined benefit plans are recognised in equity.

Past service cost, corresponding to the increase in the present value of the defined benefit obligation resulting from the introduction of, or changes to, post-employment benefits, is recognised as an expense over the average period until the benefits become vested.

Outside France, Group employees are covered by various compulsory contributory pension schemes. The corresponding obligations are funded by contributions to company pension funds or recognised in the financial statements of the companies concerned.

5.3 - Other long-term benefits

Other long-term benefits are benefits other than post-employment benefits and termination benefits that do not fall wholly due within 12 months after the end of the period in which the employees render the related service.

They are measured and recognised on a similar basis to defined post-employment benefits, except that actuarial gains and losses and the past service cost are recognised directly in profit or loss.

6. Share-based payments

Share-based payments consist of payments based on the equity instruments of Group subsidiaries that are equity settled or cash settled for amounts that reflect the value of the underlying shares. IFRS 2 applies solely to equity instruments granted after 7 November 2002 that had not yet vested at 1 January 2005.

Most of the share-based payment plans set up by Group entities are equity-settled plans.

IFRS 2 also applies to rights issues carried out under the Group's employee savings plans.

The employee benefit corresponds to the difference, at the purchase date, between the fair value of the acquired shares, taking into account the deemed cost of the lock-up feature, and the price paid by employees, multiplied by the number of shares purchased. At the end of each reporting period, the number of options likely to vest is reviewed. Where appropriate, the estimates are revised and the effect of the revision is recognised in the income statement with a corresponding adjustment to equity.

7. Fixed assets

Fixed assets in the consolidated statement of financial position include owner-occupied property and equipment, intangible assets and investment property.

Owner-occupied property is held for use in the production or supply of goods or services and for administrative purposes. It corresponds to assets not leased to third parties under operating leases.

Investment property corresponds to property held to earn rentals or for capital appreciation or both.

Owner-occupied and investment property are initially recognised at cost, corresponding to their purchase price, any directly attributable expenditure and any borrowing costs.

Land is not depreciated. Other assets are depreciated from the date they are put into service by the straight-line method. This method consists of recording a constant annual charge to write off the cost of the asset less its residual value over the asset's estimated useful life.

Government grants are recorded as a deduction from the carrying amount of the assets they serve to finance.

When an asset comprises several items with different patterns of use that may require replacement at regular intervals or generate economic benefits at differing rates, each such item is recognised separately and depreciated over its estimated useful life, when the amounts involved are material.

The main items of property and equipment recognised by the Group and the related depreciation periods are as follows:

- ▶ Building shell: 30 to 100 years;
- ▶ Roof/façade: 25 to 40 years;
- ▶ Fixtures: 10 to 25 years;
- ▶ Fittings and technical installations: 10 to 25 years;
- ▶ Major maintenance work: 15 years.

The depreciable amount of each asset is determined by deducting the residual value from its cost, where said value is both material and measurable. Residual value is defined as the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Software and development costs are recognised in intangible assets and amortised over three years.

At the end of each reporting period, an impairment test is performed if there is any internal or external indication that an asset may be impaired and the amount of the impairment may be material. Impairment tests

are performed by comparing the carrying amount of the asset with its recoverable amount.

If the recoverable amount is less than the carrying amount, the carrying amount is reduced by recording an impairment loss. If the recoverable amount increases in subsequent periods, all or part of the impairment loss is reversed.

8. Impairment of non-amortisable intangible assets and goodwill

Goodwill and other intangible assets with an indefinite useful life are not amortised but are tested for impairment at annual intervals.

The impairment tests are performed at the level of cash-generating units (CGUs), representing the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment tests are performed by comparing the recoverable amount of the asset or CGU to its carrying amount. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use.

If the carrying amount is greater than the recoverable amount, an impairment loss is recognised in the income statement for the difference between these two amounts.

Impairment losses recognised on goodwill related to subsidiaries and intangible assets with indefinite useful lives cannot be reversed.

9. Finance leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

Leases are classified as finance leases when:

- ▶ the lease transfers ownership of the asset to the lessee by the end of the lease term;
- ▶ the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value for it to be reasonably certain that the option will be exercised;
- ▶ the lease term is for the major part of the economic life of the asset;
- ▶ the present value of the minimum lease payments amounts to substantially all of the fair value of the leased asset at the inception of the lease;
- ▶ the leased assets are of such a specialised nature that only the lessee can use them without major modifications.

In the lessee's financial statements, finance leases are accounted for as follows:

- ▶ the leased asset is recognised in assets, under property and equipment, and a liability for the same amount is recognised in debt;
- ▶ the asset is depreciated over its estimated useful life, in the same way as assets owned outright, and the minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

Leases that do not transfer substantially all the risks and rewards incidental to ownership are classified as operating leases. Lease payments under operating leases (net of benefits obtained from the lessor) are recognised in the income statement on a straight-line basis over the duration of the lease.

10. Provisions recorded under liabilities

Provisions recorded under liabilities, other than those relating to losses on financial instruments, employee benefits and insurance contracts, are mainly provisions for claims and litigation, fines and tax risks.

A provision is recorded when the Group has a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits without there being any expectation that economic benefits with at least an equivalent value

will be received. The obligation may be legal, regulatory, contractual or constructive. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are discounted when the effects of discounting are material, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. Increases in the provision to reflect the passage of time are recognised in "Interest expense".

11. Current and deferred taxes

Deferred taxes are recognised using the liability method for temporary differences between the carrying amount of assets and liabilities and their tax base. Under this method, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The effects of changes in tax rates are recognised in the period in which the change is enacted or substantively enacted.

Deferred taxes are calculated at the level of each tax entity. Deferred tax assets are recognised only when it is probable that sufficient taxable profits will be available to permit their recovery.

Certain directly or indirectly held Group entities form part of a tax group.

Income tax expense is recognised in the income statement, except for tax on items recognised directly in equity, which is also recorded in equity.

Deferred tax rates in France at 31 December 2012 were as follows:

• Future differences to reverse before 2015

- ▶ 36.10% (including the additional social contribution) for transactions falling within the scope of the statutory tax regime;
- ▶ 16.25% (including the additional social contribution) for transactions eligible for the long-term reduced rate, applicable to sales of shares in tax-efficient venture capital funds (FCPR fiscaux) held for more than five years, provisions for shares in tax-efficient venture capital funds and certain asset distributions made by these funds;
- ▶ 20.58% (including the additional social contribution) for transactions (sales and provisions) relating to shares in listed property companies (*titres de sociétés à prépondérance immobilière* – TSPI) held for more than two years;
- ▶ 4.33% for transactions (sales and provisions) relating to participating interests (*titres de participation*) as defined in French accounting and tax rules (investments representing more than 5% of capital) held for over two years, other than unlisted TSPIs falling under the statutory tax regime of 36.1%.

• Future differences to reverse after 2015

- ▶ 34.43% (including the additional social contribution) for transactions falling within the scope of the statutory tax regime;
- ▶ 15.5% (including the additional social contribution) for transactions eligible for the long-term reduced rate, applicable to sales of shares in tax-efficient venture capital funds held for more than five years, provisions for shares in tax-efficient venture capital funds and certain asset distributions made by these funds;
- ▶ 19.63% (including the additional social contribution) for transactions (sales and provisions) relating to shares in listed property companies held for more than two years;
- ▶ 4.13% for transactions (sales and provisions) relating to participating interests as defined in French accounting and tax rules (investments representing more than 5% of capital) held for over two years, other than unlisted TSPIs falling under the statutory tax regime of 34.43%.

Deferred taxes are not discounted.

12. Insurance operations

Insurance and financial liabilities arising from insurance policies and financial instruments with a discretionary participation feature are accounted for in accordance with IFRS 4, in the same way as in the insurance companies' financial statements.

Other insurance company assets and liabilities are accounted for in accordance with the IFRSs applied to the Group's other assets and liabilities. They are presented in the statement of financial position under the captions corresponding to their characteristics, and in the income statement under "Income/Expenses from other activities", with additional information disclosed in the notes to the consolidated financial statements.

For example, the insurance companies' financial assets are allocated to the four categories provided for in IAS 39 and measured on the basis prescribed by this standard.

Insurance liabilities are mostly measured in accordance with French GAAP, pending publication of IFRS 4 Phase II.

Under the current version of IFRS 4, contracts fall into three categories:

- ▶ insurance contracts, corresponding to contracts with a significant insurance risk as defined in IFRS 4 (such as personal risk, pension, property and casualty contracts and unit-linked savings contracts with a guaranteed yield);
- ▶ financial instruments with a discretionary participation feature (DPF) issued by an insurer (such as non-unit-linked contracts with DPF and unit-linked contracts comprising a non-unit-linked component with DPF);
- ▶ investment contracts without DPF (such as unit-linked savings contracts without a non-unit-linked component and without a guaranteed yield).

Contracts in the first two categories fall within the scope of IFRS 4 and are recognised and measured in accordance with this standard. Technical reserves recognised in respect of these contracts continue to be measured in accordance with French GAAP. Shadow accounting is applied to contracts with DPF.

Shadow accounting is an accounting technique used to eliminate any artificial asset/liability mismatches that result from the different methods used to value assets and liabilities. In shadow accounting, valuation gains or losses on financial assets which may be applicable to policyholders are recognised in a deferred participation account. This reflects policyholders' potential interests in unrealised gains on financial instruments carried at fair value, or their share of losses if unrealised losses are reported.

The net deferred participation resulting from shadow accounting is recognised in liabilities under "Insurance company technical reserves" or in assets under "Deferred participation assets", as applicable.

The recoverability of the deferred participation asset is tested to determine whether, assuming that the Group continues as a going concern, it can be deducted from policyholders' share in future or unrealised profits and does not result in the Group booking inadequate liabilities compared with its liabilities for economic purposes.

At the end of each reporting period, the Group assesses whether its recognised insurance liabilities, net of its insurance assets (deferred participation asset plus insurance-related intangible assets) are adequate based on current estimates of future cash flows under its insurance contracts and financial instruments with DPF. The test is performed using asset-liability management models, by applying a stochastic approach to estimate liabilities according to a wide range of scenarios. The models take into account embedded derivatives

(policyholder surrender options, guaranteed yields, etc.) and administrative costs. The test determines the economic value of insurance liabilities corresponding to the average of the stochastic trajectories. Similar-type contracts are grouped together when performing the test and the results are analysed at entity level: if the sum of the surrender value and deferred participation, less related deferred acquisition costs and intangible assets, is less than the fair value of the recognised insurance liability, the shortfall is recognised in the income statement.

Contracts in the third category fall within the scope of IAS 39 and are recognised and measured in accordance with this standard.

13. Capital

In light of its status, Caisse des Dépôts does not have any share capital.

3. NOTES TO THE CONSOLIDATED INCOME STATEMENT

3.1 - INTEREST INCOME AND EXPENSE

(in millions of euros)	31.12.2012			31.12.2011		
	Income	Expense	Net	Income	Expense	Net
Ordinary accounts in debit/credit	12		12	31		31
Accounts and loans/borrowings with fixed maturities	30	(365)	(335)	27	(255)	(228)
Repurchase and resale agreements				1		1
Other, including hedging instruments	10	(1)	9	22	(4)	18
Interbank transactions	52	(366)	(314)	81	(259)	(178)
Ordinary accounts in debit/credit	6		6	10		10
Accounts and loans/borrowings with fixed maturities	185	(454)	(269)	264	(488)	(224)
Other, including hedging instruments	41		41	48		48
Customer transactions	232	(454)	(222)	322	(488)	(166)
Available-for-sale financial assets	4,660		4,660	3,841		3,841
Held-to-maturity investments	833		833	860		860
Other, including hedging instruments	(211)		(211)	(184)		(184)
Financial instruments	5,282		5,282	4,517		4,517
Debt securities		(259)	(259)		(239)	(239)
Subordinated debt		(63)	(63)		(58)	(58)
Borrowings		(322)	(322)		(297)	(297)
Total interest income and expense	5,566	(1,142)	4,424	4,920	(1,044)	3,876

3.2 - FEE AND COMMISSION INCOME AND EXPENSE

(in millions of euros)	31.12.2012		31.12.2011	
	Income	Expense	Income	Expense
Interbank and similar transactions				
Customer transactions	7		7	
Securities and derivatives transactions	7	(20)		(24)
Financial services transactions	84	(47)	74	(40)
Other fees and commissions				
Fee and commission income and expense	98	(67)	81	(64)

3.3 - GAINS AND LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS, NET

(in millions of euros)	31.12.2012		31.12.2011	
	Total	o/w fair value option	Total	o/w fair value option
Disposal gains and losses, net	36	4	(10)	18
Fair value adjustments, interest income or expense	2,651	465	(555)	21
Dividend income	18	7	92	
Other income and expense, net	(1,346)		1,392	
Securities	1,359	476	919	39
Disposal gains and losses, net			(2)	
Fair value adjustments, interest income or expense	(254)		(167)	
Other income and expense, net				
Futures and options (excluding hedging instruments)	(254)		(169)	
Disposal gains and losses, net				
Fair value adjustments, interest income or expense				
Other income and expense, net				
Loans				
Disposal gains and losses, net				
Fair value adjustments, interest income or expense	(169)	(169)	76	76
Other income and expense, net	(131)	(131)	(136)	(136)
Borrowings	(300)	(300)	(60)	(60)
Disposal gains and losses, net				
Fair value adjustments, interest income or expense				
Other income and expense, net				
Commitments				
Fair value hedges	51		13	
Ineffective portion of cash flow hedges			(11)	
Hedging instruments	51		2	
Portfolios hedged against interest rate risk				
Portfolios hedged against interest rate risk				
Currency instruments	(9)		37	
Currency instruments	(9)		37	
Total gains and losses on financial instruments at fair value through profit or loss, net	847	176	729	(21)

3.4 - GAINS AND LOSSES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS, NET

(in millions of euros)	31.12.2012	31.12.2011
Disposal gains and losses, net	(398)	118
Fixed-income securities	(398)	118
Disposal gains and losses, net	1,039	1,430
Other-than-temporary impairment	(1,373)	(2,110)
Dividend income	1,503	1,472
Variable-income securities	1,169	792
Loans		
Other		2
Total gains and losses on available-for-sale financial assets, net	771	912

3.5 - INCOME AND EXPENSE FROM OTHER ACTIVITIES

(in millions of euros)	31.12.2012		31.12.2011	
	Income	Expense	Income	Expense
Income and expenses from investment property	1,662	(754)	1,480	(585)
Income and expenses from other activities	7,263	(2,353)	7,222	(2,525)
Income and expenses from insurance activities	11,965	(15,669)	12,726	(15,690)
Total income and expenses from other activities, net	20,890	(18,776)	21,428	(18,800)

3.6 - GENERAL OPERATING EXPENSES

(in millions of euros)	31.12.2012	31.12.2011
Employee benefits expense	(3,736)	(3,766)
Other expenses and external services	(1,772)	(1,572)
Provision (charges)/reversals	(30)	(5)
Other general operating expenses	(1,802)	(1,577)
Total general operating expenses	(5,538)	(5,343)

3.7 - COST OF RISK

(in millions of euros)	31.12.2012		31.12.2011	
	Income	Expense	Income	Expense
Impairment of loans and receivables due from credit institutions				
Impairment of loans and receivables due from customers	14	(24)	23	(30)
Impairment of available-for-sale financial assets	36	(225)	15	(15)
Impairment of held-to-maturity investments	60			(60)
Impairment losses	110	(249)	38	(105)
Other provisions for counterparty risk	25	(6)	21	(5)
Other provisions for counterparty risk	25	(6)	21	(5)
Loan losses and bad debts		(86)		(18)
Recoveries on loans and receivables written off in prior years				
Losses and recoveries		(86)		(18)
Cost of risk	135	(341)	59	(128)

3.8 - GAINS AND LOSSES ON OTHER ASSETS, NET

(in millions of euros)	31.12.2012	31.12.2011
Gains and losses on disposals of property and equipment and intangible assets	(2)	(6)
Gains and losses on disposals of property and equipment and intangible assets	(2)	(6)
Gains and losses on disposals of securities ⁽¹⁾	6	181
Dilution gains and losses	29	
Other gains and losses on long-term equity interests	(3)	(2)
Gains and losses on long-term equity interests	32	179
Other gains and losses		
Other gains and losses		
Total gains and losses on other assets, net	30	173

(1) Including €138 million relating to gains on the disposal of Transdev in 2011.

3.9 - INCOME TAX EXPENSE

3.9.1 - Analysis of income tax expense

(in millions of euros)	31.12.2012	31.12.2011
Current taxes	(970)	(696)
Deferred taxes	231	116
Income tax expense	(739)	(580)

3.9.2 - Reconciliation of theoretical and effective tax rates

(in millions of euros)	31.12.2012	31.12.2011
Net profit (loss) attributable to owners	(458)	206
Non-controlling interests	(689)	552
Share of profit (loss) of associates	2,311	828
Change in value of goodwill	57	225
Net profit (loss) from discontinued operations	23	1
Income tax expense	739	580
Profit (loss) before tax, change in value of goodwill and share of profit (loss) of associates	1,983	2,392
Standard French tax rate ⁽¹⁾	36.10%	36.10%
Theoretical tax expense	(716)	(864)
Effect of tax-exempt transactions and differences in tax rates applicable to foreign entities	(46)	103
Effect of permanent differences	87	142
Effect of recognition of deferred taxes	(52)	(27)
Tax credits	34	15
Other	(46)	51
Income tax expense	(739)	(580)
Effective tax rate	37.3%	24.2%

(1) The theoretical tax rate is the statutory tax rate (including the additional social contribution and the exceptional income tax contribution) payable on corporate profits taxable in France.

3.10 - SEGMENT INFORMATION

(in millions of euros)	Caisse des Dépôts Division		Banking, Insurance & La Poste Division	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
Interest income	1,599	1,683	3,872	3,145
Interest expense	(721)	(723)	(64)	(60)
Fee and commission income	25	21	7	
Fee and commission expense	(43)	(44)	(23)	(19)
Gains and losses on financial instruments at fair value through profit or loss, net	(2)	53	986	656
Gains and losses on available-for-sale financial assets, net	350	56	39	105
Income from other activities	497	451	12,328	13,190
Expenses from other activities	(499)	(586)	(15,803)	(15,944)
Net banking income	1,206	911	1,342	1,073
General operating expenses	(441)	(360)	(383)	(367)
Depreciation, amortisation and impairment of property and equipment and intangible assets	(123)	(105)	(44)	(31)
Gross operating profit (loss)	642	446	915	675
Cost of risk	(10)	(52)	29	
Operating profit (loss)	632	394	944	675
Share of profit (loss) of associates	(48)	8	(343)	(956)
Gains and losses on other assets, net	28	200	(1)	
Change in value of goodwill			(69)	(30)
Profit (loss) before tax	612	602	531	(311)
Income tax expense	(270)	(154)	(364)	(187)
Net profit (loss) from discontinued operations				
Net profit (loss)	342	448	167	(498)
Non-controlling interests	(15)		(151)	(131)
Net profit (loss) attributable to owners	327	448	16	(629)

Corporate Finance Division		Real Estate & Tourism Division		Infrastructure, Transport & Environment Division		Total	
31.12.2012	31.12.2011	31.12.2012	31.12.2011	31.12.2012	31.12.2011	31.12.2012	31.12.2011
81	59	6	9	8	24	5,566	4,920
(17)	7	(317)	(224)	(23)	(44)	(1,142)	(1,044)
66	60					98	81
(1)	(1)					(67)	(64)
(135)	37		(14)	(2)	(3)	847	729
329	741	25	28	28	(18)	771	912
7	12	3,218	3,070	4,840	4,705	20,890	21,428
(2)	(2)	(1,614)	(1,475)	(858)	(793)	(18,776)	(18,800)
328	913	1,318	1,394	3,993	3,871	8,187	8,162
(103)	(95)	(902)	(921)	(3,709)	(3,600)	(5,538)	(5,343)
(1)	(1)	(121)	(116)	(201)	(278)	(490)	(531)
224	817	295	357	83	(7)	2,159	2,288
(218)		(5)	(2)	(2)	(15)	(206)	(69)
6	817	290	355	81	(22)	1,953	2,219
(2,002)	57	13	17	69	46	(2,311)	(828)
	(2)	(2)	(7)	5	(18)	30	173
		162		(150)	(195)	(57)	(225)
(1,996)	872	463	365	5	(189)	(385)	1,339
76	(153)	(147)	(88)	(34)	2	(739)	(580)
				(23)	(1)	(23)	(1)
(1,920)	719	316	277	(52)	(188)	(1,147)	758
962	(324)	(84)	(71)	(23)	(26)	689	(552)
(958)	395	232	206	(75)	(214)	(458)	206

4. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

4.1 - FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(in millions of euros)	31.12.2012		31.12.2011	
	Held for trading	Fair value option	Held for trading	Fair value option
Government bonds and treasury bills	6,973	6,652	10,914	956
Negotiable debt securities	131	312	411	227
Mutual funds	11,931		11,498	
Other securities				
Fixed-income securities	19,035	6,964	22,823	1,183
Equities	1,728	157	1,986	
Venture capital funds	24		1	
Other securities	598	498	811	2,673
Equities and other variable-income securities	2,350	655	2,798	2,673
Derivative instruments held for trading	2,247		2,317	
Derivative instruments held for trading	2,247		2,317	
Total financial assets at fair value through profit or loss	23,632	7,619	27,938	3,856

(in millions of euros)	31.12.2012		31.12.2011	
	Held for trading	Fair value option	Held for trading	Fair value option
Credit institutions				
Customers				
Accounts and borrowings with fixed maturities				
Bonds				
Negotiable debt securities		4,550		4,473
Other				
Debt securities		4,550		4,473
Borrowed securities and short sales				
Borrowed securities and short sales				
Derivative instruments held for trading	2,520		1,650	
Derivative instruments held for trading	2,520		1,650	
Total financial liabilities at fair value through profit or loss	2,520	4,550	1,650	4,473

4.2 - HEDGING INSTRUMENTS

(in millions of euros)	31.12.2012	31.12.2011
Interest rate derivatives	233	115
Currency derivatives		
Equity derivatives		
Other derivatives	80	50
Fair value hedges	313	165
Interest rate derivatives	408	325
Currency derivatives	14	12
Equity derivatives		
Other derivatives		
Cash flow hedges	422	337
Interest rate derivatives		
Currency derivatives		
Equity derivatives		
Other derivatives		
Hedges of net investments in foreign operations		
Total hedging instruments with a positive fair value	735	502

(in millions of euros)	31.12.2012	31.12.2011
Interest rate derivatives	859	756
Currency derivatives		
Equity derivatives		
Other derivatives	29	4
Fair value hedges	888	760
Interest rate derivatives	1,116	681
Currency derivatives		
Equity derivatives		
Other derivatives	3	3
Cash flow hedges	1,119	684
Interest rate derivatives		
Currency derivatives		
Equity derivatives		
Other derivatives		
Hedges of net investments in foreign operations		
Total hedging instruments with a negative fair value	2,007	1,444

4.3 - AVAILABLE-FOR-SALE FINANCIAL ASSETS

(in millions of euros)	31.12.2012			31.12.2011		
	Fair value	o/w hedged portion (fair value hedge)	o/w unrealised gains and losses	Fair value	o/w hedged portion (fair value hedge)	o/w unrealised gains and losses
Government bonds and treasury bills	84,397	99	7,222	74,436	72	83
Negotiable debt securities	35,461	482	96	32,544	408	(52)
Mutual funds	8,317		313	5,812		91
Other securities	989		15	1,039		(27)
Accrued interest	1,746			1,772		
Fixed-income securities	130,910	581	7,646	115,603	480	95
Equities	21,865		6,969	29,028		3,611
Venture capital funds	1,092		220	888		120
Other securities	2,529		347	4,736		596
Equities and other variable-income securities	25,486		7,536	34,652		4,327
Total available-for-sale financial assets	156,396	581	15,182	150,255	480	4,422

■ Available-for-sale financial assets: impairment losses

(in millions of euros)	31.12.2012	31.12.2011
Fixed-income securities	(196)	(738)
Equities and other variable-income securities	(10,015)	(8,195)
Total impairment losses	(10,211)	(8,933)

4.4 - LOANS AND RECEIVABLES DUE FROM CREDIT INSTITUTIONS

(in millions of euros)	31.12.2012	31.12.2011
Ordinary accounts in debit and overnight loans	3,559	5,597
Savings fund current accounts		
Securities and other assets purchased under collateralised fixed resale agreements		
Accrued interest	2	7
Non-performing items		
Impairment losses		
Loans to credit institutions repayable on demand	3,561	5,604
Accounts and loans with fixed maturities	4,463	6,271
Term loans in respect of the Savings Funds		
Securities and other assets purchased under collateralised fixed resale agreements		
Participating loans		
Subordinated loans		
Advances on securities transactions		
Other receivables		
Accrued interest	13	5
Non-performing items	25	31
Impairment losses	(25)	(31)
Loans and receivables due from credit institutions with fixed maturities	4,476	6,276
Total loans and receivables due from credit institutions	8,037	11,880

4.5 - LOANS AND RECEIVABLES DUE FROM CUSTOMERS

(in millions of euros)	31.12.2012	31.12.2011
Ordinary accounts in debit	789	983
Accrued interest		
Non-performing items	5	5
Impairment losses	(5)	(5)
Ordinary accounts in debit	789	983
Loans to financial sector customers	4	4
Cash facilities	1,783	1,427
Equipment financing	433	487
Housing loans	504	506
Advances on securities transactions	716	791
Participating loans		
Subordinated loans	13	19
Finance lease receivables	21	24
Securities and other assets purchased under uncollateralised resale agreements		
Other loans	3,838	3,577
Accrued interest	137	131
Non-performing items	704	658
Impairment losses	(373)	(347)
Other loans and receivables due from customers	7,780	7,277
Reinsurers' share of insurance and financial liabilities	3,626	3,316
Other insurance assets	1,296	1,231
Insurance and reinsurance receivables	4,922	4,547
Total loans and receivables due from customers	13,491	12,807

4.6 - HELD-TO-MATURITY INVESTMENTS

(in millions of euros)	31.12.2012	31.12.2011
Government bonds and treasury bills	17,533	17,123
Negotiable debt securities	3,305	3,463
Other securities		
Accrued interest	397	461
Impairment losses	(16)	(77)
Fixed-income securities	21,219	20,970
Other held-to-maturity investments		
Held-to-maturity investments	21,219	20,970

4.7 - INCOME TAXES

(in millions of euros)	31.12.2012	31.12.2011
Deferred tax assets (liabilities), net	(862)	(137)
Current tax assets (liabilities), net	(234)	(65)
Total⁽¹⁾	(1,096)	(202)

(1) Tax assets are positive amounts, while tax liabilities are negative amounts.

■ Analysis of deferred taxes

(in millions of euros)	31.12.2012	31.12.2011
Fair value adjustments to financial instruments and securities	(2,226)	(1,240)
Rollover relief	(207)	(282)
Fair value adjustments to financial assets at fair value through profit or loss	275	233
Temporary differences – securities	1,336	1,151
Temporary differences – other	(40)	1
Total recognised deferred tax assets and liabilities, net	(862)	(137)
<i>o/w deferred tax assets</i>	<i>740</i>	<i>752</i>
<i>deferred tax liabilities</i>	<i>(1,602)</i>	<i>(889)</i>

4.8 - PREPAYMENTS, ACCRUED INCOME AND OTHER ASSETS

(in millions of euros)	31.12.2012	31.12.2011
Prepaid expenses	105	120
Accrued income	464	183
Other accruals	1,387	1,728
Prepayments and accrued income	1,956	2,031
Miscellaneous receivables	6,360	4,297
Inventories	910	924
Guarantee deposits	210	190
Accounts receivable	1,845	1,573
Other ⁽¹⁾	483	2,295
Impairment losses	(206)	(189)
Other assets	9,602	9,090
Total prepayments, accrued income and other assets	11,558	11,121

(1) Including in 2011 the French State's share in the SIF's uncalled subscribed share capital for an amount of €1,780 million, reclassified in non-current assets held for sale in 2012.

4.9 - NON-CURRENT ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

(in millions of euros)	31.12.2012	31.12.2011
Assets		
Loan portfolios		
Securities and derivatives portfolios ⁽³⁾	16,316	
Investment property ⁽¹⁾	194	89
Owner-occupied property	50	35
Other assets held for sale		
Assets held for sale	16,560	124
Loan portfolios		
Securities and derivatives portfolios	15	
Investment property		
Owner-occupied property	122	
Other assets of discontinued operations	93	
Assets of discontinued operations⁽²⁾	230	
Total non-current assets held for sale	16,790	124
Liabilities		
Liabilities related to non-current assets held for sale ⁽³⁾	478	84
Liabilities related to non-current assets held for sale	478	84
Due to credit institutions and customers		
Derivative instruments		
Debt securities		
Subordinated debt		
Other liabilities	164	25
Liabilities related to assets of discontinued operations⁽²⁾	164	25
Total non-current liabilities related to assets classified as held for sale	642	109

(1) The estimated market value of investment property held for sale and measured at amortised cost was €199 million at 31 December 2012 and €120 million at 31 December 2011.

(2) Assets and liabilities relating to discontinued operations at end-2012 mainly relate to Veolia Transdev and result from the discontinued "SNCM" and "Central Europe" CGUs. Veolia Transdev accounts for €230 million of assets and €118 million of liabilities. Its contribution to the income statement is a negative €23 million.

(3) Assets held for sale and related liabilities at 31 December 2012 related mainly to the SIF. In light of the decisions and commitments taken by Caisse des Dépôts at end-2012 in connection with the creation of BPI, the assets and liabilities concerning the SIF are shown on the statement of financial position on the lines "Non-current assets held for sale" and "Liabilities related to assets classified as held for sale".

The "Securities and derivatives portfolios" account includes investments in associates (in the financial statements for prior periods, these were broken down in Note 4.10):

(in millions of euros)	31.12.2012	
	Carrying amount	o/w goodwill net of adjustment
Strategic Investment Fund	6,604	4,000
EIFFAGE	629	102
SOPROL	181	
EUTELSAT COMMUNICATIONS	1,040	592
SECHE ENVIRONNEMENT	51	
HIME		
TYROL ACQUISITION 1 & CIE SCA		
DAHER SA	54	27
ST MICROELECTRONICS	596	
FRANCE TELECOM	3,289	3,257
ERAMET	764	22

4.10 - INVESTMENTS IN ASSOCIATES

4.10.1 - Statement of financial position

(in millions of euros)	31.12.2012		31.12.2011	
	Carrying amount	o/w goodwill net of adjustment	Carrying amount	o/w goodwill net of adjustment
Caisse des Dépôts Division	69	42	92	63
AEW EUROPE	69	42	92	63
Banking, Insurance & La Poste Division	1,588	191	1,450	191
DEXIA			0	0
LA POSTE	1,588	191	1,450	191
Corporate Finance Division	717		3,463	770
SA OSEO	717		564	
EIFFAGE ⁽¹⁾			649	97
SOPROL ⁽¹⁾			253	
EUTELSAT COMMUNICATIONS ⁽¹⁾			1,023	592
SECHE ENVIRONNEMENT ⁽¹⁾			112	39
HIME ⁽¹⁾			4	
TYROL ACQUISITION 1 & CIE SCA ⁽¹⁾			23	
DAHER SA ⁽¹⁾			68	42
ST MICROELECTRONICS ⁽¹⁾			767	
FRANCE TELECOM ⁽¹⁾				
ERAMET ⁽¹⁾				
Real Estate & Tourism Division	166	20	157	20
ICADE GROUP			1	
COMPAGNIE DES ALPES GROUP	62	20	61	20
SANTOLINE	49		51	
SNI GROUP	55		44	
Infrastructure, Transport & Environment Division	604		572	
VERDUN PARTICIPATIONS 1	78		86	
VEOLIA TRANSDEV GROUP	3		4	
COMPAGNIE NATIONALE DU RHÔNE	514		475	
EGIS GROUP	9		7	
Investments in associates	3,144	253	5,734	1,044

(1) Reclassification of investments held by the SIF in assets held for sale.

4.10.2 - Income statement

(in millions of euros)	31.12.2012		31.12.2011	
	Share of profit (loss) of associates	o/w adjustments to the value of goodwill	Share of profit (loss) of associates	o/w adjustments to the value of goodwill
Caisse des Dépôts Division	(47)	(49)	8	
LOGISTIS			1	
AEW EUROPE	(19)	(21)	7	
SECHE ENVIRONNEMENT ⁽²⁾	(28)	(28)		
Banking, Insurance & La Poste Division	(344)		(955)	(128)
DEXIA	(453)		(1,003)	(128)
LA POSTE	109		48	
Corporate Finance Division	(2,003)	(1,946)	57	(31)
SA OSEO	26		28	
EIFFAGE	51	5	50	(5)
SOPROL	(33)		(26)	(26)
EUTELSAT COMMUNICATIONS	89		87	
SECHE ENVIRONNEMENT	(33)	(10)	4	
HIME			(23)	
TYROL ACQUISITION 1 & CIE SCA	(62)		(67)	
DAHER SA	(13)	(14)		
ST MICROELECTRONICS	(98)		4	
FRANCE TELECOM	(1,927)	(1,927)		
ERAMET	(3)			
Real Estate & Tourism Division	13		17	
ICADE GROUP	(1)		1	
COMPAGNIE DES ALPES GROUP	2		4	
SANTOLINE	(1)		2	
SNI GROUP	13		10	
Infrastructure, Transport & Environment Division	70		45	
VERDUN PARTICIPATIONS 1	(4)		(4)	
COMPAGNIE NATIONALE DU RHÔNE	73		50	
EGIS GROUP	1		(1)	
Share of profit (loss) of associates	(2,311)	(1,995)	(828)	(159)

(2) Adjustment recognised prior to its contribution to the SIF in 2009.

4.11 - INVESTMENT PROPERTY, OWNER-OCCUPIED PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS

4.11.1 - Gross value

(in millions of euros)	31.12.2011	Additions	Disposals	Other movements	31.12.2012
Land	3,279	128	(161)	6	3,252
Buildings	8,822	298	(276)	4,494	13,338
Technical installations and fixtures	209		(6)	546	749
Woodland and land banks	351	28	(3)	172	548
Prepayments					
Government grants	(294)	(9)		5	(298)
Assets under construction	1,006	571	(6)	(609)	962
Intangible assets related to investment property	10				10
Other	1				1
Investment property	13,384	1,016	(452)	4,614	18,562
Land	272	1	(3)	(11)	259
Buildings	1,062	21	(13)	(17)	1,053
Technical installations and fixtures	1,806	54	(36)	54	1,878
Prepayments	3			(1)	2
Government grants					
Assets under construction	122	159		(64)	217
Other	2,470	156	(196)	(602)	1,828
Owner-occupied property and equipment	5,735	391	(248)	(641)	5,237
Software	835	22	(92)	(28)	737
Concessions, licences and patents	182	1	(5)	6	184
Intangible assets in progress	94	123	(1)	(88)	128
Other intangible assets	608	30	(9)	(195)	434
In-force life insurance business	189			(3)	186
Intangible assets	1,908	176	(107)	(308)	1,669

4.11.2 - Depreciation, amortisation and impairment

(in millions of euros)	31.12.2011	Increases	Decreases	Other movements	31.12.2012
Land	(111)	(73)	14	(14)	(184)
Buildings	(2,004)	(451)	127	(616)	(2,944)
Technical installations and fixtures	(159)	(8)	5	(11)	(173)
Woodland and land banks	(47)	(11)	2	(8)	(64)
Government grants	93		5	(4)	94
Intangible assets related to investment property	(9)				(9)
Other	(122)	(3)	7	6	(112)
Investment property	(2,359)	(546)	160	(647)	(3,392)
Land	(5)			4	(1)
Buildings	(470)	(39)	3	20	(486)
Technical installations and fixtures	(1,043)	(107)	33	6	(1,111)
Other	(1,633)	(154)	152	470	(1,165)
Owner-occupied property and equipment	(3,151)	(300)	188	500	(2,763)
Software	(701)	(98)	90	123	(586)
Concessions, licences and patents	(75)	(17)	7	3	(82)
Other intangible assets	(140)	(80)	1	13	(206)
In-force life insurance business	(142)	(6)		3	(145)
Intangible assets	(1,058)	(201)	98	142	(1,019)

(in millions of euros)	Carrying amount 31.12.2011	Carrying amount 31.12.2012
Investment property (*)	11,025	15,170
Owner-occupied property and equipment	2,584	2,474
Intangible assets	850	650
Total	14,459	18,294

(*) The estimated market value of investment property excluding held for sale measured at amortised cost was €21,015 million at 31 December 2012 versus €16,683 million at 31 December 2011.

The increase in the carrying amount and market value of investment property is mainly due to the acquisition of Silic.

4.12 - GOODWILL

4.12.1 - Change in value of goodwill

(in millions of euros)	31.12.2011	Increases (acquisitions)	Decreases (disposals)	Impairment losses for the period	Other movements	31.12.2012
Banking, Insurance & La Poste Division						
CNP ASSURANCES GROUP	409			(69)	(10)	330
Real Estate & Tourism Division						
ICADE GROUP	72			(1)	(1)	70
COMPAGNIE DES ALPES GROUP	305			(2)		303
Infrastructure, Transport & Environment Division						
EGIS GROUP	84	1			(2)	83
VEOLIA TRANSDEV GROUP	528	2		(150)	(13)	367
AQUALTER	13					13
Total goodwill	1,411	3		(222)	(26)	1,166

Impairment losses for the period – net of €165 million in gains on the acquisition of a controlling interest in Silic – amounted to €57 million.

4.12.2 - Goodwill by company

(in millions of euros)	31.12.2012	31.12.2011
Banking, Insurance & La Poste Division		
CNP ASSURANCES GROUP		
CNP ASSURANCES	208	208
CNP UNICREDIT VITA		69
CAIXA SEGUROS	80	90
BARCLAYS VIDA Y PENSIONES	4	5
OTHER	38	37
Real Estate & Tourism Division		
ICADE GROUP		
PROPERTY INVESTMENT COMPANIES	4	6
PROPERTY DEVELOPMENT COMPANIES	39	39
PROPERTY SERVICES COMPANIES	27	27
COMPAGNIE DES ALPES GROUP		
STVI	96	96
BELPARK BV	60	60
WALIBI WORLD BV	33	33
DOLFINARIUM	18	18
GREVIN & CIE SA	14	14
FUTUROSCOPE	13	13
MERIBEL ALPINA	12	12
AVENIR LAND SAS	12	12
STGM	11	11
OTHER	34	36
Infrastructure, Transport & Environment Division		
EGIS GROUP		
EGIS SA	3	3
IOSIS	45	45
VEGA ENGENHARIA LTDA	16	17
ATELIER DU PAYSAGE	4	4
EGIS AVIA	2	2
OTHER	13	13
VEOLIA TRANSDEV GROUP	367	528
AQUALTER	13	13
Total goodwill	1,166	1,411

4.12.3 - Silic acquisition

Caisse des Dépôts' acquisition of a controlling interest in Silic on 16 February 2012 led to the recognition of a gain of €165 million, of which €124 million was taken to profit.

4.12.4 - CNP Assurances group

Based on the annual goodwill impairment tests, a €170 million impairment loss was recognised against CNP UniCredit Vita in the accounts of the CNP Assurances group.

Caisse des Dépôts' share in this impairment loss is a €69 million expense.

Goodwill relating to CNP UniCredit Vita had been written down in full at 31 December 2012.

4.12.5 - Veolia Transdev

4.12.5.1 - Analysis by cash-generating unit (CGU)

The table below provides an analysis of goodwill by Veolia Transdev CGU (based on a 100% interest):

(in millions of euros)	31.12.2012			31.12.2011		
	Gross	Impairment loss	Net	Gross	Impairment loss	Net
France	569	(95)	474	568	(95)	473
Netherlands	317	(314)	3	318	(38)	280
Germany	145	(121)	24	163	(121)	42
United States	101	(22)	79	107	(23)	84
Australia and New Zealand	82	(47)	35	82	(47)	35
International operations	55	(25)	30	55	(6)	49
United Kingdom	45	(5)	40	42	(5)	37
Canada	42	(17)	25	42	(17)	25
Sweden	38	(38)		36	(36)	
Belgium	25		25	25		25
Iberia	10	(10)		10	(3)	7
Total	1,429	(694)	735	1,448	(391)	1,057

4.12.5.2 - Impairment tests

Changes in the economic and financial climate as well as in the competitive and regulatory environment can affect estimates of recoverable amounts, in the same way as unexpected developments in the political, economic and legal systems of different countries. Cash flow projections in the long-term business plan reflect trends in volumes, prices, direct costs and investments over the period, which are determined based on contracts or on business activities, using historical data, on the one hand, and forecasts spanning the period covered in the long-term plan, on the other.

Other assumptions which influence the calculation of recoverable amounts are discount rates and perpetuity growth rates: these vary depending on the country or region in which the CGU is based.

Discount rates and average perpetuity growth rates for the Group's main regions in 2012 are as follows:

	Discount rate	Average perpetuity growth rate
France	7.6%	2.0%
Netherlands	6.9%	1.8%
Germany	7.0%	2.0%
Sweden	7.4%	2.0%
Iberia	10.7%	1.5%
United States	7.5%	2.0%
Australia and New Zealand	8.1%	2.5%
Asia	11.0%	3.0%

■ Impairment losses recognised in profit or loss

Based on the business outlook, impairment was taken against the following goodwill CGUs:

	31.12.2012	31.12.2011
France		(95)
Netherlands	(275)	(39)
Germany		(121)
United States		(21)
Australia and New Zealand		(44)
International operations	(19)	(6)
United Kingdom		(5)
Canada		(16)
Sweden		(36)
Iberia	(7)	(3)
Total	(301)	(386)

4.12.5.3 - Sensitivity of impairment tests

The recoverable amounts determined for the purpose of impairment testing have been tested for sensitivity to a 1% rise in the discount rate, a 1% fall in the perpetuity growth rate and a 5% fall in operating cash flows.

Changes in operating cash flows taken into account to calculate sensitivity include cash flows from operations less cash flows from (used in) investing activities, and also include changes in working capital.

These variation assumptions are considered reasonable in view of the Group's businesses and the regions in which it operates. For some CGUs, these changes result in a recoverable amount lower than the CGU's carrying amount, adjusted where appropriate for impairment in the period:

(in millions of euros)	Difference between recoverable amount and carrying amount	Additional difference between recoverable amount and net carrying amount resulting from a 1% rise in the discount rate	Additional difference between recoverable amount and net carrying amount resulting from a 1% decrease in the perpetuity growth rate	Additional difference between recoverable amount and net carrying amount resulting from a 5% decrease in operating cash flows
Netherlands	(274)	(41)	(32)	(13)
Germany		(39)	(27)	
International operations	(19)	(5)	(3)	(2)
Iberia	(21)	(6)	(4)	(3)
Other		(3)	(2)	
Total	(314)	(94)	(68)	(18)

4.13 - AMOUNTS DUE TO CREDIT INSTITUTIONS

(in millions of euros)	31.12.2012	31.12.2011
Ordinary accounts in credit and overnight borrowings	991	894
Demand deposits from savings funds	491	319
Securities and other assets sold under collateralised fixed repurchase agreements		
Accrued interest	1	1
Amounts due to credit institutions repayable on demand	1,483	1,214
Accounts and borrowings with fixed maturities	20,928	8,362
Securities and other assets sold under collateralised fixed repurchase agreements	209	4,305
Accrued interest	132	57
Amounts due to credit institutions with fixed maturities	21,269	12,724
Total amounts due to credit institutions	22,752	13,938

4.14 - AMOUNTS DUE TO CUSTOMERS

(in millions of euros)	31.12.2012	31.12.2011
Ordinary accounts in credit	42,284	42,806
Securities and other assets sold under collateralised fixed repurchase agreements		
Accrued interest		1
Ordinary accounts in credit	42,284	42,807
Borrowings from customer financial institutions	12	40
Escrow accounts	4,093	3,842
Time deposits	2,279	2,607
Securities and other assets sold under collateralised fixed repurchase agreements		167
Other amounts due to customers with fixed maturities	5	6
Accrued interest	562	551
Other amounts due to customers	6,951	7,213
Insurance payables	492	435
Other payables arising from insurance operations	346	281
Insurance and reinsurance payables	838	716
Total amounts due to customers	50,073	50,736

4.15 - DEBT SECURITIES

(in millions of euros)	31.12.2012	31.12.2011
Medium-term notes and other negotiable debt securities	22,790	24,353
Accrued interest	96	72
Interbank and negotiable debt securities	22,886	24,425
Bonds and similar debt securities	2,202	1,454
Accrued interest		
Bonds and similar debt securities	2,202	1,454
Total debt securities	25,088	25,879

4.16 - ACCRUALS, DEFERRED INCOME AND OTHER LIABILITIES

(in millions of euros)	31.12.2012	31.12.2011
Deferred income	387	431
Accrued expenses	32	28
Other accruals	2,082	2,534
Accruals and deferred income	2,501	2,993
Miscellaneous payables	1,461	1,290
Guarantee deposits	137	91
Accounts payable	1,190	1,113
Other	3,282	4,762
Other liabilities	6,070	7,256
Total accruals, deferred income and other liabilities	8,571	10,249

4.17 - INSURANCE COMPANY TECHNICAL RESERVES

(in millions of euros)	31.12.2012	31.12.2011
Insurance liabilities:		
Unit-linked liabilities	11,559	11,049
Other insurance liabilities (excluding unit-linked)	45,819	42,103
Total insurance liabilities	57,378	53,152
Financial liabilities – financial instruments with discretionary participation feature (excluding unit-linked)	59,187	59,500
Financial liabilities – financial instruments without discretionary participation feature (excluding unit-linked)	358	383
Financial liabilities – unit-linked financial instruments	3,214	2,935
Total financial liabilities	62,759	62,818
Deferred participation reserve	7,757	215
Derivative financial instruments separated from the host contract		
Total other technical reserves	7,757	215
Total insurance company technical reserves	127,894	116,185
Net deferred participation asset⁽¹⁾		(249)

(1) Based on the write-downs and unrealised capital losses recognised in 2011, the application of shadow accounting gives rise to a net deferred participation asset. The recoverability test for 2011 shows the ability of the CNP Assurances group to recover the value of this asset over time from future actual or unrealised participations.

4.18 - PROVISIONS

(in millions of euros)	31.12.2011	Increases	Reversals (utilisations)	Reversals (surplus provisions)	Other movements	31.12.2012
Provisions for employee benefit obligations	414	85	(56)	(12)	4	435
Provisions for real estate risks	18	7	(4)	(1)		20
Provisions for counterparty risks	52	37	(25)	(4)	(22)	38
Other provisions	383	177	(118)	(75)		367
Total provisions	867	306	(203)	(92)	(18)	860

Icade's accounting records for 2010 were audited by the tax authorities. As a result, on 8 December 2010 the tax authorities challenged the market values at 31 December 2006 resulting from the real estate valuations used as a basis for calculating the exit tax (income tax at a rate of 16.50%) when Icade Patrimoine was merged into Icade on 1 January 2007. This increased the tax base used to calculate the exit tax and generated an additional tax expense of €204 million (principal amount). On 26 April 2012, the authorities issued a revised tax reassessment in which they informed Icade that the tax rate applicable to a portion of the revalued amounts may be increased from 16.50% to 19%. In this case, the additional tax payable would amount to €206 million. Icade continues to challenge the entire tax reassessment, assisted by its tax advisory firms. Consequently, no provision was booked at either 31 December 2012 or 31 December 2011.

The disagreement between the tax authorities and Icade concerning the value of these assets at 31 December 2006 is currently being analysed by the French Commission for direct taxes and sales taxes.

4.19 - SUBORDINATED DEBT

(in millions of euros)	31.12.2012	31.12.2011
Mutual guarantee deposits		
Dated subordinated notes	947	933
Undated subordinated notes	93	92
Total subordinated debt	1,040	1,025

■ Breakdown of subordinated debt

(in millions of euros)	Issue date	Maturity	Interest rate	31.12.2012	Fair value
Dated subordinated notes				947	965
CNP Assurances group					
	April-03	Between 16 May 2013 and 2023	5.25% until 2013 and Euribor +2% from 11 July 2013	122	121
	June-03	Between 24 June 2013 and 2023	4.7825% until 2013 and Euribor +2% from 24 June 2013	81	74
	June-09	Between 23 June 2010 and 2014	6-month Euribor +3.25%	6	6
	Sept.-10	From 14 September 2020 ⁽¹⁾	6% (real/real) until 2020, then 3-month Euribor (real/360) +447.2 bps	305	312
	April-11	From 11 April 2011	7.375% until September 2021 then 12-month Libor +448.2 bps	149	157
	April-11	From 7 April 2011	6.875% until September 2021 then 12-month Euribor +440 bps	284	295
Undated subordinated notes				93	82
CNP Assurances group					
	Oct.-03	Undated	6-month Euribor +1.5%	18	18
	Nov.-04	Undated	4.93% until 2016 and Euribor +1.60% from 15 November 2016	37	32
	Nov.-04	Undated	3-month Euribor +0.70% until 2016 then 3-month Euribor +1.6%	38	32
Total subordinated debt				1,040	1,047

(1) The subordinated notes issued in September 2010 are due 14 September 2040, with an initial early redemption option at par on 14 September 2020.

4.20 - COMMITMENTS GIVEN AND RECEIVED

(in millions of euros)	31.12.2012	31.12.2011
Commitments given	50,032	37,187
Financing commitments		
To credit institutions		20
To customers	8,428	6,089
Guarantee commitments		
To credit institutions	11,324	13,117
To customers	1,636	1,917
Securities-related commitments		
Securities to be delivered	51	
Other commitments given		
To credit institutions	21,712	10,484
To customers	6,881	5,560
Commitments received	25,352	26,944
Financing commitments		
From credit institutions	8,013	7,563
From customers		
Guarantee commitments		
From credit institutions	6,697	9,084
From customers	4,648	4,553
Securities-related commitments		
Securities to be received	1,473	2,107
Other commitments received		
From credit institutions	3,758	3,029
From customers	763	608
Other commitments received		

5. EMPLOYEE BENEFITS

5.1 - EMPLOYEE BENEFITS EXPENSE

(in millions of euros)	31.12.2012	31.12.2011
Payroll costs	(3,505)	(3,572)
Post-employment benefit plan costs	(122)	(83)
Cost of other long-term benefits	(4)	(6)
Discretionary and non-discretionary profit-sharing	(105)	(105)
Total employee benefits expense	(3,736)	(3,766)

5.2 - AVERAGE NUMBER OF EMPLOYEES

	31.12.2012	31.12.2011
France	38,343	39,256
International	37,652	38,169
Average number of employees	75,995	77,425

Including Veolia Transdev's headcount (based on 50%):

- 2012: 48,394 (France: 16,881, International: 31,513);

- 2011: 50,940 (France: 17,896, International: 33,044).

5.3 - EMPLOYEE BENEFIT OBLIGATIONS

5.3.1 - Change in actuarial liability

(in millions of euros)	31.12.2012	31.12.2011
Opening actuarial liability	402	304
Current service cost	34	29
Interest cost	13	7
Benefits paid	(12)	(12)
Plan amendments/curtailments	(21)	(19)
Actuarial gains and losses for the period	61	7
Effect of changes in scope of consolidation	(51)	86
Closing actuarial liability	426	402

5.3.2 - Employee benefit plan expense recognised in the income statement

(in millions of euros)	31.12.2012	31.12.2011
Current service cost	(34)	(29)
Interest cost	(13)	(7)
Expected return on plan assets for the period		
Past service cost	12	12
Actuarial gains and losses	(3)	
Losses on curtailments and settlements	21	19
Total net expense recognised in the income statement	(17)	(5)

6. RELATED-PARTY TRANSACTIONS

Related parties include consolidated companies, savings funds, pension funds and funds managed by Caisse des Dépôts in connection with the national loan, and post-employment benefit plan managers.

6.1 - RELATIONS BETWEEN CONSOLIDATED COMPANIES

Transactions and balances between fully consolidated companies are eliminated in consolidation. The following information therefore only concerns intra-group transactions with jointly-controlled companies (proportionately consolidated), for the portion not eliminated in consolidation, and associates (accounted for by the equity method).

(in millions of euros)	31.12.2012		31.12.2011	
	Jointly-controlled companies	Associates	Jointly-controlled companies	Associates
Loans		1		841
Other financial assets		399		694
Other assets	75		34	
Total related-party assets	75	400	34	1,535
Borrowings		20		423
Other financial liabilities				
Other liabilities	1	26	3	585
Total related-party liabilities	1	46	3	1,008
Commitments given	671	341	546	341
Commitments received	5	334	7	959
Total related-party commitments	676	675	553	1,300
Interest income (expense), net	2	64	1	51
Fee and commission income, net				
Net income from financial transactions		(42)		
Net income (loss) from other activities	7	(5)		(3)
General operating expenses, net of rebillings	21	(8)	42	(8)
Gross operating profit from related-party transactions	30	9	43	40

6.2 - RELATED PARTIES NOT CONTROLLED BY THE GROUP

a) Savings funds

(in millions of euros)	31.12.2012	31.12.2011
Loans	1,813	
Other financial assets	18	25
Other assets	45	11
Total assets	1,876	36
Borrowings	491	319
Other financial liabilities		1
Other liabilities	39	77
Total liabilities	530	397
Commitments given		
Commitments received	500	
Total commitments	500	
Interest income (expense), net	13	(3)
Fee and commission income, net		
Net income from financial transactions	11	7
Net income (loss) from other activities	10	19
General operating expenses, net of rebillings	126	114
Gross operating profit	160	137

b) Pension funds

(in millions of euros)	31.12.2012	31.12.2011
Loans		
Other financial assets		
Other assets	41	24
Total assets	41	24
Borrowings	3,138	3,627
Other financial liabilities		
Other liabilities	33	31
Total liabilities	3,171	3,658
Commitments given	240	6
Commitments received		
Total commitments	240	6
Interest income (expense), net	(5)	(19)
Fee and commission income, net		
Net income from financial transactions		
Net income (loss) from other activities		1
General operating expenses, net of rebillings	282	283
Gross operating profit	277	265

c) Funds managed in connection with the national loan

In 2010, Caisse des Dépôts was entrusted with managing eight full programmes and ten actions within the scope of the Investments for the Future programme, also known as the national loan.

The Group was entrusted with managing a package of €7.4 billion, of which €6.5 billion was paid into a specific Caisse des Dépôts account with the French Treasury in 2010. In 2012, this package was reduced by €498 million.

In application of IFRS, under the agreements signed with the French State concerning the national loan, the assets and liabilities covered by the investment programmes must be derecognised in the consolidated financial statements of Caisse des Dépôts Group. These assets and liabilities are recognised in accrual accounts in the financial statements prepared by the Central Sector under French GAAP.

The amount paid by the French State can be analysed as follows after deducting management fees:

(in millions of euros)	31.12.2012	31.12.2011
Accruals - assets		
Amounts receivable in respect of current or future cash investments	5,894	6,392
<i>Fonds pour la société numérique</i> (Digital society fund) – Services	1,514	2,213
<i>Fonds pour la société numérique</i> (Digital society fund) – Infrastructure	1,972	1,956
Tomorrow's cities	842	998
National seed capital fund	573	388
Work-study programme – Housing	247	250
Work-study programme – Modernisation	240	247
Innovation platforms and competitive clusters	48	199
Social economy and solidarity	92	92
France Brevets	49	49
<i>Fonds Écotecnologies</i> (Eco-technologies fund)	150	
Firms to accelerate technology transfer (SATTs)	167	
Accruals – liabilities		
Amounts payable to the French State in respect of the national loan	5,894	6,392
<i>Fonds pour la société numérique</i> (Digital society fund) – Services	1,514	2,213
<i>Fonds pour la société numérique</i> (Digital society fund) – Infrastructure	1,972	1,956
Tomorrow's cities	842	998
National seed capital fund	573	388
Work-study programme – Housing	247	250
Work-study programme – Modernisation	240	247
Innovation platforms and competitive clusters	48	199
Social economy and solidarity	92	92
France Brevets	49	49
<i>Fonds Écotecnologies</i> (Eco-technologies fund)	150	
Firms to accelerate technology transfer (SATTs)	167	

6.3 - POST-EMPLOYMENT BENEFIT PLAN MANAGERS

Assets and liabilities from transactions with post-employment benefit plan managers were not material at either 31 December 2012 or 31 December 2011.

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

7.1 - FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

(in millions of euros)	Carrying amount	Estimated market value
	31.12.2012	31.12.2012
Assets		
Loans and receivables due from credit institutions	8,037	8,037
Loans and receivables due from customers	13,491	13,491
Held-to-maturity investments	21,219	25,736
Total financial assets measured at amortised cost	42,747	47,264
Liabilities		
Due to credit institutions	22,752	22,752
Due to customers	50,073	50,073
Debt securities	25,088	25,088
Subordinated debt	1,040	1,047
Total financial liabilities measured at amortised cost	98,953	98,960

(in millions of euros)	Carrying amount	Estimated market value
	31.12.2011	31.12.2011
Assets		
Loans and receivables due from credit institutions	11,880	11,880
Loans and receivables due from customers	12,807	12,807
Held-to-maturity investments	20,970	21,619
Total financial assets measured at amortised cost	45,657	46,306
Liabilities		
Due to credit institutions	13,938	13,938
Due to customers	50,736	50,736
Debt securities	25,879	25,879
Subordinated debt	1,025	696
Total financial liabilities measured at amortised cost	91,578	91,249

7.2 - FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

7.2.1 - Financial instruments measured at fair value using a valuation model

(in millions of euros)	Quoted on an active market: Level 1	Measured using observable inputs: Level 2	Measured using unobservable inputs: Level 3	Total at 31.12.2012
Financial assets at fair value				
Financial assets at fair value through profit or loss – trading	17,000	6,616	16	23,632
Financial assets at fair value through profit or loss – FV option	6,658	817	144	7,619
Hedging instruments with a positive fair value		735		735
Available-for-sale financial assets	115,739	39,858	799	156,396
Total financial assets at fair value	139,397	48,026	959	188,382
Financial liabilities at fair value				
Financial liabilities at fair value through profit or loss – trading		2,521		2,521
Financial liabilities at fair value through profit or loss – FV option	3,671	878		4,549
Hedging instruments with a negative fair value	17	1,990		2,007
Total financial liabilities at fair value	3,688	5,389		9,077

(in millions of euros)	Quoted on an active market: Level 1	Measured using observable inputs: Level 2	Measured using unobservable inputs: Level 3	Total at 31.12.2011
Financial assets at fair value				
Financial assets at fair value through profit or loss – trading	20,191	7,731	16	27,938
Financial assets at fair value through profit or loss – FV option	1,437	801	1,618	3,856
Hedging instruments with a positive fair value		502		502
Available-for-sale financial assets	115,372	34,275	608	150,255
Total financial assets at fair value	137,000	43,309	2,242	182,551
Financial liabilities at fair value				
Financial liabilities at fair value through profit or loss – trading		1,650		1,650
Financial liabilities at fair value through profit or loss – FV option	3,363	1,110		4,473
Hedging instruments with a negative fair value	7	1,437		1,444
Total financial liabilities at fair value	3,370	4,197		7,567

The vast majority of the Group's financial instruments are measured using prices "quoted on an active market" (Level 1 of the hierarchy).

These include:

- ▶ equities, measured on the basis of quoted prices on their reference market;
- ▶ bonds, EMTN, BMTNs (negotiable debt securities): for each instrument, the value is determined based on the most recent of the quoted prices available – on the stock exchange, from brokers, trading rooms or trading platforms;
- ▶ units in mutual funds and other funds, measured at net asset value;
- ▶ BTAN treasury notes, at the prices quoted under the Banque de France's centralised quotation system;
- ▶ derivative instruments traded on an organised market.

Financial instruments "Measured using observable inputs" (Level 2 of the hierarchy) concern: (i) instruments that are measured using the prices of similar-type instruments quoted on an active market; (ii) identical or similar-type instruments quoted on a non-active market on which regular, observable transactions take place; or (iii) financial instruments measured using inputs other than quoted prices that are observable.

These include:

- ▶ structured products valued by the Group, arrangers or external valuers;
- ▶ investments in unlisted securities;
- ▶ OTC derivatives contracts;
- ▶ money market securities other than BTAN treasury notes measured based on the zero coupon price curve plus a spread.

Financial instruments "Measured using unobservable inputs" (Level 3 of the hierarchy) concern financial instruments measured using inputs not based on observable market data. These are defined as inputs based neither on observable market transactions involving the same instrument at the measurement date, nor on observable market data available at the same date.

Very few financial instruments used by the Group fall into this category, which mainly includes asset-backed securities.

7.2.2 - Change in value of financial instruments measured at fair value using a technique based on unobservable inputs (Level 3)

(in millions of euros)	Financial assets held for trading	Financial assets as at fair value through profit or loss ⁽¹⁾	Available-for-sale financial assets	Total
At 31 December 2011	16	1,618	608	2,242
Additions		214	153	367
Disposals		(100)	(79)	(179)
Transfers to Level 3 (incoming)			56	56
Transfers from Level 3 (outgoing)			(4)	(4)
Gains and losses in the period recognised in equity		5	87	92
Gains and losses in the period recognised in profit or loss		28	(19)	9
Translation adjustment				
Effect of changes in scope of consolidation and other		(1,621)	(3)	(1,624)
At 31 December 2012	16	144	799	959

(1) Including the reclassification of financial assets at fair value through profit or loss within held for sale in the SIF's income statement for an amount of €1,621 million.

8. INFORMATION ABOUT FINANCIAL INSTRUMENT RISKS

I - Financial instrument risk management system

1. Risk control organisation

a) Role of the Risk Management and Internal Control department (DRCI)

Controlling financial and operational risks is a key aspect of any system of internal control. Within Caisse des Dépôts Group, the internal control process is driven, coordinated and monitored by the head of the Risk Management and Internal Control department, who is a member of the Group Management Committee.

The system comprises both periodic controls performed by the internal auditors reporting to the Chairman and Chief Executive Officer of the Group, and recurring controls that are the responsibility of DRCI.

DRCI is also responsible for ethical compliance and anti-money laundering measures across the entire Group.

b) Positioning

The organisation of internal control is based on the principle of segregating responsibility for execution from responsibility for control, and on a multi-tier system. The first tier consists of controls performed directly by line personnel. Responsibility for second-tier controls depends on the type of risk:

▶ second-tier controls over financial risks have been performed by DRCI since 2010;

▶ second-tier controls over operational risks are also performed by dedicated teams that are independent from the line units. The teams report to the highest level of management within the business line concerned and have a dotted-line reporting relationship with DRCI. In keeping with this organisation, each unit is required to set up risk measurement, monitoring and prevention systems geared to the nature of the business and the magnitude of the risks incurred.

c) Scope

The system described above applies to Caisse des Dépôts and also to its subsidiaries, as regards operational risks and internal control. Financial risks are managed directly by the subsidiaries, which report to DRCI.

DRCI monitors the Group's compliance with its legal and regulatory obligations.

Pursuant to decree 2009-268 of 9 March 2009, implementing the August 2008 Law on Modernisation of the Economy (LME), CRBF 97-02 applies to Caisse des Dépôts as of 1 January 2010, subject to certain adaptations. Beginning from 1 January 2011, Caisse des Dépôts has to comply with a number of capital adequacy requirements in accordance with decree 2009-268 of 9 March 2009 and decree 2010-411 of 27 April 2010 (versions applicable to financial institutions at 1 January 2010).

The Supervisory Board will entrust the French banking and insurance watchdog (*Autorité de Contrôle Prudentielle – ACP*) with compliance oversight for the application of this standard to its banking and financial activities and the resulting capital adequacy ratios will reflect the specific nature of the Group's activities.

2. Risk control policies, objectives and procedures

The Group Charter sets out Caisse des Dépôts' risk policy in the following terms:

"The Group has three joint strategic financial objectives: security, a satisfactory long-term return on its portfolio of assets, and recurrent profits. The public institution finances general-interest investments in accordance with the law. As it does not have any shareholders, it relies solely on its own performance to build its equity capital."

"The Group's objectives are set out in a medium-term strategy plan. Based on a common macro-economic framework, this plan establishes the strategic objectives of the Group and the associated target indicators, the main guidelines in terms of capital allocation, and the prospects for creating value."

In accordance with this framework, the Group primarily uses its capital adequacy ratios for steering purposes.

The Group's capital adequacy ratios were adopted by the Supervisory Board, based on the recommendation of the Chairman and Chief Executive Officer and following approval by the ACP. The Supervisory Board also fixed the amount of Caisse des Dépôts' equity.

In accordance with legal and regulatory provisions, these new ratios reflect the specific nature of Caisse des Dépôts, and in particular its role as long-term investor. Consequently, the prudential model adopted by Caisse des Dépôts has been specifically tailored to the Central Sector to take account of its business model and management objectives.

It covers all the main risks: liquidity risk, interest rate risk, credit risk on portfolio securities and on loans granted, real estate risk, foreign exchange risk, operational risk, equity risk and risks related to subsidiaries and equity interests.

The resulting modelling of risk and of working capital requirements is designed primarily to ensure a very high level of financial security, consistent with the missions entrusted to Caisse des Dépôts. The model is intended to cover all Caisse des Dépôts Group entities in line with their various different businesses.

Caisse des Dépôts is a long-term investor and, as such, the capital adequacy ratios adopted by the Supervisory Board measure the financial strength of Caisse des Dépôts over a time horizon of several years.

Depending on the business cycle and market fluctuations, the ratios applicable to the Central Sector allow for variations in available equity within a solvency "corridor" bracketed between a target amount, a surveillance threshold and a minimum amount. The minimum solvency threshold, calculated as per the prudential model, is always higher than the regulatory baseline (the Basel II framework).

As stated in the Group Charter, "The Group's risk management is based primarily on the participation of the public institution in the governing bodies of the subsidiaries, especially their audit committees. Secondly, the public institution has an internal control and risk management system, which covers both financial and non-financial risk and encompasses all of the Group's activities. This system is adjusted to the nature and volume of an activity, and to the legal status of the organisations exercising it."

Risk controls are described in the internal control charter named "Internal Control Organisation Principles". This charter, which applies to the entire Group, also deals with issues relating to compliance risk management and the organisation of ethical compliance and anti-money laundering procedures.

DRCI performs ex-ante controls on the business lines' commitments, as well as monitoring credit and market risks on financial portfolios.

It also performs independent back-up reviews of financial risks on a basis geared to the nature of the investment and the amount involved.

Lastly, in the area of operational risk monitoring, DRCI works with the business lines to ensure that all appropriate control measures are implemented to obtain reasonable assurance that the risks inherent in each process are properly managed. Various tools are deployed at the level of the business lines within Caisse des Dépôts, including:

- ▶ the event database, detailing risk events and the corresponding action plans;
- ▶ operational risk maps;
- ▶ warning flags;
- ▶ the compliance enforcement plan, which takes the form of a contract between DRCI and the business lines and subsidiaries specifying various levels of controls, the methods to be used to perform those controls, and monitoring arrangements;
- ▶ the business continuity plan.

The Group has acquired integrated software to manage all of these different applications.

DRCI reviews the internal control and operational risk management procedures of all business lines within Caisse des Dépôts at half-yearly intervals.

3. Ex-ante reviews of commitments

▶ The business lines are assigned annual operating targets that are determined jointly with the Strategic Management, Sustainable Development and Surveys department and validated by the Chairman and Chief Executive Officer.

- ▶ DRCI intervenes in the pre-commitment phase, as a member of:
- ▶ the Group Commitments Committee chaired by the Chairman and Chief Executive Officer, which examines all commitments above a certain amount;
- ▶ the department-level Commitments Committees – representing the ultimate decision-making body within the department concerned – and the Real Estate Investment Committee;
- ▶ the Asset/Liability Committee, which meets monthly, and the Asset/Liability Monitoring and Portfolio Management Committee, which meets at quarterly intervals to present management strategies to the Chairman and Chief Executive Officer.

4. Credit and market risk monitoring

The Counterparty Risk Committee (CRC) meets every month to review the updated counterparty risk assessments prepared by DRCI for the bond and money market portfolios and related derivatives portfolios. These assessments cover:

- ▶ the breakdown by credit rating, geographical area and issuer category;
- ▶ the level of risk concentration;
- ▶ changes in counterparty ratings since the last report.

The management reporting schedules prepared by the lender business lines include information to monitor their credit risks.

Market and liquidity risks are monitored during monthly presentations to the Asset/Liability Committee on the management of these risks and of financial (market and ALM) risks.

The monthly management reports submitted to the Chairman and Chief Executive Officer include input from DRCI on financial risks.

DRCI also prepares half-yearly risk reports for the Supervisory Board. These reports, which are reviewed at meetings of the Financial Statement

and Risk Review Committee, include detailed information about credit risks, market risks and concentration risks.

II - Identifying risks

1. Definitions

a) Credit and counterparty risk

Credit risk is the current or prospective risk of a loss on a receivable, due to a deterioration in the borrower's credit standing that may result in an inability to meet payments when they fall due.

b) Concentration risk

Concentration risk is the risk that results from a large exposure to a given counterparty, or from a high probability that certain groups of counterparties will default.

c) Liquidity risk

Liquidity risk is the risk that the entity will be unable to meet the commitments associated with its financial liabilities when they fall due, or to access the funds needed on the market.

d) Market risk

Market risk is the risk of losses on balance sheet or off-balance sheet items resulting from an unfavourable change in market factors such as interest rates, equities, credit spreads, exchange rates or volatility, or from price fluctuations in general.

e) Currency risk

Currency risk is the risk that changes in exchange rates will affect the entity's profitability.

f) Interest rate risk

Interest rate risk is the impact on an entity's annual earnings and net assets of an adverse change in interest rates.

g) Insurance risk

Insurance risk is the risk arising on the application of a variety of insurance policies written by the CNP Assurances group. A detailed description of these risks is provided in section II.3.e "Risk measurement methods – Insurance risk".

h) Operational risk

Operational risk is the risk of losses resulting from inadequate or failed internal processes or from external events which may be caused naturally, intentionally or accidentally.

Internal processes mainly involve people and systems. External events include floods, fire, earthquakes and terrorist attacks.

i) Compliance risk

Compliance risk arises from a failure to respect laws and regulations applicable to banking and financial activities, professional and ethical standards, or management instructions given in line with decisions taken by the governing body. Compliance risk exposes the entity to legal, administrative or disciplinary sanctions, as well as to significant losses.

2. Risk acceptance process

a) Decision-making process

Investments (other than capital markets transactions) are reviewed during meetings of the Commitments Committee. The committee is chaired by the Group's Chairman and Chief Executive Officer when investments involve over €50 million, and by the Deputy Chief Executive Officer when they concern amounts between €10 million and €50 million.

a.1) Commitments other than as an institutional investor

The business lines are responsible for their commitments, which must comply with the annual objectives approved by the Chairman and Chief Executive Officer.

Commitments (other than capital markets transactions) are decided by committees at different levels within the business lines. DRCI participates in all meetings of Commitments Committees representing the ultimate decision-making body within a department, expressing an opinion on the project before the final decision is made and requesting additional information about the related risk when appropriate. It checks that the project is in line with the Group's strategy, that risks have been properly identified and – if necessary – hedged, and that the expected return on investment is reasonable for the class of assets concerned. If DRCI opposes a project, it may be overruled only by the business line's executive management and, in this case, the Group Management Committee must be informed.

a.2) Commitments as an institutional investor

Portfolios of financial assets are managed within the framework of authorised investment criteria and defined management processes. To efficiently manage this type of portfolio, it is important to be able to respond quickly to changing market conditions. For this reason, the commitment process for these portfolios is different to that for other activities.

For these portfolio transactions, DRCI's independent risk review is organised around its participation in monthly meetings of the Asset/Liability Committee and quarterly meetings of the Portfolio Review Committee and Capital Adequacy Management Committee, chaired by the Chairman and Chief Executive Officer, during which management strategies for the coming period are discussed.

These quarterly committee meetings review management activities for the previous quarter. At the end of each year, they determine the management strategy for the coming year, based on an assessment of balance sheet financial risks and objectives over the medium term (typically five years). These exercises are based on detailed analyses of forecast asset/liability ratios performed by a dedicated team. The broad asset allocation strategies are then rolled down to each individual asset class.

Real estate and private equity investments are examined by specific Investment Committees.

b) Oversight procedure

Concerning credit risks on financial portfolios, the Counterparty Risk Committee referred to above meets every month to set exposure limits by counterparty, based on DRCI's recommendations, and to review compliance with these limits during the previous month. The exposure limits recommended by DRCI are determined using methods that aim to diversify risks within each portfolio. DRCI also performs daily checks to ensure that the limits are complied with. Specific market risk exposure limits are set for each portfolio.

The monthly reporting schedules submitted to the Financial Management Committees include risk measurements for each of these limits.

c) Risk mitigation procedure

For fixed income portfolios, issuer, issue or transaction guarantees are taken into account by the information systems in calculating credit risk exposures at the level of the guarantors.

Caisse des Dépôts is exposed to counterparty risk on its capital markets transactions which it manages through standard contractual arrangements requiring counterparties to put up collateral or to offset trades. Offsetting is used to mitigate counterparty risk on derivative instruments.

Caisse des Dépôts mainly uses the technique of close-out netting which works as follows: in the event of counterparty default, all positions are unwound at their current market value and aggregated to a net amount payable or receivable with the counterparty.

This close-out netting balance may be secured by collateral in the form of pledges on liquidities, securities or cash deposits. All such transactions are executed in accordance with bilateral master agreements that comply with the general provisions of French or international master agreements.

The main bilateral agreement models used are those of the Fédération Bancaire Française (FBF) and the Master agreement of the International Swaps and Derivatives Association ("ISDA") for international agreements.

The Group does not use securitisation techniques to attenuate its risk exposures.

d) Impairment procedure

d.1) Business line and central Impairment Committees

A procedure exists within Caisse des Dépôts for recording or reversing impairment losses.

According to this procedure, impairment decisions are made by Impairment Committees set up at the level of the business lines, or by a central Impairment Committee, depending on the amounts involved in each transaction.

In addition to provisions for impairment of assets (such as non-performing loans and fixed assets), these committees also review untaxed provisions and provisions for contingencies and charges. Impairment losses are recorded in particular for non-performing or irrecoverable loans and receivables. The Proprietary Investment Valuation Committee is responsible for deciding on any impairment to be recognised against equity investments, with the exception of public-interest investments which are managed by the Regional Development department (see section II d.2).

Investments subject to legal proceedings (e.g. disputes, litigation, liquidations) continue to be dealt with by the business line and central Impairment Committees.

The committees meet at quarterly intervals and decisions are made based on a file containing all information needed to understand and validate the proposed write-downs.

The business line committees are competent to decide impairment losses ranging from €50,000 to €300,000. They review commitments of between €1.5 million and €4 million related to a given third party or file.

The central committee vets impairment losses in excess of €300,000 and reviews commitments in excess of €4 million.

The Legal and Tax department and DRCI are permanent members of the central Impairment Committee.

d.2) The Proprietary Investment Valuation Committee

This committee is tasked with using available information to determine the value of proprietary investments in the financial statements of the Central Sector and the consolidated financial statements of the Group, along with any necessary impairment losses.

Chaired by the Group Finance Director, the committee meets at half-yearly intervals in the month following the end of the reporting period as fixed in the bylaws. Its permanent members are the head of the Risk Management and Internal Control department, the head of the Legal and Tax department, the managers of the Accounts & Management Control, Investments & Subsidiaries Development and Finance departments, and the investment portfolio manager of the Central Sector.

The committee assesses proposed impairment losses based on IFRS and in line with the procedure set out in the accounting policies section of the Financial Report.

The basis for determining impairment relating to goodwill and investments in associates is also described in the section of the Financial Report covering significant accounting policies.

a) Credit risk

• Maximum exposure to credit risk

Maximum exposure to credit risk corresponds to the carrying amount of loans and receivables, debt instruments and derivative financial instruments, net of any offsets and impairment losses.

(in millions of euros)

	31.12.2012	31.12.2011
Financial assets at fair value through profit or loss (excl. variable-income securities)	28,246	26,323
Hedging instruments with a positive fair value	735	502
Available-for-sale financial assets (excl. variable-income securities)	130,910	115,603
Loans and receivables due from credit institutions	8,037	11,880
Loans and receivables due from customers	13,491	12,807
Held-to-maturity investments	21,219	20,970
On-balance sheet exposure, net of impairment losses	202,638	188,085
Financing commitments given	8,428	6,109
Commitments given in respect of securities	12,960	15,034
Other commitments given	4,673	6,407
Provisions for commitments given		
Off-balance sheet exposure, net of provisions	26,061	27,550
Total net exposure	228,699	215,635

The Group's total net exposure corresponds mainly to the exposures of the Central Sector and CNP Assurances:

- ▶ at 31 December 2012, the Central Sector represented 38% of the total and CNP Assurances 59%.
- ▶ at 31 December 2011, the Central Sector represented 41% of the total and CNP Assurances 55%.

The net exposure of other subsidiaries is not material to the Group as a whole.

Credit risks on fixed-income portfolios are measured on the basis of the sum of commitments by consistent credit rating category.

A team of DRCI analysts assigns internal ratings to issuers (other than structured finance) on a scale that is consistent with that used by the

3. Risk measurement methods

Given the ongoing economic turmoil affecting the financial markets and the business environment generally, Caisse des Dépôts has stepped up its oversight of financial risks (especially market and credit risks).

The Group currently has exposure on four categories of fixed income assets and counterparties:

- ▶ sovereign issuers in the European Union and, to a lesser extent, in a number of other emerging countries;
- ▶ financial institutions in OECD countries rated at least investment grade;
- ▶ corporate issuers in OECD countries rated investment grade;
- ▶ senior asset-backed securities, mainly exposed to risk in the European residential housing sector.

rating agencies. The commitment towards a given issuer is measured by reference to the fair value of the underlying securities and their nature. For derivative instruments, the commitment includes an add-on to reflect the potential future exposure.

The internal rating system for structured finance issues comprises detailed quality graduations. The Group invests only in structured products rated AAA on issuance by at least one agency.

The business lines engaged in lending activities have set up dedicated counterparty rating teams.

The securities portfolios – other than the held-to-maturity portfolio – have been measured at fair value, in accordance with IFRS. For most of these securities, fair value corresponds to their market price at 31 December.

• Financial assets by type

	31.12.2012					
	Gross financial assets ^(*)	O/w financial assets neither past due nor impaired	O/w financial assets past due but not impaired	O/w impaired financial assets	Impairment losses on financial assets	On-balance sheet exposure, net of impairment losses
(in millions of euros)						
Debt instruments not measured at fair value through profit or loss	154,358	154,145		213	(213)	154,145
Loans and prepayments	19,913	19,152	4	757	(402)	19,511
Derivative financial instruments						2,983
Total financial assets by type	174,271	173,297	4	970	(615)	176,639
Debt instruments at fair value through profit or loss						25,998
Total financial assets						202,637

(*) No financial assets were renegotiated at the reporting date.

	31.12.2011					
	Gross financial assets ^(*)	O/w financial assets neither past due nor impaired	O/w financial assets past due but not impaired	O/w impaired financial assets	Impairment losses on financial assets	On-balance sheet exposure, net of impairment losses
(in millions of euros)						
Debt instruments not measured at fair value through profit or loss	138,579	138,352		227	(227)	138,352
Loans and prepayments	23,290	22,586	4	700	(382)	22,908
Derivative financial instruments						2,819
Total financial assets by type	161,869	160,938	4	927	(609)	164,079
Debt instruments at fair value through profit or loss						24,006
Total financial assets						188,085

(*) No financial assets were renegotiated at the reporting date.

• Caisse des Dépôts sovereign debt risk exposure

Sovereign debt comprises all debt securities for which the counterparty is a given country, i.e., a national government or one of its agencies.

Gross sovereign debt exposure comprises all such amounts carried on the balance sheet (marked to market and less any impairment losses).

Net exposure corresponds to gross exposure less any guarantees received.

The Group's sovereign debt exposure corresponds mainly to the exposures of the Central Sector and CNP Assurances.

• Central Sector sovereign debt exposure

(in millions of euros)	31.12.2012		31.12.2011	
	Gross exposure	Net exposure	Gross exposure	Net exposure
France	12,249	12,249	8,530	8,530
Germany	3,906	3,906	4,984	4,984
Spain	1,499	1,499	2,314	2,314
Austria	803	803	949	949
Ireland	708	708	710	710
Belgium	219	219	527	527
Italy	234	234	270	270
Finland	223	223	223	223
Netherlands	119	119	119	119
Poland	117	117		
Brazil	106	106	78	78
Canada	72	72	72	72
Greece			23	23
South Africa	81	81	42	42
Israel	49	49	24	24
Chile	21	21	21	21
South Korea	69	69	17	17
Qatar	62	62		
Mexico	48	48	11	11
Czech Republic	6	6		
Slovenia	23	23		
Luxembourg	12	12		
Iceland			10	10
Total Central Sector sovereign debt exposure	20,626	20,626	18,924	18,924

The Central Sector's sovereign debt exposure at 31 December 2012 mainly arises on held-to-maturity financial assets.

• CNP Assurances sovereign debt exposure

(in millions of euros)	31.12.2012		31.12.2011	
	Gross exposure	Net exposure	Gross exposure	Net exposure
France	27,612	1,297	23,727	1,214
Italy	3,879	242	4,293	438
Belgium	3,941	117	3,705	128
Spain	1,630	141	2,321	171
Austria	2,464	60	2,729	81
Brazil	665	399	394	236
Portugal	780	17	731	40
Netherlands	100	5	319	11
Ireland	410	13	690	19
Germany	1,639	91	1,953	118
Greece	2		232	9
Finland	15	1	173	4
Poland	174	8	104	6
Luxembourg	16	6	84	8
Sweden	2	1	43	1
Denmark	85	2	82	2
Slovenia	110	2	106	2
United Kingdom	61		63	
Canada	284	25	323	26
Cyprus	6	6	6	6
Other	3,148	236	2,496	193
Total sovereign debt exposure of CNP Assurances group	47,023	2,669	44,574	2,713

Consolidated financial statements

The data in the previous table correspond to the Group's 40.62% interest in CNP Assurances. The calculation of net exposure includes the impact of deferred taxation and of deferred participation in application of shadow accounting principles. In the absence of any default incident, with the notable exception of Greek sovereign debt, no impairment losses have been recognised on these sovereign debt securities, most of which are classified in available-for-sale financial assets.

b) Concentration risk

Concentration risk is measured as described below:

► For fixed income portfolios, based on the sum of commitments:

- by geographic area;

- by industry;
- by credit rating category;
- for the 50 largest exposures.

► For equity portfolios:

- industry concentration: based on the portfolio's Value-at-Risk by industry;
- individual concentration: based on the Gini and Herfindahl indices.

► For aggregate commitments:

- based on the sum of the Group's largest exposures – according to the Basel II definition of credit risk – and the Herfindahl index calculated on these exposures.

• Performing debt instruments (not measured at fair value through profit or loss) and derivative financial instruments by rating

(in millions of euros)	31.12.2012	31.12.2011
AAA	19,545	57,966
AA	58,449	25,386
A	44,288	39,588
BBB	18,529	6,047
BB	2,798	1,597
< B	386	376
Not rated	13,133	10,211
Total	157,128	141,171

• Performing debt instruments (not measured at fair value through profit or loss), loans and advances by counterparty category and geographic area

(in millions of euros)	31.12.2012	31.12.2011
Central government agencies	56,912	56,307
Credit institutions	34,205	34,513
Institutions other than credit institutions	68,963	55,530
Large corporations	11,675	13,032
Retail banking customers	1,422	1,418
Other	120	138
Total by counterparty category	173,297	160,938
France	96,917	86,255
Other European countries	58,283	60,806
North America	5,336	4,837
Central and South America	1,263	1,000
Africa and the Middle East	203	72
Asia-Pacific	1,217	229
Other	10,078	7,739
Total by geographic area	173,297	160,938

c) Liquidity risk

• Financial assets by maturity

	31.12.2012						Total financial assets
(in millions of euros)	< 1 month	1-3 months	3-12 months	1-5 years	> 5 years	No fixed maturity	
Cash and amounts due from central banks	3,672						3,672
Financial assets at fair value through profit or loss	34	400	697	701	2,493	26,926	31,251
Hedging instruments with a positive fair value		13	6	57	252	407	735
Available-for-sale financial assets	13,556	4,008	21,611	35,945	61,123	20,153	156,396
Loans and receivables	4,858	2,468	7,312	3,827	2,808	255	21,528
Cumulative fair value adjustments to portfolios hedged against interest rate risk							
Held-to-maturity investments	526	183	1,763	6,749	11,998		21,219
Total financial assets	22,646	7,072	31,389	47,279	78,674	47,741	234,801

	31.12.2011						Total financial assets
(in millions of euros)	< 1 month	1-3 months	3-12 months	1-5 years	> 5 years	No fixed maturity	
Cash and amounts due from central banks	5						5
Financial assets at fair value through profit or loss	72	776	617	1,492	3,708	25,129	31,794
Hedging instruments with a positive fair value		4		35	144	319	502
Available-for-sale financial assets	11,936	7,471	14,082	33,541	53,883	29,342	150,255
Loans and receivables	12,108	42	1,632	7,526	3,053	326	24,687
Cumulative fair value adjustments to portfolios hedged against interest rate risk							
Held-to-maturity investments	59	605	1,962	7,897	10,447		20,970
Total financial assets	24,180	8,898	18,293	50,491	71,235	55,116	228,213

• Financial liabilities by maturity

	31.12.2012						Total financial liabilities
(in millions of euros)	< 1 month	1-3 months	3-12 months	1-5 years	> 5 years	No fixed maturity	
Due to central banks and post office banks							
Financial liabilities at fair value through profit or loss	248	144	612	1,747	4,319		7,070
Hedging instruments with a negative fair value	8	7	67	672	365	888	2,007
Due to credit institutions	1,270	942	1,066	15,597	3,618	259	22,752
Due to customers	43,329	776	1,959	489	3,484	36	50,073
Debt securities	3,173	6,999	6,584	3,680	4,652		25,088
Subordinated debt				6	793	241	1,040
Total financial liabilities	48,028	8,868	10,288	22,191	17,231	1,424	108,030

	31.12.2011					No fixed maturity	Total financial liabilities
	< 1 month	1-3 months	3-12 months	1-5 years	> 5 years		
(in millions of euros)							
Due to central banks and post office banks							
Financial liabilities at fair value through profit or loss		8	1,074	2,006	3,035		6,123
Hedging instruments with a negative fair value	4	11	25	494	397	513	1,444
Due to credit institutions	1,691	3,575	2,634	3,381	2,631	26	13,938
Due to customers	43,585	844	2,143	1,364	2,782	18	50,736
Debt securities		13,234	6,008	3,504	3,133		25,879
Subordinated debt			6		783	236	1,025
Total financial liabilities	45,280	17,672	11,890	10,749	12,761	793	99,145

The **Central Sector's** exposure to liquidity risk is tracked based on the asset/liability gap and changes in the gap over time as assets and liabilities fall due. Deposits are taken into account based on the same maturity assumptions as for the calculation of interest rate mismatches.

The exposure of the **CNP Assurances group** to liquidity risk is determined by analysing future cash flows from assets and projected benefit payments by maturity.

The following figures correspond to the CNP Assurances group on a 100% basis. In the consolidated financial statements, the CNP Assurances group is proportionally consolidated by Caisse des Dépôts based on a 40% interest.

• **Future cash flows from assets (CNP Assurances group)**

	31.12.2012			
	< 1 year	1-5 years	5-10 years	10-15 years
(in millions of euros)				
Available-for-sale financial assets	29,686	94,152	95,451	23,358
Financial assets at fair value through profit or loss	4,646	15,873	7,406	2,262
Held-to-maturity investments	160	673	260	82
Loans and receivables	22			

	31.12.2011			
	< 1 year	1-5 years	5-10 years	10-15 years
(in millions of euros)				
Available-for-sale financial assets	28,281	91,747	90,195	35,856
Financial assets at fair value through profit or loss	4,453	14,901	55,719	1,124
Held-to-maturity investments	148	649	224	156
Loans and receivables	351			

• **Projected benefit payments by maturity (CNP Assurances group)**

	31.12.2012				
	< 1 year	1-5 years	5-10 years	10-15 years	> 15 years
(in millions of euros)					
Insurance and financial liabilities (including linked liabilities)	19,007	75,864	61,163	42,329	138,342

	31.12.2011				
	< 1 year	1-5 years	5-10 years	10-15 years	> 15 years
(in millions of euros)					
Insurance and financial liabilities (including linked liabilities)	17,494	81,914	60,297	39,998	133,744

d) Market risk

d.1) Market risk

The DRCI performs the following Value-at-Risk calculations:

- ▶ for equity portfolios managed by the Central Sector: VaR (1 month, 99%) is calculated using the Monte Carlo method based on an annualized horizon and multiplication by root (12). This indicator is reported to Caisse des Dépôts senior management;
- ▶ for the interest rate arbitrage portfolio: VaR (10 days, 99%) is calculated using Riskdata software.

The VaR calculation uses normal (Gaussian) distribution assumptions for the underlyings. This provides an estimate of the maximum risk for the chosen holding period and confidence interval under normal market conditions, assuming the Group will continue as a going concern.

Riskdata processes approximately 20,000 “primary” risk factors – based around equities, interest rates, foreign currencies and implicit volatility – to calculate VaR.

In order to measure risk (including VaR), Riskdata uses a high-dimension Monte Carlo model that analyses 1,000 different scenarios by choosing from among 20,000 risk factors in the light of historical volatilities and correlations.

If the price of an instrument does not vary in line with the primary risk factor – as is the case with options – Riskdata remeasures it under each of the 1,000 scenarios using integrated pricing formula.

Riskdata’s historical database goes back to 1 January 2000. It uses exponential weighting for events (one half-life weighting is approximately eight months) that assigns a higher weighting to more recent events.

Caisse des Dépôts’s equity portfolio risk is broken down by industry using the ICB Industry Classification Benchmark (ICB) which makes it possible to break out marginal VaR and to analyse the contribution of each industry to overall VaR.

Since models based on a Gaussian distribution cannot properly capture extreme movements in markets, DRCI has devised other methods to calculate risk. These methods take the form of stress tests, and are based on extreme distribution patterns which give a more accurate estimate of extreme events and how often they occur.

• VaR at 31 December 2012

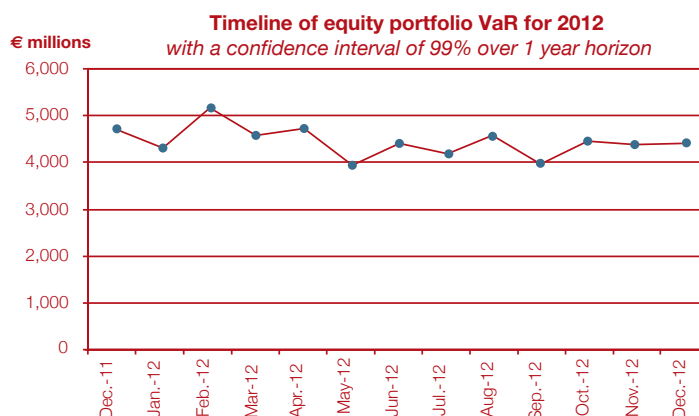
(in millions of euros)	VaR (1 year, 99%)	VaR (10 days, 99%)
Equities portfolio	4,295	
Interest rate arbitrage portfolio		0.15

• VaR at 31 December 2011

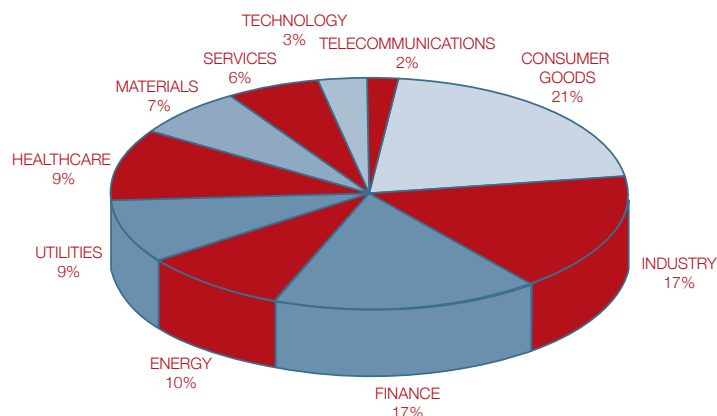
(in millions of euros)	VaR (1 year, 99%)	VaR (10 days, 99%)
Equities portfolio	4,645	
Interest rate arbitrage portfolio		0.23

• Timeline of equity portfolio VaR for 2012

Backtesting of VaR revealed that VaR values did not exceed the monthly amounts recorded in 2012 (based on a one-month horizon for risk and performance).



• Breakdown of equity portfolio VaR by industry at end-2012



CNP Assurances group performs sensitivity tests to efficiently identify and manage earnings and equity volatility. CNP Assurances management uses Market Consistent Embedded Value (MCEV[®]) tests to measure sensitivity to market and insurance risks.

CNP Assurances group's Embedded Value reporting is based on CFO Forum MCEV[®] Principles developed by a group of finance directors from Europe's top insurance companies set up in 2002). The Brazilian subsidiary Caixa Seguros has continued to apply the group's traditional reporting procedure and deterministic models are used by smaller group entities whose policies do not generally include options or financial guarantees.

CNP Assurances group uses valuation techniques for measuring financial options and guarantees based on market consistent financial assumptions at 31 December 2012. The calculation of Embedded Value necessarily relies on numerous assumptions with respect to economic conditions, operating conditions, policyholders' behaviour, taxes and other matters, many of which are

beyond the company's control. Actual future experience may vary from that assumed in the calculation of the Embedded Value results.

The market risk sensitivity of MCEV[®] is tested to measure the impact of interest rate and equity volatilities. The tests cover CNP Assurances SA, its main subsidiaries in France, the Brazilian subsidiary Caixa Seguros, the Italian subsidiary CNP UniCredit Vita, the Spanish subsidiaries CNP Vida and CNP Barclays Vida y Pensiones, and Cyprus-based CNP Laiki Insurance Holdings Ltd.

The results of all sensitivity analyses are net of tax and minority interests and, if applicable, net of policyholder participation.

They measure the impact of a 10% fall in equity and property markets, enabling the impact of an immediate 10% drop in equity and property prices to be measured. As well as a 10% fall in equity and property prices, this also leads to a drop in mathematical reserves for the proportion of unit-linked portfolios invested in equities.

• MCEV[®] sensitivity to equity risk

	31.12.2012	31.12.2011
(in millions of euros)		
MCEV [®] impact	10% decrease in stock market prices (647)	10% decrease in stock market prices (684)

VaR of the **Strategic Investment Fund's** (SIF) listed equity portfolio valued at €10,635 million in the consolidated financial statements at 31 December 2012 (€10,639.4 million at 31 December 2011) is calculated

by DRCI using the Monte Carlo method and Riskdata software, i.e., VaR (1 year, 99%).

• VaR of the SIF's listed equity portfolio

	31.12.2012	31.12.2011
(in millions of euros)		
Portfolio of listed equities	VaR (1 year, 99%) 4,306	VaR (1 year, 99%) 4,458

The VaR calculation uses normal (Gaussian) distribution assumptions for the underlyings. This provides an estimate of the maximum risk for the chosen holding period and confidence interval under normal market conditions, assuming the entity will continue as a going concern. Since models based on a Gaussian distribution cannot properly capture extreme movements in markets, DRCI has devised other methods to calculate risk. These methods take the form of stress tests, and are based on extreme distribution patterns which give a more accurate estimate of extreme events and how often they occur.

d.2) Currency risk

The **Central Sector's** exposure to currency risks on the carrying amount of foreign currency items is fully hedged by financing asset positions with borrowings in the same currency. Unrealised gains and losses on these positions are not hedged, but are taken into account in Value-at-Risk calculations. Currency VaR (1 year, 99%) at 31 December 2012 was valued at €63 million.

The **CNP Assurances group's** asset portfolios are invested primarily in the functional currency of subsidiaries and in insured funds and currency risk on investment portfolios is therefore very limited. Less than 1% of the investments of the French companies in the Group are denominated in currencies other than the euro. CNP Assurances performs currency stress testing to assess the impact on profit and equity of fluctuations of +10% in the euro/dollar and euro/sterling exchange rates as most of its currency exposure is on monetary assets and liabilities denominated in dollars or sterling.

The **SIF** has little material currency risk exposure at 31 December 2012.

• Sensitivity of general interest margin to changes in short-term rates

(in millions of euros)

	31.12.2012			
Year	Scenario 1	Scenario 2	Scenario 3	Scenario 4
2013	(51.9)	(29.9)	(32.8)	(8.6)
2014	(66.6)	(91.8)	(33.0)	(16.6)
2015	(45.9)	(105.1)	(22.6)	(22.5)

(in millions of euros)

	31.12.2011			
Year	Scenario 1	Scenario 2	Scenario 3	Scenario 4
2012	(8.9)	(12.8)	(4.9)	7.7
2013	(52.4)	(71.8)	(25.6)	7.0
2014	(31.9)	(72.1)	(15.7)	3.7

CNP Assurances group uses the sensitivity of MCEV[®] to market risks (see section d.1) to measure the impact of an immediate 100-basis point increase or decrease in the yield curve. This would result in (i) a revaluation of bond prices; (ii) a 100-basis point

d.3) General interest rate risk

The **Central Sector** analyses assets and liabilities based on three types of interest rates: contractual, variable and fixed. The fixed rate position is monitored based on the fixed rate gap – corresponding to the excess of fixed rate liabilities over fixed rate assets – and changes in the gap over time as assets and liabilities fall due. Deposits are taken into account at a discount that increases over time.

The sensitivity of annual interest margins to an unfavourable change in interest rates is calculated according to four scenarios: (i) an immediate increase in short-term rates followed by stabilisation (scenario 1); (ii) a steady, prolonged increase in short-term rates (scenario 2); (iii) a general volatility in short-term rates with no distinct trend (scenario 3); and (iv) a forward movement in short-term rates (scenario 4):

- ▶ Scenario 1: impact on refinancing costs of a 100 basis points increase in short-term rates.
- ▶ Scenario 2: impact on refinancing costs if short-term rates increase by 100 basis points a year for three years running.
- ▶ Scenario 3: impact on refinancing costs if short-term rates increase by 100 basis points over six months, then decrease by 100 basis points over six months (i.e., return to the initial situation) for three years running.
- ▶ Scenario 4: impact on refinancing costs of a forward movement in short-term rates.

These sensitivity analyses are rounded out by a VaR calculation of the fixed rate position that factors in the risk of decrease in VaR of the fixed rate position.

Deposits from notaries and the float are adjusted for seasonal variations in calculating sensitivities.

adjustment to the reinvestment rate for all categories of assets; and (iii) a change in discount rate.

The impact on mathematical reserves for unit-linked portfolios is not measured.

• MCEV[®] sensitivity to interest rate risk

	31.12.2012	
(in millions of euros)	100 bps increase in interest rates	100 bps fall in interest rates
MCEV [®] impact	(286)	(256)

	31.12.2011	
(in millions of euros)	100 bps increase in interest rates	100 bps fall in interest rates
MCEV [®] impact	(63)	(122)

e) Insurance risk

e.1) Risks related to insurance and financial liabilities

CNP Assurances has established management information systems designed to ensure that it fulfils its commitments to shareholders for the purpose of analysing the components of profit and value creation and supporting underwriting and pricing decisions, based on specific analyses performed for each individual insurance application.

Asset and liability projections are produced annually and used to calculate policyholder dividend rates for the year, as well as to produce budgets and business plans.

The CNP Assurances group's policies for managing risks related to insurance and financial liabilities are presented in section 2 "Corporate governance and internal control" (section 2.6.3 Tools and procedures to forecast changes in outstanding commitments and their coverage) of its 2012 Registration Document.

e.2) Contract terms and conditions

• Type of insured risk by class of business

The insurer's commitments differ according to the class of business. CNP Assurances writes three main types of business: savings, pensions and personal risk insurance.

Savings contracts: mainly financial commitments

Savings contracts include:

- ▶ traditional savings contracts, where the insurer is committed to paying a capital sum plus any guaranteed yield and a share of the investment yield over and above the guaranteed minimum in the event of death or when the contract is surrendered or matures;
- ▶ unit-linked products, where the policyholder bears the financial risk and the insurer's commitment is limited to the additional cover provided, consisting generally of a guaranteed death benefit.

Pension products: technical and financial commitments

Commitments associated with annuity-based pension products depend on:

- ▶ the benefit payment period, which is not known in advance;
- ▶ the interest rate, corresponding to the return on the capital managed by the insurer.

Personal risk contracts, giving rise to a technical commitment

The risk associated with these contracts is determined primarily by the insured's age, gender and socio-professional category.

• Description of the main policyholder guarantees

Traditional savings contracts give rise to a commitment to pay a capital sum. These contracts generally pay a minimum yield plus policyholder dividends.

Unit-linked savings contracts do not involve any capital guarantee for the insurer, except for contracts that also include death and/or disability

cover. For these latter contracts, the insurer's commitment is limited to any positive difference between cumulative gross or net premiums and the value of the units.

Pension contracts – which give rise to a commitment to pay a life annuity – fall into the following categories:

- ▶ voluntary individual pension accounts ("Article 82" accounts) giving rise to the payment of a life annuity from retirement. Retirement age is decided by the insured and a reversionary pension may be paid to a named beneficiary. The contract includes an option to convert the annuity into a lump sum;
- ▶ compulsory individual pension accounts ("Article 83" accounts) giving rise to the payment of a life annuity. The total annuities paid to the insured are based directly on the insured's salary during the contribution period and a reversionary pension may be paid to a named beneficiary;
- ▶ defined benefit plans ("Article 39" plans) funded by contributions based on total payroll. The contributions are paid into a mutual fund. When each plan participant retires, the total amount of future pension benefits is transferred from the mutual fund to the pension fund. Benefits are paid in the form of annuities;
- ▶ points-based pay-as-you-go group pension plans ("Article L.441-1" plans) giving rise to the payment of annuities corresponding to the number of points earned during the contribution period multiplied by the value of one point. Annuities are adjusted based on changes in the value of a point;
- ▶ immediate and deferred annuity contracts, giving rise to the payment of annuities immediately or at the end of a specified period.

Contracts to fund length-of-service awards payable to employees in France on retirement are also qualified as pension contracts. Under these contracts, the insurer's liability for the payment of benefits is limited to the amount held in the related fund.

Personal risk contracts cover various types of death, temporary or permanent disability, long-term care, health and unemployment risks. The main types of contracts are as follows:

- ▶ renewable insurance, long-term insurance and whole life insurance contracts, which pay a lump sum in the case of death or permanent disability of the insured. Most of them include an accidental death option whereby the death benefit provided for under the primary guarantee is doubled or tripled;
- ▶ contracts paying a temporary or life annuity to dependent children or the spouse on the death of the insured;
- ▶ death/disability contracts providing for the payment of a lump sum in the case of death of the insured or a per diem allowance for temporary disability or a lump sum or annuities for permanent disability. Temporary disability benefits are payable on a monthly basis, in some cases after a waiting period;
- ▶ term creditor contracts, which cover all or part of an outstanding loan in the case of death of the insured, or monthly repayments – less a specified deductible – during a period of temporary dis-

ability or until the insured is recognised as being permanently disabled, or all or part of the monthly repayments in the case of permanent disability, or all or part of the monthly repayments after a waiting period in the case of unemployment. Death cover is compulsory and the loan will not be paid out until evidence of cover is provided;

- ▶ long-term care insurance contracts, providing for the payment of a fixed annuity covering part of the cost of long-term care. The amount of the annuity depends on the option selected by the insured;
- ▶ supplementary health insurance contracts, which cover all or part of the healthcare costs incurred by the insured, the insured's spouse and dependent children, that are not reimbursed by the social security authorities.

In addition to these main types of contracts, CNP Assurances' subsidiaries in Brazil (Caixa Seguros) and Cyprus and Greece (CNP Laiki Holdings Ltd) write property and casualty insurance. The cover provided under these contracts is determined in accordance with local insurance regulations. Commitments under property and casualty insurance are marginal in relation to those arising from the personal insurance written by CNP Assurances.

• Participation clauses

Traditional savings contracts, certain group personal risk contracts and certain pension contracts include participation clauses. Under the terms of these clauses, the parties agree to share – on the basis defined in the contract – part of the income generated by the investment of the funds corresponding to the contract's technical reserves and, in the case of pension and personal risk contracts, part of the underwriting result.

Most contracts contain a discretionary participation feature, whereby the participation allocated to the insured is determined by the insurer as part of its marketing policy subject to compliance with the contract terms and the applicable laws. Participation is determined based on investment income for the year and the insurer has full discretion over the volume of capital gains realised during the period. The insured does not have individual rights to the participation until it is allocated to benefits or mathematical reserves. Participation that has been attributed but not yet allocated is accumulated in the policyholders' surplus reserve.

Participation rates are determined based on the local accounts.

e.3) Valuation of insurance liabilities (assumptions and sensitivities)

• Technical reserve models

Technical reserves are defined as follows:

- ▶ mathematical reserves correspond to the difference between the present values of the respective commitments of the insurer and the insured;
- ▶ policyholder surplus reserves correspond to the participation attributed to the contract beneficiaries that is not payable in bonuses in the year following the one in which the surplus was generated;
- ▶ administrative expense reserves are intended to cover future contract administration costs that are not otherwise covered;
- ▶ escalating risks reserves correspond to the difference between the present values of the respective commitments of the insurer and the insured under temporary and permanent disability and long-term care contracts;
- ▶ unearned premium reserves cover the portion of written and accrued premiums for the period between the reporting date and the next premium payment date or the contract expiry date. They are recorded for all types of contracts;
- ▶ premium deficiency reserves cover the portion of claims and benefits and the related handling costs for the period between the reporting date and the earliest possible premium adjustment date or

the contract expiry date that is not covered by the unearned premium reserve;

- ▶ outstanding claims reserves cover the estimated principal amounts and internal and external expenses payable to settle all outstanding claims, including total future annuity payments.

• Modelling objectives

The approach used to ensure that technical reserves are adequate focuses on:

- ▶ managing the risks associated with a fall in interest rates;
- ▶ adjusting technical reserves following a change in mortality tables;
- ▶ using experience-based data concerning annuities in payment when observed losses appear unusually low compared with expected mortality rates.

• Procedure for determining the main assumptions

The assessment of technical reserves is supported by:

- ▶ detailed knowledge of effective dates and the timing of accounting recognition and processing of the various technical and management events, as well as of the exact specifications of period-end processing operations and their scheduling, in order to accurately determine the underwriting and loss years;
- ▶ the creation of files at each period-end to check the consistency of reserves with technical flows;
- ▶ recurring audits of management system calculations, based on random tests and detailed repeat calculations;
- ▶ detailed risk assessments, based on prospective guaranteed yield calculations taking into account commitments in excess of regulatory limits, and on detailed statistical and other analyses of personal risk contracts, including loss monitoring (by contract/underwriting year/loss year) and tracking of the utilisation of reserves.

• Assumptions based on market or company-specific variables

Discount rates for savings and life insurance contracts are capped at a level corresponding to a conservative estimate of the expected return on the corresponding assets. Non-life technical reserves are discounted at market interest rates. All other assumptions are determined by reference to internal experience-based data.

• Use of assumptions that do not reflect historical experience

Assumptions are generally based on past experience and do not differ from those that would be expected to be used based on observed historical data. However, for liability adequacy testing purposes, CNP Assurances uses dynamic surrender rates which factor in possible increases in surrender rates that are not based on past experience. In addition, the allocation keys used to allocate unrealised capital gains or losses are based on the present value of future profits as determined for the Embedded Value calculations. As such, they do not reflect observed historical data.

• Assumption correlations

Apart from the use of dynamic surrender rates reflecting the correlation between surrender rates and the level of guaranteed yields for liability adequacy testing purposes, correlations among the various assumptions are not taken into account.

• Sensitivity of MCEV[®] to changes in surrender rates and loss ratios

Uncertainties concerning insurance cash flows mainly relate to the timing of surrenders and the payment of death and other benefits.

At 31 December 2012, a 10% fall in surrender rates would have a positive impact of €154 million on MCEV[®]; a 5% fall in observed losses would have a positive impact of €133 million on MCEV[®] in respect of mortality and disability risks, and a negative impact of €89 million in respect of longevity.

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e.4) Risk of guaranteed yields on insurance and financial liabilities

Traditional savings contracts with a guaranteed yield have been classified by level of commitment, as follows (in declining order):

▶ contracts offering a guaranteed rate of return and a guaranteed profit share when the contract matures;

▶ contracts offering a higher fixed rate of return (generally 75% of the TME rate) over a maximum of eight years;

▶ contracts offering a guaranteed rate of return representing less than 60% of the TME rate at the time of payment.

Technical reserves on traditional savings contracts are analysed by guaranteed yield in the following tables:

(in millions of euros)

	31.12.2012	
Guaranteed yield	Technical reserves	%
0% ⁽¹⁾	151,434.8	51.2
]0%-2%]	20,393.5	6.9
]2%-3%]	36,197.2	12.2
]3%-4%]	2,231.9	0.8
]4%-4.5%]	4,082.9	1.4
> 4.5% ⁽²⁾	1,909.2	0.6
Linked liabilities	36,368.4	12.3
Other ⁽³⁾	43,140.0	14.6
TOTAL	295,757.9	100.0

(1) Corresponds to technical reserves for life insurance contracts without a guaranteed yield.

(2) Technical reserves for contracts with a guaranteed yield of more than 4.5% mainly concern Caixa Seguros in Brazil, where bond rates are above 7% (see Note 22.2 of the CNP Assurances 2012 Registration Document).

(3) Comprises all other technical reserves, except for mathematical reserves and liabilities relating to linked liabilities, i.e., non-life technical reserves, policyholder surplus reserves and claims reserves.

(in millions of euros)

	31.12.2011	
Guaranteed yield	Technical reserves	%
0% ⁽¹⁾	143,802.0	49.8
]0%-2%]	17,599.9	6.1
]2%-3%]	43,824.7	15.2
]3%-4%]	1,692.6	0.6
]4%-4.5%]	5,142.2	1.8
> 4.5% ⁽²⁾	1,833.4	0.6
Linked liabilities	34,713.0	12.0
Other ⁽³⁾	40,161.5	13.9
Total	288,769.3	100.0

(1) Corresponds to technical reserves for life insurance contracts without a guaranteed yield.

(2) Technical reserves for contracts with a guaranteed yield of more than 4.5% mainly concern Caixa Seguros in Brazil, where bond rates are above 10% (see Note 22.2 of the CNP Assurances 2012 Registration Document).

(3) Comprises all other technical reserves, except for mathematical reserves and liabilities relating to linked liabilities, i.e., non-life technical reserves, policyholder surplus reserves and claims reserves.

e.5) Concentration of insurance risk

• Risk reduction through reinsurance

CNP Assurances' reinsurance programmes are designed to avoid earnings fluctuations and increase its underwriting capacity. The objectives of the reinsurance policy defined by the Board of Directors are as follows:

- ▶ to implement a reinsurance programme covering direct business and inward reinsurance written for provident institutions and subsidiaries;
- ▶ to protect underwriting results by entering into non-proportional treaties which are geared to the size of the group and provide excess-of-loss cover per risk and per occurrence (catastrophe risk);
- ▶ to share risks on large-scale new business.

• Exposure to catastrophe risk and aggravated risk

All portfolios are covered by catastrophe excess-of-loss reinsurance obtained from professional reinsurers.

- ▶ Individual policies: death and permanent and total disability risks for all portfolios of individual policies (direct business and inward reinsurance written by CNP Assurances for its LBPP, CNP UniCredit Vita and CNP Vida subsidiaries) are reinsured on the market as follows: for each catastrophic loss event – defined as an event involving at least five victims – the group retains ten times the annual social security ceiling (€36,372 in 2012) and the reinsurers cover 1,000 times this ceiling per event and 2,000 times the ceiling per loss year.

▶ Group policies:

- death and disability risks on all group policies (direct business net of risks ceded to co-insurers, and all quota-share reinsurance purchased from CNP Assurances by provident institutions and mutual insurers) are covered through the *Bureau Commun des Assurances Collectives* pool. The system provides successively for the retention of the two largest claims per insurer, €30 million in co-insurance cover (of which CNP Assurances' share is 26%) and reinsurance cover purchased by the pool from external reinsurers. There are six levels of reinsurance cover, as follows: level 1: 20 XS €30 million; level 2: 100 XS €50 million; level 3: 100 XS €150 million; level 4: 150 XS €250 million; level 5: 100 XS €400 million; level 6: 100 XS €600 million with 200% paid reconstitution except for

nuclear and nuclear, biological and chemical (NBC) terrorism risks. A loss event is defined as involving three or more victims;

- catastrophe risks insured by CNP Assurances for provident institutions and mutual insurers are reinsured on the market. A loss event is defined as involving three or more victims. The group and provident institutions (acting as a matter of priority on behalf of the two or three largest claimants) retain €1.25 million per loss event and the reinsurers cover €37 million per loss event and €74 million per loss year, except for nuclear, and NBC terrorism risks, for which the ceiling is €37 million per loss year.

All portfolios are also covered after 40 times the ceiling per loss year for high capital payouts in the case of IPA3 death of an insured.

Reinsured portfolios are analysed each year, covering:

- ▶ the age pyramid, risk dispersion and concentration of insured populations;
- ▶ the number, size and cause of paid claims, including a detailed analysis of the largest claims;
- ▶ underwriting and reinsurance results.

Reinsurance balances are net-settled at quarterly, half-yearly or annual intervals depending on the treaty. There are currently no disputed balances.

• Counterparty risk on reinsurance balances

CNP Assurances regularly checks the solvency of its reinsurance partners. The discriminating criteria applied for the selection of these partners include their credit rating.

Excess-of-loss contracts have been placed with reinsurers who are rated between A- and AAA (a detailed schedule of reinsurer ratings is presented in Note 10.5 of the CNP Assurances 2012 Registration Document).

• Insurance-related legal risks

The Group's insurance-related risks and its risk management policy are presented in section 2 "Corporate governance and internal control" (section 2.6.7 Operational risks specific to the Group's businesses) of the CNP Assurances 2012 Registration Document.

9. SUBSEQUENT EVENTS

There have been no subsequent events of a material nature since 31 December 2012.

10. SCOPE OF CONSOLIDATION

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
Caisse des Dépôts Division						
Caisse des Dépôts						
CDC (CENTRAL SECTOR)	FULL	100.00	100.00	FULL	100.00	100.00
BETURE GROUP/CAP ATRIUM SASU	FULL	100.00	99.96	FULL	100.00	99.96
CDC ENTREPRISES VALEURS MOYENNES	FULL	100.00	100.00	FULL	100.00	100.00
CDC PME CROISSANCE	FULL	100.00	58.84	FULL	100.00	58.84
INFORMATIQUE CDC	FULL	100.00	100.00	FULL	100.00	57.14
AEW EUROPE	EQUITY	40.00	40.00	EQUITY	40.00	40.00
SCI SARIHV	FULL	100.00	100.00	FULL	100.00	100.00
SCI RIVE GAUCHE	FULL	100.00	99.93	FULL	100.00	99.93
FONCIERE FRANKLIN	FULL	100.00	100.00	FULL	100.00	100.00
SCI BOULOGNE ILOT V	FULL	100.00	99.00	FULL	100.00	99.00
SCI SILOGI	FULL	100.00	99.00	FULL	100.00	99.00
SCI 43-45 RUE DE COURCELLES	FULL	100.00	99.00	FULL	100.00	99.00
SCI 182 RUE DE RIVOLI	FULL	100.00	99.00	FULL	100.00	99.00
SCI ALPHA PARK	PROP	50.00	50.00	PROP	50.00	50.00
SCI PRINTEMPS LA VALETTE	PROP	50.00	50.00	PROP	50.00	50.00
SCI CUVIER MONTREUIL	PROP	50.00	50.00	PROP	50.00	50.00
SAS LA NEF LUMIÈRE	FULL	100.00	75.00	FULL	100.00	75.00
SAS RICHELIEU VIVIENNE	PROP	50.00	50.00	PROP	50.00	50.00
SCI DES REGIONS	FULL	100.00	100.00	FULL	100.00	100.00
SCET ⁽²⁾	FULL	100.00	100.00			
OPCI RIVER OUEST	PROP	40.01	40.01			
SAS CHATEAUDUN	FULL	100.00	100.00			
SAS MALTHAZAR	PROP	50.00	50.00			
SAS PRINTEMPS LA VALETTE II	PROP	50.00	50.00			
SCI MAC DONALD	FULL	100.00	100.00			
SCI FARMAN	PROP	50.00	50.00			
Anatol Invest group						
ANATOL INVEST HOLDING FRANCE	FULL	100.00	100.00	FULL	100.00	100.00
ANATOL INVEST HOLDING B.V. (Netherlands)	FULL	100.00	100.00	FULL	100.00	100.00
PBW REAL ESTATE FUND (Netherlands)	FULL	100.00	100.00	FULL	100.00	100.00
ATRIUM TOWER (Poland)	FULL	100.00	100.00	FULL	100.00	100.00
BRISTOL (Hungary)	FULL	100.00	100.00	FULL	100.00	100.00
IBC (Czech Republic)	FULL	100.00	100.00	FULL	100.00	100.00
MOMPARK MFC (Hungary)	FULL	100.00	100.00	FULL	100.00	100.00
MYSLBEK (Czech Republic)	FULL	100.00	100.00	FULL	100.00	100.00
PAIGE INVESTMENTS (Poland)	FULL	100.00	100.00	FULL	100.00	100.00
WEBC (Hungary)	FULL	100.00	100.00	FULL	100.00	100.00
Banking, Insurance & La Poste Division						
DEXIA ⁽¹⁾				EQUITY	13.03	13.03
LA POSTE	EQUITY	22.88	22.88	EQUITY	22.88	22.88
CNP Assurances group						
CNP ASSURANCES⁽³⁾	PROP	40.62	40.62	PROP	40.16	40.16
AEP3 SCI	PROP	40.62	40.62	PROP	40.16	40.16

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
AEP4 SCI	PROP	40.62	40.62	PROP	40.16	40.16
AL DENTE 3 3DEC				PROP	40.16	21.86
ASSURBAIL	PROP	40.62	40.62	PROP	40.16	40.16
ASSURIMMEUBLE	PROP	40.62	40.62	PROP	40.16	40.16
BARCLAYS VIDA Y PENSIONNES (Spain)	PROP	40.62	20.31	PROP	40.16	20.08
CAIXA SEGUROS (Brazil)	PROP	40.62	21.02	PROP	40.16	20.78
CDC IONIS FCP 4DEC	PROP	40.62	40.62	PROP	40.16	40.16
CIMO	PROP	40.62	40.62	PROP	40.16	40.16
CNP ACP 10 FCP	PROP	20.21	20.21	PROP	40.16	19.98
CNP ACP OBLIG FCP	PROP	20.18	20.18	PROP	40.16	19.94
CNP ASSUR ALT. 3DEC	PROP	40.62	40.50	PROP	40.16	40.04
CNP ASSUR EURO SI				PROP	40.16	39.00
CNP HOLDING BRASIL (Brazil)	PROP	40.62	40.62	PROP	40.16	40.16
CNP EUROPE (Ireland)	PROP	40.62	40.62	PROP	40.16	40.16
CNP IAM	PROP	40.62	40.62	PROP	40.16	40.16
CNP IMMOBILIER	PROP	40.62	40.62	PROP	40.16	40.16
CNP INTERNATIONAL	PROP	40.62	40.62	PROP	40.16	40.16
CNP SEGUROS DE VIDA (Argentina)	PROP	40.62	31.06	PROP	40.16	30.71
CNP UNICREDIT VITA (Italy)	PROP	40.62	23.36	PROP	40.16	23.09
CNP VIDA (Spain)	PROP	40.62	38.37	PROP	40.16	37.75
ÉCUREUIL PROFIL 30	PROP	40.62	38.86	PROP	40.16	38.34
ÉCUREUIL PROFIL 90	PROP	40.62	21.57	PROP	40.16	21.51
ÉCUREUIL VIE DÉVELOPPEMENT	PROP	40.62	20.72	PROP	40.16	20.48
ITV	PROP	40.62	40.62	PROP	40.16	40.16
LA BANQUE POSTALE PRÉVOYANCE	PROP	20.31	20.31	PROP	20.08	20.08
LBP ACTIFS IMMO	PROP	40.62	40.62			
LBPAM ACT. DIVERSIF 5DEC	PROP	40.62	22.58	PROP	40.16	21.63
LBPAM PROFIL 50 D 5DEC				PROP	40.16	30.31
LB.ACT.DA SI 5DEC	PROP	40.62	40.31	PROP	40.16	40.16
CNP LAIKI INSURANCE HOLDINGS LTD (Cyprus)	PROP	40.62	20.35	PROP	40.16	20.12
MF PRÉVOYANCE	PROP	40.62	26.29	PROP	40.16	25.99
OPCI AEP 247	PROP	40.62	40.62	PROP	34.30	34.30
OPCI AEW IMCOM 1	PROP	40.62	40.62	PROP	40.16	40.16
OPCI AEW IMCOM 6	PROP	40.62	40.62	PROP	20.08	20.08
OPCI MTP INVEST	PROP	40.62	40.62	PROP	40.16	40.16
PB6	PROP	20.31	20.31	PROP	20.08	20.08
PREVIPOSTE	PROP	40.62	40.62	PROP	40.16	40.16
SICAC	PROP	40.62	40.62	PROP	40.16	40.16
UNIVERS CNP 1 FCP	PROP	40.62	40.53	PROP	40.16	40.08
VIVACCIO ACT 5DEC	PROP	40.62	33.14	PROP	40.16	32.48

Corporate Finance Division

Strategic Investment Fund group

STRATEGIC INVESTMENT FUND (SIF)	FULL	100.00	51.00	FULL	100.00	51.00
EIFFAGE	EQUITY	21.05	10.74	EQUITY	21.00	10.71
SOPROL	EQUITY	18.75	9.56	EQUITY	18.75	9.56
HIME	EQUITY	38.00	19.38	EQUITY	38.00	19.38

Consolidated financial statements

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
SECHE ENVIRONNEMENT	EQUITY	20.13	10.27	EQUITY	20.13	10.27
TYROL ACQUISITION 1 & CIE SCA	EQUITY	23.99	12.23	EQUITY	23.99	12.23
EUTELSAT COMMUNICATIONS	EQUITY	25.69	13.10	EQUITY	25.69	13.10
DAHER	EQUITY	17.10	8.72	EQUITY	17.06	8.70
CDC ENTREPRISES CAPITAL INVESTISSEMENT	FULL	100.00	51.00	FULL	100.00	51.00
FCPR PART'COM	FULL	100.00	51.00	FULL	100.00	51.00
PART'COM	FULL	100.00	51.00	FULL	100.00	51.00
FSI PME PORTEFEUILLE	FULL	100.00	51.00	FULL	100.00	51.00
FFI PARTS A	FULL	100.00	51.00	FULL	100.00	51.00
FFI PARTS B	FULL	100.00	51.00	FULL	100.00	51.00
FPMEI	FULL	100.00	51.00	FULL	100.00	51.00
FFI 2	FULL	100.00	51.00	FULL	100.00	51.00
FT1CI	FULL	100.00	40.41	FULL	100.00	40.41
STCONSO (STM consolidation subgroup consolidated at 28.33%)	EQUITY	39.62	20.20	EQUITY	39.62	20.20
FSI EQUATION	FULL	100.00	51.00			
ERAMET	EQUITY	25.93	13.23			
FRANCE TELECOM	EQUITY	13.61	6.94			
FFI3	FULL	100.00	51.00			
Corporate Finance Division - Other entities						
SA OSEO	EQUITY	26.89	26.89	EQUITY	27.18	27.18
QUALIUM INVESTISSEMENT	FULL	100.00	100.00	FULL	100.00	100.00
CDC ENTREPRISES II	FULL	100.00	37.30	FULL	100.00	37.30
INNOVATION CAPITAL	FULL	100.00	100.00	FULL	100.00	100.00
UNIVERS 12	FULL	100.00	100.00	FULL	100.00	100.00
CDC ELAN PME	FULL	100.00	100.00	FULL	100.00	100.00
FSI RÉGIONS	FULL	100.00	80.00	FULL	100.00	60.48
CDC ENTREPRISES	FULL	100.00	100.00	FULL	100.00	100.00
Real Estate and Tourism Division						
Real Estate						
HOLDCO SIIC	FULL	100.00	75.07%	FULL	100.00	95.32%
SILIC group						
SILIC	FULL	100.00	32.93			
SCI SEPAC	FULL	100.00	32.93			
SAS FONCIÈRE NANTEUIL	FULL	100.00	32.93			
SARL EPP PERIPARC	FULL	100.00	32.93			
SARL DU NAUTILE	FULL	100.00	32.93			
SCI JCB2	FULL	100.00	32.93			
SAS HAVANE	FULL	100.00	32.93			
SAS 21-29 RUE DES FONTANOT	FULL	100.00	32.93			
SAS SOCOMIE	FULL	100.00	32.93			
Icade group						
ICADE SA ⁽⁴⁾	FULL	100.00	41.90	FULL	100.00	53.44
ICADE FINANCES	FULL	100.00	41.90	FULL	100.00	53.44

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
PROPERTY INVESTMENT COMPANIES						
HOUSING						
ICADE COMMERCE SAS	FULL	100.00	41.90	FULL	100.00	53.44
SCI PAYS DE LOIRE	FULL	100.00	41.90	FULL	100.00	53.44
SCI BAS LONGCHAMPS				FULL	100.00	53.44
SCI SARCELLES	FULL	100.00	41.90	FULL	100.00	53.44
SAS SARVILEP	FULL	100.00	41.90	FULL	100.00	53.44
BUSINESS PARKS						
CFI	FULL	100.00	41.90	FULL	100.00	53.44
SCI 68 VICTOR HUGO	FULL	100.00	41.90	FULL	100.00	53.44
SCI BASSIN NORD	PROP	50.00	20.95	PROP	50.00	26.72
SCI BATI GAUTIER	FULL	100.00	41.90	FULL	100.00	53.44
SCI LE PARC DU MILLÉNAIRE	FULL	100.00	41.90	FULL	100.00	53.44
SCI PDM 1	FULL	100.00	41.90	FULL	100.00	53.44
SCI PDM 2	FULL	100.00	41.90	FULL	100.00	53.44
SCI PDM 3				FULL	100.00	53.44
SCI SEVERINE	FULL	100.00	25.14	FULL	100.00	32.07
SNC ICADE CBI	FULL	100.00	41.90	FULL	100.00	53.44
OFFICES - France						
ICADE TOUR DESCARTES	FULL	100.00	41.90	FULL	100.00	53.44
SCI CAMILLE DESMOULINS	FULL	100.00	41.90	FULL	100.00	53.44
SCI DU 1 TERRASSE BELLINI	PROP	33.33	13.97	PROP	33.33	17.81
SCI DU 69 BLD HAUSSMANN	FULL	100.00	41.90	FULL	100.00	53.44
SCI ICADE LEO LAGRANGE	FULL	100.00	41.90	FULL	100.00	53.44
SCI ICADE RUE DES MARTINETS	FULL	100.00	41.90	FULL	100.00	53.44
SCI LE TOLBIAC	FULL	100.00	41.90	FULL	100.00	53.44
SCI MESSINE PARTICIPATIONS	FULL	100.00	41.90	FULL	100.00	53.44
SCI MORIZET	FULL	100.00	41.90	FULL	100.00	53.44
SCI CHAMBOLLE	FULL	100.00	41.90	FULL	100.00	53.44
SCI MOREY	FULL	100.00	41.90	FULL	100.00	53.44
SCI MONDOTTE	FULL	100.00	41.90	FULL	100.00	53.44
SNC MISTRAL	FULL	100.00	41.90	FULL	100.00	53.44
SCI LOIRE				FULL	100.00	53.44
MILU INVESTISSEMENTS SAS				FULL	100.00	53.44
SCI NANTERRE ÉTOILE PARK	FULL	100.00	41.90	FULL	100.00	53.44
SCI GASCOGNE - BUREAUX	FULL	100.00	41.90	FULL	100.00	53.44
SCI ÉVRY MOZART	FULL	100.00	41.90	FULL	100.00	53.44
SCI ÉVRY EUROPÉEN	FULL	100.00	41.90	FULL	100.00	53.44
SCI LES TOVETS	FULL	100.00	41.90	FULL	100.00	53.44
SCI POLICE DE MEAUX	FULL	100.00	41.90	FULL	100.00	53.44
SCI BÂTIMENT SUD CENTRE HOSPITALIER PONTOISE	FULL	100.00	41.90	FULL	100.00	53.44
SCI BSM DU CHU DE NANCY	FULL	100.00	41.90	FULL	100.00	53.44
SHOPS						
SAS ODYSSEUM	PROP	50.00	20.95	PROP	50.00	26.72
ICADE BRICOLAGE	FULL	100.00	41.90	FULL	100.00	53.44
ICADE BRICOLAGE CBI	FULL	100.00	41.90	FULL	100.00	53.44

Consolidated financial statements

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
OFFICES - Germany						
ICADE REIT B.V.	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM GERMANY GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM AHRENSDORF GMBH				FULL	100.00	53.44
ICADE REIM ARNULFSTRASSE MK8 GMBH				FULL	100.00	53.44
ICADE REIM ARNULFSTRASSE MK9 GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM DACHAUER STRASSE GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM FRIESENSTRASSE HAUS 3 GMBH				FULL	100.00	53.44
ICADE REIM FRIESENSTRASSE HAUS 4 GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM GOLDSTEINSTRASSE GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM HOHENZOLLERNDAMM GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM INDUSTRIESTRASSE (PRO 1) GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM INDUSTRIESTRASSE (PRO 3) GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM KOCHSTRASSE GMBH				FULL	100.00	53.44
ICADE REIM MERCEDESSTRASSE GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM RHINSTRASSE GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM SALZUFERSTRASSE GMBH	FULL	100.00	41.90	FULL	100.00	53.44
ICADE REIM TURLLENSTRASSE GMBH	FULL	100.00	41.90	FULL	100.00	53.44
KABALO GRUNDSTÜCKS VERWALTUNGSGESELLSCHAFT GMBH	FULL	100.00	41.90	FULL	100.00	53.44
KABALO GRUNDSTÜCKS VERWALTUNGSGESELLSCHAFT & Co KG	FULL	100.00	41.90	FULL	100.00	53.44
PUBLIC AND HEALTH SECTOR REAL ESTATE						
SAS ICADE SANTÉ	FULL	100.00	26.31	FULL	100.00	53.44
SAINT LAZARE	FULL	100.00	26.31			
ESPACE SANTÉ DU PETUREAU	FULL	100.00	26.31			
POLE SANTÉ SUD - CMTR	FULL	100.00	26.31			
WAREHOUSES						
SCI ZEUGMA	FULL	100.00	41.90	FULL	100.00	53.44
SCI MARIIGNANE LA PALUN	FULL	100.00	41.90	FULL	100.00	53.44
SCI 21 (TRANSALLIANCE)	FULL	100.00	41.90	FULL	100.00	53.44
SERVICE COMPANIES - Spain						
IMMOBILIARIA DE LA CDC ESPANA	FULL	100.00	41.90	FULL	100.00	53.44
PROPERTY DEVELOPMENT COMPANIES						
ICADE PROPERTY DEVELOPMENT AND HOUSING COMPANIES						
123 fully-consolidated companies	FULL			FULL		
77 proportionally-consolidated companies	PROP			PROP		
19 companies accounted for by the equity method	EQUITY			EQUITY		
ICADE PROMOTION						
ICADE PROMOTION	FULL	100.00	41.90	FULL	100.00	53.44
AMÉNAGEMENT CROIX DE BERNY	FULL	100.00	26.27	FULL	100.00	33.51
ARKADEA SAS	PROP	50.00	20.95	PROP	50.00	26.72
CITÉ SANITAIRE NAZAIRIENNE	FULL	100.00	25.14	FULL	100.00	32.07
CLAUDE BERNARD LOT T				PROP	50.00	26.72
ICADE DOCKS DE PARIS	FULL	100.00	41.90	FULL	100.00	53.44
ICADE G3A PROMOTION	FULL	100.00	41.90	FULL	100.00	53.44
ICADLEO	FULL	100.00	27.94	FULL	100.00	35.63
LES BUREAUX DE L'ILE DE NANTES	FULL	100.00	41.90	FULL	100.00	53.44

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
NERUDA FONTANOTS SCI	FULL	100.00	41.90	FULL	100.00	53.44
ODYSSEUM 2 SCI	FULL	100.00	32.27	FULL	100.00	41.15
PB31 PROMOTION SNC	PROP	50.00	20.95	PROP	50.00	26.72
SAS PARIS NORD-EST ⁽⁶⁾	PROP	80.00	62.57	PROP	80.00	66.03
SCCV LE PERREUX CANAL	FULL	100.00	30.38	FULL	100.00	38.75
SCCV SAINT DENIS LANDY 3	PROP	50.00	20.95	PROP	50.00	26.72
SCI CAP EST LOISIRS	PROP	50.00	20.95	PROP	50.00	26.72
SCI MONTRouGE CAP SUD	PROP	50.00	20.95	PROP	50.00	26.72
SCI PARIS BERTHELOT	PROP	50.00	20.95	PROP	50.00	26.72
SCI PORTES DE CLICHY	PROP	50.00	20.95	PROP	50.00	26.72
SCI VILLEJUIF GUIPONS	FULL	100.00	41.90	FULL	100.00	53.44
SNC DU CANAL ST LOUIS	FULL	100.00	41.90	FULL	100.00	53.44
SNC DU PLESSIS BOTANIQUE	FULL	100.00	41.90	FULL	100.00	53.44
SNC GERLAND 1	PROP	50.00	20.95	PROP	50.00	26.72
SNC GERLAND 2	PROP	50.00	20.95	PROP	50.00	26.72
SNC ICAPROM	PROP	45.00	18.86	PROP	45.00	24.05
SNC ROBINI	PROP	50.00	20.95	PROP	50.00	26.72
SNC SAMICADE	PROP	50.00	20.95	PROP	50.00	26.72
SORIF ICADE LES PORTES D'ESPAGNE	PROP	50.00	20.95	PROP	50.00	26.72
TOULOUSE CANCÉROPOLE	PROP	50.00	20.95	PROP	50.00	26.72
SAMICADE GUADELOUPE	PROP	40.00	16.76	PROP	40.00	21.38
SAS CHRYSALIS DÉVELOPPEMENT	PROP	35.00	14.67	PROP	35.00	18.71
SCCV MACDONALD BUREAUX	PROP	50.00	20.95	PROP	50.00	26.72
SNC PARIS MACDONALD PROMOTION				FULL	100.00	53.44
SCI MACDONALD COMMERCES	FULL	100.00	41.90	FULL	100.00	53.44
SCI 15 AVENUE DU CENTRE	PROP	50.00	20.95	PROP	50.00	26.72
SAS CORNE OUEST PROMOTION	EQUITY	25.00	10.48	EQUITY	25.00	13.36
SAS CORNE OUEST VALORISATION	EQUITY	25.00	10.48	EQUITY	25.00	13.36
SCI BOURBON CORNEILLE	FULL	100.00	41.90			
SAS ICADE FF SANTÉ	FULL	100.00	27.23			
ICADE ARCOBA						
ICADE ARCOBA	FULL	100.00	41.90	FULL	100.00	53.44
ICADE GESTEC RS	FULL	100.00	41.90	FULL	100.00	53.44
ICADE SETRHI - SETAE						
ICADE SETRHI - SETAE	FULL	100.00	41.90	FULL	100.00	53.44
PROPERTY SERVICES COMPANIES						
ICADE SERVICES				FULL	100.00	53.44
PROPERTY MANAGEMENT						
ICADE PROPERTY MANAGEMENT	FULL	100.00	41.90	FULL	100.00	53.44
ICADE PROPERTY MANAGEMENT COMPANIES						
ICADE RÉSIDENCES SERVICES				FULL	100.00	53.44
EURO CAMPUS				FULL	60.00	32.07
ICADE CONSULTING & IT COMPANIES						
ICADE CONSEIL	FULL	100.00	41.90	FULL	100.00	53.44

Consolidated financial statements

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
ICADE EXPERTISE	FULL	100.00	41.90	FULL	100.00	53.44
ICADE ASSET MANAGEMENT	FULL	100.00	41.90	FULL	100.00	53.44
IPISTA SAS	FULL	100.00	41.90	FULL	100.00	53.44
ICADE SURETIS	FULL	100.00	41.90	FULL	100.00	53.44
ICADE TRANSACTIONS	FULL	100.00	41.90	FULL	100.00	53.44
Société Nationale Immobilière group						
SOCIÉTÉ NATIONALE IMMOBILIÈRE	FULL	100.00	100.00	FULL	100.00	100.00
S2AI	FULL	100.00	100.00	FULL	100.00	100.00
SAINTE BARBE	FULL	100.00	100.00	FULL	100.00	100.00
SAS DES CASERTS	FULL	100.00	97.00	FULL	100.00	97.00
SCET ⁽¹⁾				FULL	100.00	100.00
ADOMA	EQUITY	32.82	32.82	EQUITY	32.82	32.82
Tourism						
Compagnie des Alpes Group						
COMPAGNIE DES ALPES SA	FULL	100.00	39.81	FULL	100.00	39.89
COMPAGNIE DES ALPES FINANCEMENT SNC	FULL	100.00	39.81	FULL	100.00	39.89
CDHA	FULL	100.00	39.81			
INGELO	FULL	100.00	39.81			
CDA MANAGEMENT SAS	FULL	100.00	39.81	FULL	100.00	39.89
LOISIRS RE SA (Luxembourg)	FULL	100.00	39.81	FULL	100.00	39.89
SKI RESORTS						
CDA DS SAS	FULL	100.00	39.81	FULL	100.00	39.89
CDA SKI DIFFUSION SAS	FULL	100.00	39.81	FULL	100.00	39.89
DEUX ALPES INVEST SA (DAI) ⁽⁶⁾	FULL	100.00	42.83	FULL	100.00	42.88
DEUX ALPES LOISIRS SA (DAL) ⁽⁶⁾	FULL	100.00	41.99	FULL	100.00	42.20
DEUX ALPES VOYAGES SA (DAV) ⁽⁶⁾	FULL	100.00	41.99	FULL	100.00	42.20
DOMAINE SKIABLE DE FLAINE SA (DSF)	FULL	100.00	32.23	FULL	100.00	32.29
DOMAINE SKIABLE DE LA ROSIÈRE SAS (DSR)	EQUITY	20.00	7.96	EQUITY	20.00	7.98
DOMAINE SKIABLE DE VALMOREL SAS (DSV)	EQUITY	20.00	7.96	EQUITY	20.00	7.98
DOMAINE SKIABLE DU GIFFRE SA (DSG)	FULL	100.00	32.22	FULL	100.00	32.29
GROUPE COMPAGNIE DU MONT-BLANC SA	EQUITY	33.47	13.33	EQUITY	33.47	13.35
MERIBEL ALPINA SAS	FULL	100.00	39.81	FULL	100.00	39.89
MONTAVAL SAS	FULL	100.00	39.81	FULL	100.00	39.89
PIERRE ET NEIGE SA ⁽⁶⁾	FULL	100.00	41.99	FULL	100.00	42.20
SERRE CHEVALIER VALLEY SA	FULL	100.00	39.81	FULL	100.00	39.89
ADS	FULL	100.00	38.70	FULL	100.00	38.76
STÉ AMÉNAGEMENT ARVES GIFFRE SA (SAG)	FULL	100.00	32.22	FULL	100.00	32.28
STÉ AMÉNAGEMENT LA PLAGNE SA (SAP)	FULL	100.00	39.04	FULL	100.00	39.11
STÉ CONSTRUCTION IMMOBILIÈRE VALLÉE DE BELLEVILLE SCI (SCIVABEL)	FULL	100.00	32.50	FULL	100.00	32.57
STÉ EXPLOIT RM MORZINE AVORIAZ SAS (SERMA)	EQUITY	20.00	7.96	EQUITY	20.00	7.98
STÉ EXPLOITATION VALLÉE DE BELLEVILLE SAS (SEVABEL)	FULL	100.00	32.50	FULL	100.00	32.56
STÉ TÉLÉPHÉRIQUES DE LA GRANDE MOTTE SA (STGM)	FULL	100.00	30.97	FULL	100.00	31.03
STÉ TÉLÉPHÉRIQUES DE VAL D'ISÈRE SAS (STVI)	FULL	100.00	39.81	FULL	100.00	39.89
SWISSALP SA (Switzerland)	FULL	100.00	39.81	FULL	100.00	39.89
SWISSALP SERVICES SA (Switzerland)				FULL	100.00	39.89
VALBUS SAS	FULL	100.00	39.81	FULL	100.00	39.89

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
AMUSEMENT PARKS						
AVENIR LAND SAS	FULL	100.00	39.81	FULL	100.00	39.89
BELPARK B.V. (Belgium)	FULL	100.00	39.81	FULL	100.00	39.89
CADEVI SAS	FULL	100.00	39.81	FULL	100.00	39.89
CENTRES ATTRACTIFS JEAN RICHARD LA MER DE SABLE SAS	FULL	100.00	39.81	FULL	100.00	39.89
CDA BRANDS	FULL	100.00	39.81	FULL	100.00	39.89
DOLFINARIUM HARDERWIJK B.V. (Netherlands)	FULL	100.00	39.81	FULL	100.00	39.89
ÉCOBIOGESTION SAS	FULL	100.00	39.81	FULL	100.00	39.89
ÉCOPARCS SA ⁽⁷⁾	EQUITY	51.02	35.33	EQUITY	51.02	35.34
FRANCE MINIATURE SAS	FULL	100.00	39.81	FULL	100.00	39.89
FUTUROSCOPE DESTINATION	FULL	100.00	32.40	FULL	100.00	32.44
PARC FUTUROSCOPE ⁽⁸⁾	FULL	100.00	32.40	FULL	100.00	32.44
GRÉVIN & CIE SA	FULL	100.00	39.81	FULL	100.00	39.89
GRÉVIN MONTRÉAL	FULL	100.00	39.81			
GRÉVIN DEUTSCHLAND GMBH (Germany)	FULL	100.00	39.81	FULL	100.00	39.89
HARDERWIJK HELLENDOM HOLDING B.V. (Netherlands)	FULL	100.00	39.81	FULL	100.00	39.89
IMMOFLOR NV (Belgium)	FULL	100.00	39.81	FULL	100.00	39.89
CDA PRODUCTION SAS	FULL	100.00	39.81	FULL	100.00	39.89
LOOPING HOLDING SAS	EQUITY	26.91	10.72	EQUITY	30.00	11.97
MUSÉE GRÉVIN SA	FULL	100.00	38.17	FULL	100.00	38.25
PARC AGEN SAS	FULL	100.00	39.81	FULL	100.00	39.89
PREMIER FINANCIAL SERVICES B.V. (Belgium)	FULL	100.00	39.81	FULL	100.00	39.89
SAFARI AFRICAÏN DE PORT SAINT-PERE SA	FULL	100.00	39.81	FULL	100.00	39.89
WALIBI WORLD B.V. (Netherlands)	FULL	100.00	39.81	FULL	100.00	39.89
WALIBI HOLLAND	FULL	100.00	39.81			
WALIBI HOLIDAYPARK	FULL	100.00	39.81			
Santoline group						
SANTOLINE GROUP	EQUITY	33.87	33.87	EQUITY	33.87	33.87
Infrastructure, Transport and Environment Division						
Infrastructure						
AQUALTER	PROP	52.00	52.00	PROP	52.00	52.00
CDC INFRASTRUCTURE	FULL	100.00	100.00	FULL	100.00	100.00
VERDUN PARTICIPATIONS 1	EQUITY	49.00	49.00	EQUITY	49.00	49.00
COMPAGNIE NATIONALE DU RHÔNE	EQUITY	33.20	33.20	EQUITY	33.20	33.20
EGIS group						
EGIS SA	FULL	100.00	74.88	FULL	100.00	74.88
FRANCE						
ACOUSTB	FULL	100.00	44.49	FULL	100.00	44.49
AIRPORT AERONAUTICAL EQUIPMENT	PROP	45.00	33.70	PROP	45.00	33.70
AOP				PROP	46.00	34.44
ATELIER DESIGN CONSTRUCTION (ADC)				FULL	100.00	74.88
ATELIER VILLES ET PAYSAGES	FULL	100.00	74.88	FULL	100.00	74.88
BETEREM INFRASTRUCTURE				FULL	100.00	74.87
BETURE INFRASTRUCTURE				FULL	100.00	74.88
BUREAU TECHNIQUE MÉDITERRANÉE (BTM)	FULL	100.00	74.87	FULL	100.00	74.87
EGIS AIRPORT OPERATION	FULL	100.00	74.88	FULL	100.00	74.88
EGIS AVIA	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS INTERNATIONAL	FULL	100.00	74.88	FULL	100.00	74.88

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GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
EGIS BÂTIMENTS	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS ANTILLES GUYANE	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS CENTRE OUEST	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS GRAND EST	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS MANAGEMENT	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS MÉDITERRANÉE	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS NORD	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS OCÉAN INDIEN	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS RHÔNE ALPES	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS SUD OUEST	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BDPA	FULL	100.00	74.88	FULL	100.00	74.88
EGIS CONCEPT	FULL	100.00	74.88	FULL	100.00	74.88
EGIS CONSEIL	FULL	100.00	74.86	FULL	100.00	74.88
EGIS CONSEIL BÂTIMENTS	FULL	100.00	74.88	FULL	100.00	74.88
EGIS EAU	FULL	100.00	74.88	FULL	100.00	74.88
EGIS ÉNERGIE SYSTÈMES	FULL	100.00	49.42	FULL	100.00	74.88
EGIS ENGINEERING	FULL	100.00	74.88	FULL	100.00	74.88
EGIS EXPLOITATION AQUITAINE	FULL	100.00	74.88	FULL	100.00	74.88
EGIS EASYTRIP SERVICES SA	FULL	100.00	74.88			
EGIS France	FULL	100.00	74.88	FULL	100.00	74.88
EGIS HOLDING BÂTIMENT INDUSTRIE	FULL	100.00	74.88	FULL	100.00	74.88
EGIS INDUSTRIES	FULL	100.00	49.42	FULL	100.00	49.42
EGIS INFORMATIQUE	FULL	100.00	74.88	FULL	100.00	74.88
EGIS INGÉNIERIE	FULL	100.00	74.88	FULL	100.00	74.88
EGIS INTERNATIONAL	FULL	100.00	74.88	FULL	100.00	74.88
EGIS MOBILITÉ	FULL	100.00	74.88	FULL	100.00	74.88
EGIS PROJECTS SA	FULL	100.00	74.88	FULL	100.00	74.88
EGIS RAIL	FULL	100.00	74.88	FULL	100.00	74.88
EGIS ROAD OPERATION SA	FULL	100.00	74.88	FULL	100.00	74.88
EGIS ROUTE	FULL	100.00	74.88	FULL	100.00	74.88
EGIS STRUCTURE ET ENVIRONNEMENT	FULL	100.00	74.88	FULL	100.00	74.88
ENGAGE	EQUITY	25.00	12.36	EQUITY	25.00	12.36
ENIA ARCHITECTES	EQUITY	25.00	18.72	EQUITY	25.00	18.72
ÉTUDES BÂTIMENTS INGÉNIERIE (EBI)	FULL	100.00	49.42	FULL	100.00	49.42
GUIGUES ENVIRONNEMENT	FULL	100.00	74.88	FULL	100.00	74.88
INGESUD	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS INFRASTRUCTURE	FULL	100.00	74.88	FULL	100.00	74.88
JEAN MULLER INTERNATIONAL	FULL	100.00	74.87	FULL	100.00	74.87
MFI SAS	EQUITY	33.34	24.96	EQUITY	33.34	24.96
MUTATIONS	FULL	100.00	74.86	FULL	100.00	74.87
OTH INTERNATIONAL	FULL	100.00	74.85	FULL	100.00	74.85
OTHEM SUD				FULL	100.00	74.88
PARK + PARKINGS SÉCURISÉS POIDS LOURDS	PROP	40.00	29.95	PROP	40.00	29.95
ROUTALIS SAS	FULL	100.00	52.42	FULL	100.00	52.42
SEGAP SA	EQUITY	50.00	37.44	EQUITY	50.00	37.44
SEP A63	PROP	80.00	59.90	PROP	80.00	59.90
SEP A88				PROP	70.00	52.42
SINTRA	FULL	100.00	74.88	FULL	100.00	74.88
SOCIÉTÉ D'ASSISTANCE ET DE CONSEIL INDUSTRIEL	FULL	100.00	74.88	FULL	100.00	74.88

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
SOCIÉTÉ DU MÉTRO DE MARSEILLE (SMM)	FULL	100.00	74.88	FULL	100.00	74.88
SOCIÉTÉ NOUVELLE INGEROUTE	FULL	100.00	74.88	FULL	100.00	74.87
SOFREAVIA SERVICE SA	FULL	100.00	74.86	FULL	100.00	74.86
INTERNATIONAL						
AERIA (Côte d'Ivoire)	EQUITY	35.00	26.21	EQUITY	35.00	26.21
ARGE PPP FOE (Austria)	PROP	40.00	29.95	PROP	40.00	29.95
ATTIKES DIADROMES LTD (Greece)	EQUITY	20.00	14.98	EQUITY	20.00	14.98
AUTOBAHN + A8 GMBH (Germany)	EQUITY	19.00	14.23	EQUITY	19.00	14.23
AUTOBAHN + SERVICES GMBH (Germany)	PROP	56.00	41.93	PROP	56.00	41.93
AUTOSTRADA EXPLO EKSPLOATACJA (AESA) (Poland)	PROP	34.71	25.99	PROP	34.71	25.99
BHEGIS (Australia)	PROP	50.00	37.44	PROP	50.00	37.44
BONAVENTURA STRASSENERHALTUNG GMBH (Austria)	PROP	50.00	37.44	PROP	50.00	37.44
CAOG AIRPORT OPERATIONS LTD (Cyprus)	PROP	36.00	26.96	PROP	36.00	26.96
CEL TRAK LTD (Ireland)	EQUITY	22.22	16.64	EQUITY	22.22	16.64
EASYTRIP SERVICES CORPORATION (Philippines)	FULL	100.00	74.88	FULL	100.00	74.88
EASYTRIP SERVICES IRELAND LTD (Ireland)	PROP	50.00	37.44	PROP	50.00	37.44
EAZY PASS LTD (Ireland)	PROP	50.00	37.44	PROP	50.00	37.44
EGIS ALGÉRIE SPA (Algeria)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BULGARIE EAD (Bulgaria)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS CAMEROUN (Cameroon)	FULL	100.00	74.83	FULL	100.00	74.83
EGIS DO BRASIL (Brazil)	FULL	100.00	74.88			
EGIS EYSER (Spain)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS INDIA Consulting Engineers Private Limited (India)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS INFRAMAD (Madagascar)	FULL	100.00	53.16			
EGIS INFRASTRUCTURE MANAGEMENT INDIA (India)	PROP	44.00	32.95	PROP	44.00	32.95
EGIS INVESTMENT PARTNERS - INFRASTRUCTURE (Luxembourg)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS INVESTMENT PARTNERS - M25 (Luxembourg)	FULL	100.00	14.98	FULL	100.00	14.98
EGIS INVESTMENT SARL (Luxembourg)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS KENYA	FULL	100.00	74.88			
EGIS MOBILITÉ (UK) Limited (United Kingdom)				FULL	100.00	74.88
EGIS MONACO	FULL	100.00	74.88	FULL	100.00	74.88
EGIS POLAND SP Zoo	FULL	100.00	74.88	FULL	100.00	74.88
EGIS PROJECTS ASIA PACIFIC PTY LTD (Australia)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS PROJECTS CANADA INC. (Canada)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS PROJECTS PHILIPPINES (Philippines)	FULL	100.00	74.88	FULL	100.00	74.88
Egis Projects POLSKA (Poland)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS PROJECTS IRELAND (Ireland)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS RAIL ISRAËL (Israel)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS RAIL SL (Spain)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS ROAD & TUNNEL OPERATIONS IRELAND LTD (Ireland)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS ROAD OPERATION AUSTRALIA PTY LTD (Australia)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS ROAD OPERATION CROATIA (Croatia)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS ROAD OPERATION PHILIPPINES (Philippines)	FULL	100.00	74.88	FULL	100.00	74.88

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	Method	% control	% interest	Method	% control	% interest
EGIS ROAD OPERATION POLOGNE (Poland)	FULL	100.00	74.88			
EGIS ROAD OPERATION UK (United Kingdom)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS ROMANIA (Romania)	FULL	100.00	74.88	FULL	100.00	74.88
EP INFRASTRUKTURPROJEKTENTWICKLUNG (Austria)	FULL	100.00	74.88	FULL	100.00	74.88
FIRSTROUTE (Ireland)	FULL	100.00	74.88	FULL	100.00	74.88
GSI (India)	FULL	100.00	74.88	FULL	100.00	74.88
HeBra HOLDING GmbH (Germany)	FULL	100.00	74.88	FULL	100.00	74.88
HERMES AIRPORTS LTD (Cyprus)	EQUITY	20.00	14.98	EQUITY	20.00	14.98
IJSBREKER ICT B.V. (Netherlands)	EQUITY	50.00	37.44	EQUITY	50.00	37.44
EGIS BÂTIMENTS MAROC (Morocco)	FULL	100.00	74.88	FULL	100.00	74.88
EGIS BÂTIMENTS POLSKA (Poland)				FULL	100.00	74.88
ISIS BELGIQUE (Belgium)	FULL	100.00	74.88	FULL	100.00	74.88
ITS ROAD SERVICES LTD (Ireland)	PROP	50.00	37.44	PROP	50.00	37.44
JMI PACIFIC (Thailand)	FULL	100.00	74.88	FULL	100.00	74.88
M6 TOLNA EXPLOITATION HONGRIE (Hungary)	PROP	52.00	38.94	PROP	52.00	38.94
MIDLINK M7/M8 LTD (Ireland)	FULL	100.00	50.17	FULL	100.00	50.17
NORTHLINK M1 LTD (Ireland)	FULL	100.00	50.17	FULL	100.00	50.17
OPERSCUT (Portugal)	FULL	100.00	52.42	FULL	100.00	52.42
ROAD SAFETY OPERATION IRELAND LTD (Ireland)	PROP	42.00	31.45	PROP	42.00	31.45
SEMALY IRELAND (Ireland)	FULL	100.00	74.88	FULL	100.00	74.88
SEMALY PORTUGAL (Portugal)	FULL	100.00	74.88	FULL	100.00	74.88
SEMALY SINGAPORE (Singapore)	FULL	100.00	74.88	FULL	100.00	74.88
SEMALY UK (United Kingdom)	FULL	100.00	74.88	FULL	100.00	74.88
SOUTHLINK N25 LTD (Ireland)	FULL	100.00	50.17	FULL	100.00	50.17
STALEXPORT TRANSROUTE AUTOSTRADA (Poland)	PROP	45.00	33.70	PROP	45.00	33.70
TMC (Philippines)	PROP	34.00	25.46	PROP	34.00	25.46
TRANS CANADA FLOW TOLLING INC. (Canada)	PROP	50.00	37.44			
TRANS FINANCE B.V. (Netherlands)	FULL	100.00	74.88	FULL	100.00	74.88
TRANSLINK INVESTMENT (Australia)	PROP	50.00	37.44	PROP	50.00	37.44
TRANSPASS B.V. (Netherlands)	FULL	100.00	74.88	FULL	100.00	74.88
TRANSPASS HOLDING B.V. (Netherlands)	FULL	100.00	74.88	FULL	100.00	74.88
TRANSPASS INTERNATIONAL B.V. (Netherlands)	FULL	100.00	74.88	FULL	100.00	74.88
TRANSPASS SERVICES B.V. (Netherlands)	FULL	100.00	74.88	FULL	100.00	74.88
TRANSROUTE UK LTD (United Kingdom)	FULL	100.00	74.88	FULL	100.00	74.88
VEGA ENGENHARIA LTDA (Brazil)	FULL	100.00	74.88	FULL	100.00	74.88
VERSLUIS INTERNATIONAL TAXES B.V. (Netherlands)	FULL	100.00	74.88	FULL	100.00	74.88
Transport and Environment						
CDC CLIMAT	FULL	100.00	100.00	FULL	100.00	100.00
Veolia Transdev group						
VEOLIA TRANSDEV	PROP	50.00	50.00	PROP	50.00	50.00
ALGERIA						
VEOLIA TRANSPORT PILOTE	PROP	50.00	50.00	PROP	50.00	50.00
GERMANY						
ALPINA IMMOBILIEN GMBH	PROP	50.00	50.00	PROP	50.00	50.00
AWW AHRWEILER VERKEHRS GMBH	PROP	50.00	50.00	PROP	50.00	50.00
BAYERISCHE OBERLANDBAHN GMBH IG	PROP	50.00	50.00	PROP	50.00	50.00
BAYERISCHE REGIOBAHN GMBH	PROP	50.00	50.00	PROP	50.00	50.00

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
BUSTOURISTIK TONNE GMBH	PROP	50.00	50.00	PROP	50.00	50.00
DEUTSCHE TOURING GMBH	PROP	25.00	10.39	PROP	25.00	10.39
DILLS REISEN GMBH	PROP	50.00	50.00	PROP	50.00	50.00
EISENBAHNWERKSTATT GESELLSCHAFT MBH	PROP	50.00	50.00	PROP	50.00	50.00
EURAILCO VERWALTUNGSGESELLSCHAFT MBH NEW	PROP	50.00	50.00	PROP	50.00	50.00
EUROLINES FRANKFURT	EQUITY	50.00	10.39	EQUITY	50.00	10.39
GRIENSTEIDL GMBH	PROP	50.00	50.00	PROP	50.00	50.00
HABUS GMBH VERKEHRSBETRIEBE	PROP	25.50	25.50	PROP	25.50	25.50
HEIDENHEIMER VERKEHRSGESELLSCHAFT MBH	PROP	50.00	37.42	PROP	50.00	37.42
KSA VERWALTUNG GMBH AUGSBURG	PROP	24.50	24.50	PROP	24.50	24.50
KSI GMBH & CO.KG AUGSBURG	PROP	24.50	24.50	PROP	24.50	24.50
MOVE ON TELEMATIC SERVICE GMBH	PROP	50.00	50.00	PROP	50.00	50.00
MITTELRHEINISCHER VERKEHRSBETREIB GMBH	PROP	50.00	50.00	PROP	50.00	50.00
NASSAUISCHE VERKEHRS-GESELLSCHAFT MBH	PROP	50.00	50.00	PROP	50.00	50.00
NBRB TEILE- UND LOGISTIK GMBH	PROP	50.00	33.35	PROP	50.00	33.35
NIEDERSCHLESISCHE VERKEHRSGESELLSCHAFT	PROP	50.00	42.50	PROP	50.00	42.50
NORDDEUTSCHE VERKEHRSBETRIEBE GMBH	PROP	50.00	32.50	PROP	50.00	32.50
NORD-OSTSEEBAHN GMBH	PROP	50.00	50.00	PROP	50.00	50.00
NORDWESTBAHN GMBH	PROP	50.00	32.00	PROP	50.00	32.00
NUTZFAHRZEUGZENTRUM MITTELRHEIN GMBH	PROP	50.00	50.00	PROP	50.00	50.00
OBERLANDBAHN FAHRZEUGBEREITSTELLUNGSGMBH	PROP	50.00	50.00	PROP	50.00	50.00
OMNIBUS-VERKEHR RUOFF GMBH	PROP	50.00	50.00	PROP	50.00	50.00
OSTSEELAND VERKEHR GMBH	PROP	50.00	35.00	PROP	50.00	35.00
PALATINABUS GMBH	PROP	50.00	50.00	PROP	50.00	50.00
PERSONENVERKEHR GMBH MÜRITZ (PVM)	PROP	50.00	35.00	PROP	50.00	35.00
REGIOBUS GÜTERSLOH GMBH	PROP	50.00	50.00	PROP	50.00	50.00
RHEIN-BUS VERKEHRSBETRIEB GMBH	PROP	25.50	25.50	PROP	25.50	25.50
RHEIN-MOSEL-VERKEHRSGESELLSCHAFT MBH	PROP	25.00	25.00	PROP	25.00	25.00
ROHDE VERKEHRSBETRIEBE GMBH	PROP	50.00	50.00	PROP	50.00	50.00
SAX-BUS EILENBURGER BUSVERKEHR GMBH	PROP	50.00	28.00	PROP	50.00	28.00
SCHAUMBURGER VERKEHRS-GESELLSCHAFT MBH	PROP	50.00	25.50	PROP	50.00	25.50
STADTBUS SCHWÄBISCH HALL GMBH	PROP	50.00	50.00	PROP	50.00	50.00
SUERLANNER GMBH				PROP	50.00	50.00
SVP STADTVERKEHR PFORZHEIM GMBH & CO. KG	PROP	50.00	25.50	PROP	50.00	25.50
TAETER-TOURS GMBH	PROP	50.00	25.50	PROP	50.00	25.50
TRANSDEV-SZ				PROP	50.00	50.00
TRANSREGIO DEUTSCHE REGIONALBAHN GMBH	PROP	50.00	37.50	PROP	50.00	37.50
VEOLIA TRANSPORT CENTRAL EUROPE GMBH	PROP	50.00	32.50	PROP	50.00	32.50
VEOLIA VERKEHR GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR KUNDENSERVICE GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR NIEDERSACHSEN/WESTFALENG	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR OSTWESTFALEN GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR PERSONALSERVICE GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR REGIO GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR REGIO OST GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR RHEINLAND GMBH	PROP	50.00	50.00	PROP	50.00	50.00

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VEOLIA VERKEHR RHEIN-MAIN GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR SACHSEN-ANHALT GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR SERVICE OST GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR STADT GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR SÜD-WEST GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR UND SERVICE WEST GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA VERKEHR WEST GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VERKEHRSGESELLSHAFT GORLITZ GMBH	PROP	50.00	24.50	PROP	50.00	24.50
VERKEHRSBETRIEB LAHN DILL GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VERKEHRSBETRIEB RHEIN EIFEL MOSEL GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VERKEHRSBETRIEB RHEIN LAHN GMBH	PROP	50.00	50.00	PROP	50.00	50.00
VERKEHRSBETRIEB RHEIN WESTERWALD GMBH	PROP	50.00	50.00	PROP	50.00	50.00
WWS				PROP	50.00	50.00
WEST-BUS GMBH	PROP	24.50	24.50	PROP	24.50	24.50
WÜRTEMBERGISCHE EISENBAHN-GESELLSCHAFT	PROP	50.00	50.00	PROP	50.00	50.00
AUSTRALIA						
ACN 087 528 774 PTY LTD				PROP	50.00	50.00
BRISBANE FERRIES	PROP	25.00	25.00	PROP	25.00	25.00
CONNEX MANAGEMENT AUSTRALIA PTY LTD				PROP	50.00	50.00
CONNEX MELBOURNE PTY LTD	PROP	50.00	50.00	PROP	50.00	50.00
MAINCO MELBOURNE PTY LTD	PROP	15.00	15.00	PROP	15.00	15.00
METROLINK	PROP	25.00	25.00	PROP	25.00	25.00
QUEENSLAND	PROP	50.00	50.00	PROP	50.00	50.00
TDV TSL (BRISBANE) - IG	PROP	50.00	50.00	PROP	50.00	50.00
TNSW-IG	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV AUSTRALIA	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV VICTORIA	PROP	50.00	50.00	PROP	50.00	50.00
TSL - IG	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT AUSTRALASIA P/L	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT NSW P/L	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT PERTH P/L	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT SYDNEY P/L	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT WA	PROP	50.00	50.00	PROP	50.00	50.00
VT QUEENSLAND PTY LTD	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA FERRIES SYDNEY	PROP	50.00	50.00			
HARBOUR CITY FERRIES	PROP	25.00	25.00			
VIVO CONNECT PTY LTD	PROP	50.00	50.00			
BUSLINK VIVO PTY LTD	PROP	25.00	25.00			
AUSTRIA						
VEOLIA VERKEHR ÖSTERREICH GMBH	PROP	50.00	50.00	PROP	50.00	50.00
BELGIUM						
A. DE VOEGHT & CO BVBA	PROP	50.00	50.00	PROP	50.00	50.00
AUTOBUS & AUTOCARS GEORGES SPRL	PROP	50.00	50.00	PROP	50.00	50.00
AUTOBUS EN AUTOCARBEDRIJF REIZEN DE VALK N.V.	PROP	50.00	50.00	PROP	50.00	50.00
AUTOBUS VERLEYEN N.V.	PROP	50.00	50.00	PROP	50.00	50.00
AUTOBUSBEDRIJF G. MEBIS & CO. N.V.	PROP	50.00	50.00	PROP	50.00	50.00
AUTOBUSSEN EN AUTOCARS ACHIEL WEYN EN ZONEN N.V.	PROP	50.00	50.00	PROP	50.00	50.00
AUTOCARS DE POLDER N.V.	PROP	50.00	50.00	PROP	50.00	50.00

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
B&C	PROP	50.00	50.00	PROP	50.00	50.00
BUS DE POLDER N.V.	PROP	50.00	50.00	PROP	50.00	50.00
DE DUINEN N.V.	PROP	50.00	50.00	PROP	50.00	50.00
EUROLINES BELGIQUE				PROP	50.00	50.00
GEENENS BUS & CAR N.V.	PROP	50.00	50.00	PROP	50.00	50.00
GEENENS N.V.	PROP	50.00	50.00	PROP	50.00	50.00
GRUSON AUTOBUS N.V.	PROP	50.00	50.00	PROP	50.00	50.00
HADEP N.V.	PROP	50.00	50.00	PROP	50.00	50.00
HEIDEBLOEM N.V.	PROP	50.00	50.00	PROP	50.00	50.00
KATRIVA N.V.	PROP	50.00	50.00	PROP	50.00	50.00
R. MELOTTE & CO. N.V.	PROP	50.00	50.00	PROP	50.00	50.00
V.B.M.N.V.	PROP	50.00	50.00	PROP	50.00	50.00
VAN COILLIE N.V.	PROP	50.00	50.00	PROP	50.00	50.00
VAN PEE INVEST N.V.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT BELGIUM NV	PROP	50.00	50.00	PROP	50.00	50.00
VERVOERBEDRIJF GEBROEDERS DE VOS BVBA	PROP	50.00	50.00	PROP	50.00	50.00
YPRABUS S.A.	PROP	50.00	50.00			
CANADA						
QUEBEC	PROP	50.00	50.00	PROP	50.00	50.00
4345240 CANADA (AUTOCAR METROPOLITAIN)	PROP	50.00	50.00	PROP	50.00	50.00
4369645 CANADA (AUTOCAR METROPOLITAIN)	PROP	50.00	50.00	PROP	50.00	50.00
QUEBEC (MEDICAR)	PROP	50.00	50.00	PROP	50.00	50.00
AUGER INC.	PROP	50.00	50.00	PROP	50.00	50.00
AUTOBUS BOULAIS LTÉE	PROP	50.00	50.00	PROP	50.00	50.00
LIMOCAR	PROP	50.00	50.00	PROP	50.00	50.00
LIMOCAR ESTRIE	PROP	50.00	50.00	PROP	50.00	50.00
LIMOCAR ROUSSILLON	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV CANADA INC.				PROP	50.00	50.00
VEOLIA TRANSPORTATION SERVICES CANADA IN	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSDEV CANADA INC.	PROP	50.00	50.00			
VT CANADA INC.				PROP	50.00	50.00
VT QUEBEC INC.	PROP	50.00	50.00	PROP	50.00	50.00
YORK BRT	PROP	50.00	37.50	PROP	50.00	37.50
CHILE						
CARBUS URBANO S.A.				PROP	50.00	50.00
REDBUS URBANO SA	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT CHILE	PROP	50.00	50.00	PROP	50.00	50.00
CHINA						
ANQING ZHONGBEI BUS CO., LTD	PROP	24.50	9.94	PROP	24.50	9.94
HONG KONG TRAMWAYS LIMITED	PROP	50.00	27.50	PROP	50.00	27.50
HUAIBEI ZHONGBEI BUS CO., LTD.	PROP	24.50	7.01	PROP	24.50	7.01
HUAINAN ZHONGBEI BUS CO., LTD	PROP	24.50	11.20	PROP	24.50	11.20
MAANSHAN ZHONGBEI BUS CO., LTD	PROP	24.50	8.09	PROP	24.50	8.09
MACAU BUS	PROP	25.00	16.25	PROP	25.00	16.25
NANJING ZHONGBEI	PROP	24.50	13.48	PROP	24.50	13.48
VEOLIA TRANSPORT CHINA LTD HK	PROP	50.00	27.50	PROP	50.00	27.50
VT RATP CHINA	PROP	25.00	25.00	PROP	25.00	25.00
VT RATP CONSULTING CO LTD	PROP	25.00	25.00			
COLOMBIA						
CITY MOVIL	PROP	19.25	12.05	PROP	19.25	12.05

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	Method	% control	% interest	Method	% control	% interest
CONEXION MOVIL	PROP	19.25	15.54	PROP	19.25	15.54
STÉ INTERNATIONALE DE TRANSPORT MASSIVO	PROP	19.25	19.25	PROP	19.25	19.25
SOUTH KOREA						
SEOUL LINE 9	PROP	50.00	22.00	PROP	50.00	22.00
VEOLIA TRANSPORT KOREA	PROP	50.00	27.50	PROP	50.00	27.50
VT RATP KOREA	PROP	25.00	25.00	PROP	25.00	25.00
CROATIA						
PANTURIST d.d.	PROP	50.00	29.39	PROP	50.00	29.39
TOURING CROATIA	PROP	25.00	10.39	PROP	25.00	10.39
VEOLIA TRANSPORT HRVATSKA D.O.O	PROP	50.00	32.50	PROP	50.00	32.50
SPAIN						
CORPORACION JEREZANA TRANSPORTES URBANOS	PROP	25.00	25.00	PROP	25.00	25.00
DETREN	PROP	25.00	25.00	PROP	25.00	25.00
EUROLINES PENINSULAR	PROP	25.00	25.00	PROP	25.00	25.00
IGC-CONNEX CORPORACION SL	PROP	25.00	25.00	PROP	25.00	25.00
MONTAÑESA	PROP	50.00	50.00	PROP	50.00	50.00
MOVEBUS	PROP	25.00	25.00	PROP	25.00	25.00
TENEMETRO	PROP	50.00	30.00	PROP	50.00	30.00
TRANSDEV ESPANA SL	PROP	50.00	50.00	PROP	50.00	50.00
UTE TRAMBAIX	PROP	16.50	16.50	PROP	16.50	16.50
UTE TRAMBESOS	PROP	16.50	16.50	PROP	16.50	16.50
VIAJES EUROLINES	PROP	25.00	18.75	PROP	25.00	18.75
VT BILBAO				PROP	50.00	50.00
UNITED STATES						
AIRLINES ACQUISITION CO., INC.	PROP	50.00	50.00	PROP	50.00	50.00
AIRPORT LIMOUSINE SERVICE, INC.	PROP	50.00	50.00	PROP	50.00	50.00
ATC PARTNERS LLC	PROP	50.00	50.00	PROP	50.00	50.00
ATC/VANCOM OF ARIZONA, LIMITED PARTNERSHIP	PROP	50.00	50.00	PROP	50.00	50.00
BELLE ISLE CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
BLUE BOOTH INCORPORATED	PROP	50.00	42.00	PROP	50.00	42.00
BLUE VAN LEASING CORPORATION	PROP	50.00	50.00	PROP	50.00	50.00
CENTRAL CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CENTURY CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CHAMPION CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CHECKER AIRPORT TAXI, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CHECKER CAB ASSOCIATION, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CHECKER YELLOW CAB OF JACKSONVILLE, LLC	PROP	50.00	50.00	PROP	50.00	50.00
CHOICE CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CIRCLE CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CLASSIC CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CLOUD 9 SHUTTLE, INC.	PROP	50.00	50.00	PROP	50.00	50.00
COAST CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
COLONIAL CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
COLORADO CAB COMPANY, LLC	PROP	50.00	50.00	PROP	50.00	50.00
COMPUTER CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX RAILROAD LLC	PROP	50.00	50.00	PROP	50.00	50.00
CORDIAL CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
DULLES TRANSPORTATION PARTNERSHIP	PROP	50.00	30.00	PROP	50.00	30.00

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
GOLDEN TOUCH TRANSPORTATION OF NEW YORK, INC.	PROP	50.00	50.00	PROP	50.00	50.00
HOUSTON O & M LLC	PROP	50.00	35.00	PROP	50.00	35.00
HUNTLEIGH TRANSPORTATION SERVICES LLC	PROP	50.00	50.00	PROP	50.00	50.00
JIMMY'S CAB, INC.	PROP	50.00	50.00	PROP	50.00	50.00
KANSAS CITY LIMOUSINE LLC	PROP	50.00	50.00	PROP	50.00	50.00
KANSAS CITY SHUTTLE LLC	PROP	50.00	50.00	PROP	50.00	50.00
KANSAS CITY TAXI LLC	PROP	50.00	50.00	PROP	50.00	50.00
MASSACHUSETTS BAY COMMUTER RAILROAD LLC	PROP	50.00	30.00	PROP	50.00	30.00
MINI BUS SYSTEMS, INC.	PROP	50.00	50.00	PROP	50.00	50.00
NATIONAL HARBOR TRANSPORTATION SERVICES LLC	PROP	50.00	50.00	PROP	50.00	50.00
NATIONAL TRANSPORTATION PARTNERHIP	PROP	50.00	30.00			
OAK STREET SALES, INC.	PROP	50.00	50.00	PROP	50.00	50.00
OLD DOMINION TRANSIT MANAGEMENT COMPANY	PROP	50.00	50.00	PROP	50.00	50.00
PHOENIX TRANSIT JOINT VENTURE				PROP	50.00	41.00
PITTSBURGH CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PITTSBURGH TRANSPORTATION COMPANY				PROP	50.00	50.00
PITTSBURGH TRANSPORTATION GROUP CHARTER SERVICES, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PROFESSIONAL FLEET MANAGEMENT LLC	PROP	50.00	50.00	PROP	50.00	50.00
PROFESSIONAL TRANSIT CONTRACTING LLC				PROP	50.00	50.00
PROFESSIONAL TRANSIT MANAGEMENT, LTD.	PROP	50.00	50.00	PROP	50.00	50.00
PROFESSIONAL TRANSIT SOLUTIONS LLC	PROP	50.00	50.00	PROP	50.00	50.00
PTM BROKERAGE SERVICES, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF ASHEVILLE, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF ATTLEBORO, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF BOISE, LLC	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF CAPE COD, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF DUTCHESS COUNTY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF GEORGIA, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF JACKSON, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF RACINE, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF TUCSON, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF WAUKESHA, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM OF WILMINGTON, INC.	PROP	50.00	50.00	PROP	50.00	50.00
PTM PARATRANSIT OF TUCSON, INC.	PROP	50.00	50.00	PROP	50.00	50.00
RAYRAY CAB COMPANY, LLC	PROP	50.00	50.00	PROP	50.00	50.00
REGIONAL TRANSIT AUTHORITY TRANSIT SERVICES, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SACRAMENTO TRANSPORTATION, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SAFETY CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SCOUT CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SECURE CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SELECT CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SENTINEL CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SERENE CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SERVICE CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SFO AIRPORTER, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SHAMROCK CHARTERS, INC.	PROP	50.00	50.00	PROP	50.00	50.00

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	Method	% control	% interest	Method	% control	% interest
SHAMROCK LEASING LLC	PROP	50.00	50.00	PROP	50.00	50.00
SHAMROCK LUXURY LIMOUSINE LLC	PROP	50.00	50.00	PROP	50.00	50.00
SHAMROCK TAXI OF FORT COLLINS, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SHAMROCK TRANS LLC	PROP	50.00	50.00	PROP	50.00	50.00
SHUTTLE ASSOCIATES LLC	PROP	50.00	50.00	PROP	50.00	50.00
SHUTTLE EXPRESS, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SHUTTLEPORT ARIZONA JOINT VENTURE	PROP	50.00	32.50	PROP	50.00	32.50
SHUTTLEPORT CALIFORNIA LLC	PROP	50.00	50.00	PROP	50.00	50.00
SHUTTLEPORT CONNECTICUT LLC	PROP	50.00	50.00	PROP	50.00	50.00
SHUTTLEPORT DC LLC	PROP	50.00	50.00	PROP	50.00	50.00
SHUTTLEPORT FLORIDA LLC	PROP	50.00	50.00	PROP	50.00	50.00
SHUTTLEPORT SERVICES ARIZONA LLC	PROP	50.00	50.00	PROP	50.00	50.00
SKYLINE CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SPENCER LEASING LLC	PROP	50.00	50.00	PROP	50.00	50.00
SUN TAXICAB ASSOCIATION, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUNRISE CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPER SHUTTLE INTERNATIONAL INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPER TRANSPORTATION OF FLORIDA. LLC	PROP	50.00	50.00			
SUPERIOR CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE ARIZONA, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE DALLAS FORT WORTH, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE FRANCHISE CORPORATION	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE INTERNATIONAL DENVER, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE LEASING, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE LOS ANGELES, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE OF HOUSTON, LLC	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE OF MINNESOTA, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE ORANGE COUNTY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE RALEIGH-DURHAM, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE SAN FRANCISCO, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERSHUTTLE TENNESSEE, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPERTAXI, INC.	PROP	50.00	50.00	PROP	50.00	50.00
SUPREME CAB COMPANY, INC.	PROP	50.00	50.00	PROP	50.00	50.00
TEMPE ARIZONA VF JOINT VENTURE				PROP	50.00	42.50
THE LIMO, INC.	PROP	50.00	50.00	PROP	50.00	50.00
THE YELLOW CAB COMPANY	PROP	50.00	50.00	PROP	50.00	50.00
UNIFIED DISPATCH, LLC	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORTATION INC.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORTATION MAINTENANCE AND INFRASTRUCTURE, INC.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORTATION ON DEMAND INC.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORTATION RAILROAD, INC.	PROP	50.00	50.00			
VEOLIA TRANSPORTATION SERVICES (TRANSIT)				PROP	50.00	50.00
VEOLIA TRANSPORTATION SERVICES, INC.				PROP	50.00	50.00
WASHINGTON SHUTTLE, INC.	PROP	50.00	45.00	PROP	50.00	45.00
YC HOLDINGS, INC.	PROP	50.00	50.00	PROP	50.00	50.00
YELLOW CAB ASSOCIATION, INC.	PROP	50.00	50.00	PROP	50.00	50.00
YELLOW CAB COMPANY OF PITTSBURGH	PROP	50.00	50.00	PROP	50.00	50.00
YELLOW TAXI ASSOCIATION, INC.	PROP	50.00	50.00	PROP	50.00	50.00
COLORADO SPRINGS TRANSPORTATION, LLC	PROP	50.00	50.00			
COLORADO TRANS MANAGEMENT, LLC	PROP	50.00	50.00			
RDSM TRANSPORTATION	PROP	50.00	50.00			

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	Method	% control	% interest	Method	% control	% interest
DENMARK						
TOURING SCANDINAVIA	PROP	25.00	10.39	PROP	25.00	10.39
FINLAND						
VEOLIA TRANSPORT ESPOO OY	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT FINLAND OY	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT TAMPERE OY	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT VANTAA OY	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT WEST OY	PROP	50.00	50.00	PROP	50.00	50.00
WESTERLINES AB OY	PROP	50.00	50.00	PROP	50.00	50.00
FRANCE						
AERO PISTE	PROP	50.00	50.00	PROP	50.00	50.00
AEROPASS	PROP	50.00	50.00	PROP	50.00	50.00
AIRCAR	PROP	50.00	50.00	PROP	50.00	50.00
ALBATRANS	EQUITY	28.78	28.78	EQUITY	28.78	28.78
ALISO VOYAGES	PROP	50.00	32.98	PROP	50.00	32.98
ALTIBUS	PROP	50.00	32.98	PROP	50.00	32.98
ANTRAS	PROP	50.00	49.97	PROP	50.00	49.97
ARY	PROP	50.00	49.97	PROP	50.00	49.97
ATRIOM DE BEAUVAISIS	PROP	50.00	49.97	PROP	50.00	49.97
ATRIOM DU COMPIEGNOIS	PROP	50.00	47.94	PROP	50.00	47.94
AUTOBUS AIXOIS	PROP	50.00	49.92	PROP	50.00	49.92
AUTOBUS ARTÉSIENS	PROP	50.00	49.90	PROP	50.00	49.90
AUTOBUS AUBAGNAIS	PROP	50.00	50.00	PROP	50.00	50.00
AUTOBUS AURÉLIENS	PROP	50.00	34.83	PROP	50.00	34.83
AUTOBUS DU FORT	PROP	50.00	50.00	PROP	50.00	50.00
AUTOBUS MARNE-LA-VALLÉE	PROP	50.00	50.00	PROP	50.00	50.00
AUTOCARS ALIZÉS	PROP	50.00	49.97	PROP	50.00	49.97
AUTOCARS CHAMBON-GROS	PROP	50.00	50.00	PROP	50.00	50.00
AUTOCARS DARCHE-GROS	PROP	50.00	50.00	PROP	50.00	50.00
AUTOCARS SABARDU	PROP	50.00	50.00	PROP	50.00	50.00
AUTOCARS TOURNEUX	PROP	50.00	50.00	PROP	50.00	50.00
AUXERROIS MOBILITÉS	PROP	50.00	50.00	PROP	50.00	50.00
BESANÇON MOBILITÉ	PROP	50.00	50.00	PROP	50.00	50.00
BIÈVRE BUS MOBILITÉS	PROP	50.00	50.00	PROP	50.00	50.00
BRAVO PISTE	PROP	50.00	50.00	PROP	50.00	50.00
BREMOND	PROP	50.00	50.00	PROP	50.00	50.00
BUS DE L'ÉTANG DE BERRE	PROP	50.00	49.85	PROP	50.00	49.85
BUS EST	PROP	50.00	50.00	PROP	50.00	50.00
BUS MANOSQUE VAL DE DURANCE	PROP	50.00	26.00	PROP	50.00	26.00
C.A.P.	PROP	50.00	50.00	PROP	50.00	50.00
CABARO	PROP	50.00	49.97	PROP	50.00	49.97
CAISSE COMMUNE	PROP	50.00	50.00	PROP	50.00	50.00
CAP PAYS CATHARE				PROP	50.00	49.97
CARBU WASH	PROP	50.00	50.00	PROP	50.00	50.00
CARS DE CHATEAU-THIERRY	PROP	50.00	50.00	PROP	50.00	50.00
CARS D'ORSAY	PROP	50.00	50.00	PROP	50.00	50.00
CARS DU PAYS D'AIX	PROP	50.00	50.00	PROP	50.00	50.00
CARS DU PAYS DE VALOIS				PROP	50.00	50.00
CEA TRANSPORTS	PROP	50.00	50.00	PROP	50.00	50.00
CFTA CENTRE OUEST	PROP	50.00	49.97	PROP	50.00	49.97
CFTA RHÔNE	PROP	50.00	50.00	PROP	50.00	50.00

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	Method	% control	% interest	Method	% control	% interest
CFTA SA	PROP	50.00	50.00	PROP	50.00	50.00
CFTI	PROP	50.00	49.97	PROP	50.00	49.97
CHARLIPISTE	PROP	50.00	50.00	PROP	50.00	50.00
CHARTRES MOBILITÉ	PROP	50.00	50.00	PROP	50.00	50.00
CHEMIN DE FER DE LA MURE	PROP	50.00	50.00	PROP	50.00	50.00
CIE ARMORICAINE DE TRANSPORTS	PROP	50.00	49.95	PROP	50.00	49.95
CIE DE TRANSPORTS DE SAUMUR	PROP	50.00	49.90	PROP	50.00	49.90
CIE DES AUTOCARS DE TOURAINE	PROP	50.00	49.97	PROP	50.00	49.97
CIE DES TR COLLECTIF DE L'OUEST PARISIEN	PROP	25.00	25.00	PROP	25.00	25.00
CIE DES TRANSPORTS DU PAYS DE VANNES	PROP	50.00	50.00	PROP	50.00	50.00
CIE GÉNÉRALE DE TOURISME ET HÔTELLERIE	PROP	50.00	33.00	PROP	50.00	33.00
CIE OCÉANE	PROP	50.00	50.00	PROP	50.00	50.00
CIE SAINT QUENTINOISE DE TRANSPORTS	PROP	50.00	49.97	PROP	50.00	49.97
CIOTABUS	PROP	50.00	50.00	PROP	50.00	50.00
CIRCUL AIR	PROP	50.00	50.00	PROP	50.00	50.00
CITÉBUS DES 2 RIVES	PROP	50.00	50.00	PROP	50.00	50.00
CITRAM AQUITAINE	PROP	50.00	49.97	PROP	50.00	49.97
CITRAM PYRÉNÉES	PROP	50.00	49.97	PROP	50.00	49.97
CITYWAY	PROP	50.00	50.00	PROP	50.00	50.00
CLOS PIERVIL	PROP	50.00	49.92	PROP	50.00	49.92
COMPAGNIE DES BACS DE LOIRE	PROP	50.00	50.00	PROP	50.00	50.00
COMPAGNIE DES TRANSPORTS DE LA RIVIERA	PROP	50.00	49.97	PROP	50.00	49.97
COMPAGNIE DU GOLFE	PROP	50.00	50.00	PROP	50.00	50.00
COMPAGNIE FERROVIAIRE SUD FRANCE	PROP	50.00	50.00	PROP	50.00	50.00
COMPTOIRS DU SUD	PROP	50.00	33.00	PROP	50.00	33.00
CONNEX CHAMBÉRY	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX EPINAL	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX LCB	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX NANCY	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX TOULOUSE	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX VILLEFRANCHE	PROP	50.00	50.00	PROP	50.00	50.00
COURRIERS AUTOMOBILES PICARDS	PROP	50.00	48.92	PROP	50.00	48.92
COURRIERS DE L'AUBE	PROP	50.00	45.73	PROP	50.00	45.73
COURRIERS DE SEINE-ET-OISE	PROP	50.00	50.00	PROP	50.00	50.00
CREUSOT MONTCEAU TRANSPORTS	PROP	50.00	50.00	PROP	50.00	50.00
CROLARD SA	PROP	50.00	50.00	PROP	50.00	50.00
CTPO	PROP	50.00	50.00	PROP	50.00	50.00
DRYADE				PROP	50.00	35.78
DUNAND	PROP	50.00	50.00	PROP	50.00	50.00
ÉCAUXMOBILITÉ	PROP	50.00	49.97	PROP	50.00	49.97
ÉNERGIE BUS	PROP	50.00	50.00	PROP	50.00	50.00
ENEZ EDIG	PROP	50.00	50.00	PROP	50.00	50.00
ENEZ HOUAD	PROP	50.00	50.00	PROP	50.00	50.00
EQUIVAL SAS NEW	PROP	50.00	50.00	PROP	50.00	50.00
ESPACES SA	PROP	50.00	50.00	PROP	50.00	50.00
ESTEREL CARS	PROP	50.00	50.00	PROP	50.00	50.00
EURAILCO S.A.S NEW	PROP	50.00	50.00	PROP	50.00	50.00
EUROLINES FRANCE	PROP	50.00	49.99	PROP	50.00	49.99
EUROLUM SA				PROP	50.00	50.00
EUROPE AUTOCARS	PROP	50.00	50.00	PROP	50.00	50.00
FERRYTOUR	PROP	50.00	33.00	PROP	50.00	33.00

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
FNM2	PROP	50.00	49.97	PROP	50.00	49.97
FRIOUL IF EXPRESS	PROP	50.00	50.00	PROP	50.00	50.00
GECIR	PROP	22.50	22.50	PROP	22.50	22.50
GIE TRANSDEV FORMATION	PROP	50.00	49.53	PROP	50.00	49.53
GUICHARD	PROP	50.00	50.00	PROP	50.00	50.00
HANDILIB	PROP	50.00	50.00	PROP	50.00	50.00
IBERFRAN	PROP	12.50	6.36	PROP	12.50	6.36
IBEROLINES	PROP	25.00	12.71	PROP	25.00	12.71
ILE-DE-FRANCE TOURISME				PROP	50.00	50.00
INTERPISTE	PROP	50.00	50.00	PROP	50.00	50.00
INTERVAL	PROP	50.00	50.00	PROP	50.00	50.00
JV VT RATP	PROP	25.00	25.00	PROP	25.00	25.00
KERDONIS	PROP	50.00	50.00	PROP	50.00	50.00
KUNEGEL SA	PROP	50.00	49.97	PROP	50.00	49.97
LA MARE AU MOULIN (SCI)	PROP	50.00	50.00	PROP	50.00	50.00
LAON MOBILITÉ	PROP	50.00	50.00	PROP	50.00	50.00
LES AUTOCARS BLANCS	PROP	50.00	50.00	PROP	50.00	50.00
LES CARS MARIETTE	PROP	50.00	50.00	PROP	50.00	50.00
LES CARS ROSE	PROP	50.00	50.00	PROP	50.00	50.00
LES LIGNES DU VAR	PROP	50.00	49.19	PROP	50.00	49.19
LES MÉLÈZES	PROP	50.00	49.91	PROP	50.00	49.91
LES RUBANS BLEUS	PROP	50.00	50.00	PROP	25.00	25.00
L'IMMOBILIÈRE DES FONTAINES	PROP	50.00	50.00	PROP	50.00	50.00
MANU-PISTE	PROP	50.00	50.00	PROP	50.00	50.00
MARTIN FRÈRES	PROP	50.00	50.00	PROP	50.00	50.00
MECA PISTE	PROP	50.00	50.00	PROP	50.00	50.00
MÉDIA CITÉ	PROP	50.00	49.99	PROP	50.00	49.99
MÉDITERRANÉENNE CONSIGNATION MANUTENTION	PROP	50.00	33.00	PROP	50.00	33.00
MELVAN	PROP	50.00	50.00	PROP	50.00	50.00
MERCUR	PROP	50.00	50.00	PROP	50.00	50.00
MOBILITÉ ET SERVICES	PROP	50.00	49.97	PROP	50.00	49.97
MONEGER	PROP	50.00	49.97	PROP	50.00	49.97
MONTBLANC BUS	PROP	50.00	37.45	PROP	50.00	37.45
MOUV'IDÉES	PROP	25.00	25.00	PROP	25.00	25.00
MUSSO	PROP	50.00	49.97	PROP	50.00	49.97
N'4 MOBILITÉS	PROP	50.00	48.27	PROP	50.00	48.27
OCECARS	PROP	50.00	49.97	PROP	50.00	49.97
ODULYS	PROP	50.00	27.50	PROP	50.00	27.50
PASSAGERS PÔLE SERVICES	PROP	50.00	50.00	PROP	50.00	50.00
PAYS D'OC MOBILITES	PROP	50.00	50.00	PROP	50.00	50.00
PLATEFORME COMPTABLE IDF POLE 77	PROP	50.00	50.00			
PÔLE ILE-DE-FRANCE IMMOBILIER AND FACILITIES	PROP	50.00	50.00	PROP	50.00	50.00
PREVOST	PROP	50.00	49.97	PROP	50.00	49.97
PROGETOURS	PROP	50.00	50.00	PROP	50.00	50.00
PROXIWAY	PROP	50.00	50.00	PROP	50.00	50.00
RAPIDES DE BOURGOGNE	PROP	50.00	50.00	PROP	50.00	50.00
RAPIDES DE CÔTE D'AZUR	PROP	50.00	49.97	PROP	50.00	49.97
RAPIDES DE LA MEUSE	PROP	50.00	49.97	PROP	50.00	49.97
RAPIDES DE SAÔNE-ET-LOIRE	PROP	50.00	50.00	PROP	50.00	50.00
RAPIDES DU LITTORAL	PROP	50.00	49.88	PROP	50.00	49.88

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	Method	% control	% interest	Method	% control	% interest
RAPIDES DU VAL DE LOIRE	PROP	50.00	50.00	PROP	50.00	50.00
RHÔNEXPRESS MEE	EQUITY	14.10	14.10	EQUITY	14.10	14.10
RMTT	PROP	50.00	35.70	PROP	50.00	35.70
R'ORLY	PROP	50.00	50.00	PROP	50.00	50.00
SAGEB	PROP	24.50	24.50	PROP	24.50	24.50
SAINT-QUENTIN MOBILITÉ	PROP	50.00	50.00	PROP	50.00	50.00
SCI 19 RUE DES SOURCES	PROP	50.00	50.00	PROP	50.00	50.00
SCI DE LA LAVANDE	PROP	50.00	50.00	PROP	50.00	50.00
SCI LA MARE MOUREUSE	PROP	50.00	50.00	PROP	50.00	50.00
SCI LA TRENTAINE	PROP	50.00	50.00	PROP	50.00	50.00
SCI LE LUREAU	PROP	50.00	50.00	PROP	50.00	50.00
SCI LE PRÉ BOUDROT	PROP	24.50	24.50	PROP	24.50	24.50
SCI MARAIS BELLENE	PROP	50.00	50.00	PROP	50.00	50.00
SEGAR	PROP	50.00	50.00	PROP	50.00	50.00
SEM AAAS	PROP	24.98	24.98	PROP	24.98	24.98
SERI 49	PROP	50.00	49.97	PROP	50.00	49.97
SETAO	PROP	50.00	50.00	PROP	50.00	50.00
SETRA	PROP	50.00	50.00	PROP	50.00	50.00
SITE.OISE	PROP	50.00	33.00	PROP	50.00	33.00
SMEA	PROP	50.00	50.00	PROP	50.00	50.00
SNA AJACCIENS	PROP	50.00	50.00	PROP	50.00	50.00
SNC CHEVALIER ARLEQUIN	PROP	50.00	50.00	PROP	50.00	50.00
SNC MASSILIA	PROP	50.00	50.00	PROP	50.00	50.00
SNCM	PROP	50.00	33.00	PROP	50.00	33.00
SNEG	PROP	50.00	50.00	PROP	50.00	50.00
SOCIÉTÉ DES TRANSPORTS PHOCÉENS				PROP	50.00	50.00
SOCIÉTÉ HÔTELIÈRE MELDOISE				PROP	50.00	50.00
SOCIÉTÉ NORMANDIE VOYAGE	PROP	50.00	49.97	PROP	50.00	49.97
SOCIÉTÉ NOUVELLE CPL	PROP	50.00	50.00	PROP	50.00	50.00
SOGAREL	EQUITY	17.00	17.00	EQUITY	17.00	17.00
SOLEA	PROP	50.00	43.92	PROP	50.00	43.92
SOMETRAR	PROP	50.00	50.00	PROP	50.00	50.00
ST-BRIEUC MOBILITÉ	PROP	50.00	50.00	PROP	50.00	50.00
ST2N	PROP	50.00	47.51	PROP	50.00	47.51
STA CHALONS	PROP	50.00	40.00	PROP	50.00	40.00
STAO - PL	PROP	50.00	49.97	PROP	50.00	49.97
STBC - TUC	PROP	50.00	50.00	PROP	50.00	50.00
STCE	PROP	50.00	50.00	PROP	50.00	50.00
STDE	PROP	50.00	50.00	PROP	50.00	50.00
STÉ AUBAGNAISE RESTAURATION ET APPRO	PROP	50.00	33.00	PROP	50.00	33.00
STÉ DES TRANSPORTS D'ANNONAY DAVEZIEUX	PROP	50.00	49.97	PROP	50.00	49.97
STÉ DES TRANSPORTS DEP DU GARD	PROP	50.00	49.97	PROP	50.00	49.97
STÉ DES TRANSPORTS DEP DU LOIR-ET-CHER	PROP	50.00	49.97	PROP	50.00	49.97
STÉ DES TRANSPORTS DU BRIANCONNAIS	PROP	50.00	25.50	PROP	50.00	25.50
STÉ FOURAS AIX IG	PROP	50.00	50.00	PROP	50.00	50.00
STÉ INFORMATIQUE ET TÉLÉMATIQUE CORSE	EQUITY	17.50	11.55	EQUITY	17.50	11.55
STÉ TRANSPORT AGGLOMÉRATION THONONNAISE	PROP	25.00	25.00	PROP	25.00	25.00
STERNE	PROP	50.00	50.00	PROP	50.00	50.00
STRAV	PROP	50.00	50.00	PROP	50.00	50.00
STUD	PROP	50.00	50.00	PROP	50.00	50.00

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
SUD CARS	PROP	50.00	50.00	PROP	50.00	50.00
SUD EST MOBILITÉS	PROP	50.00	50.00	PROP	50.00	50.00
T.C.R.M TRANSP. COMMUNS RÉGION METZ	EQUITY	19.98	19.98	EQUITY	19.98	19.98
TCAR	PROP	50.00	50.00	PROP	50.00	50.00
TCR AVIGNON	PROP	50.00	50.00	PROP	50.00	50.00
TCVO	PROP	50.00	25.50	PROP	50.00	25.50
TÉLÉPHÉRIQUE DU SALÈVE	PROP	50.00	49.96	PROP	50.00	49.96
TIPS	PROP	50.00	46.50	PROP	50.00	46.50
TPB	PROP	50.00	24.50	PROP	50.00	24.50
TPMR BORDEAUX	PROP	50.00	49.97	PROP	50.00	49.97
TPMR STRASBOURG (MOBISTRAS)	PROP	50.00	49.97	PROP	50.00	49.97
TPMR TOULOUSE	PROP	50.00	49.95	PROP	50.00	49.95
TPMR TOURS	PROP	50.00	49.97	PROP	50.00	49.97
TRA SA	PROP	50.00	50.00	PROP	50.00	50.00
TRAC-PISTE	PROP	50.00	50.00	PROP	50.00	50.00
TRAFFIC AIR SERVICES	PROP	50.00	50.00	PROP	50.00	50.00
TRANS PROVENCE	PROP	50.00	49.76	PROP	50.00	49.76
TRANS VAL DE FRANCE	PROP	50.00	50.00	PROP	50.00	50.00
TRANS VAL-D'OISE	PROP	50.00	50.00	PROP	50.00	50.00
TRANSAMO	PROP	50.00	44.88	PROP	50.00	44.88
TRANSOVOIE	PROP	50.00	49.75	PROP	50.00	49.75
TRANSDATA	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV AÉROPORT SERVICES	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV AÉROPORT TRANSIT	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV ALLIER	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV ALPES	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV ALSACE	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV DAUPHINE	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV ÉQUIPAGES	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV EST	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV FINANCE				PROP	50.00	50.00
TRANSDEV MONTPELLIER	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV MULTI-MODES	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV NORD-EST	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV ORLÉANS	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV OUTRE MER	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV PARIS EST	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV PARIS SUD	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV PAYS D'OR	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV REIMS	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV SUD	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV SUD-OUEST	PROP	50.00	50.00	PROP	50.00	50.00
TRANSÉVRY	EQUITY	22.18	22.18	EQUITY	22.18	22.18
TRANS'L	PROP	50.00	50.00	PROP	50.00	50.00
TRANSPART	PROP	50.00	50.00	PROP	50.00	50.00
TRANSPORT BÉRARD	PROP	50.00	50.00	PROP	50.00	50.00
TRANSPORT SCHON ET BRULLARD	PROP	50.00	49.97	PROP	50.00	49.97
TRANSPORTS D'EURE-ET-LOIR	PROP	50.00	49.97	PROP	50.00	49.97
TRANSPORTS DU VAL DE SEINE	PROP	50.00	49.97	PROP	50.00	49.97
TRANSPORTS DU VAL-D'OISE	PROP	50.00	50.00	PROP	50.00	50.00

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	Method	% control	% interest	Method	% control	% interest
TRANSPORTS EN COMMUN DE COMBS-LA-VILLE	PROP	50.00	50.00	PROP	50.00	50.00
TRANSPORTS JOFFET	PROP	50.00	49.97	PROP	50.00	49.97
TRANSPORTS LIBOURNAIS	PROP	50.00	50.00	PROP	50.00	50.00
TRANSPORTS MARNE ET MORIN	PROP	50.00	50.00	PROP	50.00	50.00
TRANSPORTS PUBLICS DE L'AGGLOMÉRATION ST	PROP	50.00	50.00	PROP	50.00	50.00
TRANS-SERVICES	PROP	50.00	49.97	PROP	50.00	49.97
TRENITALIA VEOLIA TRANSDEV SAS	EQUITY	25.00	16.50	PROP	25.00	25.00
VAD	PROP	50.00	49.97	PROP	50.00	49.97
VAL D'EUROPE AIRPORT	PROP	50.00	50.00	PROP	50.00	50.00
VAROISE DE TRANSPORTS	PROP	50.00	50.00	PROP	50.00	50.00
VE AIRPORT	PROP	50.00	50.00	PROP	50.00	50.00
VELOWAY	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA EDF NICE AUTO PARTAGE	PROP	34.93	34.93	PROP	34.93	34.93
VEOLIA TRANSPORT AÉROPORT DE NIMES	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT ALGÉRIE	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT ARLES	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT BRIVE	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT CARCASSONNE	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT DU MARSAN	PROP	50.00	50.00			
VEOLIA TRANSPORT EST	PROP	50.00	49.97	PROP	50.00	49.97
VEOLIA TRANSPORT MARITIME	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT MÉDITERRANÉE	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT NORMANDIE INTER-URBAIN	PROP	50.00	49.97	PROP	50.00	49.97
VEOLIA TRANSPORT PAYS ROCHEFORTAIS	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT PERPIGNAN	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT POITOU-CHARENTES	PROP	50.00	49.97	PROP	50.00	49.97
VEOLIA TRANSPORT RHÔNE-ALPES	PROP	50.00	49.97	PROP	50.00	49.97
VEOLIA TRANSPORT ROANNE	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT ROYAN ATLANTIQUE	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT SIÈGE	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT ST-MICHEL	PROP	50.00	49.97	PROP	50.00	49.97
VEOLIA TRANSPORT URBAIN	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT VALENCE	PROP	50.00	50.00	PROP	50.00	50.00
VILLENEUVE MOBILITÉ	PROP	50.00	50.00	PROP	50.00	50.00
VISUAL	PROP	50.00	50.00	PROP	50.00	50.00
VT AGGLOMÉRATION DE BAYONNE	PROP	50.00	50.00	PROP	50.00	50.00
VT ALPES-MARITIMES	PROP	50.00	49.90	PROP	50.00	49.90
VT AVESNOIS	PROP	50.00	49.95	PROP	50.00	49.95
VT BORDEAUX	PROP	50.00	50.00	PROP	50.00	50.00
VT CHAMBÉRY	PROP	50.00	50.00			
VT EUROLINES	PROP	50.00	50.00	PROP	50.00	50.00
VT FOGÈRES	PROP	50.00	50.00	PROP	50.00	50.00
VT IDF CSP CONTRÔLE	PROP	50.00	50.00	PROP	50.00	50.00
VT MIDI-PYRÉNÉES	PROP	50.00	49.97	PROP	50.00	49.97
VT NORD-PAS-DE-CALAIS	PROP	50.00	49.97	PROP	50.00	49.97
VT PICARDIE	PROP	50.00	49.97	PROP	50.00	49.97
VT RAIL	PROP	50.00	50.00	PROP	50.00	50.00
VT SAINT DIZIER	PROP	50.00	50.00			
VT SHUTTLE FRANCE	PROP	50.00	50.00	PROP	50.00	50.00
VT VALENCIENNES	PROP	50.00	50.00	PROP	50.00	50.00

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VT VOSGES	PROP	50.00	49.97	PROP	50.00	49.97
VTLV	PROP	50.00	50.00	PROP	50.00	50.00
SENONAIS MOBILITÉS	PROP	50.00	50.00			
INDIA						
METRO ONE OPERATION	PROP	50.00	19.25	PROP	50.00	19.25
VTR INDIA	PROP	25.00	25.00	PROP	25.00	25.00
IRELAND						
VEOLIA TRANSPORT DUBLIN LIGHT RAIL LTD	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT IRELAND LIMITED	PROP	50.00	50.00	PROP	50.00	50.00
VT IRELAND BUS LTD	PROP	50.00	50.00	PROP	50.00	50.00
ISRAEL						
CONNEX JERUSALEM (LIGHT TRAIN) LTD	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX TRANSPORTATION ISRAEL	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORTATION ISRAEL LTD	PROP	50.00	50.00	PROP	50.00	50.00
ITALY						
VEOLIA TRANSPORTI SRL				PROP	50.00	50.00
LEBANON						
GOLCONDE SAL	PROP	50.00	30.56	PROP	50.00	30.56
MOROCCO						
TRAMWAY DE RABAT	PROP	50.00	50.00	PROP	50.00	50.00
VT MAROC	PROP	50.00	49.92	PROP	50.00	49.92
NEW CALEDONIA						
CARSUD SA (MEE)	EQUITY	13.97	13.97	EQUITY	13.97	13.97
NEW ZEALAND						
VEOLIA TRANSPORT AUCKLAND P/L	PROP	50.00	50.00	PROP	50.00	50.00
NETHERLANDS						
ACM OPLEIDINGEN	PROP	50.00	25.00	PROP	50.00	50.00
GARAGE ASSENDELFT B.V.				PROP	50.00	50.00
ACM ZORGOPLEIDINGEN B.V.	PROP	50.00	25.00	PROP	50.00	50.00
ADVANCED NETHERLANDS TRANSPORT B.V.	EQUITY	10.00	10.00	EQUITY	10.00	10.00
AUTOMOBIELBEDRIJF GEBROEDERS ZOET				PROP	50.00	50.00
BESLOTEN VERVOER UTRECHT				PROP	50.00	50.00
CONNEXION AMBULANCE SERVICES	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION AMBULANCEDIENSTEN	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION AMBULANCEZORG	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION FACILITAIR BEDRIJF	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION FINANCE	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION INTERNATIONAL				PROP	50.00	50.00
CONNEXION NEDERLAND	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION OPENBAAR VERVOER	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION PARTICIPATIES				PROP	50.00	50.00
CONNEXION PERSONENVERVOER	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION TAXI SERVICES	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION TOURS	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION VASTGOED	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION VLOOT	PROP	50.00	25.00	PROP	50.00	50.00
CONNEXION WATER	PROP	50.00	25.00	PROP	50.00	50.00
CONTINENTAL BREDA B.V.	PROP	50.00	50.00	PROP	50.00	50.00
CTS NOORD B.V.	EQUITY	25.50	25.50	EQUITY	25.50	25.50

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	Method	% control	% interest	Method	% control	% interest
CV ACTIVA WEERT	PROP	50.00	24.75	PROP	50.00	49.50
CXX AMBULANCE	PROP	50.00	25.00	PROP	50.00	25.00
CXX HQ	PROP	50.00	25.00	PROP	50.00	25.00
CXX PUBLIC TRANSPORT	PROP	50.00	25.00	PROP	50.00	25.00
CXX TAXI	PROP	50.00	25.00	PROP	50.00	25.00
CXX TOURS	PROP	50.00	25.00	PROP	50.00	25.00
DELFTLAND BEDRIJFSDIENSTEN				PROP	50.00	50.00
EESV DE LIJN	EQUITY	25.00	25.00	EQUITY	25.00	25.00
EUROLINES NETHERLANDS NV	PROP	50.00	50.00	PROP	50.00	50.00
FOUNDATION AMBULANCEZORG NOORD OOST GELDERLAND	PROP	50.00	25.00	PROP	50.00	50.00
FUTURE TECHNOLOGY NEDERLAND	PROP	50.00	25.00	PROP	50.00	50.00
GEBROEDERS ZOET PERSONENVERVOER				PROP	50.00	50.00
GELUBEWI VASTGOED				PROP	50.00	50.00
GVU	PROP	50.00	25.00	PROP	50.00	50.00
HERMES GROEP	PROP	50.00	25.00	PROP	50.00	50.00
HERMES OPENBAAR VERVOER	PROP	50.00	25.00	PROP	50.00	50.00
LIMLINK	PROP	50.00	25.00	PROP	50.00	50.00
MOBINET UTRECHT				PROP	50.00	50.00
NEDERLANDSE BUURTBUSVERVOER MAATSCHAPPIJ				PROP	50.00	50.00
NEDERLANDSE SAMENWERKENDE TAXIBEDRIJVEN				PROP	50.00	50.00
NOVIO	PROP	50.00	25.00	PROP	50.00	50.00
NOVIO EXPRESS				PROP	50.00	50.00
NOVIO NET				PROP	50.00	50.00
NOVIO STEBO				PROP	50.00	50.00
OMNITAX B.V.	PROP	50.00	50.00	PROP	50.00	50.00
P.G.W. JANSEN HOLDING				PROP	50.00	50.00
PERSONENVERVOER WEST-NEDERLAND B.V.				PROP	50.00	50.00
PERSONENVERVOER ZUID-NEDERLAND B.V.	PROP	50.00	50.00	PROP	50.00	50.00
REGIONALE AMBULANCE VOORZIENING ZEELAND	PROP	50.00	25.00	PROP	50.00	50.00
REGIONALE AMBULANCEDIENST NOORD-WEST VELUWE	PROP	50.00	25.00	PROP	50.00	50.00
REISINFORMATIEGROEP B.V.	EQUITY	16.50	16.50	EQUITY	16.50	16.50
ROLGOED B.V.				PROP	50.00	50.00
ROLINE	PROP	50.00	50.00	PROP	50.00	50.00
SCHIPHOL TRAVEL TAXI B.V.	EQUITY	25.00	25.00	EQUITY	25.00	25.00
SIESWERDA TAXI'S B.V.				PROP	50.00	50.00
SPEEDWELL REISBUREAUX				PROP	50.00	50.00
STADSBUS GROEP MAASTRICHT NV	PROP	50.00	50.00	PROP	50.00	50.00
STADSBUS MAASTRICHT PARTICIPATIES B.V.	PROP	50.00	50.00	PROP	50.00	50.00
STICHTING REGIONALE AMBULANCEVOORZIENING ZEELAND	PROP	50.00	50.00	PROP	50.00	50.00
TAXI CENTRALE MIDDEN-BRABANT B.V.	PROP	50.00	50.00	PROP	50.00	50.00
TAXI HARDERWIJK				PROP	50.00	50.00
TBC HOLDING B.V.	PROP	50.00	25.00	PROP	50.00	37.50
TECHNO SERVICE NEDERLAND	PROP	50.00	25.00	PROP	50.00	50.00
VEOLIA TRANSPORT BRABANT N.V.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT FAST FERRIES B.V.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT LIMBURG B.V.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT LIMBURG BUS B.V.	PROP	50.00	50.00	PROP	50.00	50.00

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
VEOLIA TRANSPORT LIMBURG TOUR B.V.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT NEDERLAND BEHEER B.V.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT NEDERLAND HOLDING B.V.				PROP	50.00	50.00
VEOLIA TRANSPORT NEDERLAND O.V. B.V.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT NEDERLAND PV B.V.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT RAIL B.V.	PROP	50.00	50.00	PROP	50.00	50.00
VT LIMBURG PERSONEELSVORZIENING B.V.	PROP	50.00	50.00	PROP	50.00	50.00
WITTE KRUIS AMBULANCEZORG	PROP	50.00	50.00	PROP	50.00	50.00
WITTE KRUIS BELGIE BVBA	PROP	50.00	50.00	PROP	50.00	50.00
WITTE KRUIS HOLDING B.V.	PROP	50.00	50.00	PROP	50.00	50.00
WITTE KRUIS INTERNATIONAL				PROP	50.00	49.50
WITTE KRUIS ZOND	PROP	50.00	50.00	PROP	50.00	50.00
CONEXION MULTIMONDIAL B.V.	PROP	50.00	50.00			
VERENIGING AMBULANCE ZORG	PROP	50.00	50.00			
COOPERATIE REGIONAL AMBULANCE KENNEMERLAND	EQUITY	50.00	50.00			
COOPERATIE REGIONAL AMBULANCE HAAGLANDEN	EQUITY	50.00	50.00			
COOPERATIE REGIONAL AMBULANCE HAAGLANDEN	EQUITY	50.00	50.00			
POLAND						
TOURING POLSKA	PROP	25.00	10.39	PROP	25.00	10.39
VEOLIA EUROLINES POLSKA SP. Z	PROP	50.00	49.99	PROP	50.00	49.99
VEOLIA TRANSPORT POLSKA SP. Z	PROP	50.00	32.50	PROP	50.00	32.50
VEOLIA TRANSPORT SP. Z O.O.	PROP	50.00	32.33	PROP	50.00	32.33
VT EUROLINES POLSKA	PROP	50.00	50.00	PROP	50.00	50.00
PORTUGAL						
ALPTUR	PROP	50.00	50.00	PROP	50.00	50.00
ASAD TPT	PROP	50.00	50.00	PROP	50.00	50.00
AUTO-PENAFIEL, LDA (ROCALDAS)	PROP	25.00	12.69	PROP	25.00	12.69
AVA	PROP	50.00	50.00	PROP	50.00	50.00
AVAF	PROP	50.00	50.00	PROP	50.00	50.00
BEIRA DOURO	PROP	50.00	50.00	PROP	50.00	50.00
CAIMA	PROP	50.00	50.00	PROP	50.00	50.00
CALCADA	PROP	50.00	50.00	PROP	50.00	50.00
CARAMULO				PROP	50.00	50.00
CHARLINE	PROP	50.00	50.00	PROP	50.00	50.00
EAVT	PROP	50.00	50.00	PROP	50.00	50.00
ETAC	PROP	50.00	50.00	PROP	50.00	50.00
GUEDES	PROP	50.00	50.00	PROP	50.00	50.00
IBERO EUROSUR S.L.	PROP	25.00	12.55	PROP	25.00	12.55
INTERCENTRO	PROP	50.00	24.61	PROP	50.00	24.61
INTERGALIZA	PROP	25.00	12.71	PROP	25.00	12.71
INTERNORTE	PROP	50.00	25.42	PROP	50.00	25.42
INTERSUL	PROP	50.00	22.28	PROP	50.00	22.28
JOALTO RB	PROP	50.00	50.00	PROP	50.00	50.00
JRF	PROP	50.00	50.00	PROP	50.00	50.00
JVP	PROP	50.00	50.00	PROP	50.00	50.00
MINHO BUS	PROP	50.00	50.00	PROP	50.00	50.00
MONDINENSE	PROP	50.00	50.00	PROP	50.00	50.00
RBI	PROP	50.00	50.00	PROP	50.00	50.00
RBL	PROP	50.00	50.00	PROP	50.00	50.00
REDM	PROP	50.00	50.00	PROP	50.00	50.00
TEJO	PROP	25.00	12.69	PROP	25.00	12.69

Consolidated financial statements

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
S2M	PROP	50.00	29.97	PROP	50.00	29.97
SOARES	PROP	50.00	50.00	PROP	50.00	50.00
TPT-SGPS	PROP	50.00	50.00	PROP	50.00	50.00
TRANSCOVILHA	PROP	25.00	25.00	PROP	25.00	25.00
TRANSCOVIZELA	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV MOBILIDADE	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV PORTUGAL				PROP	50.00	50.00
TRISAN	PROP	50.00	50.00	PROP	50.00	50.00
TRPN				PROP	50.00	50.00
UMJ	PROP	50.00	50.00	PROP	50.00	50.00
VIUVA CARNEIRO	PROP	50.00	50.00	PROP	50.00	50.00
GPS	PROP	25.00	12.75			
SERBIA						
TOURING SERBIA	EQUITY	50.00	10.39	EQUITY	50.00	10.39
VEOLIA TRANSPORT LITAS A.D.	PROP	50.00	32.14	PROP	50.00	32.14
VEOLIA TRANSPORT LUV D.O.O.	PROP	50.00	32.50	PROP	50.00	32.50
CZECH REPUBLIC						
CONNEX CR S.R.O.	PROP	50.00	32.50	PROP	50.00	32.50
ORLOBUS				PROP	50.00	32.50
TOURING BOHEMIA	PROP	25.00	10.39	PROP	25.00	10.39
VEOLIA EUROLINES CZ A.S.	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT Ceská REPUBLIKA A.S.	PROP	50.00	32.50	PROP	50.00	32.50
VEOLIA TRANSPORT MORAVA A.S.	PROP	50.00	32.50	PROP	50.00	32.50
VEOLIA TRANSPORT PRAHA S.R.O.	PROP	50.00	32.50	PROP	50.00	32.50
VEOLIA TRANSPORT TEPLICE S.R.O.	PROP	50.00	32.50	PROP	50.00	32.50
VEOLIA TRANSPORT VYCHODNI CECHY A.S.	PROP	50.00	32.50	PROP	50.00	32.50
RÉUNION						
CMTS (MAYOTTE)	PROP	50.00	50.00	PROP	50.00	50.00
VT SERVICE REUNION	PROP	50.00	50.00	PROP	50.00	50.00
UNITED KINGDOM						
BLAZEFIELD BUSES	PROP	50.00	50.00	PROP	50.00	50.00
BLAZEFIELD TRAVEL GROUP	PROP	50.00	50.00	PROP	50.00	50.00
BURNLEY & PENDLE TRAVEL	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX JERSEY	PROP	50.00	50.00	PROP	50.00	50.00
CONNEX SOUTH EASTERN	PROP	50.00	50.00	PROP	50.00	50.00
EURAILCO UK LIMITED NEW	PROP	50.00	50.00	PROP	50.00	50.00
GREEN TOMATO CARS	PROP	50.00	50.00	PROP	50.00	50.00
HARROGATE & DISTRICT TRAVEL	PROP	50.00	50.00	PROP	50.00	50.00
KEIGHLEY & DISTRICT TRAVEL	PROP	50.00	50.00	PROP	50.00	50.00
LANCASHIRE UNITED	PROP	50.00	50.00	PROP	50.00	50.00
LONDON UNITED LTD	PROP	50.00	50.00	PROP	50.00	50.00
NOTTINGHAM TRAM CONSORTIUM	PROP	25.00	25.00	PROP	25.00	25.00
OY BIKE	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV RATP PROJECT UK	PROP	50.00	50.00	PROP	50.00	50.00
LONDON SOVEREIGN LIMITED	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV BLAZEFIELD LIMITED	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV CLAIMS INVESTIGATIONS	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV NORTHERN BLUE	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV PLC	PROP	50.00	50.00	PROP	50.00	50.00
TRANSDEV TRAM UK	PROP	50.00	50.00	PROP	50.00	50.00

GROUPS/COMPANIES	31 December 2012			31 December 2011		
	Method	% control	% interest	Method	% control	% interest
TRANSDEV YORK	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT UK HOLDINGS LIMITED	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT UK RAIL LIMITED	PROP	50.00	50.00	PROP	50.00	50.00
YORKSHIRE COASTLINER	PROP	50.00	50.00	PROP	50.00	50.00
TRIDENT LIMITED LTD	PROP	50.00	50.00			
SLOVAKIA						
VEOLIA TRANSPORT NITRA A.S	PROP	50.00	19.66	PROP	50.00	19.66
VEOLIA TRANSPORT SERVICES S.R.O	PROP	50.00	32.50	PROP	50.00	32.50
SLOVENIA						
VEOLIA TRANSPORT DOLENJSKA IN PRIMORSKA	PROP	50.00	32.48	PROP	50.00	32.48
VEOLIA TRANSPORT STAJERSKA D.D.	PROP	50.00	24.66	PROP	50.00	24.66
SWEDEN						
AB GÖTEBORGS-STYRSÖ SKÅRGÅRDSTRAFIK	PROP	50.00	50.00	PROP	50.00	50.00
ÄLVSBY RESEBYRÅ AB	PROP	50.00	50.00	PROP	50.00	50.00
BUSSDEPÅN I KRISTIANSTAD AB	EQUITY	24.50	24.50	EQUITY	24.50	24.50
FAC FLYGBUSSARNA AIRPORT COACH	PROP	50.00	50.00	PROP	50.00	50.00
GRANBERGS BUSS	PROP	50.00	50.00	PROP	50.00	50.00
KB BUSSNINGEN	PROP	50.00	50.00	PROP	50.00	50.00
MERRESOR I SVERIGE AB				PROP	25.00	25.00
PEOPLE TRAVEL GROUP INTERNATIO				PROP	50.00	50.00
PTG CHARTER AB	PROP	50.00	50.00	PROP	50.00	50.00
TAXI STOR & LITEN I GÄVLE AB	PROP	50.00	45.49	PROP	50.00	45.49
UMEÅ BUSSTATION AB				EQUITY	10.25	10.25
VEOLIA TRANSPORT SVERIGE AB	PROP	50.00	50.00	PROP	50.00	50.00
VEOLIA TRANSPORT SWEDEN HOLDING AB	PROP	50.00	50.00	PROP	50.00	50.00
VELIMO AB	PROP	50.00	30.00	PROP	50.00	30.00

(1) Dexia: Deconsolidated as of 31 December 2012.

(2) Up to 31 December 2011, SCET was consolidated by SNI prior to Caisse des Dépôts acquiring a direct shareholding.

(3) CNP Assurances: 40.54% interest before adjustment for CNP treasury stock.

(4) Icade SA: 41.71% interest before adjustment for Icade treasury stock.

(5) SAS Paris Nord Est is 50%-owned by Caisse des Dépôts and 30%-owned by Icade Foncier Développement.

(6) Including the 18.9% joint shareholding with Caisse des Dépôts.

(7) Including the 24.94% joint shareholding with Caisse des Dépôts.

(8) Including the 14.26% joint shareholding with Caisse des Dépôts.

Consolidation methods - FULL: full consolidation - PROP: proportional consolidation - EQUITY: equity method.

Caisse des dépôts et consignations

Statutory Auditors' report on the consolidated financial statements

For the year ended 31 December 2012

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.

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 compliance with the assignment entrusted to us, we hereby report to you, for the year ended 31 December 2012, on:

- ▶ the audit of the accompanying consolidated financial statements of Caisse des dépôts et consignations;
- ▶ the justification of our assessments;
- ▶ the specific verification required by law.

These consolidated financial statements have been approved by the Chairman and Chief Executive Officer. Our role is to express an opinion on these consolidated financial statements based on our audit.

I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2012 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II - Justification of our assessments

The accounting estimates used in the preparation of the financial statements for the year ended 31 December 2012 were made in a complex environment resulting from the current climate of the financial markets

and the economic crisis, as described in section I "Basis of preparation of the financial statements" of Note 2 "Summary of significant accounting policies" to the consolidated financial statements. It is in this context that, in accordance with the requirements of Article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

Impairment of investments in associates, goodwill and indefinite-lived intangible assets

Caisse des Dépôts Group tests investments in associates, goodwill and indefinite-lived intangible assets for impairment. These tests are performed as described in sections III. 2 and III. 8 of Note 2 "Summary of significant accounting policies" to the consolidated financial statements. These impairment tests resulted in the recognition of impairment losses (sections V "Veolia Transdev" and VI "SIF's participating interest in France Telecom" of Note 1 "Significant events" and Notes 4.10 and 4.12 to the consolidated financial statements).

We have assessed the Group's impairment testing procedures and the related assumptions, as well as the inputs used for estimating impairment losses recognised to bring carrying amounts back in line with fair value and we have verified the appropriateness of their presentation in the notes to the consolidated financial statements mentioned above.

Impairment of available-for-sale financial assets

As set out in section VII of Note 1 "Significant events" and section III.1.2 of Note 2 "Summary of significant accounting policies" and Notes 3.4 and 4.3 to the consolidated financial statements, the Group recognises impairment losses on available-for-sale financial assets:

- ▶ for equity instruments when there is objective evidence of a significant or prolonged decline in the fair value of the investment;
- ▶ for debt securities when there is a proven counterparty risk.

We have assessed the processes used for identifying indications of impairment and estimating impairment losses recognised to bring carrying amounts back in line with fair value.

Insurance business

Certain technical items specific to the insurance business carried on both the asset and liability sides of the statement of financial position, notably

technical reserves and the deferred participation reserve are estimated based on statistical and actuarial considerations, as set out in section III.12 of Note 2 “Summary of significant accounting policies” and Note 4.17 to the consolidated financial statements.

We have assessed the methods applied and the consistency of the assumptions used.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verification

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group’s management report.

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

Neuilly-sur-Seine and Courbevoie, 2 April 2013

The Statutory Auditors

PricewaterhouseCoopers Audit

Handwritten signatures of Patrice Morot and Bruno Tesnière. Patrice Morot's signature is on the left, and Bruno Tesnière's is on the right.

Patrice Morot

Bruno Tesnière

Mazars

Handwritten signatures of Charles de Boisriou and Gilles Rainaut. Charles de Boisriou's signature is on the left, and Gilles Rainaut's is on the right.

Charles de Boisriou

Gilles Rainaut

Caisse des Dépôts business review and corporate social responsibility report, as well as the financial statements and the savings funds report, are all available on the corporate website at: www.groupecaisseledesdepots.fr/en

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Note to the reader

The French version of the 2011 financial report includes the audited consolidated financial statements of Caisse des Dépôts Group, the audited financial statements of Caisse des Dépôts Central Sector, and the audited financial statements of the savings funds centralised by Caisse des Dépôts. The English version of the report includes solely the audited consolidated financial statements of Caisse des Dépôts Group. The detailed financial statements for the subsidiaries and for other organisations and establishments managed by Caisse des Dépôts are not presented in this report, but in specific reports prepared by those entities.

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