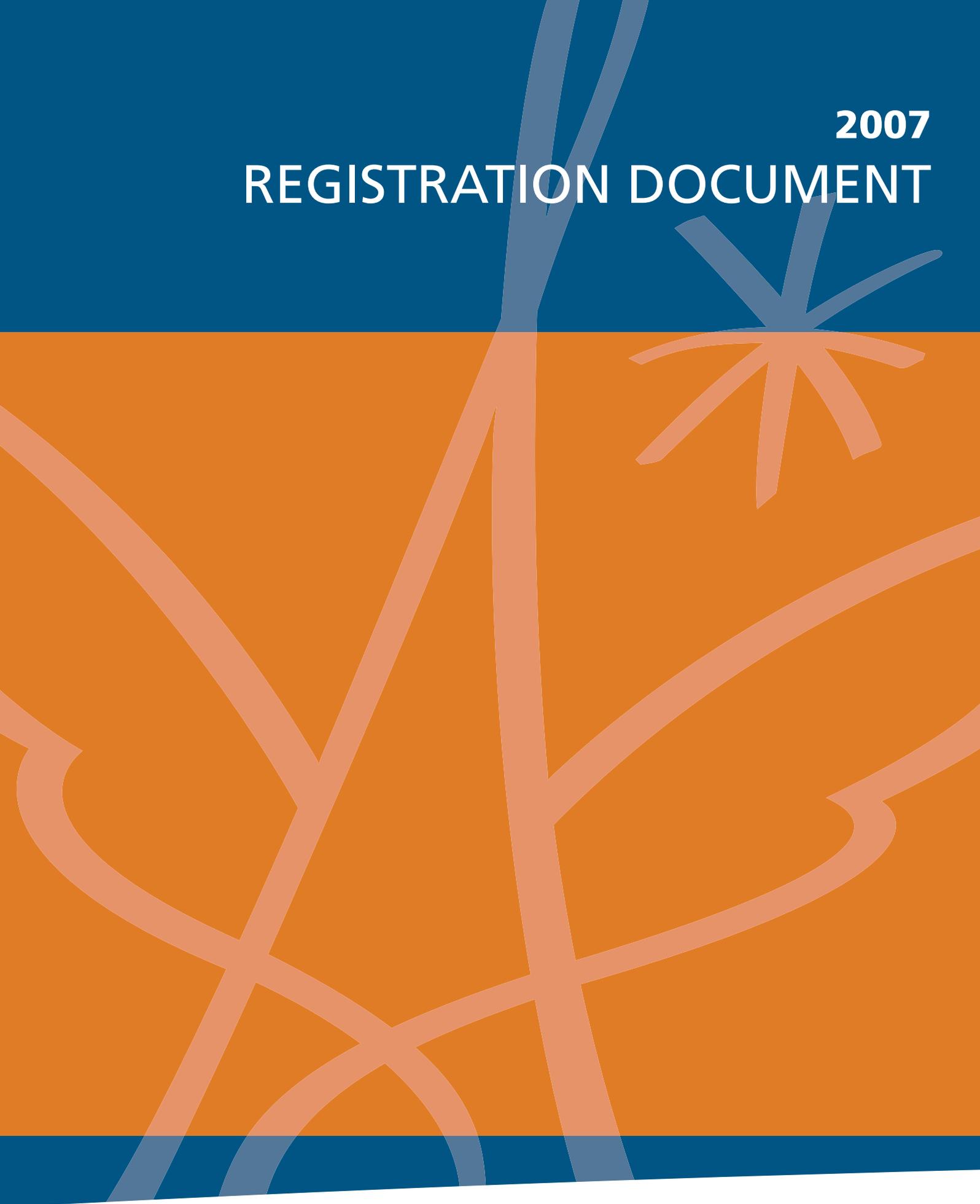


2007

REGISTRATION DOCUMENT



AÉROPORTS DE PARIS



Aéroports de Paris

A Société Anonyme with a share capital of 296,881,806 euros

Registered office: 291 boulevard Raspail, 75014 Paris

552 016 628 RCS Paris

2007 REGISTRATION DOCUMENT

Including the annual financial report



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In due application of article 28 of the European Commission's regulation EC n° 809/2004, this Registration Document refers to information contained in:

- The consolidated financial statements of Aéroports de Paris for the years ended December 31, 2005, drawn up to IFRS standards, and the report by the statutory auditors and related bodies, in the Aéroports de Paris Listing Prospectus registered by the Autorité des Marchés Financiers on April 21, 2006 as number I.06-036 (the Document de Base) on pages 191 - 249, 309 and 310;
- The consolidated financial statements of Aéroports de Paris for the years ended December 31, 2006, drawn up to IFRS standards, and the report by the statutory auditors and related bodies, in the Aéroports de Paris Registration Document registered by the Autorité des Marchés Financiers on April 27, 2007 as number R.07-047 (the "2006 Registration Document") on pages 210 - 272;
- Examination of the financial position and income of Aéroports de Paris for the years ended December 31, 2005 and 2006 set out in the Registration Document on pages 135 – 143;
- The statutory auditors' report on agreements with related parties for the fiscal year ended December 31, 2006 is attached as Appendix 3 of the Registration Document, on pages 273 to 277.

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CHAPTER 1 PERSONS RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL STATEMENT

In this document, the expressions "Aéroports de Paris" or the "Company" refer to Aéroports de Paris S.A. The term the "Group" refers to the group of companies that make up the Company and all its subsidiaries.

1.1. Person in charge of the Registration Document and 2007 annual financial statement

Mr. Pierre Graff, Chairman and Chief Executive Officer (Président-directeur général) of Aéroports de Paris.

1.2. Statement of the person responsible

Having taken all reasonable care for such purpose, we certify that, to the best of our knowledge, the information contained in this Registration Document, including its appendices, accurately reflects reality and contains no omission likely to affect its meaning.

We certify that, to the best of our knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all the companies in its consolidation scope. The management report included in the financial annual report attached as appendix 11 to this Registration Document presents a true picture of business developments, results and the financial position of the Company and all the companies in its consolidation scope as well as a description of the main risks and uncertainties that they face.

We have obtained an Accountant's certificate (*lettre de fin de travaux*) from the statutory auditors, in which they indicate having verified the information relating to the financial position and the financial statements provided for herein, and that they have read the document in its entirety.

This letter does not contain any observations.

The historical financial data provided herein have been discussed in a report by statutory auditors, attached as Appendix 2 to this Registration Document. Without qualifying the opinion that they have expressed on the financial statements, the statutory auditors, in their report on the annual consolidated financial statements for the year ended December 31, 2007 in Appendix 2 of the Registration Document for 2007, made an observation drawing the reader's attention to the information relating to the Economic Regulation Contract in note 3.1.2. of the notes to the consolidated financial statements and note 1.2. of the notes to the annual financial statements. Without qualifying the opinion that they have expressed on the financial statements, the statutory auditors, in their report on the consolidated financial statements for the year ended December 31, 2005 attached as Appendix 6 of the *document de base* registered with the Autorité des Marchés Financiers on April 21, 2006 under the number I.06-036, made an observation drawing the reader's attention to the information relating to the accounting treatment used and the financial consequences of the accident in Terminal 2E of the Paris-Charles de Gaulle airport. These financial statements and auditors' reports are included by reference to this Registration Document.

The information concerning the result, forecasts or estimations presented in this Registration Document has given rise to an auditor's report, which is attached as appendix 9 to this Registration Document.

The Chairman and Chief Executive Officer

Pierre Graff

CHAPTER 2 STATUTORY AUDITORS

2.1. Statutory auditors in 2007

- Ernst & Young Audit
Faubourg de l'Arche, 11 allée de l'Arche, 92037 Paris La Défense Cedex
Represented by Mr Alain Perroux

- Salustro Reydel, member of KPMG International
1 cours Valmy, 92923 Paris La Défense Cedex
Represented by Mr Philippe Arnaud

2.2. Alternate auditors in 2007

- Auditex
Faubourg de l'Arche, 92037 Paris La Défense Cedex
Represented by Mr Gérard Delprat

- Mr Bernard Lelarge
61 rue La Boétie, 75008 Paris

2.3. Term of office of the auditors

Ernst & Young Audit and Salustro Reydel, member of KPMG International, have been statutory auditors of Aéroports de Paris since January 19, 2004 (financial statements relating to the fiscal year ended December 31, 2003). Mr Bernard Lelarge was appointed alternate auditor on the same date. The audit firm, Auditex was appointed alternate auditor at the ordinary general meeting held on May 29, 2007. The terms of all the auditors (statutory and alternate) will end after the annual general meeting called to approve the financial statements of the year ended December 31, 2008.

CHAPTER 3 SUMMARY FINANCIAL DATA

The tables below show extracts from the Group's balance sheets, income statements and cash flows in consolidated format for the years ended December 31, 2006 and 2007. In due application of EC regulation No. 1606/2002 of July 19, 2002 in relation to the application of international accounting standards, the consolidated accounts of Aéroports de Paris for the years ended December 31, 2006 and December 31, 2007 were drawn up in accordance with the IFRS standards as adopted by the European Union.

Consolidated income statement 2006-2007

In millions of euros	31/12/07	31/12/06	2007 / 2006
Revenue ⁽¹⁾	2,292.4	2,076.8	+10.4%
EBITDA ⁽²⁾	754.4	664.7	+13.5%
Operating income from ordinary activities ⁽³⁾	442.1	390.9	+13.1%
Operating income	403.3	333.9	+20.8%
Net financial income (loss) ⁽⁴⁾	24.2	-84.5	ns
Net income ⁽⁵⁾	321.8	152.1	+111.5%
Net income, excluding non-recurring items ⁽⁶⁾	239.0	200.6	+19.2%

(1) Income from ordinary activities

(2) EBITDA: earnings before interest, tax, depreciation and amortization.

(3) Operating income from ordinary activities is operating income before the impact of certain non-recurring revenues and expenses (see below).

(4) Net income attributable to shareholders of Aéroports de Paris.

(5) See paragraph 9.3.5. "Net income trend" and note 17 of the notes to the consolidated financial statements attached as appendix 1 to this Registration Document

(6) Non-recurrent expenses and revenues for 2006 (in particular following the IPO) and 2007 (in particular provision for the reorganization of ground handling and capital gains on the sale of BCIA securities).

ns : not significant

Consolidated balance sheet 2006-2007

In millions of euros	31/12/07	31/12/06	2007 / 2006
Non-current assets	5,645.9	5,423.5	+4.1%
Current assets	1,190.2	1,117.8	+6.5%
Total assets	6,836.1	6,541.4	+4.5%
Shareholders' equity	2,952.0	2,786.8	+5.9%
Non-current liabilities	2,535.3	2,766.3	-8.4%
Current liabilities	1,348.8	988.3	+36.5%
Total liabilities	6,836.1	6,541.4	+4.5%

Consolidated cash flow statement 2006-2007

In millions of euros	31/12/07	31/12/06	2007 / 2006
Cash flow from operating activities	700.4	551.8	+26.9%
Cash flow from investment activities	-442.8	-555.5	-20.3%
Cash flow from financing activities ⁽¹⁾	-252.9	125.6	ns
Change in cash	4.7	121.8	-96.1%
Cash at the beginning of the year	503.1	381.3	+31.9%
Cash at the end of the year	507.8	503.1	+0.9%

(1) See paragraph 10.2.3. "Cash flow from financing activities"

Net financial debt as at December 31, 2006 and 2007

In millions of euros	31/12/07	31/12/06	2007 / 2006
Financial debt	2,341.8	2,419.5	-3.2%
Derivative financial instruments (liability)	11.7	9.2	+27.5%
Gross debt	2,353.5	2,428.7	-3.1%
Derivative financial instruments (assets)	-47.5	-59.8	-20.7%
Cash and cash equivalent	-524.1	-509.2	+2.9%
Net debt	1,782.0	1,859.7	-4.2%

Market risks are described in paragraph 10.7.

CHAPTER 4 RISK FACTORS

The Company operates in an environment which generates numerous risks, some of which are beyond the Company's control. The reader should consider carefully the significant risk factors described below, to which the Company considers itself to be exposed. These risk and additional risk factors not currently known or which are currently deemed immaterial may also impair Aéroports de Paris operations. Aéroports de Paris' operations, business or financial results could be materially adversely affected by any of these risks.

4.1. Risks related to the business activities of Aéroports de Paris

Aéroports de Paris' revenues depend mainly on levels of air traffic, which in turn depend on factors that Aéroports de Paris does not control

Aéroports de Paris' revenues are closely linked to levels of passenger and cargo traffic and the number of plane movements at the airports it operates. These factors directly determine revenues from airport fees and indirectly determine revenues generated from shops and car parks.

The level of air traffic to or from the Paris airports, both in terms of numbers of passengers and cargo volumes, depend on numerous factors, some of which are beyond the control of Aéroports de Paris, including:

- the general level of economic growth, particularly in France and the rest of Europe,
- the political and public health situation in France and elsewhere in the world (see below),
- the strategies and successes of airlines and alliances that have important network hubs at the Aéroports de Paris airports, chief amongst them the Air France-KLM group and the SkyTeam alliances,
- the attractiveness of the airports managed by Aéroports de Paris relative to that of other European airports (particularly London, Amsterdam, Frankfurt and Madrid),
- competition from high-speed trains (TGV, Thalys and Eurostar),
- fluctuations in oil prices (which can have a negative impact on traffic through measures such as the fuel surcharge imposed by airlines following the rise in oil prices since 2005),
- the size of planes, their passenger level and their destinations, since fees charged for international flights are greater than those for domestic or European flights,
- the number of, allocation of and limitations on permitted take-off and landing slots (see below),
- more generally, administrative decisions that impose specific charges on air transport which could adversely affect air transport, even if the actual impact of such charges on traffic is difficult to assess.

Air traffic and its distribution between geographical regions for flights to or from Paris airports might not reach expected levels¹ and could thus have significant negative effects on revenues of Aéroports de Paris, its results and its financial position.

¹ See 6.2.2 "Air passenger traffic worldwide and in France"

A significant share of Aéroports de Paris' business is linked to the business of the Air France-KLM group

Aéroports de Paris' business, results and financial position are in part linked to the activities of the Air France-KLM group. This group, a member of the SkyTeam alliance, is Aéroports de Paris's largest client. In 2007, the Air France-KLM group represented revenues of 524 million euros (318.9 million euros of which were airport fees), or approximately 23% of the Group's total revenues. In addition, passengers carried by the airlines in the Air France-KLM group and the SkyTeam alliance generate a significant share of the Group's other revenues, such as commercial revenues.

A change in the Air France-KLM group's strategy (particularly whether it continues to use the hub system), the closure or relocation of certain routes, financial difficulties at the Air France-KLM group or a decline in the quality of its services would have, at least in the short term, a significant impact on the Group's business, profits and financial position. Moreover, in making investment decisions, the Group takes into consideration the requirements of its clients, especially airlines, the first of which is the Air France-KLM group.

A major part of Aéroports de Paris activities are regulated

Aéroports de Paris operates in a regulated business environment. By way of illustration, airport fees and airport security tax accounted for 47.9% of Group revenues in 2007, as against 49.3% in 2006. French laws and regulations, European regulations and rulings by French and international courts with jurisdiction over airports and air transport have a direct influence on Aéroports de Paris' profits. As with all regulated sectors, future changes to regulations, or to their interpretation by government authorities or by the courts, could result in additional expenses for Aéroports de Paris and have a negative impact on its revenues, results of operations and financial position. For example:

- the conditions for changes in airport fees are determined under multi-year contracts lasting up to five years entered into with the French government or, in the absence of a multi-year contract, on an annual basis under conditions set by government decree. As part of the consultation process, which precedes the setting of changes in fees, airlines, particularly Air France-KLM, are invited to submit their comments and views on any changes. The interests of airlines are different from those of Aéroports de Paris,
- under the multi-year contracts entered into with the French government, changes in the fees paid by airlines are based on estimated future results of operations that go beyond aviation activities to include projected commercial revenues and revenues from certain other activities,
- take-off and landing slots are allocated by an independent body, which could make decisions on the allocation of take-off and landing slots that would be disadvantageous to Aéroports de Paris (see below),
- the French Government determines the security policy to be implemented under its supervision and has allocated responsibility for aspects of security to Aéroports de Paris. Increasingly strict rules could be adopted by European or French authorities, particularly in response to serious political events, or as part of a heightened drive to eliminate terrorism, which could lead to more demanding operational requirements, the implementation of programs to upgrade facilities or an increase in the inconvenience to passengers caused by the various security measures,
- security costs, which were 374.2 million euros for the Group in 2007, are currently financed by an airport security tax, designed to cover all costs borne by Aéroports de Paris in performing this public service. Aéroports de Paris cannot, however, guarantee that there will not be changes in regulations that affect the coverage of costs.
- the Government sets the legal framework for airport and air transport safety. This legal framework could be strengthened, placing additional obligations on Aéroports de Paris

The parameters for changes in the level of airport fees received by Aéroports de Paris could be changed when the Contrat de Régulation Economique expires or if this agreement is revised or terminated early

Under Article L. 224-2-II of the French Civil Aviation Code, conditions for changes in airport fees are determined by a multi-year contract with the French government, lasting for a maximum of five years (in 2007 the fees accounted for 31.9% of Group revenues, as against 32.1% in 2006). In the absence of any such contract, airport fee rates are set for a one-year period after approval by the Ministers responsible for civil aviation and the economy. The first multi-year contract between Aéroports de Paris and the French government is known as the "Contrat de Régulation Economique" (CRE) and was signed on February 6, 2006, covering the period from 2006-2010. Article L. 224-2 of the Civil Aviation Code requires that the conditions governing changes in airport fees take into account forecasts of costs, revenues and investment and of the quality of public service provided by the airport operator, while Article R. 224-3-1 of the Code provides that the airport operator receives, based on these factors, a fair return on capital invested, evaluated by reference to the weighted average cost of its capital. Aéroports de Paris cannot, however, give any assurance regarding the level of fees that the French government will authorize it to charge after 2010. In addition, the CRE may be modified or terminated early in the event of a circumstance that fundamentally changes the economics of the contract².

Litigation has been filed or is likely to be filed seeking to annul some pricing decisions. If successful, this litigation could have, at least temporarily, an adverse impact on the results of operations of the Group.

Appeals were lodged before the Council of State against the 2006 and 2007 tariff decisions involving a new procedure for setting tariffs in accordance with the Council of State ruling of July 11, 2007. Actions for annulment were likewise lodged with a view to repayment of certain sums billed for these tariff periods, and actions for annulment in opposition to the creation and setting of restricted-area circulation fees were submitted to the Council of State. For more details on the appeals, see section 20.8 "Legal proceedings". No guarantee can be provided as to the possible result of these proceedings. A favorable ruling by one of the judges concerned and, a fortiori, several judges, could have an unfavorable effect on the Group's net income for the year or years concerned.

Aéroports de Paris has no control over the number or allocation of take-off and landing slots and as a result is not in a position to optimize their use

As the number of take-off and landing slots at airports is limited, air traffic depends on the allocation of slots and the efficient use of the slots allocated. At Paris-Charles de Gaulle and Paris-Orly airports, allocation of slots and monitoring of their correct use by airlines is, under a ministerial order of August 9, 1996, the sole responsibility of COHOR, the Association pour la Coordination des Horaires (Timetable Coordination Association), whose members are airlines (Aigle Azur, Air France, Britair, CCM Airlines, Corsairfly, Europe Airpost, Régional and XL Airways) and airport operators (Aéroports de Paris, Aéroport de Lyon-Saint Exupéry and Aéroport de Nice Côte d'Azur). In practice, and in order to meet European regulations, COHOR has appointed a delegated coordinator for the effective allocation of slots. The delegated coordinator, who must act in a way that is neutral, non-discriminatory and transparent, may decide to allocate the slots that become available at each airport, i.e. slots that are unused by an airline, slots freed by an airline that ceases operations or slots created by an increase in airport, and particularly runway, capacity, to routes generating low traffic volumes. In addition, as part of its public service mission, the French government each year reserves a certain number of slots at the Paris-Orly airport for allocation to so-called national improvement routes, providing regional links. For example, 32,374 of the 250,000 slots available under the regulations each year are currently reserved. Lastly, at Paris-Charles de Gaulle airport, the number of available slots depends in part on factors outside the control of

² See 6.3.2.6. "Revenues from the Operation of Airports"

Aéroports de Paris, and in particular on the number of hourly movements that can be managed by air traffic control services.

Regulatory constraints regarding environmental protection could limit the business activities of Aéroports de Paris, hamper its growth or require substantial expenditure

Aéroports de Paris' business activities are governed by stringent environmental protection regulations, relating in particular to noise pollution, air quality, the protection of water resources and waste management.³. In particular:

- Aéroports de Paris' business at the Paris-Orly airport is subject to limits on the number of take-off and landing slots available, runway use procedures and night take-off and landing times for planes, with a view to minimizing disturbance, particularly noise pollution. Activities at Paris-Charles de Gaulle airport are also limited in terms of the number of take-off and landing slots at night and volume of noise,
- while not directly applicable to Aéroports de Paris, regulations governing airlines, particularly in terms of air quality and fuel use, have an impact on air traffic (in terms of the volume and type of traffic) and thus on the revenues of Aéroports de Paris.

A tightening of environmental protection regulations, or of their interpretation by the authorities, could require significant expenditure by Aéroports de Paris (even though in principle this would be offset by an adjustment mechanism in the CRE) and create restrictions on the use of equipment or facilities. This could have a negative impact on Aéroports de Paris' business, growth prospects, financial situation or results of operations.

Aéroports de Paris operates in a competitive environment

The competition faced by Aéroports de Paris could intensify in all business areas, including both the operation of its airports and related businesses:

- Aéroports de Paris, and more particularly Paris-Charles de Gaulle airport, is in direct competition with other major European airports operating as hubs (primarily London-Heathrow, Amsterdam-Schiphol, the second hub of the Air France-KLM group, Frankfurt and Madrid-Barajas). In 2007, connecting passengers represented 31.6% of passenger traffic at Paris-Charles de Gaulle and 24.4% of total passenger traffic at the Group's airports. This competition is increased by the strategy of many airlines, in the face of growing competition in air transport to create marketing alliances resulting in networks of routes, thus maximizing their sales offering to clients seeking to fly anywhere in the world while dealing with a single carrier and single ticketing agent,
- Aéroports de Paris, and more particularly Paris-Charles de Gaulle airport, is in direct competition with these same airports to be the European choice for intercontinental routes, which generally seek to use airports offering a broad range of connecting flights to their passengers,
- Aéroports de Paris, and more particularly Paris-Orly airport, competes on journeys of less than three hours with rail services, especially high-speed rail services (TGV, Thalys and Eurostar), the network of which continues to expand,
- low cost airlines have become key players in the European air transport market. Aéroports de Paris competes for their flights with airports serving the Ile-de-France region that are not managed by Aéroports de Paris (in particular Beauvais-Tillé airport),
- ground handling services have been open to competition since 1998 and this competition has had a significant negative impact on income from this business,

³ See 6.6.2.5. "Attribution of Take-off and Landing Slots" and 6.7. "Environmental information"

- the Group's other activities (real estate, airport retail facilities and international expansion in the fields of architecture and engineering for airport infrastructure and systems, airport management and technical support and telecommunications on complex sites) face competition to a greater or lesser degree from numerous other companies, many of which have already acquired considerable experience in their business.

Aéroports de Paris' activities are subjected to increasing competition⁴, which could increase further in the short-term, particularly due to constraints in terms of costs and quality imposed on European airports.

Aéroports de Paris has made or plans substantial investment; the return on investment could fall short of Aéroports de Paris' expectations

Given that growth in air traffic at the airports operated by Aéroports de Paris is directly related to the availability of facilities on the ground, Aéroports de Paris made significant investments, and is planning to make more, primarily under the investment program for 2006 to 2010 associated with the CRE⁵. Given the time required for the construction and implementation of complex infrastructures, investments must be planned long in advance and the investment decision is made several years before the corresponding facility comes into operation. By way of example, for a new air terminal, the successive phases of engineering and design, site preparation, major construction, secondary construction, installation of electrical and mechanical equipment and testing, mean that a lead time of between four and six years is required, depending on the complexity of the terminal. However, growth in air traffic is more gradual and can be interrupted by isolated factors such as geopolitical events or public health problems. If growth in air traffic is lower or slower than assumed at the time an investment is planned, the return on investment could be lower than expected and perhaps insufficient to provide a satisfactory return on capital employed

If the international air transport market changes, Aéroports de Paris could have to adapt some of its facilities

If the hub model, currently employed by numerous airlines and operated at the Paris-Charles de Gaulle airport by the Air France-KLM group, the Group's main client, were to be abandoned in favor of direct routes, Aéroports de Paris could be forced to adapt certain features and infrastructure of the Paris-Charles de Gaulle airport that are currently geared towards serving connecting passengers, who make up 31.6% of passenger traffic at this airport in 2007. In addition, some of the infrastructure at Aéroports de Paris has been specifically adapted or created to accommodate connecting traffic, and a change to this model early in the life of such infrastructure could have a significant effect on their profitability.

In making its decisions on investment and infrastructure, Aéroports de Paris must take strategies of the airlines into account. However, airlines choose the type of airplanes they will buy or charter and the routes that they will favor as a function of numerous criteria that are difficult to predict. The strategic choices of airlines, possible changes in these choices and the delivery schedules of new aircraft could therefore have an impact on the future investment policies of Aéroports de Paris and on the return on its past investments. For instance, the use of heavier or more spacious aircraft requires specific infrastructures.

Aéroports de Paris could be obliged to adapt some of its facilities to be compatible with new technological developments

If the technology used by companies in the air transport market changes, Aéroports de Paris could have to adapt its facilities (as demonstrated by the launch of the A380, which will require some airports to modify their infrastructure), and its revenues could be negatively affected. In addition, although the CRE provides some mechanisms for compensation, technological changes such as

⁴ See paragraphe 6.2.5.1. "Competition"

⁵ See 5.2. "Investments"

online check-in and electronic ticketing could render the Group's facilities obsolete and have a negative impact on revenues.

Aéroports de Paris is exposed to risk related to the business of construction of complex structures

The complexity of Aéroports de Paris' infrastructure, as for example the east baggage handling (TBE) system at Paris-Charles de Gaulle airport, could be a source of significant delay in the construction or implementation of projects or could lead to significant over-runs on planned budgets. These delays or over-runs could have significant negative consequences on the Group's revenues, its results of operations and its financial position. Such delays could also have a negative impact on the planned expansion of capacity at the airports operated by Aéroports de Paris and on the Group's image. Delays of this type could also lead to additional operating expenses if they are accompanied by budget over-runs, or even operating losses if they persist for a significant period of time. Aéroports de Paris could also be obliged to pay contractual penalties if it delivers projects with significant delay.

Aéroports de Paris might also have to bear the financial consequences of problems with construction carried out on its behalf. For example, the collapse at terminal CDG 2E at Paris-Charles de Gaulle airport resulted in the temporary closure of the terminal and could lead to legal action against Aéroports de Paris⁶. Aéroports de Paris could also suffer financial consequences if construction defects become apparent after the expiration of warranty periods provided by contractors.

Aéroports de Paris is exposed to risk related to the operation of airports

Aéroports de Paris has obligations to protect the public at its airports and to reduce the risk of accidents at its airports. These obligations can be divided into five types of risks:

- the facilities Aéroports de Paris makes available to airlines must be in good operational order. A malfunction or delay in implementation (for example, a delay in the ramp-up of the new baggage handling system at Paris-Charles de Gaulle) could have a negative effect on relations with airlines, on the image of the Group or on its results of operations (which depend in part on revenues arising from the proper operation of its facilities),
- poor weather conditions, labor disputes, technical problems (for example, a failure of computer networks) or political events (for example, blockades by truck drivers), could all result in temporary interruptions in airport services. In addition to the impact such interruptions may have on air traffic and thus on Group revenues, such events are often subject to intense media coverage, particularly if there are major inconveniences to passengers. A protracted closure of one or more of the Group's airports could negatively affect the perception of Aéroports de Paris' quality of service,
- as with any company dealing with members of the public, Aéroports de Paris is required to implement certain measures for the protection of the public, such as fire safety in public spaces, design and maintenance of car parks and access routes to meet the highway code and road safety rules, accessibility of the facilities for disabled and mobility impaired persons,
- as an airport operator, Aéroports de Paris is required to implement certain measures specific to aviation activities: maintenance, management and supervision of aviation facilities, snow clearance, crash rescue and aircraft fire-fighting services (CRAFS), monitoring of traction and skid levels and measures to control the threat from birds and animals,
- Aéroports de Paris provides certain services for the State. For example, it implements, on behalf of the government, security and public health protection measures and it implements specific national programs (such as the Vigipirate national security alert plan and the Piratox

⁶ See 20.8. "Legal proceedings"

and Piratnet anti-terrorism measures). Paris-Orly, Paris-Charles de Gaulle, Paris- Le Bourget airports and Issy-les-Moulineaux heliport, have been classified as sensitive defense points (officially recognized as playing a major role in the defense of the country on a national or regional level), which requires the implementation of specific protective measures to ensure operational continuity.

Aéroports de Paris is exposed to the risk of failure of its sub-contractors

Aéroports de Paris sub-contracts some of its operations, particularly those relating to its security obligations. It is possible that some of these sub-contractors might fail to comply with their obligations.

Aéroports de Paris is exposed to the risk of a terrorist attack

As are all airport operators, Aéroports de Paris is constantly under threat of a terrorist attack. If this were to take place, in France or abroad, business levels at the Aéroports de Paris airports could be significantly affected following the probable considerable reduction in air traffic, for an indefinite period, as was seen following the September 11, 2001 attacks. If the attack was on one of the airports operated by Aéroports de Paris, the airport in question could be closed, in whole or in part, for the time needed to rescue any victims, investigate the circumstances of the attack and rebuild any damaged buildings and areas. There would also be a risk that victims of a terrorist act could hold Aéroports de Paris responsible for their suffering and seek compensation.

In addition, security measures could be reinforced as a result of a terrorist attack, thus increasing the inconvenience caused to passengers by the various security checks, reducing passenger handling capacity at the airports, considerably increasing the Group's expenditures for security (despite the fact the current system allows Aéroports de Paris to finance all security expenditures through airport taxes) and possibly leading to changes in the investment program.

Aéroports de Paris' insurance coverage could prove to be insufficient

While Aéroports de Paris seeks to insure all risks reasonably, the Group cannot guarantee that its insurance policies would cover all its liability in the event of an incident. In particular, Aéroports de Paris holds policies covering its civil liability as an airport operator, "civil liability - risk of war and other perils", and damage to property. Since 2007, it has taken out a business interruption insurance policy.⁷ The markets for airport insurance and for construction insurance are not particularly competitive, and a change in coverage policy by the insurance companies involved could reduce Aéroports de Paris's ability to satisfactorily insure itself, whether in terms of the coverage offered or in terms of cost. A certain number of Group assets cannot, by their nature, be covered by property insurance (notably runways, aircraft movement areas, and certain civil engineering works and infrastructure).

Air traffic could be affected by global public health crises such as epidemics

An epidemic, or the threat of one, could have a negative effect on traffic at the Group's airports and, in some cases, on the business, financial position and/or results of operations of the Group, due in particular to the high cost of special health protection measures that need to be put in place to limit the effects of this type of problem. In 2003, the Severe Acute Respiratory Syndrome (SARS) epidemic created a global scare, one of the main effects of which was a substantial drop in air traffic to and from Asia. This drop (9% in 2003) resulted in a corresponding decline in revenues received by Aéroports de Paris from routes serving Asian destinations.

Similarly, current fears of a pandemic caused by the spread of the H5N1 strain of avian influenza could potentially cut the levels of passenger traffic at airports operated by Aéroports de Paris.

⁷ See 4.3.3 "Main insurance policies"

Labor disputes could have an impact on the Group's business activities

Labor relations within the Group could become strained or there could be occasions of labor unrest. Strikes, slowdowns, retaliatory measures or other labor problems could disrupt the Aéroports de Paris' business and/or that of its subsidiaries. These strikes or other conflicts could arise not only within Aéroports de Paris and/or its subsidiaries, but also within other companies involved in the operation of its airports (for instance, strikes by sub-contractors, air traffic control, ground handling companies not belonging to the Group, or flight crews). As a result, its business, financial position and results of operations could be affected by labor disputes.

Aéroports de Paris is exposed to certain risks inherent in the real estate development business and in the real estate rental business

The real estate development business at Aéroports de Paris is exposed to certain risks arising, in particular, from the complexity of projects and the applicable regulations, the large number of parties involved and the official authorizations required. These risks include, in particular, the cancellation of projects for which initial design studies could have generated costs for Aéroports de Paris or the denial of requests for official authorizations (particularly changes in local town planning). Aéroports de Paris is also exposed to risks that can affect the profitability of this business, such as budget over-runs, additional costs relating to delayed delivery, or occupancy rates or rent levels that are below expectations.

More generally, as the owner of real estate assets that are rented, Aéroports de Paris is exposed to the risks of a drop in demand in the rental market or a reduction in the value of real estate assets following a weakening of the real estate market or non-payment of rent by tenants. Moreover, the Group's real estate assets are located on specific areas of the Paris region, limited to particular sites, and serve a single sector of the rental market, thus exposing the Company to fluctuations in this specific market.

Aéroports de Paris is exposed to certain risks related to the commercial business

A proportion of the Group's revenues is closely linked to the sales generated in the various commercial outlets located in Aéroports de Paris airports. The Group's revenues from renting commercial premises depend on the revenues of the commercial operators and, in the terminals of the Paris-Charles de Gaulle and Paris-Orly airports, the Group's revenues as a retail operator through Société de Distribution Aéroportuaire (a subsidiary that Aéroports de Paris owns jointly with Aelia, part of the Lagardère Services Group). The business of these commercial spaces could be affected by the enlargement of the European Union, which reduces the number of passengers entitled to purchase duty free goods. Aside from the impact of the level and nature of traffic⁸, certain factors inherent to commercial activity may also have an impact on Group results. The retail business is also subject to currency risks (product prices are higher, particularly for US, British and Japanese passengers, when the euro is strong) and to the effects of health policies that seek to reduce consumption of tobacco and alcohol, which could slow the expansion of this area of the Group's business activities.

Expansion into new business areas and the resulting investments by Aéroports de Paris might not generate expected returns

Aéroports de Paris and its subsidiaries are expanding in business areas that build on the Group's expertise: airport operation and international engineering, telecommunications services on complex sites, and retail management at airports. The risk profile of these businesses differs from that of the Group's airport businesses in France and could, in certain circumstances, require specific knowledge and experience, forcing the Group to acquire skills additional to those employed in airport operations. In addition, Aéroports de Paris cannot guarantee the successful expansion of these businesses and could thus find itself in a position of having undertaken substantial expenditures without receiving the expected returns on investments.

⁸ See 9.2.3. "Factors having a Significant Influence on the Group's Results"

Aéroports de Paris is exposed to risks in its international businesses

Aéroports de Paris generates part of its revenues outside France, particularly through its subsidiaries. In 2007, generated abroad was 74.5 million euros, or 3.2% of total Group revenue, a slight increase on 2006. These activities abroad expose the Group to the risks inherent to international businesses, primarily:

- risks relating to differences in the regulatory environment and changes in legislation and regulations, particularly in the areas of tax, construction and safety, environmental protection and employment rights,
- risks relating to limits imposed on repatriation of profits,
- risks relating to fluctuations in exchange rates,
- risks relating to political or economic changes affecting a given country or region (particularly given the concentration of the business of ADP Ingénierie and Aéroports de Paris Management in the Middle East),
- risks relating to the increased difficulty in recruiting staff and managing operational entities abroad.

The financial position of the Group could be negatively affected by interest rate fluctuations

The Group's business activities could be negatively affected by an increase in interest rates, primarily for the following reasons:

- Group debt was 2,341.8 million euros on December 31, 2007 (as against 2,419.5 million euros in 2006), of which 31.5% bore interest at variable rates and 68.5% bore interest at fixed rates (after taking into account hedging). These proportions were respectively 44.4% and 55.6% in 2006⁹,
- The Group's real estate business and the valuation of its real estate assets depend on the financing terms for real estate projects.

4.2. Risks relating to the ownership structure of Aéroports de Paris

Aéroports de Paris is controlled by the French government, which is its majority shareholder

Article L. 251-1 of the Civil Aviation Code provides that the French government must retain at least a 50% interest in Aéroports de Paris. According to French law, the majority shareholder controls the outcome of important decisions at shareholder meetings and, in particular, influence the appointment of directors, dividend policy and modifications of its by-laws. At the date of registration of this Registration Document, the State held 68.38% of the Company's share capital and voting rights.

4.3. Risk management

4.3.1. Risk management policy

Against a background of ever tighter national and international regulatory demands, and to ensure the excellence of its operations, Aéroports de Paris follows a risk management policy that aims to:

- identify, analyze, increase awareness of and reduce risks, as well as ensure the safe functioning of the Group's businesses,

⁹ See 10.7. "Market risks" and notes 5 and 32 of the notes to the consolidated financial statements attached as appendix 1

- deal with emergency or crisis situations under the best possible conditions, particularly those situations that result from accidents or malfunctions in the Group's businesses.

A specific action plan on Group risk management, included in the 2006-2010 strategic plan, was approved by the Board of Directors on July 11, 2006.

This action plan covers:

- the introduction of a continuous risk analysis system, based on the general Group risk evaluation prepared in early 2005 with the help of an external consultant on the basis of interviews conducted with directors and heads of operating units at the end of 2004. This evaluation helped improve the identification of major risks and prioritize the actions to be taken to reduce them and improve control over them,
- given the impact of operational continuity on the life of the Company and on air transport as a whole, the Executive Committee has decided to place special emphasis on operational risks. An initial mapping of operational risks was submitted to the Company's Executive Committee on October 16, 2006. It was presented again on June 11, 2007 after the actions implemented during the interval had resulted in a new risk rating. This mapping is updated each year to act as a guideline for drawing up operational plans for units,
- the preparation of a three-year risk reduction plan, elements of which will be integrated into the operating plans of the various Group entities, granting priority to technical risks in relation to exercise of airport activity and restitution of ageing facilities to their previous status,
- the continuation of the implementation of a management system in at-risk operational areas. Deployment of an integrated management system covering all areas of aeronautical safety, security, the environment, service quality and employment regulations, is ongoing at Paris-Charles de Gaulle airport with a view to certification in 2008. Paris-Orly airport also forms part of a continuous improvement procedure through specific ISO certifications, particularly in relation to airport security and the environment,
- the institution of a professional approach to preparations for crisis management, with organization at each airport of a permanent 24-hour unit with command posts and communications systems specially envisaged for this purpose. Additionally, Company headquarters has a reinforced permanent central unit and a "crisis PC". These arrangements meet the compulsory requirements for air travel emergency plans, and provide a response for managing degraded operations or crisis situations. The Group also practices experience reversal for events qualified as serious, a survey to analyze incidents prior to proposing progress courses or evolutions of procedures in order to prevent relapses or to reduce the consequences,
- the development of continuity plans that would enable management on the ground to ensure continuity of operations in the event of a severe technical failure of facilities,
- the optimization of the performance and efficiency of security devices, particularly through the use of new technologies.

The continuation of these initiatives in 2007 showed that significant progress had been made. The main advances were:

- the update of the operational risk mapping,
- the launch of business continuity plans,
- the overhaul of the Aéroports de Paris management on-call and crisis management system, comprising in particular, the optimization and implementation of the process of reporting to the Chairman & CEO and the Deputy CEO,
- the raising of employee awareness to risk management through a special seminar organized in December 2007 by the Airport Security & Risk Management Division. This conference

demonstrates the priority given to the dissemination of a risk management culture and the placing of risk management at the same level as the Group's essential challenges.

An executive investment approval committee was created to collectively examine all proposed investments of over 2 million euros under the chairmanship of the Chairman and CEO of Aéroports de Paris. This committee meets every two weeks, with its administrative functions carried out by the finance department. Three decentralized local committees at airport management and real estate division management levels have been created for projects that are below this threshold. After assessing the investment opportunity based on predefined criteria, Aéroports de Paris has put investment programming on a 5-year cycle, in keeping with the time frame of the CRE.

4.3.2. Policy for taking out insurance policies

Aéroports de Paris is a service company that owns significant operating and real estate assets. It ensures against risks in two main categories: civil liability and damage to property. Some policies taken out by the Company also cover its subsidiaries, which in some cases are the exclusive beneficiaries.

All Group business risks are covered by a total of approximately sixty policies. In most cases, these policies are underwritten by pools of insurers and reinsurers of good reputation and internationally recognized financial solidity. Each pool is managed by an administrator, who is supported by co-insurers that underwrite all risks but are never jointly liable as all risks are reinsured.

Subject to exclusions that are customary in the insurance market, Aéroports de Paris believes that it currently has reasonable insurance coverage, with policy levels in line with both the observed frequency of claims and the risk prevention policy.

4.3.3. Main insurance policies

Third-party civil liability

Third-party civil liability for airport operations is covered by a policy that covers the financial consequences of contractual civil liability or misdemeanor claims against Aéroports de Paris, its subsidiaries, sub-contractors and/or co-contractors, in the exercise of activities, following physical, material or consequential damages caused to third parties in the conduct of their business. It pays a main coverage of 1.5 billion euros per event and/or per claim, depending on the coverage. This policy also includes a 50-million dollar coverage for the consequences of the risks of war and other perils. This 50-million dollar coverage is reinforced by a special policy taken out by Aéroports de Paris for 950 million dollars.

The Company has taken out other third-party civil liability policies, including one covering the liability of directors, one covering responsibility for accidental or gradual environmental damage (also covering the costs of decontaminating land) and one covering the third-party civil liability of the Company in the exercise of activities relating to the ground branch (notably car parks, buildings outside airport sites, cogeneration and medical assistance).

Damage to property and construction risks

Aéroports de Paris has a property damage policy that covers all physical and real estate assets owned or held by the Company against the risks of fire, explosion, lightning strike, storm, electrical damage, natural disaster and terrorist acts. The contract includes an operating losses section. The main coverage is limited to 600 million euros per claim.

In addition to the general policy mentioned above, the Company has taken out specific policies designed to protect against certain specific types of damage to clearly identified assets, notably:

- a policy covering the risks of damage that could affect the physical and real estate assets in the "Roissy Pôle-Le Dôme" area; this policy covers Aéroports de Paris and its co-owner partners,
- a policy covering damage to the "transfer module", affecting the physical and real estate assets at this site which houses the connections between the TGV and RER stations at the Paris-Charles de Gaulle airport (coverage equivalent to the cost of the building itself),
- a "comprehensive office" policy,
- a policy to cover "machine damage" for de-icing equipment and other machinery used to maintain runways, covering Aéroports de Paris and the Alyzia Group.

The Company has also taken out a number of policies to protect itself against construction risks for its largest projects. These policies fall into two categories:

- "Comprehensive site policies" covering the main construction projects in progress, including the construction, at the Paris-Charles de Gaulle airport, of the T2G terminal, the reconstruction of the terminal 2E boarding area and the renovation of terminal 1,
- contractor's liability insurance policies and policies covering the so-called "supplemental" ten-year civil liability " which are taken out for the parties involved in the construction. These policies concern buildings and civil engineering projects handed over within the last ten years, including phases 1 and 2 of terminal 2E, terminal 2F, improvements to the FedEx hub and the Galérie Parisienne area at Paris-Charles de Gaulle.

A certain number of the Group's assets cannot, by their nature, be covered by property insurance. Runways, taxiways and certain civil engineering works and structures fall into this category (civil engineering structures are covered, but only for up to 20 million euros per year).

Other insurance taken out by Aéroports de Paris

In addition to the policies discussed above, the Company holds a "car and machinery fleet" motor insurance policy covering the 2,000 land motor vehicles used in its business activities.

Main policies that mostly cover company subsidiaries

The Company has taken out professional civil liability policies for ADP Ingénierie, Aéroports de Paris Management, Hub télécom and the Alyzia Group to cover their operations in France or outside France, as necessary.

CHAPTER 5 INFORMATION ON THE ISSUER

5.1. Risk management

5.1.1. Corporate name

The corporate name of the Company is Aéroports de Paris.

5.1.2. Trade and Companies Register

The Company is registered with the Paris Trade and Companies Register under number 552 016 628. The business activity (APE) code of the Company is 632 E.

5.1.3. Date of incorporation and term

Aéroports de Paris was incorporated as a national public entity on October 24, 1945 and registered with the Trade and Companies Register on February 1, 1955. Aéroports de Paris has been a *Société Anonyme* since July 22, 2005, effective date of Decree No. 2005-828 of July 20, 2005 on Aéroports de Paris, implementing the Law no. 2005-357 of April 20, 2005 on airports.

Pursuant to Article 5 of its by-laws, the Company has a term of 99 years as from July 20, 2005, unless in case of early winding-up or extension thereof.

5.1.4. Registered office, legal form and applicable laws

The Company's registered office is located at 291 boulevard Raspail, 75014 Paris. The registered office's switchboard phone number is +33 (0)1 43 35 70 00.

Aéroports de Paris was created by order No. 45-2488 of October 24, 1945 as a public institution. Its organization was set out by the decree on public administration regulation No. 47-11 of January 4, 1947 and it was administered in accordance with the provisions of the aforementioned texts, as amended, and other provisions applicable to public institutions.

Law no. 2005-357 of April 20, 2005 on airports and its Implementation Decree of July 20, 2005, effective as of July 22, 2005, converted Aéroports de Paris into a *société anonyme*.

Aéroports de Paris is governed by the laws and regulations applicable to *sociétés anonymes*, subject to specific laws, and by its by-laws as initially set by Exhibit II to the Decree no. 2005-828 of July 20, 2005 on the by-laws of Aéroports de Paris.

The Company is more particularly governed by the Law No. 2005-357 of April 20, 2005 on airports, the French Code of Civil Aviation (Code de l'aviation civile) and Law No. 83-675 of July 26, 1983 on democratization of the public sector.

5.1.5. History of the Company

- **December 1923:** *creation of the Paris- Le Bourget airport*

Originally created under the name "Port aérien du Bourget Dugny", the Paris- Le Bourget airport was the first purely commercial airport in France. Initially a mere grassy land, this airport became the first European airport of the inter-war period, mainly through the conversion of pre-existing military installations in the area to civilian purposes. By 1938, it could handle up to 140,000 passengers. Between 1940 and 1944, Paris- Le Bourget was used as German air base, and the Germans built concrete runways. Rebuilt after bombardment, Paris- Le Bourget became a civilian

airport in 1946. Since 1981, Paris- Le Bourget has stopped handling regular commercial air traffic in order to specialize only in business aviation services.

- **October 1945: creation of the public institution "Aéroport de Paris"**

Order No. 45-2488 of October 24, 1945 created the public institution Aéroport de Paris which had a public service remit to build, operate and develop civilian airports in a 50-km radius around Paris.

- **November 1946: beginning of operation of Paris-Orly**

After the departure in November 1946 of the US army, Aéroport de Paris was entrusted with the management of the first passenger terminal built near Orly. In March 1948, a second building, called "Terminal Nord", was built with the goal of handling traffic of approximately 215,000 passengers per year.

- **August 1954: opening of a temporary south terminal in Paris-Orly**

In August 1954, a building, later integrated in the final South terminal, was commissioned to replace the building left by the US army. Its main feature is a large terrace opened to the public that has been an unqualified success.

- **February 1961: inauguration of the new Orly South terminal**

In 1954, Paris-Orly terminals were saturated, with traffic having grown exponentially and approaching 1.2 million passengers per year. The extension of Paris-Orly was decided pursuant to a Decree of May 5, 1954 and the construction of the south terminal of Paris-Orly began in 1956. The new Orly South terminal was inaugurated on February 24, 1961.

- **February 1971: inauguration of Orly West terminal (concourses 2 and 3)**

The new Orly West terminal was presented to the public on February 26, 1971 after 40 months of construction work. Specialized in domestic traffic and point-to-point traffic to the French overseas departments and territories, Southern Europe and North Africa, it has two levels: one for departures, one for arrivals. Its initial structure anticipated possible extensions that took place with the building of Concourse 4 in 1986 and of Concourse 1 in 1993.

- **March 1974: inauguration of Paris-Charles de Gaulle and opening of CDG terminal 1**

Beginning in 1957, Aéroport de Paris searched for sites for a new airport to reinforce the airport network in the Paris region then formed of Paris- Le Bourget and Paris-Orly. On June 16, 1964, a ministerial decree decided the creation of the "Paris Nord" airport located in an area north of Paris near Roissy-en-France. On December 1, 1966, Aéroport de Paris began the works of this airport, which was inaugurated under the name of Paris-Charles de Gaulle on March 8, 1974.

- **November 1981 - June 2003: inauguration and extension of CDG 2 terminal building**

Design on CDG 2 started in 1973, based on the concept of modularity to promote the growth of the airport activity by progressively putting terminals into service. The CDG 2B and 2A terminals were designed and inaugurated with this spirit, respectively on November 1, 1981 and March 24, 1982. After a partial opening in March 1989, terminal CDG 2D was fully opened to the public in March 1991. The CDG 2C terminal, reserved for international traffic, was inaugurated on June 3, 1993. The connection station of CDG 2 to the RER regional rail and the TGV high-speed rail was opened in November 1994. The two modules of CDG 2F terminal were respectively been put into service on March 29, 1998 for the 2F1 module and May 6, 1999 for the 2F2 module. Finally, the CDG 2E terminal was partly commissioned on June 25, 2003.

Aéroport de Paris also changed its name to Aéroports de Paris pursuant to Decree No. 89-10 of January 4, 1989.

- **1995 - 2005** : *creation and development of the Air France hub at CDG 2*

In 1995, Air France decided with the consent of Aéroports de Paris to reorganize its flight program and its commercial strategy to "bring in" via Paris-Charles de Gaulle (CDG 2 terminal) its medium- and long-haul flights. Thanks to an efficient cooperation between the Company and Air France, this hub has been operated since spring 1996. Taking full advantage of the modular nature of CDG 2, Aéroports de Paris has continued to keep up with the growing capacity requirements of Air France by progressively adding terminals to the original hub structure, in particular since the launch in 2000 of the SkyTeam and SkyTeam Cargo alliances, of which Air France was a founding member, and since the merger of Air France and KLM in the first half of 2004. With these developments, the CDG 2 hub has therefore become one of the main airports for the SkyTeam's global network.

- **1997 - 2000** : *construction of two additional parallel runways at Paris-Charles de Gaulle*

Paris-Charles de Gaulle was originally built with two runways: Runway 1 in the north of the airport, which became operational in 1974 and Runway 2 in the south of the airport, opened in 1976 and extended in 1981. The original plans for future extension of the site of the airport from the beginning provided for the creation of two sets of two parallel independent runways, one in the north of the airport (Runways 1 and 3) and one in the south (Runways 2 and 4), both in an east-west orientation. The decision to build two additional parallel runways was made in 1997, with their construction designed to increase movements of aircraft at Paris-Charles de Gaulle, thereby favoring its development. Runway 4 opened in November 1998 and Runway 3 in September 2000.

- **From 1998**: *opening to competition of ground handling services*

Since the opening to competition of ground handling services (January 1, 1998 in France), ground handling service providers other than Aéroports de Paris have been active at the airports of the Paris region. To cope with this competition, and as part of the restructuring that had to be implemented, Aéroports de Paris sped up the transfer and subcontracting of its ground handling operations to its subsidiary Alyzia. In 2007, Aéroports de Paris decided to integrate all the Group's ground handling operations into a subsidiary called Alyzia that handled all airport services.

- **June 2000 - April 2003**: *creation of subsidiaries for other activities of the Group*

Starting in 1990's, the Group has adopted a strategy of capitalizing on its competencies in order to benefit from the know-how developed for many years by creating ADP Management to manage interests in airports outside of France and export management and technical services. Since 2000, this strategy has been strengthened with the creation of ADP Ingénierie (airport engineering and public infrastructure design), Hub télécom (subsidiary specializing in telecommunications services on complex sites such as airports and ports, conference centers and other exchange poles) and Société de distribution Aéroportuaire (a joint venture for retail operations in Paris-Charles de Gaulle and Paris-Orly airports, which is jointly owned with Aelia, a subsidiary of the Lagardère Services group).

- **July 2003**: *creation of the real estate division of Aéroports de Paris*

In January 2003, Aéroports de Paris created a real estate division to optimize the potential of its real estate assets. After deciding at the beginning of 2003 to have a decentralized organization to prepare and facilitate its conversion into a *société anonyme*, Aéroports de Paris created in July 2003 a real estate division bringing together its construction, development, marketing and real estate and land asset management operations outside the terminals.

- **July 2005**: *conversion of Aéroports de Paris into a Société Anonyme*

Law No. 2005-357 of April 20, 2005 on airports and its implementation Decree No. 2005-828 of July 20, 2005 converted Aéroports de Paris into a *société anonyme* and confirmed its remit to operate the Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget airports, as well as ten other airfields in the Ile-de-France region and the heliport at Issy-les-Moulineaux.

- **February 2006:** *signing of the economic regulation contract (Contrat de régulation économique, CRE)*

In accordance with articles L. 224-2 and R. 224-4 of the civil aviation Code, the first multi-year contract between Aéroports de Paris and the State, known as "Contrat de régulation économique", was signed on February 6, 2006. The CRE sets the 2006-2010 ceiling for the average rate of evolution of the main fees for services provided and the planned investment schedule, and determines Aéroports de Paris's service quality objectives.

- **June 2006:** *floating of shares and stock market listing*

In accordance with decree No. 2006-575 of May 22, 2006, the Government decided to float Aéroports de Paris shares to allow the Company to strengthen its financial position and be in a position to mobilize new resources to finance its development. Company shares were floated on the Euronext S.A. Eurolist through a share capital increase of almost 600 million euros combined with a sale of shares held by the State. Aéroports de Paris shares are traded on the Euronext Paris (compartment A) under the code ADP since June 16, 2006.

- **2007:** *a year of major achievements*

Aéroports de Paris has made investments that enabled it to take a decisive step in 2007 concerning the increase in the holding capacity of terminals and the improvement in the quality of the services proposed in airports. For example, the year was marked by the inauguration of the CDGVal, the automatic transit system linking the Paris-Charles de Gaulle terminals, as well as the inauguration of the Galerie Parisienne, the new boarding satellite for terminals 2E and 2F, with its own automatic métro called LISA. Aéroports de Paris also welcomed the new Airbus A380 and completed the renovation of the second quarter of terminal 1 at Paris-Charles de Gaulle. Lastly, in 2007, major works scheduled for 2008 were launched or continued: the reopening of the terminal 2E boarding area, the opening of the regional terminal 2G and the renovation of the Orly Sud international circuits.

5.2. Investments

5.2.1. Group's main investments for the last three fiscal years

The main investments carried out by the Group between 2005 and 2007 were part of a strategic plan developed in 2002 that provided for the launch of several major works to be completed between 2006 and 2008.

In 2007, the total volume of tangible and intangible investments carried out by the Group amounted to 732.1 million euros, compared with 712.5 million euros in 2006 and 578.9 million euros in 2005, including costs of design and supervision of works. These investments, which totaled 712.1 million euros, were mostly by the Company.

In 2007, investments directly related to the ramping up of the Group's capacities represented 417.3 million euros. The rest of investments concerned the following: restructuring (58.7 million euros), renovation and quality improvement (140.7 million euros). Security investments, which are financed by airport security tax, amounted to 29 million euros.

The main investments in recent years correspond to investments implemented in 2007, which are listed in 6.3.2. "Airport Services" (satellite S3, east baggage handling system –TBE, CDGVal, renovation of CDG 1).

Investment in 2007 (732.1 million euros) was over and above the investment budgeted in 2006 (685.1 million euros) due to additional investment in La Galerie Parisienne, partly offset by lower real estate investment than planned, where a number of projects have been put back.

5.2.2. Group's main on-going investments

On the date of registration of this Registration Document, investments budgeted by the Group represent approximately 617.1 million euros for the year 2008, of which 528.9 million euros for Aéroports de Paris. Of the 617.1 million euros, capacity and restructuring investments for Aéroports de Paris represented 214.9 million euros. This was broken down into 204.4 million euros for Paris-Charles de Gaulle, 3 million euros for Paris-Orly and 3.1 million euros for Paris-Le Bourget¹⁰. In 2008, the Company also plans to allocate 141.8 million euros to current investments 32.5 million euros to security investments (financed by the proceeds of airport security tax) and 83.0 million euros for the development of its real estate assets (excluding passenger terminals). The cost of studies and supervision of works should amount to 56.9 million euros. The Group subsidiaries are planning to invest 88.2 million euros.

5.2.3. Main investments planned or investments that have received firm commitments from management bodies relating to the regulated scope.

The only investment covered by firm commitments by Aéroports de Paris are those described in the CRE covering the period 2006-2010. These concern the regulated scope as defined in the order of September 16, 2005 on fees for services provided on airfields, implementing Article R. 224-3-1 of the French Civil Aviation Code. It was these investments that were used as a reference for determining the pricing parameters of the CRE¹¹.

The regulated scope does not include Group investments concerning security, or investment by Group subsidiaries, in particular, acquisitions outside the Paris airports.

On the regulated scope, Aéroports de Paris informed the economic advisory board for Paris-Orly and Paris-Charles de Gaulle on 19 December 2007 of its investment program for 2008-2012. Since 2011 and 2012 do not come under the period of application of the CRE, there are no government contracts for the amounts posted for these years, which must therefore be considered as estimated forecasts.

The amount earmarked for investments by Aéroports de Paris on the regulated scope for the period between 2008 and 2012 is 2,464.4 million euros in 2008 constant euros.

This amount is broken down by investment categories as follows (in 2008 constant euros):

- 1,100.1 million euros for capacity investments (including 1,029.6 million euros dedicated to structuring projects on the Paris-Charles de Gaulle airport and 70.5 million euros for the other capacity developments). These investments will enable Aéroports de Paris to build the new S4 satellite at Paris-Charles de Gaulle, which is scheduled to be opened in the third quarter of 2012;
- 186.1 million euros for restructuring investments;
- 674.8 million euros for maintenance investments;
- 254.4 million euros for real estate investments¹²;
- 248.9 million euros for costs of design and supervision of works;

The amounts of investments specific to each airport are as follows (in 2008 constant euros):

- 1,532.2 million euros for Paris-Charles de Gaulle¹³;
- 196.8 million euros for Paris-Orly;

¹⁰ See 6.3.2. "Airport services"

¹¹ See 6.3.2.6. "Revenues from the operation of airports"

¹² This does not include the "real estate diversification" investments after 2010, since the real estate diversification business will be outside the regulated scope as from 2011.

¹³ See 6.3.2.1. "Paris-Charles de Gaulle – investment program for the Paris-Charles de Gaulle airport"

- 39.7 million euros for Paris- Le Bourget and for the Ile-de-France airfields mentioned in Article D. 251 of the French Code of Civil Aviation;
- 695.7 million euros that are not geographically allocated.

Aéroports de Paris is planning to finance these investments mainly through self-financing and by the use of its cash as at December 31, 2007, mainly derived from the capital increase of June 2006 and the disposal of BCIA securities in February 2007. In addition to this investment package, repayments on debt due were 231.6 million euros in 2008. Debt repayment will be financed by external resources, bonds or other, to a total approximate amount of 250 to 300 million euros.

As at December 31, 2007, contractual commitments for fixed asset acquisitions amounted to the 170.2 million euros.

- 68.3 million euros for capacity investments,
- 30.1 million euros for restructuring investments,
- 37.4 million euros for recurrent investments,
- 5.9 million euros for investments related to real estate developments,
- 16.1 million euros for investments related to the cost of design and supervision of works;
- 12.4 million euros for security investments.

The table below sets out the Aéroports de Paris investment budget for the regulated scope over the 2008-2012 period (in 2008 constant euros) which corresponds to the commitments made by Aéroports de Paris pursuant to the CRE. There are no contracts for 2011 and 2012 at this stage and the figures are projected estimates. This table includes investments relating to the real estate diversification project up to 2010 inclusive. Since the current regulations provide that real estate diversification investments will be removed from the regulation scope as from 2011, they have not been included in the table below.

<i>In millions of euros, 2008 constant euros</i>	2008	2009	2010	2008-2010 (regulated scope of the CRE)	2011	2012	2008-2012
Capacity investments, including:	166.8	145.7	185.3	497.8	335.4	267.0	1,100.1
CDG VAL	5.9	0.0	0.0	5.9	0.0	0.0	5.9
Rebuilding and completion of terminal 2E	22.4	2.0	0.0	24.4	0.0	0.0	24.4
East Baggage-handling system (TBE) Phase 1	17.3	3.0	0.0	20.3	0.3	1.6	22.1
Satellite S3 (including LISA, excluding TBE extension)	7.6	0.0	0.0	7.6	0.0	1.5	9.1
Phase 2 of the TBE for satellites S3 and S4	4.0	16.0	33.5	53.5	50.5	51.0	155.0
Regional Terminal T2G	27.2	0.0	0.0	27.2	0.0	0.0	27.2
Satellite S4 (including LISA, excluding TBE extension)	33.1	69.2	96.9	199.1	172.1	119.8	491.0
East road access to Paris -Charles de Gaulle	0.0	0.0	16.1	16.1	12.7	8.1	36.9
Building of extra storey for PX car park	1.9	8.9	17.7	28.5	37.7	30.0	96.2
Threshold 26 - E4 taxiway	6.1	0.0	0.0	6.1	0.0	0.0	6.1
AGEN aircraft parking areas (Aires Grand Est Nord)	1.7	12.0	4.0	17.7	4.0	3.0	24.7
Adjustments for the B777 and new large aircrafts	0.0	11.0	0.0	11.0	18.0	3.0	32.0
Renovation investments including:	48.1	53.2	29.0	130.3	30.2	25.6	186.1
Renovation of CDG 1 (excluding renovation of satellites)	40.8	32.2	3.8	76.8	0.0	0.0	76.8
Renovation of CDG 1 satellites	4.0	7.0	6.8	17.8	9.3	0.0	27.1
Renovation of terminal 2B	0.0	5.0	12.0	16.9	14.6	0.0	31.5
International traffic flows	3.0	0.0	0.0	3.0	0.0	0.0	3.0
Renovation of the Orly Ouest Concourses 3 & 4	0.0	0.0	0.0	0.0	5.2	15.3	20.5
Current investment	141.8	135.9	131.0	408.6	133.5	132.7	674.8
Real estate development (excluding diversification after 2010)	83.0	93.6	63.2	239.8	12.2	2.4	254.4
Costs of design and supervision of works (FEST)	54.9	50.2	50.9	156.0	50.7	42.3	248.9
Total regulated scope	494.6	478.5	459.4	1,432.5	562.0	469.9	2,464.4

The amounts of investment budgets and their schedules mentioned in the above table all those used by Aéroports de Paris and the French government in drawing up parameters for airport fee increases. Aéroports de Paris cannot guarantee investors that the deadlines and budgets mentioned in the above table will be complied with. In case of force majeure or for a reason beyond the control of Aéroports de Paris, deadlines periods may be extended and investments may exceed the aforementioned budgets. In particular, this could be the case for reasons related to the increase in the costs of materials or labor, unforeseeable technical difficulties, exceptional bad weather, regulatory modifications imposing on it additional obligations or for other reasons¹⁴.

A more detailed description of the above-mentioned investments appears in paragraph 6.3.2. "Airport Services".

¹⁴ See 4.1. "Risks relating to activities by Aéroports de Paris -Aéroports de Paris is exposed to risks related to the business of construction of complex structures"

CHAPTER 6 BUSINESS OVERVIEW

6.1. Overview

Aéroports de Paris is Europe's second largest airport group in terms of airport revenues. The Group's airport system was also the 6th largest in the world in terms of number of passengers in 2007. The Group's airports are the principal gateway to France, the world's number one tourist destination, as well as a major international connection point. With its unique geographic location, first-class infrastructure and strong competitive position, Aéroports de Paris is ideally placed to take full advantage of the expected growth in global air traffic. As part of its growth strategy, Aéroports de Paris plans to add new terminal capacity, enhance the quality of its services and, in the longer term, develop its real estate potential.

The Group's revenues were 2,292.4 million euros in 2007, including approximately 1,836.9 million euros from airport services, 194.2 million euros from real estate, 195.3 million euros from ground handling and related services and 326.9 million euros from other activities (in each case before inter-segment eliminations). Ordinary operating income was 442.1 million euros in 2006, and Group share of net income, adjusted for non-recurring products (mostly in connection with the impacts of the stock market listing in June 2006, the reorganization of ground handling activities and the disposal of BCIA shares in February 2007) was 239 million euros, an increase of almost 19.2% with respect to 2005¹⁵.

Almost 1,100 businesses are located at the Group's airports, employing more than 110,000 workers, including the 11,381 employees of the Group (average headcount 2007). Over and above the air transportation sector, the Group is also a major factor in the national and regional economy, as the Group's airports have created more than 300,000 jobs in the Ile-de-France region.

6.1.1. The Group's business

Aéroports de Paris owns and operates the three major airports of the Paris region: Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget. It provides facilities to accommodate passengers, airlines and cargo and postal services, and offers a range of services adapted to their needs. The Group's airports handled 86.4 million passengers in 2007, including more than 80% from or to foreign countries, and 2.41 million tons of cargo and mail. In 2007, its airports recorded more than 776,800 aircraft movements operated by most of the major international airlines, including those belonging to the three principal alliances of SkyTeam, Star Alliance and OneWorld. The Group's airports link Paris to approximately 547 cities in 135 countries, with 333 cities having at least a weekly service.

The Group's activities are divided into four main business segments: airport services, real estate, ground handling and related services, and other activities.

6.1.1.1. Airport services

Airport services in 2007 accounted for 1,836.9 million euros of revenues before inter-segment eliminations, and a current operating margin rate¹⁶ of 25.2%.

The heart of the Group's activity and its main source of revenue is the operation of the three main airports of the Paris region, which have complementary features:

¹⁵ Group share net income corrected for non-recurring products was 321.8 million euros, an increase of 111.5% with respect to 2006, at comparable Group structure

¹⁶ The current operating margin of a segment is equal to the ratio of its ordinary operating income (with no allocation of management fees) on revenues before inter-segment elimination.

- *Paris-Charles de Gaulle* (1,335.3 million euros of revenues in 2007 before inter-segment eliminations). Opened in 1974 and located north of Paris, Paris-Charles de Gaulle is the preferred destination for long-haul routes. It hosts most of the world's major international airlines, including the three principal alliances of SkyTeam, Star Alliance and OneWorld. Two-thirds of its passenger traffic is point-to-point traffic and one-third is connecting traffic (including 6% connecting by train). It is currently the global hub of Air France-KLM as well as the main European hub of the SkyTeam alliance with 20,695 connections available in less than two hours per week¹⁷, which makes it the leading connection platform in Europe. The four parallel runways of Paris-Charles de Gaulle will have a programming capacity of 112 movements per hour as from the 2008 summer season. This figure could be increased to 120 movements per hour in the long-term. Its airport facilities include three terminals with a capacity of 53 million passengers, with a wide range of passenger services, including 32,000 sqm of space for shops, bars and restaurants and more than 27,000 parking spaces. Located on a parcel of 3,257 hectares, it has ample space for future expansion,
- *Paris-Orly* (468.7 million euros of revenues in 2007 before inter-segment eliminations). Paris-Orly, located close to Paris to the south of the city, is specialized in point-to-point traffic, serving destinations within France (including the Air France shuttle, or La Navette), Southern Europe, French overseas departments and territories and North Africa. Paris-Orly is also home to low-cost airlines that serve mainly Europe, as well as airlines specialized in medium- and long-haul leisure traffic. It offers airlines fluidity, with two passenger terminals (Orly Sud and Orly Ouest) with a total capacity of 30 million passengers, and three operational runways (two of which are used under normal circumstances) with programming capacity of 76 movements per hour. The greatest advantage of Paris-Orly for passengers is that it is near Paris (16 kilometers from the center), and served by high-quality motorways and public transportation. Paris-Orly also offers a full range of passenger services, with approximately 10,000 sqm of space for shops, bars and restaurants and 20,000 parking spaces. With 1,540 hectares located in a major economic area in Ile de France, Paris-Orly also offers significant real estate development opportunities,
- *Paris- Le Bourget and general aviation airfields* (32.9 million euros of revenues in 2007 before inter-segment eliminations). Paris-Le Bourget is the largest business airport in Europe, offering specialized services for business air customers. It has been chosen as the French and European base for the corporate aircraft fleets of many companies, as well as by specialized aviation companies offering subscription plans and aircraft-sharing. Its know-how and industrial tradition have made Paris-Le Bourget airport the preferred location for many aircraft maintenance companies. Paris-Le Bourget and its three runways are set on 553 hectares north of Paris.

Ideally located in the center of Europe, Aéroports de Paris has significant cargo activity in addition to its passenger activity, with the most cargo and postal traffic in Europe. Paris-Charles de Gaulle is the location of the cargo hubs of the Air France-KLM group, FedEx (its second-largest world hub after Memphis - USA) and Europe Airpost (for postal services). Its facilities host a full range of cargo activities, including loaders, airlines, cargo agents and handling agents. Its processing capacity of 3.5 million tons of cargo per year provides expansion opportunities for cargo companies.

At all its airports, the Group serves two categories of customers with complete service offerings:

- *for professional customers*, such as airlines, ground handling companies, the French State and transit service companies, Aéroports de Paris manages airport traffic flows: aircraft flows in areas that must be continually available and safe, passenger flows in terminals and through security checkpoints, and flows of luggage, cargo and supplies between public areas and aircraft. Aéroports de Paris operates complex infrastructure for its professional customers, and provides them with equipment, information networks and systems. It also provides services such as telecommunications, power, water and waste treatment, as well as renting space for operations and terminal spaces, such as offices and lounges,

¹⁷ Source: Air France-KLM

- *for the public*, including air passengers, visitors and people working at the airports, Aéroports de Paris directly or indirectly offers services including shops, bars and restaurants, banks and currency exchange offices (in each case both before and after security checkpoints); car parks; car rental agencies; entertainment; telecommunication services; hotels; employee cafeterias; and customized or personal reception services. It also offers online services accessible via the Group's web site. The large amount of traffic flow also enables Aéroports de Paris to benefit from its advertising spaces, with a wide range of French and foreign advertisers.

In the airport service segment, the Group earns four main types of revenues¹⁸ :

- *airport fees for services provided* ("aeronautical fees" and "ancillary fees") paid by airlines and ground handling companies, calculated primarily as a function of the number of aircraft movements (departures and arrivals) in different weight categories, and the number of departing passengers, with ancillary fees for the use of certain types of infrastructure such as aircraft parking areas, baggage handling systems, lighting, check-in counters and terminal premises,
- revenues from *commercial activities*, either paid directly by the public (car parks which are for "parking and access"), or as rent paid by companies that operate the relevant commercial services (such as shop operators and car rental agencies which are "commercial revenues"),
- revenues from *provision of specialized services for professional customers*, such as the sale of power and water ("industrial services") and rents ("rental revenues"),
- an *airport security tax* collected by the French State and paid to Aéroports de Paris to cover the cost of security and other public services.

Fees for services provided are calculated in accordance with a new legal and regulatory framework established by a French law adopted on April 20, 2005. For the 2006-2010 period, the maximum rate of increase in airport fees is determined in accordance with a contract between Aéroports de Paris and the French government, known as the *Contrat de Régulation Economique*, or CRE. As per the terms of this contract, the ceiling for annual revaluation of fees has been set at 3.25% above the annual inflation rate. In 2008, based on CRE parameters, the rate is 3.8% as against 4.25% in 2007.

6.1.1.2. Real estate

Real estate in 2007 accounted for 194.2 million euros of revenues before inter-segment eliminations, and a current operating margin rate of 25.2%.

The Group carries out real estate activity on the land around the areas dedicated to aeronautical activities. Of approximately 6,686 hectares owned by Aéroports de Paris, approximately 1,213 hectares are not dedicated to aeronautical activities, of which 881 hectares have already been developed. Aéroports de Paris has built approximately 1.16 million sqm of net surface area, corresponding to 0.95 million sqm of usable surface area, 82% of which is rented to parties outside the Group. The real estate activity includes aeronautical support facilities (such as hangars and cargo facilities), business real estate (offices and industrial facilities) and general public premises (hotels, shops, day-care centers, local services). The Group has approximately 348 hectares of land reserves currently available for development without significant regulatory or zoning constraints.

6.1.1.3. Ground handling and related services

In 2007, this segment accounted for 195.3 million euros of revenues before inter-segment eliminations, and a current operating margin rate of -6.1%.

¹⁸ See 9.3.2. "Group revenues (income from ordinary activities)"

Aéroports de Paris and its subsidiaries within the Alyzia group provide ground handling and related services to major airlines, including Vueling, Continental Airlines, Corsair, Iberia and American Airlines. Ground handling services have been open to competition since 1998 pursuant to European regulations (Directive 96/67/EC of October 15, 1996). They include services such as passenger check-in, baggage handling, aircraft ground handling (cabin cleaning, arrival/departure guidance, towing and pushback, and aircraft loading and unloading), cargo transfer within the airport and certain security services.

6.1.1.4. Other activities

In 2007, these accounted for 326.9 million euros of revenues before inter-segment eliminations, and a current operating margin rate of 6.6%.

The Group sells and exports the airport development and management know-how that it has developed over many years through two subsidiaries that carry out large projects in France and abroad: Aéroport de Paris Management (management of airports abroad and technical assistance) and ADP Ingénierie (project management, architecture and engineering for facilities abroad such as airports, stadiums, operas or skyscrapers).

More recently, the Group created a subsidiary, Hub télécom, specialized in telecommunication services on complex sites, such as airports, ports, convention centers and other similar facilities. Aéroports de Paris also sells training services.

Lastly, in 2003, Aéroports de Paris and the Lagardère Services group (formerly Hachette Distribution Services) created a joint venture, known as Société de Distribution Aéroportuaire, to manage alcohol, tobacco, perfume, cosmetics and gourmet food shops in Paris-Charles de Gaulle and Paris-Orly airport terminals. Since 2003, Société de Distribution Aéroportuaire has been the operator of all shops selling alcohol, tobacco, perfume and cosmetics at CDG 2, and certain gastronomic retail outlets, and since January 2006 has carried out the same activities at CDG 1. In November 2006, its scope was broadened to terminal 3 at Paris-Charles de Gaulle and on January 1, 2007, to the two terminals (Orly Sud and Orly Ouest) at Paris-Orly. All contracts allowing Société de Distribution Aéroportuaire to carry out its business activity are due to expire on December 31, 2013.

6.1.2. The Group's strengths

The Group has significant advantages that provide it with strong development opportunities in an air traffic market that is currently growing:

- because of its size and geographic location, the Group benefits from a strategic position in Europe for airlines and passengers, generating significant point-to-point and connecting traffic as a result of:
 - the natural appeal of Paris and France, which is the number one tourist destination in the world with more than 80 million foreign tourists in 2006¹⁹,
 - the dense population of the region, with 9.9 million inhabitants (making Paris the premier European urban capital²⁰ and with all large Western European cities less than a two hour flight from its airports,
 - the absence of large competing airports within 300 kilometers.

¹⁹ Source: Tourism Ministry

²⁰ Source: INSEE 2005

- with three complementary airports in Paris that enable it to serve all categories of traffic (long and medium haul, domestic and low cost, leisure/charter and business), Aéroports de Paris is the principal gateway to France,
- Aéroports de Paris has first-class existing airport infrastructure: two independent pairs of runway at Paris-Charles de Gaulle airport, three operational runways at Paris-Orly airport (of which two are used under normal circumstances), and infrastructure that is capable of accommodating the new jumbo jets (Airbus A340-600, Boeing B777-300 ER, and, for Paris-Charles de Gaulle, Airbus A380). Furthermore, the modular design of the infrastructure of the Paris-Charles de Gaulle airport and the large amount of available land enable the Group to program its new infrastructure investments to follow the rhythm of air traffic growth, without structural constraints or major restructuring,
- Aéroports de Paris is at the center of a network of road and railway connections that makes it a major crossroads: a TGV (high-speed train) station, links by motorway (A1, A3, A104) and rail (suburban RER train and TGV stations at Paris-Charles de Gaulle airport, RER and the dedicated metro line Orlyval at Paris-Orly airport), which facilitate access for passengers and cargo transporters. In addition, the expansion of the A104 motorway (the "*Francilienne*") planned for 2011 should facilitate access to Paris-Charles de Gaulle from the north-east, as well as new development in this area. Finally, the CDG Express project, for which the French government has taken responsibility, should by 2012 provide 20-minute train service (with 15-minute frequency) between Paris-Charles de Gaulle and Paris,
- The Group has a favorable market position: the diversity of its customers and the balanced division of its traffic among large geographical areas enable it to benefit from diversified economic risk and growth²¹. Moreover, the strength of the Paris-Charles de Gaulle hub enables it to have important clients, as it hosts the largest international airlines and the three principal international alliances, SkyTeam, Star Alliance and OneWorld. Paris-Charles de Gaulle is also the main base for the largest European airline group, the Air France-KLM group.
- the Group's has significant land reserves, giving it the ability for the long-term to accommodate expected growth of air traffic, as well as opportunities to develop real estate,
- the Group conducts its activities within a stabilized regulatory framework:
 - Aéroports de Paris has full ownership of its land and its airport facilities,
 - Aéroports de Paris is designated by law as the operator of the Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget airports, with no duration limit,
 - the legal and regulatory texts governing its activities were modernized in 2005 and meet the needs of a major airport operator: its obligations as an airport authority have been clearly defined in an official document(the specifications), and its airport fees, a significant source of revenue, are determined in accordance with a modernized system of regulation²²,
 - the CRE, the contract relating to the 2006-2010 period signed on February 6, 2006 between Aéroports de Paris and the French State, sets the maximum rate of increase in airport fees at 3.25% above the annual inflation rate, in exchange for clear commitments of Aéroports de Paris regarding investments and quality of service²³.

²¹ See 6.3.2. "Airport services"

²² See 6.6. "Legal and regulatory environment"

²³ See 5.2. "Investments", paragraph 6.3.2.6. "Revenues from the Operation of Airports" and 20.8. "Judicial and arbitration procedures"

6.1.3. Strategy

Aéroports de Paris' ambition is to be the premier European airport group, in terms of efficiency, quality of service, environmental management and economic results. Its strategy to achieve this ambition includes the following:

Taking advantage of the expected growth in air traffic by developing airport capacities²⁴

Aéroports de Paris will leverage its capacity to accommodate large numbers of aircraft by pursuing an investment program of approximately 2.5 billion euros over the 2008-2012 period²⁵ (for the regulated scope taken into account in the CRE) to allow it to receive more passengers in its terminals, with improved efficiency and comfort. The program's objective is to increase the capacity of the Paris-Charles de Gaulle airport by 19.4 million passengers by 2010 (compared with 2005) and to improve the performance of this hub.

The 2008-2012 investment programme includes the following:

- *at Paris-Charles de Gaulle airport:* reconstruction of the CDG 2E boarding area following the collapse of a section of roof on May 23, 2004, which has been opened in March 2008; construction of the CDG T2G regional terminal, which is designed to serve passengers traveling on 50 to 100-seat aircraft within the Schengen region, and is scheduled to open in September 2008; the complete renovation of the CDG 1 terminal in four phases (the first three phases are already completed) by the end of the first quarter of 2009; studies on satellite S4, the future boarding area parallel to the Galerie Parisienne that is to be connected to terminal 2E by the extension of the LISA line; the creation of about 4,000 parking spaces; studies on expanding the TBE, which will make it possible to connect the Satellite 3 and Satellite 4 modules to the TBE automatic baggage handling system in terminal 2 which went online in 2007 (this extension is scheduled to be operational in 2013); improving the service quality and the retail areas in terminal 2 by renovating terminal 2B and investments to accommodate the Airbus A380,
- *at Paris-Orly airport:* the renovation of the Orly Sud international circuits by June 2008 and operation to adapt runways to welcome large aircraft between 2009 and 2012.

The 2008-2012 investment program also includes expenditure linked to the construction and the commissioning in 2012 of satellite 4, a boarding area for terminal 2E, which will be parallel to La Galerie Parisienne. This will bring Paris-Charles de Gaulle airport to a nominal capacity of approximately 81 million passengers.

Enriching the content, value and quality of the services offered by Aéroports de Paris

The thousands of employees who work at the airports of Aéroports de Paris, as well as the millions of people who go to airports, are natural consumers of the services provided by Aéroports de Paris. Aéroports de Paris is positioning itself as a service company for its professional customers, passengers and the public, with the following initiatives:

- *placing quality at the center of the organization:* by reorganizing itself by airport and in operational units, the Group has set up customer interfaces with clearly identified, strengthened responsibilities, and has added quantitative quality criteria to its senior management performance evaluations,
- *changing quality to drive economic performance:* the increase in quality of services provided by Aéroports de Paris is geared towards offering passengers and the public the best conditions of fluidity, information and comfort, to save them time, to ease airport formalities and to place them in a favorable environment that encourages them to use the commercial

²⁴ See 6.2.3. "Growth in future air passenger traffic" and 6.2.5 "Position of Aéroports de Paris on the airport market"

²⁵ See 5.2.3. "Main Investments planned"

services offered by Aéroports de Paris, such as the shops. The Group has made strong commitments regarding quality of service, including a commitment to the French State, under the CRE, with financial incentives based on 10 quality indicators; and to its customers, through the "*Destination Clients*" program for the public and through service level agreements for airlines or alliances. The Group has created a new slogan, "The World is our Guest," to entrench its quality initiatives,

- *developing commercial services offerings to optimize the commercial potential of airports:* The Group believes that commercial activities offer growth and profitability potential. 86% of passengers spend more than an hour and a half in the terminals of Aéroports de Paris, and 70% of passengers spend more than two hours. The Group plans to take advantage of this potential by implementing a series of actions:
 - expansion of total space for shops, bars and restaurants by more than 34% by 2010 in comparison with 2004, including an increase of approximately 70% for shops in the international area after security checkpoints,
 - improvement of the space, visibility, configuration and atmosphere of commercial areas at Paris-Charles de Gaulle and Paris-Orly airports,
 - increase in product offerings to respond to the targeted needs of all air passengers and to increase the attractiveness of the commercial offerings,
 - improvement of time management and passenger flows with improved fluidity and improved directional signs, giving passengers better information regarding the commercial offerings and a better idea of the amount of their free time before boarding,
 - improvement of the perception of the level of prices of the commercial offerings and development of customer loyalty.
- *increasing the number of parking spaces, improving their security and increasing revenues:* Aéroports de Paris is the second-largest car park manager in the Paris region (excluding street parking). The Group plans to increase the amount of parking at Paris-Charles de Gaulle airport significantly by building approximately 5,100 new spaces in its car parks between 2006 and 2010 (by the net creation of roughly 4,300 spaces in addition to the reallocation of 800 spaces for public parking). The Group also has a continuous renovation program, which is focused on the 3,500 parking spaces of Orly Ouest's P0 lot, and the P1 lot located on the roof of terminal 1 at Paris-Charles de Gaulle, to increase occupancy levels, in particular at Paris-Orly, and to improve the perception of value-for-money for this service,
- *continually offering more added value services:* in addition to existing services, Aéroports de Paris plans to create a full range of services targeted to specific customer groups, in areas such as telecommunications, particularly mobile services, and travel facilitation services (various fee services and personal assistance).

Strengthening efficiency and economic performance

The CRE brings visibility to airport fee rates of increase until 2010, as well as to the Company's investment program, and it sets objectives for the improvement of the quality of services offered by Aéroports de Paris to its customers. Under this agreement, Aéroports de Paris will endeavor to improve its operating margins by managing costs and increasing productivity. In the past, Aéroports de Paris has demonstrated its capacity for increasing productivity: between 2001 and 2005, its productivity rose by 12% in terms of number of passengers handled per employee. As measured over the perimeter of Aéroports de Paris, this productivity increased by 5.6% in 2006 after a 4.6% increase in 2005. Faced with a very demanding competitive environment, Aéroports de Paris also reorganized its ground handling activity.

Creating the basis for the Group's real estate potential to become a source of additional medium-term growth

The Group plans to exploit its non-aviation-related real estate potential at all of its airports, consistent with the needs of surrounding areas, while staying within its financial capacity and retaining control over its assets. It believes that the intrinsic attractiveness of Paris, the quality of its ground transportation connections, the role of airports as drivers of development and the availability of its land reserves provide it with significant real estate development opportunities. Aéroports de Paris is planning to invest approximately 340 million euros of its own resources between 2008 and 2012 (63% of which will be for diversification real estate). Between 2006 and 2010, some 60 hectares of land will be made available for real estate development, which will enable Aéroports de Paris to build approximately 315,000 sqm of premises either alone or in partnership with third parties: cargo warehouses, offices, shops and services, and buildings for other activities. Leading projects being implemented include the creation of a business zone around the Paris-Orly airport, the acceleration of real estate development (cargo services, shops) at the Paris-Charles de Gaulle airport to go along with the development of air transportation, and the development of available land around the airport. At Paris- Le Bourget, the Group is considering premises for industrial activities and structures to accommodate the development of business aviation. In due application of this development plan, in 2007 Aéroports de Paris leased 10.9 hectares of land. Corresponding investment by Aéroports de Paris was 17.3 million euros.

Prudently leveraging know-how outside the Paris airports

Aéroports de Paris plans to continue utilizing its know-how in highly specialized related technical activities such as telecommunications, project management, engineering, architecture, airport management and training of executives and staff in the airport context or similar contexts involving the management of significant flows of people. These activities enable the Group to maintain its skills at the highest level and to increase its technical reputation abroad, as well as to build up industrial partnerships in areas experiencing strong growth, such as China or Mexico.

With respect to the management of airports outside the Paris region, the Group has set itself the objective of progressively extending its management contract portfolios. These contracts could go with minority interests to reinforce Aéroports de Paris role of operator over time. This development focus, which requires relatively little capital at Group level, will be continued worldwide.

In addition, and over a number of a few very carefully selected projects, the Group could try and obtain larger interests in top-quality airport assets. These equity interests, which use up a lot of capital, would be preferably in OECD countries.

Growing the Group's business with a sustainable development perspective

Aéroports de Paris has for many years conducted a voluntary policy of sustainable development with respect to its growth. The objective of this strategy is to make the development of airport activities acceptable to surrounding territories, local municipalities and their inhabitants, in a responsible and concerted way. This policy relies upon three initiatives:

- managing pollution and the environmental impact of the activities of Aéroports de Paris,
- exercising economic responsibility of Aéroports de Paris through cooperation programs,
- paying attention to the corporate and social responsibility of Aéroports de Paris.

This policy is reviewed every two years by BMJRatings, a corporate responsibility rating agency. The first review conducted in 2003 gave Aéroports de Paris a grade of B+ in the areas of the environment and relations with surrounding communities. In 2005, the same agency awarded Aéroports de Paris a grade of A+ following a review with an even broader scope (the areas of human resources, marketing, purchasing and corporate governance were included). In 2007, this

same type of broader review was conducted again: Aéroports de Paris maintained its performance with another A+ rating.

This rating was chosen as one of the objectives of the profit-sharing agreement for 2006-2008.

Finally, at its three main sites, Aéroports de Paris is certified ISO 14001.

6.2. Presentation of the market

6.2.1. Airport operations

Several parties are involved in operating an airport. Aside from the airport operator (such as Aéroports de Paris), the main ones are the air traffic control services, airlines, ground handling service providers, cargo companies and government agencies. These parties are distributed across the various zones involved in the journeys of passengers and goods: The "landside" (the public area where vehicles arrive and depart), the "airside" (the restricted area where aircraft take off and land), and between the two, a mixed zone serving as a border between the public and restricted areas, where boarding and landing procedures are carried out. All told, several thousand companies play a role in the operation of the airport and providing services to passengers: the shops and restaurants, ground transportation services (taxis, buses, etc.), hotel chains and petrol stations.

6.2.1.1. The airport operator

Active in all aspects of the circulation of passengers and merchandise, the airport operator is responsible for optimizing flows and ensuring the interface between parties, to which it provides services and facilities in order to ensure the smooth functioning of the airport. Aéroports de Paris facilitates communications and the exchange of information between the various service providers on the airport.

An airport operator such as Aéroports de Paris is responsible for a wide variety of tasks, which fall into five main categories:

- it designs, develops and oversees the construction of airport and access infrastructure,
- it provides airlines and other professional service providers (ground-handlers, governmental agencies, etc.) with the necessary infrastructure and facilities (check-in counters, boarding areas, baggage carousels, aircraft parking areas, etc.), which are allocated to different users throughout the day depending on their needs; it also leases them space and provides ancillary services,
- it decides on the location and leasing of commercial areas, providing the necessary range of services for meeting passenger needs, in particular, shops, bars and restaurants,
- it welcomes and informs passengers, facilitates traffic and ensures that services are available to enhance their comfort (car parks, hotels, telecom services, personalized reception, services for people needing special assistance, etc.). By July, 26 2008, in due application of the EU regulation No. 1107/2006 of July 5, 2006, it must substitute airlines to ensure that disabled people or people with impaired mobility have access to assistance to help them use airport services and move around within the facilities, including getting on and getting off aircraft,
- with government supervision, it also implements air transport security measures (passenger and baggage inspections and screening, secured access to restricted areas, etc.).

Aéroports de Paris's general operating conditions are specified in its specifications attached as an Appendix to Decree No. 2005-828 of July 20, 2005²⁶.

One of the key missions of the airport operator is to help optimize the performance of other airport service providers by coordinating their activities, since its operating and commercial performance depends, to a greater or lesser extent depending on their particular business, on the performance of other parties. Revenues depend on air traffic, which has a direct impact on airport fees (calculated mainly on the tonnage, number of aircraft movements and the number of passengers) and an indirect effect on other revenues (sales in shops and restaurants, car park revenues, etc.).

While the attribution and allocation of take-off and landing slots fall under the authority of an independent organization², Aéroports de Paris is responsible for assigning airlines to the various terminals within a single airport and, according to specific procedures, to the different airports.

6.2.1.2. Airlines and their ground handling services

The airport operator's responsibility toward passengers ends when the transport agreement between the airline and the passenger takes effect, that is, when the passenger is placed under the airline's control (in practice, when the passenger reaches the boarding area). Airlines are also responsible for all aircraft loading and unloading procedures. For some or all of these services, the airlines generally rely upon third-party ground handling service companies, which include Aéroports de Paris and certain of its subsidiaries.

In the current market, airlines fall into several categories, and the airport operator must address the specific needs of each category. The table below shows the main airline categories operating out of Aéroports de Paris' commercial airports and outlines their critical requirements:

²⁶ See 6.6.2.7 " *Technical aspects of airport management (specifications)*"

	Description	Critical requirements
Traditional companies		
Airline companies belonging to an alliance: SkyTeam, Star Alliance, OneWorld ²⁷	Airline companies offering global and differentiated services with destinations within their network that are interconnected through their own hubs or companies' networks through code share, interline or partnership agreements.	<ul style="list-style-type: none"> ⇒ Installations, products and services suited to hub-based operations ⇒ Inclusion in a single facility ("one roof") ⇒ Pooling of airport installations and resources ⇒ Quality ground services and respect for brand images
Independent airline companies: Emirates, El Al, Air Algérie, Air Austral		<ul style="list-style-type: none"> ⇒ Personalized treatment and services ⇒ Quality ground services and respect for brand images
Low-cost airline companies:		
Low-cost (pure): EasyJet, Sky Europe, Thomsonfly	Companies offering limited services and regular "point-to-point" destinations with a strategy aimed at minimizing operating costs to offer customers the lowest prices.	<ul style="list-style-type: none"> ⇒ Simplified processing on the ground ⇒ Minimum turnaround time ⇒ Low airport costs ⇒ An "à la carte" offering of products and services depending on their type of clientele
Low cost "Hybrides" (mix low-cost / charter) : Transavia, Atlas Blue		<ul style="list-style-type: none"> ⇒ Blend of "low-cost" and "charter" requirements
Charters airlines		
<i>Onur Air, BlueLine, Air Méditerranée, Karthago Airlines</i>	Airline companies that charter to tour operators offering point-to-point non-regular "pleasure" air services	<ul style="list-style-type: none"> ⇒ No fixed installations ⇒ Low airport costs ⇒ Simplified processing on the ground ⇒ Friendly, functional installations with no special services

6.2.1.3. Cargo and mail business

Cargo and mail services providers are responsible for goods and packages during all stages of the process in the transport chain, including delivery to and reception by cargo warehouses, customs procedures and clearance, packaging, aircraft loading and unloading, consolidation and deconsolidation, security operations and delivery to the final destination.

There are several types of cargo and mail service providers:

- cargo forwarding agents (or transit agents), who organize the pick-up, transport and delivery of merchandise and are responsible for organizing the entire transport chain, including the

²⁷ At Paris, the SkyTeam members are Aéroflot, AeroMexico, Air France-KLM, Alitalia, Continental Airlines, CSA Czech Airlines, Delta Air Lines, Korean Air, Northwest Airlines., China Southern, Air Europa and Kenya Airways. The Star Alliance members are Air Canada, Air New Zealand, ANA, Asiana Airlines (from 2008), Austrian, bmi, LOT Polish Airlines, Lufthansa, Scandinavian Airlines System (SAS), Singapore Airlines, Swiss, Spanair, SouthAfrican, TAP Air Portugal, Thai Airways, United, US Airways and Varig. The OneWorld members are Aer Lingus, American Airlines, British Airways, Cathay Pacific, Finnair, Iberia, LAN, Qantas, Japan Airlines, Malev and Royal Jordanian.

selection of road and air transport services, document management and the completion of customs formalities,

- airlines, which transport cargo either in the cargo hold of passenger flights (mixed flights) or in all-cargo flights. They mainly handle the transport of packages and occasionally the loading of packages in auto-assistance mode, other services, such as ground handling, customs clearance, ground transport and aircraft loading, are provided by terminal and runway assistance services, as is done for passenger operations. The primary air cargo company active at Paris metro area airports is Air France Cargo. Most of Air France Cargo's activity is at Paris-Charles de Gaulle airport,
- express cargo services, also called integrators because they cover the entire logistics chain for air cargo from point of origin to final destination, in order to maintain complete control at each step of the shipment, and thus guarantee rapid delivery times. The European hub of FedEx, the American integrator, is located at Paris-Charles de Gaulle airport,
- traditional mail service providers, historically at the origin of air transportation, who carry not only mail but also newspapers and magazines and high-priority small packages. The French postal service has concentrated all of its airmail services at Paris-Charles de Gaulle airport.

All the primary players in the global air freight chain have a presence either within the Paris-Orly or Paris-Charles de Gaulle airport facilities, or in the immediate vicinity, which constitutes a crucial competitive advantage.

6.2.1.4. Government services and agencies

In addition to its role as industry regulator, the French government is also responsible for a number of services essential to the operation of airport systems in France. These include:

- *air traffic control*: Air traffic control is responsible for the arrival and departure of aircraft to and from the aircraft parking areas. The physical configuration of the airport and the rules for allocating take-off and landing slots determine the maximum scheduling capacity. Within this framework, air traffic control determines the actual capacity of each airport in terms of the number of aircraft movements, based on operating conditions and visibility. In France, air traffic control is provided by the Air Navigation Services Department within the French Civil Aviation Authority (known by its French acronym, DGAC),
- *security operations*: the government is directly responsible for certain aspects of air transport security, such as background checks on persons authorized to enter restricted areas and the supervision and control of security operations carried out by airport operators and security agents in accordance with article L. 282-8 of the Civil Aviation Code. The implementation of some security tasks is outsourced to Aéroports de Paris, such as security checks of passengers, baggage, staff and merchandise²⁸,
- *public safety services*: at Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget, public safety missions are the responsibility of the French border police (DPAF) and air transport marshals (GTA), in accordance with Decree No. 96-828 of September 19, 1996 on the division of functions and the organization of cooperation between the national police force and the gendarmerie, and the law of January 7, 2000 on the assignment of security and peace-keeping functions between the national police and the gendarmerie with regard to civilian airfields. These public safety missions are carried out under the authority of the relevant *Préfet*, who takes the necessary measures to guarantee public order at the airport (Articles L. 213-2 and R. 213-3 of the Civil Aviation Code). Public safety services should be distinguished from security operations, which are designed to prevent illicit acts that may endanger the security of the aircraft and passengers,

²⁸ See 6.3.2.7. Security"

- *border security*: the French border police (DPAF) are responsible for the control of persons, mainly as part of immigration controls, while the French customs service is responsible for the control of goods. Border health controls, implemented to prevent the spread of transmissible diseases by air and other means, are provided by the regional social and sanitary affairs division in accordance with article R. 3115-2 of the public health code. Aéroports de Paris may be asked to assist in these services in application of article 33 of the specifications.

6.2.2. Air passenger traffic worldwide and in France

6.2.2.1. Growth of world air passenger traffic

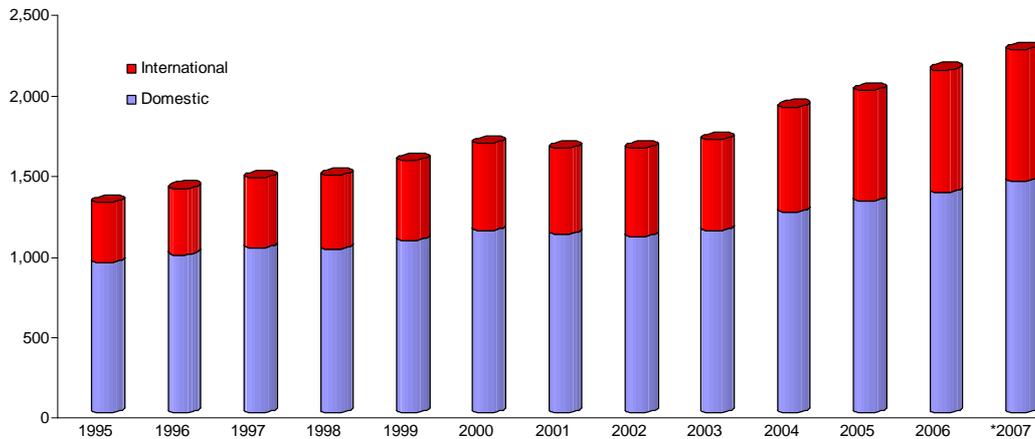
The worldwide airport market benefits from long-term growth in air traffic, despite occasional slowdowns. The number of air passengers has increased from 21.1 million in 1947 to nearly 2.2 billion in 2007, an average annual growth rate (AAGR) of 8.1%.

This continuous growth is the result of technological advances in the air transport industry, particularly with the widespread use of jet aircraft in the early 1960s, followed by the emergence of newer generations of aircraft offering improved capabilities (operating range, for example) and greater economy (notably in terms of size, fuel consumption and maintenance costs). The latest example is the Airbus A380, which entered service in 2007. More recently, the growth in air transport has been greatly stimulated by the deregulation of traffic rights between countries, and by the total opening of the market to competition in certain regions of the world (including Europe for traffic within the European Union). Technological advances and the liberalization of air traffic have triggered a sharp drop in airline ticket prices and have considerably democratized this means of transport. Lastly, since the beginning of commercial aviation, the growth of air transport has been closely linked to the development of world trade, as it is the preferred means for moving people (mass tourism, business trips) as well as goods (particularly value-added products and perishable goods).

The global air traffic industry faced the most severe crisis in its history between 2001 and 2003, following a series of dramatic international events: the terrorist attacks in the United States on September 11, 2001; the war in Afghanistan; the SARS epidemic in Asia; and the war in Iraq. Coinciding with a slowdown in world economic growth during the same period, the crisis triggered a major decline in air traffic that cost the sector several years of growth.

In 2001 and 2002, air traffic was below the 2000 level of 1.67 billion passengers (1.64 billion in 2001 and 1.63 billion in 2002). In 2003, the situation continued to deteriorate in the first quarter before world passenger traffic began to recover in the second and third quarters, ending the year with a total of 1.69 billion passengers. The recovery continued in 2004 as air traffic began growing rapidly again, returning to the growth rates seen in the second half of the 1990s. Passenger traffic reached 1.89 billion in 2004, up 12.1% from 2003 and about 13% higher than the 2000 level. This growth continued in 2005 at a rate of 5.5% compared to 2004 and reached 2 billion passengers. It was much the same in 2007: traffic grew at a rate of about 6.0% over the previous year, and reached 2.2 billion passengers.

The graph below shows the growth of world air passenger traffic since 1995²⁹.



In millions of passengers
 * 2007: estimated

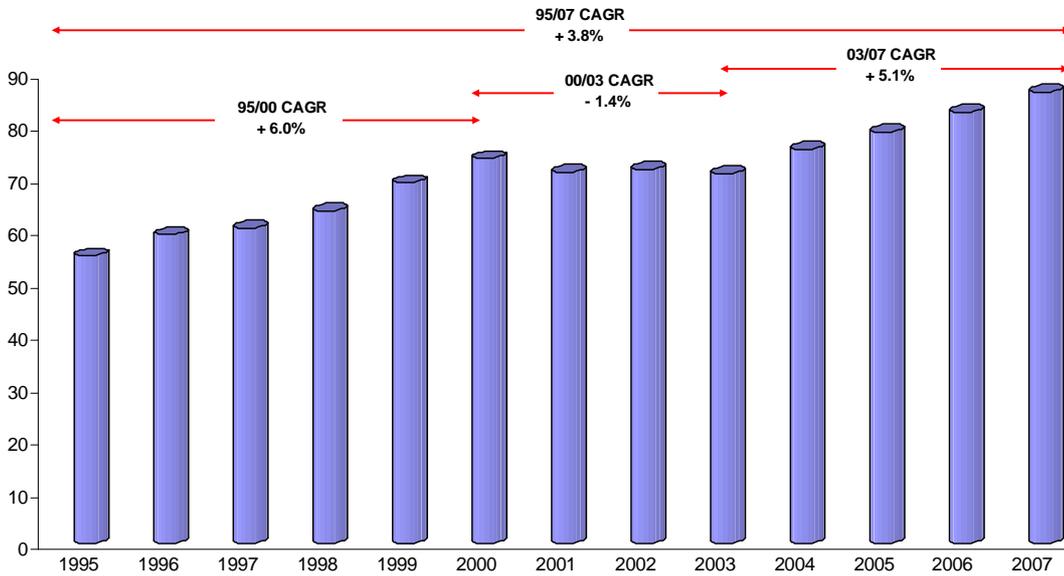
6.2.2.2. Growth in air passenger traffic at Aéroports de Paris airports

On the whole, the growth of air passenger traffic at Aéroports de Paris airports between 1995 and 2007 followed the same trends as air traffic worldwide. During this period, Aéroports de Paris's non-cargo air traffic grew at an average annual rate of 3.8% for passengers (including connecting passengers) and 2.8% for aircraft movements (excluding all-cargo aircraft). With a marked increase in the passenger load (meaning the number of passengers per aircraft) - from 104 passengers in 2000 and 105 passengers in 2003, to 117 passengers in 2007 - there was a stronger rise in the number of passengers than in the number of aircraft movements.

²⁹ Source: International Civil Aviation Organization – ICAO

The two graphs below present air traffic trends at the Group's airports between 1995 and 2007, in number of passengers and aircraft movements.

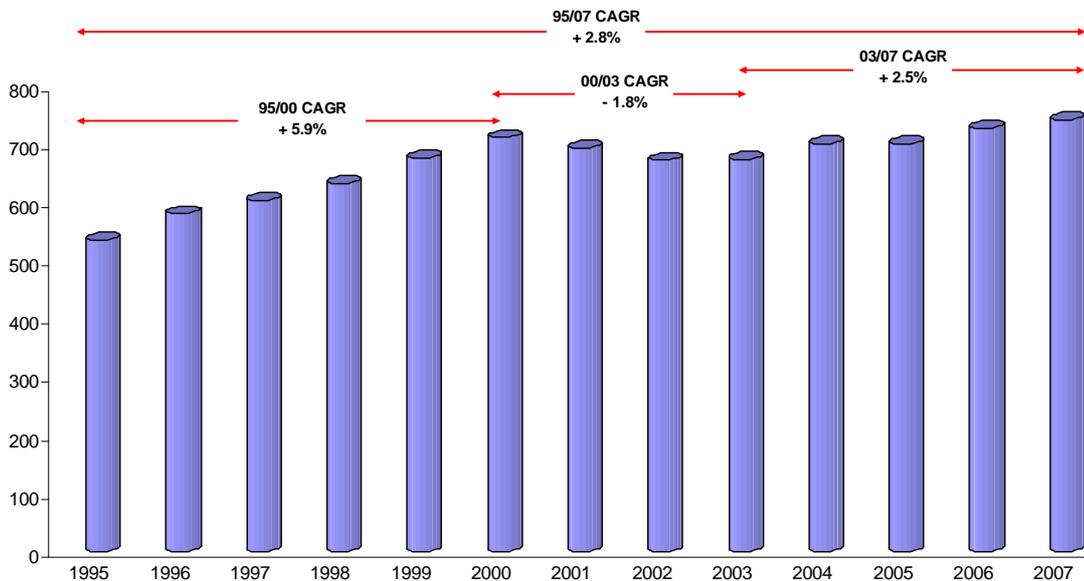
Growth in number of passengers



In millions of commercial passengers (including transit passengers)

Growth in commercial aircraft movements (excluding all-cargo planes)

The growth in traffic between 1995 and 2007 derives mainly from international traffic. In contrast, traffic on domestic flights declined slightly over the same period (average annual decline of 0.3%). For example, the share of international and European traffic rose from 68% of total traffic in 1995 to almost 80% of total traffic in 2007.



In thousands of aircrafts movements

Traffic at Aéroports de Paris airports in 2007

In 2007, Aéroports de Paris received some 86.4 million passengers at 2 primary airports, an increase of 4.7% compared with 2006.

Passenger traffic was as follows:

In millions of passengers	31/12/07	31/12/06	% change from 2007/2006
Paris-Charles de Gaulle	59.9	56.8	+5.4%
Paris-Orly	26.4	25.6	+3.2%
Aéroports de Paris	86.4	82.5	+4.7%

The number of commercial movements (including freight and mail) grew as follows:

Number of movements	31/12/07	31/12/06	% change from 2007/2006
Paris-Charles de Gaulle	543 810	532 961	+2.0%
Paris-Orly	232 991	229 371	+1.6%
Aéroports de Paris	776 801	762 332	+1.9%

2007 Air traffic by geographical routes

The two factors driving traffic growth in Paris in 2007 were Europe, on the one hand, especially with the increasingly established traffic from low-cost carriers, and international traffic from outside Europe, essentially long-haul traffic, which is closely tied to the appeal of Paris – Charles de Gaulle as a major hub at the global level. International traffic from outside Europe grew by 5.9%, compared with 3.9% in 2006.

2007 was also a very good year when it came to traffic within Europe, with a growth rate of 7.0%, on top of the 8.3% growth that was seen in 2006. The biggest increases within Europe came from Spain (15.2%) and Italy (12.1%). This strong growth stems, in particular, from the expansion of low-cost carriers, which grew by 27.5% at Aéroports de Paris airports in 2007. In Europe, low-cost carriers grew by 41.7% in the countries covered by the Schengen Agreement. Among the traditional European companies, the performances of Iberian, Lufthansa and TAP Air Portugal were noteworthy.

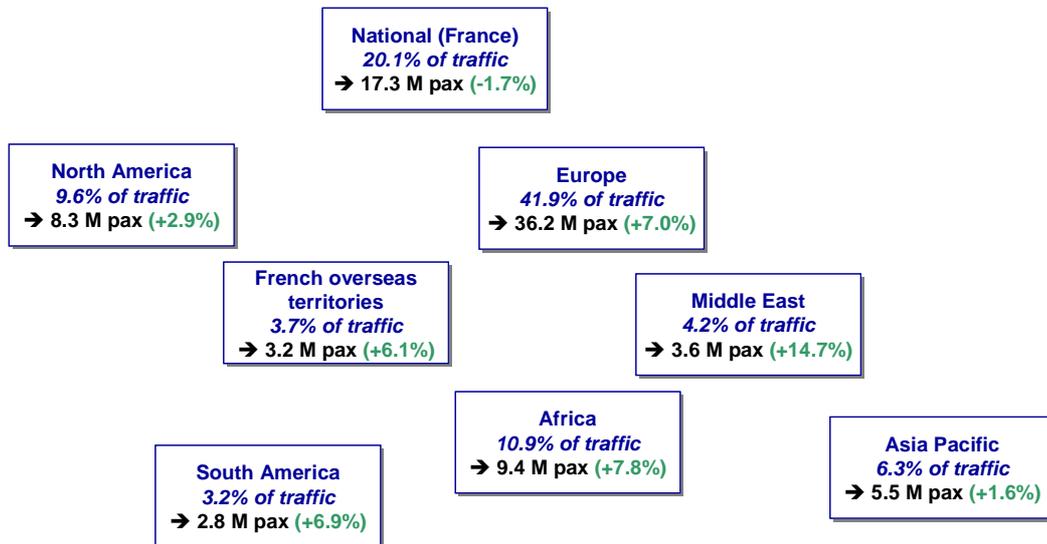
With regard to other international destinations outside of Europe, which are largely long-haul destinations, traffic was also quite dynamic, with a growth rate of 5.9%:

- Africa grew by 7.8% due to a strong surge in Northern African traffic, especially Morocco, thanks to the implementation of the “open skies” agreement with that country,
- the Middle East is extremely dynamic, up 14.7%. There are two reasons for this: strong growth in tourist and ethnic traffic to destinations such as Egypt, Lebanon and Israel; and 2007 was a year of relative geopolitical calm in the region. So there was a sort of “catching up” effect with respect to 2006. The other reason is the strong development of companies like Etihad, Qatar Airways and Emirates to Persian Gulf destinations,
- Latin America experienced lively growth (6.9%) with a strong showing from Brazil and a bump from the Rugby World Cup in Argentina in September,

- France's overseas territories and departments came back with 6.1% growth after a difficult 2006,
- North America grew by 2.9%, most due to Canada's strong growth (10.6%). Remember that Montreal hosts the largest French Diaspora in the world. On the other hand, the United States was still sluggish, despite being the top international destination for outbound Paris traffic,
- the Asia/Pacific region turned in a relatively modest bump of 1.6%. China, the top destination in this geographical zone, saw strong growth (6.2%). On the other hand, Japan (the number 2 destination in this segment) is a mature market (up 1.8%) and India (the number 3 destination) actually shrank by 3.3% – the strong growth from Air France and Air India could not completely compensate for the interruption of Delta Airlines' connections to that country.

In France, domestic traffic dropped by 1.7% due to the opening of the TGV Est (eastern high-speed rail line) in June 2007 and labor disputes that hit the air transport sector in October and December. The diversion of traffic due to the new rail line (TGV Est) will be felt statistically until June/July 2008.

The map below details the geographic breakdown for Group traffic in 2007.



Regional route as % of Aéroports de Paris total traffic (Paris – Orly & Paris - Charles de Gaulle)
 → In millions of passengers (including connecting passengers) (% change 2007/2006)

Airlines

At the Group's two main airports, the ten largest airlines accounted for about 70% of total traffic (excluding transit). These companies are listed in the table below, along with their share of traffic at the Paris-Charles de Gaulle and Paris-Orly airports.

Airline	Passengers	% of total
Air France-KLM	46,846,280	54.4%
easyJet airlines	3,527,941	4.1%
Iberia	1,735,315	2.0%
Lufthansa	1,510,657	1.8%
Corsair	1,435,068	1.7%
Air Europa / Air Espana	1,187,213	1.4%
Vueling airlines sa	1,167,208	1.4%
Aigle azur	1,092,737	1.3%
Alitalia	1,076,809	1.3%
British Airways	1,005,339	1.2%

The Air France-KLM group accounts for over half of commercial passenger traffic. The three alliances (Star Alliance, OneWorld and SkyTeam) account for over 60 million passengers - around 70.5% of passenger traffic.

Traffic from low-rate or low-cost companies makes up nearly 10.5% of passengers, up 27.5% from 2006.

The airlines operating out of Paris-Charles de Gaulle and Paris-Orly have different profiles and the difference corresponds to the different air traffic characteristics. See paragraph 6.3.2.1. "Paris-Charles de Gaulle" and 6.3.2.2 "Paris-Orly" for a description of the main airlines active at each of these two airports.

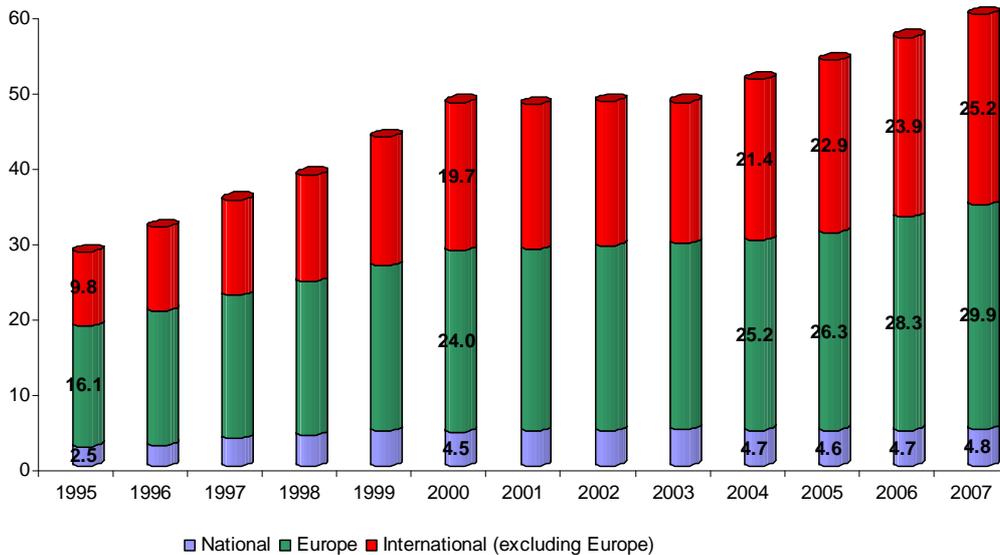
Detailed analysis of traffic trends at the Group's two main airports

Over the past ten years, air traffic at the Group's two main airports has followed different trends, with Paris-Charles de Gaulle recording more favorable traffic growth than Paris-Orly.

Growth in passenger traffic: Paris-Charles de Gaulle

The growth of traffic at Paris-Charles de Gaulle reflects the dynamic momentum of both the airlines and the three big alliances - notably the growing importance of the Air France hub and, more generally, the SkyTeam alliance. As a result, Paris-Charles de Gaulle has reported a AAGR of 5.4% since 1995, surpassing the average annual growth rate of the world market as measured by the ICAO.

The graph below tracks the growth of passenger traffic at Paris-Charles de Gaulle between 1995 and 2007.



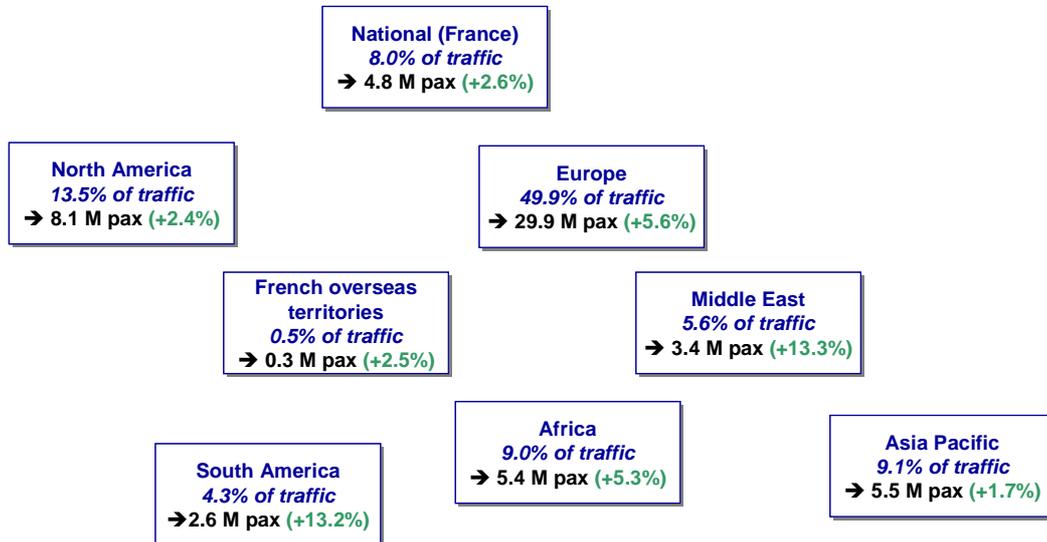
In millions of passengers (including connecting passengers)

In 2007, traffic continued to grow at Paris – Charles de Gaulle, reaching some 59.9 million passengers (including connection passengers), up 5.4% from 2006. International traffic is driving the growth, with 55.1 million passengers in 2007, a growth of 5.8% compared to 2006, including 1.7% for Europe and 6.1% for the rest of the world. Connecting passengers represent about 31.9% of the total, compared with 32.3% in 2006. The average passenger load was 118 passengers per flight.

The main features of 2007 were:

- a reversal in the trend of traffic toward the French overseas departments and territories (up just 2.5% from 2006 to 2007 versus 27.9% between 2005 and 2006,
- an acceleration in the growth of traffic to South America (13.2% from 2006 to 2007 versus 8.2% from 2005 to 2006) and the Middle East (17.3% from 2006 to 2007 versus 8.6% from 2005 to 2006),
- the continuation of moderate growth toward North America with an increase of 2.4% from 2006 to 2007 (against 0.4% from 2005 to 2006),
- a small increase in domestic traffic (up 2.6% from 2006 to 2007) which confirms the inversion of the trend noted in 2005-2006, with an increase of 1.6% as opposed to a decline of 1.1% from 2004 to 2005,
- sustained growth within Europe with an increase of 5.6% between 2006 and 2007 (against 7.5% from 2005 to 2006) which is still greater than the growth from 2004 to 2005 (up 4.5%).

The map below shows the structure of air traffic at Paris-Charles de Gaulle by geographic region. It highlights the preponderant weight of international traffic, which accounts for over 90% of total traffic. Traffic to European destinations accounted for just over 54% of traffic, while other international destinations accounted for almost 46% of traffic.



*Regional route as % of Paris-Charles de Gaulle traffic
 → In millions of passengers (including connecting passengers) (% change 2007/2006)*

Passenger traffic growth: Paris-Orly

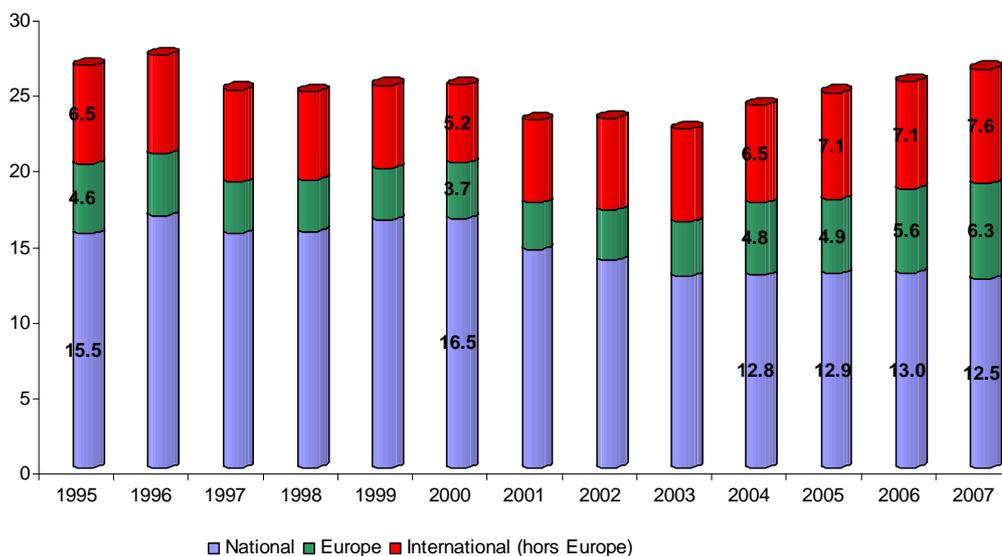
Compared to Paris-Charles de Gaulle, air traffic trends were not as favorable at Paris-Orly, due to a ceiling of 250,000 airport slots attributable each year, and the impact of the following:

- the development of a connecting hub at Paris-Charles de Gaulle led Air France to transfer a number of its flights previously operated out of Paris-Orly to Paris-Charles de Gaulle. At the same time, a number of international airlines, such as American Airlines, Continental Airlines, and El Al, transferred their operations to Paris-Charles de Gaulle,
- the French airline industry (especially Air Liberté, Aëris and Air Littoral) had a difficult period from 2000 to 2003,
- the domestic market was exposed to fierce competition from high-speed TGV trains (particularly the TGV East and Southeast lines).

The rebound initiated in 2004 solidified in 2007 with a traffic increase of 3.2% compared to 2006 for a total of 26.4 million passengers.

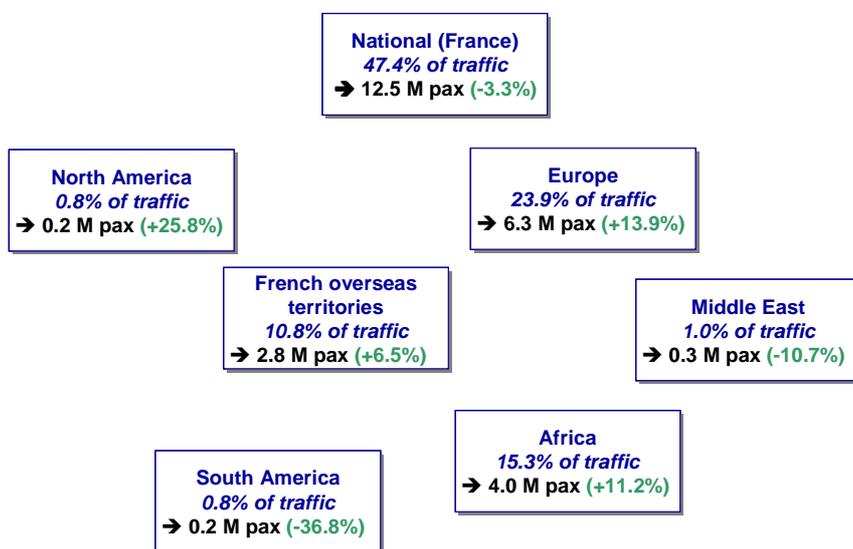
Growth in traffic continues to be influenced by international traffic (which exceeded 50% of airport traffic for the first time) and by European traffic in particular (up 13.9% between 2006 and 2007), thanks to the basing of low-cost carriers at Paris-Orly, foremost of which is EasyJet. These companies account for 15% of Paris-Orly airport traffic, and the volume soared in 2006 (up 28% with respect to 2006). Due to these improvements in traffic, average passenger load increased steadily for all traffic at Paris-Orly, rising from an average of 106 passengers per flight in 2000 to 113 passengers in 2007.

The graph below tracks the growth of air traffic at Paris-Orly between 1995 and 2007.



In millions of passengers (including connecting passengers)

The map below shows the structure of passenger traffic at Paris-Orly by geographic region in 2007.



Regional route as % of Paris-Orly traffic
 → In millions of passengers (including connecting passengers) (% change 2007/2006)

Despite a drop of 3.3 points due largely to labor disputes in the airline industry and competition from the TGV line to Strasbourg since summer 2007, French domestic travel accounted for the largest block of traffic in 2007 and represented about 47.4% of all traffic going through Orly, as opposed to 50.6% in 2006.

6.2.3. Future trends in air passenger traffic

Future trends in air passenger traffic worldwide

Although future growth trends are by nature unpredictable, most in the air transport industry believe that world air passenger traffic is likely to continue growing at a regular pace over the next 15 years.

According to the Airports Council International, the number of passengers in the world market could grow by more than 4% a year through 2020. Eurocontrol, the European organization for air navigation safety, expects an increase from 1.7 to 2.1 times the number of aircraft movements in European air space by 2025 compared to the 2005 level.

Most studies publish data in "passenger kilometers transported" (PKT), meaning the number of passengers multiplied by the number of kilometers traveled. PKT calculations are different from those used by airport operators, which are based on the number of passengers. Over the long term, the growth in the number of passengers at the Paris airports is typically about 1% to 1.5% less than the PKT figures published by the airlines and civil aviation organization. This can be attributed to stronger growth in the long-haul sector.

The International Air Transport Association (IATA) predicts in *Passenger Forecast 2007-2011* that air traffic expressed as PKT will grow by an average of 5.2% per year between 2007 and 2011. According to IATA, traffic to destinations outside of Europe should see sustained growth, with particularly rapid increases in traffic to the Middle East (6.1% per year), the Asia-Pacific region (6.6% per year) and Africa (5.6% per year). North American traffic is also expected to increase, at a pace of 4.3% a year. For international traffic within Europe, IATA foresees an annual growth rate of 4.8%. Intra-European traffic will benefit in particular from strong growth in air traffic in central and eastern Europe.

In *Global Market Forecast 2007-2026*, Airbus estimates that passenger traffic expressed as PKT will increase by an average of 4.9% per year between 2007 and 2026. Traffic between Europe and the Middle East should grow 7.6% per year, according to the aircraft manufacturer, with Asian traffic growing by 5.9%. Airbus expects traffic to and from South America to increase by 6.2% a year.

Boeing's forecast in *Current Market Outlook 2007* calls for an annual average increase in PKT of 5.0% between 2006 and 2026, with a 4.5% rise in the number of passengers. According to Boeing, growth markets in terms of PKT include Europe to/from northern Asia (Japan, Korea) which should increase by 5.4% per year, and South America with 5.9%. According to Boeing, traffic to and from Southeast Asia and the Middle East is expected to increase by 5.6% and 4.2%, respectively.

Future trends in air passenger traffic in France

As with world passenger traffic, participants in the French aviation market expect domestic passenger traffic to grow regularly in France, barring any unpredictable events, such as a geopolitical crisis. In particular, international traffic is expected to remain robust in the medium term, although certain factors are tending towards a leveling-out of growth in global traffic. These factors mainly concern the maturity of the domestic and Northern European markets, which together accounted for nearly 40% of the total traffic for Aéroports de Paris in 2005. Similarly, the ongoing development of high-speed train networks - including the planned acceleration in the development of international high-speed lines between Paris and Amsterdam, Frankfurt, London and Geneva - will continue to weigh on the annual growth potential of air traffic at Aéroports de Paris airports, as some passengers choose train travel over air.

The French regulatory body, including representatives from the Ministry of Economy, Finance and Industry and the Ministry of Civil Aviation, based its central scenario for the CRE on an average annual growth rate of 3.75% (in number of passengers) for 2006-2010. Given the uncertainty of traffic forecasts, the CRE provides for airport fee levels to be adjusted according to the actual growth rates of passenger traffic³⁰.

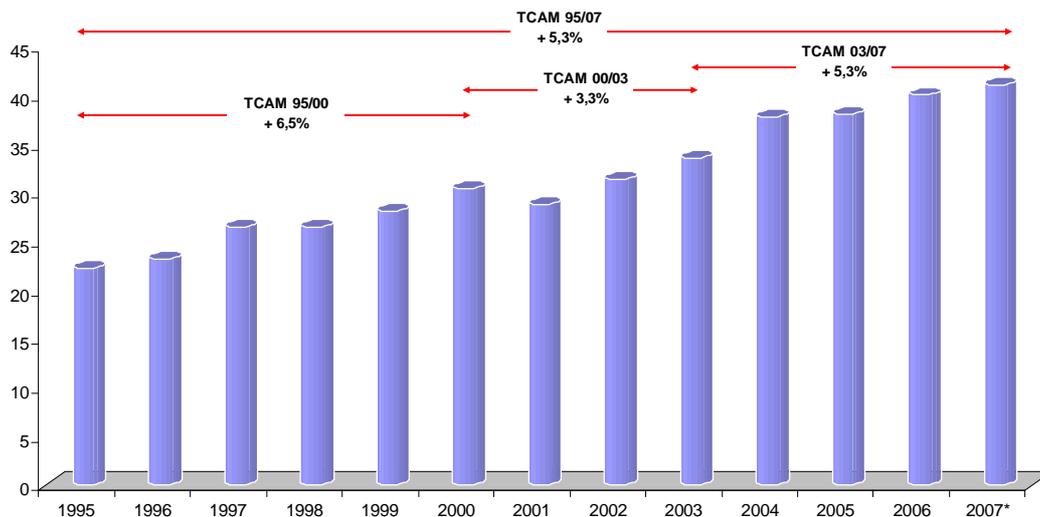
Aéroports de Paris believes that the CRE's central hypothesis will remain valid on average over the next three years (2008 to 2010), after the solid increases in traffic in 2006 and 2007³¹.

6.2.4. Growth in cargo traffic

There is no single international definition of what constitutes air cargo. The International Civil Aviation Organization (ICAO) defines air cargo as merchandise transported by air for a fee, with the exception of mail, while the IATA defines cargo as all goods including mail, with the exception of baggage.

Between 1960 and 2001, the ICAO calculates that air cargo traffic (including both international and domestic shipments) increased 58-fold, rising from 2 billion ton-kilometers transported (TKT) to 117 billion TKT. Using the IATA definition, air cargo traffic rose from 2.5 billion TKT to 140 billion TKT during that same period³². In 2006, worldwide freight transport on regular flights was 39 million tons, as against 38 in 2005.

The following chart illustrates the world growth of air cargo traffic since 1995.



In million tons
Source: Civil Aviation Organization
* Source: ICAO

In 2007, Aéroports de Paris ranked number one in Europe and seventh worldwide in air cargo (including mail), handling 2.41 million tons of cargo and mail, or about 5% of total world tonnage. In 2007, Aéroports de Paris airports handled 90.3% of all cargo transported via French airports³³.

Most studies expect world air cargo traffic (in TKT) to grow at an CAGR of between 5.3 and 6.0% through 2025. Cargo growth is thus expected to exceed passenger traffic growth. According to ICAO, air cargo traffic should continue growing until 2020 at an estimated growth rate of about 5.4% a year.

³⁰ See 6.3.2.6. "Revenues from Airport Operations"

³¹ See 12.2. "Outlook 2008" and 13.1. "Planned or estimated profit of the Group"

³² Source: DGAC

³³ Source: Union des aéroports français (UAF): 2007 results of French airports activity

In *Freight Forecast 2006-2010*, IATA estimates that cargo traffic will grow at an average annual rate of 6.0% from 2006-2010, mainly due to increased trade with Asia, particularly India and China. IATA foresees strong growth in international cargo traffic to all destinations from Europe, with annual traffic up 6.0% to the Asia-Pacific region, 5.8% to the Middle East and 5% to Africa. IATA also forecasts a 4.6% increase in international cargo traffic within Europe.

In its *Global Market Forecast 2006-2025*, Airbus notes that it expects cargo traffic to grow at an average annual rate of 6% from 2004-2023. The aircraft manufacturer expects cargo traffic between Europe and Asia to increase 6.6% per year during this period, strongly boosted by traffic to and from China. Airbus estimates that cargo traffic between Europe and the Middle East will grow at the rate of 5.1% per year, between Europe and Africa at the rate of 5.7% per year, and between Europe and South America at the rate of 5.6% per year.

In its *Current Market Outlook 2006*, Boeing forecasts an average annual increase in air cargo traffic of 6.1% between 2005 and 2025.

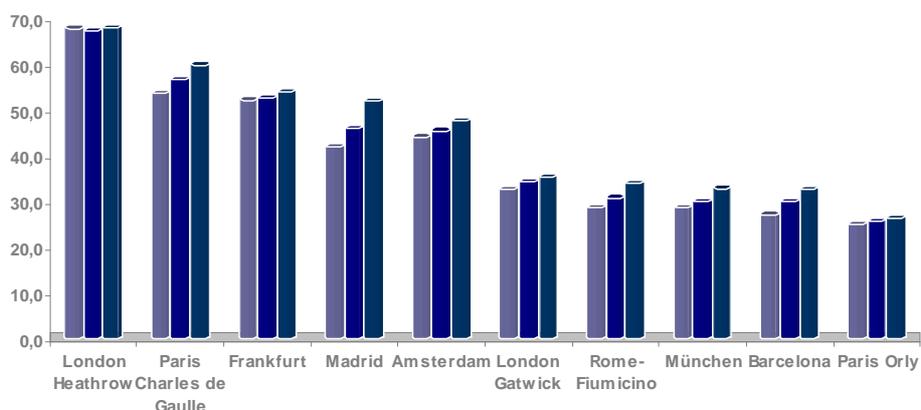
In France, an October 2005 study by DGAC estimates that French air cargo traffic will grow by over 4%, mainly due to the fast development in express transport services, which will soon account for the majority of air cargo traffic.

6.2.5. Aéroports de Paris' position in the airport market

With its two airports of Paris-Charles de Gaulle and Paris-Orly, Aéroports de Paris is among the leaders in the commercial air transport market for passengers in Europe and in the world. As shown in the graph below, which lists the top 10 European airports in terms of number of passengers in 2007 as well as passenger trends from 2003 to 2007³⁴, Paris-Charles de Gaulle and Paris-Orly are number two and number 10 respectively.

With two major airports, Aéroports de Paris's airport system still ranks second in Europe, handling a total of 86.4 million passengers in 2007, behind London (126.8 million passengers for Heathrow, Gatwick, Stansted), but ahead of Frankfurt (run by Fraport AG with 54.2 million passengers), Madrid (run by Aena with 52.1 million passengers), Amsterdam (run by Schiphol Group with 47.8 million passengers), Munich (run by Flughafen München GmbH with 33.9 million passengers), and Rome-Fiumicino (run by Aeroporti di Roma with 33.9 million passengers).

³⁴ Source: Airports Council International(ACI)



Annual traffic in millions of passengers
Sources: Airport Council International and airports reports

The Parisian airport system (Paris-Charles de Gaulle and Paris-Orly airports) also holds sixth place globally:

Rank	City	Millions of passengers ³⁵
1	London	126.8
2	New York	110.0
3	Tokyo	102.2
4	Chicago	95.6
5	Atlanta	89.4
6	Paris	86.4

The Group faces different types of competition due to the various types of airport services it offers and changes in its regulatory environment.

Competition with other hubs

To counter stronger international competition in the air industry, numerous airlines have formed alliances, combining their various destinations into networks so as to maximize the services offered to customers. The airport plays an essential role in this network-building process, since it is the link between connecting flights. The better an airport performs, the more options it can offer for connecting flights, the more “strategic” it becomes. For instance, Aéroports de Paris provides Air France-KLM with the key infrastructure it needs for operating a hub, which the airline group has located at the Paris-Charles de Gaulle airport.

With the consolidation of the airline industry around a few major alliances and their main airline members, Aéroports de Paris is primarily in competition with the London airport system, which hosts British Airways and the members of the OneWorld alliance; the Frankfurt airport, hub for Lufthansa

³⁵ Sources: ACI and airport reports, March 2008

and the members of the Star Alliance; and the Amsterdam-Schiphol airport, the second operational hub of the Air France-KLM group.

To a lesser extent, the Paris airport system is also in competition with developing hubs, including Madrid Barajas, headquarters of Iberia, and the Munich-Franz Josef Strauss airport, Lufthansa's second hub. Lastly, Aéroports de Paris also competes with more distant airports, such as Dubai, home of Emirates Airlines, that are striving to become major international hubs between Europe, the Americas and Asia.

Given this competition, Aéroports de Paris has numerous competitive advantages, which explain the size of its market share:

- it has an ideal geographic location at the North-South crossroads of Western Europe, making Paris an excellent point of departure for international destinations outside of Europe. Moreover, there are no major competing airports within 300 kilometers, affording Aéroports de Paris a unique situation in continental Europe,
- France is attractive to both tourists and international business. France is the number one tourist destination in the world with more than 80 million visitors in 2007, up 2.6% compared to 2006³⁶, as well as the number two most favored location for new business facilities in Europe, with 23% of the 2006 total³⁷,
- the Ile-de-France region is an economic powerhouse of national importance, France's main centre of production (30% of French GDP and 32% of French exports³⁸), decision-making, education and research,
- Paris is an extremely attractive city: the world's number-one destination for tourism and business trips; the world's top location for international trade shows, with 229 events held in 2005; and the city with the largest hotel base in Europe, with 80,000 rooms³⁹,
- the greater Paris region generates considerable demand for air transportation. It is Europe's largest urban capital region in terms of population, with 9.9 million inhabitants in 2005, ahead of London (9.3 million), Madrid (4.9 million), Brussels (4.5 million) and Berlin (3.8 million)⁴⁰,
- Lastly, there are 25 million people living within 200 kilometers of the two main airports of the Aéroports de Paris system.

The natural appeal of Paris generates a high level of origin-destination traffic, which explains the high proportion of point-to-point traffic at Aéroports de Paris. Point-to-point traffic accounted for three quarters of total traffic in 2007 (75.6% of the total traffic at the Paris-Charles de Gaulle and Paris-Orly airports), while connecting traffic accounted for only one quarter of the total. There were 65.3 million point-to-point passengers in 2007 and 21.1 million connecting passengers.

³⁶ Source: Ministry of Tourism

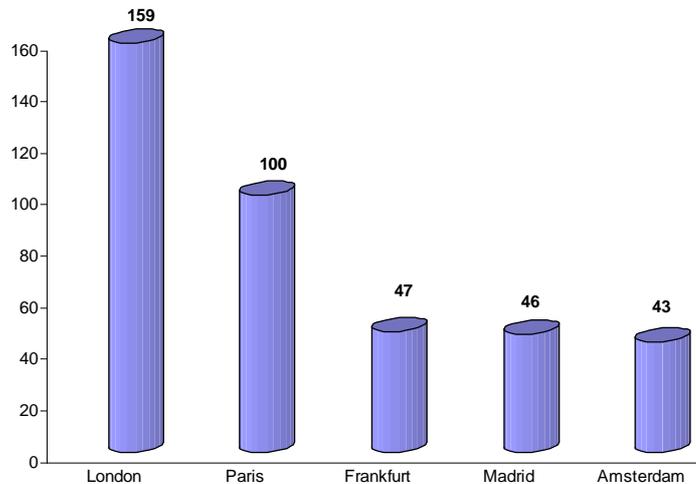
³⁷ Source: Ernst & Young

³⁸ Source: Paris – Ile-de-France Capitale Economique, <http://www.europinvest-paris.info>

³⁹ Source: French congressional commission on the economy, environment and development, January 2006

⁴⁰ Source: INSEE, 2005, population of urban areas

The graph below compares point-to-point traffic at Aéroports de Paris's airports and the other major European facilities (index: Paris-Charles de Gaulle = 100).



London: Heathrow, Gatwick, Stansted
 Paris: Charles de Gaulle and Orly
 Frankfurt: Hahn
 Sources: airports reports

Aéroports de Paris also benefits from an especially dense network of destinations served directly from Paris. Though ranked second behind London in terms of the number of cities served, Paris is far ahead of Frankfurt and Amsterdam, especially for destinations that are served by only one major European airport.

One consequence of these two advantages is the high level of connectivity at the Paris-Charles de Gaulle 2 hub: With an average of 20,695 possibilities of connections of less than two hours every week being offered, the Paris-Charles de Gaulle hub surpasses its three main European competitors: the Lufthansa hub at the Frankfurt airport, with an average of 13,020 possible connections; the KLM hub at the Amsterdam-Schiphol airport, with an average of 7,193 possible connections; and the British Airways hub at the London-Heathrow airport, with an average of 7,070 possible connections⁴¹.

Lastly, Paris-Charles de Gaulle has considerable growth potential, because its aviation facilities are unequalled in Europe. With its two pairs of independent parallel runways, the airport is able to offer airlines the capacity and the flight frequencies they will need to carry out their commercial strategies and develop their networks well into the future.

Competition with France's regional airports

Paris-Charles de Gaulle and Paris-Orly are the two largest airports in France, ahead of Nice-Côte d'Azur (10.4 million passengers in 2007), Lyon-Saint Exupéry (7.3 million passengers) and Marseille-Provence (6.9 million passengers).

The regional airports in metropolitan France served about 57 million passengers in 2007. Excluding transit passengers, about 48% of the traffic is domestic and 52% international⁴². Competition with France's main regional airports is mainly limited to international traffic, since most of the domestic traffic at these airports is to or from Paris.

For international traffic, regional airports have benefited from the development of point-to-point traffic in recent years arising from the emergence of low-cost carriers. This direct traffic bypasses

⁴¹ Source: Air France-KLM

⁴² Source: Union des Aéroports français (Union of French Airports). Excluding Basle-Mulhouse airport

Aéroports de Paris since it does not involve connecting flights through the Paris-Charles de Gaulle hub. A DGAC study from the end of 2007⁴³ shows that international point-to-point routes from these regional airports are almost exclusively short and medium-haul flights to destinations in Europe. The only exception is the Nice-Côte d'Azur airport, which offers regularly services to New York, Atlanta and Dubai.

For long-haul destinations, the same study noted that nearly 80% of travelers departing from one of France's main regional airports will have to make at least one stopover at a major hub (this number rises to 91% for destinations in the Americas and Asia). Altogether, 30% of these flights involve connections through Paris-Charles de Gaulle. Frankfurt is the only facility attracting more than 10% of connecting traffic originating at France's regional airports (12%). The other airports (Munich, Amsterdam, Madrid, Lyon, Milan) each account for between 5% and 8% of this traffic. Paris-Charles de Gaulle thus appears to be well positioned as the hub for medium- and long-haul traffic originating in France - not only for the Ile-de-France region, its "natural" commercial area, but for the entire country as well.

Competition with specialized airports

Low-cost carrier EasyJet and others in this category now account for a bit more than 15% of the passenger traffic handled at Paris-Orly, and their presence will serve as a major source of growth for this airport in the coming years.

Paris-Charles de Gaulle and Paris-Orly compete for the low-cost segment with the Beauvais-Tillé Airport located in the Oise department about 80 km from Paris. Managed by the Oise Chamber of Commerce and Industry in conjunction with Veolia Transport, this airport has three runways and hosts several low-cost carriers (such as Ryanair, Sterling, Wizzair and Blue Air) that do not have facilities at Paris-Orly. In 2007, the Beauvais-Tillé airport handled 2.1 million passengers⁴⁴.

The Paris-Orly airport sets itself apart from its rival with a more upmarket profile, characterized by its proximity to Paris, the quality of its infrastructure (ground handling equipment, passenger jetways), and the diversity and quality of retail areas and services available for passengers in the terminals.

Competition with other means of transportation

In Europe, air transport faces competition from railways and, to a lesser extent, automobiles. Total travel time remains the predominant factor for passengers when choosing between air and rail, and it determines to a large extent their relative market share. High-speed trains are generally preferred for trips of less than three hours, while air travel is preferred when a trip takes more than four hours. Consequently, the real competition is for destinations that require between three and four hours of travel time. Both Paris airports – Paris-Orly and, to a lesser degree, Paris-Charles de Gaulle – face this competition from trains, which is likely to intensify as the French TGV and European high-speed train networks continue to develop.

Nevertheless, the Aéroports de Paris Group believes that the TGV network also offers it advantages, since it delivers passengers to long-haul flights departing from Paris - made possible by the TGV train station located in the Paris-Charles de Gaulle airport, which handles some 3 million passengers annually. Moreover, Aéroports de Paris plans to maintain and further develop a range of high-quality services, which should enable the Paris-Orly airport to limit the loss of market share to train travel in the years ahead.

⁴³ Theme notes, DGAC department of strategic and technical affairs, "Hubs, still indispensable for the 'internationalization of regional airports (December 2007).

⁴⁴ Source: Union des Aéroports français

Competition in the cargo market

The Paris-Charles de Gaulle and Paris-Orly airports handled a combined total of 2.41 million tons of cargo and mail in 2007. This places Paris in the number one position in Europe, ahead of Frankfurt, London and Amsterdam. The Paris-Charles de Gaulle airport also ranked seventh worldwide in 2006, behind the Memphis, Hong Kong, Anchorage, Seoul, Shanghai and Tokyo airports. Domestically, Paris ranks first, ahead of the Toulouse, Basel-Mulhouse, Marseille, Vatry and Lyon airports⁴⁵.

The main air cargo competitors in Europe are Frankfurt (2.16 million tons) and Amsterdam (1.65 million tons), which have made this segment a major part of their development strategy. Although the London airports (Heathrow, Gatwick, Stansted) generate substantial freight traffic (1.7 million tons), they primarily serve the greater London and English markets and, without the benefit of comparable access infrastructure (especially highways), they are not direct competitors for cargo service in continental Europe. A somewhat smaller player, Cargolux operates a significant number of all-cargo flights out of Luxembourg. Emirates is also seeking to develop cargo services out of its Dubai hub.

To counter this competition, the Paris airports, and Paris-Charles de Gaulle in particular, offer several major advantages. First, Paris and the Ile-de-France region are a crossroads for economic trade, due to the presence of numerous multinational companies and a dense concentration of small and medium-sized companies and industries, making it one of the largest employment bases in Europe. Served by France's North-South and East-West road networks, the region also offers exceptional ground transportation and an excellent geographical location within Europe.

Moreover, the Paris-Charles de Gaulle airport houses three cargo operations at the same location: Air France-KLM, FedEx and La Poste (the French Postal service). This proximity allows the three networks to interconnect, resulting in a greater number of connecting flight options. Paris-Charles de Gaulle is thus the only European passenger hub airport to have a cargo hub as well (the UPS, TNT and DHL cargo hubs are located at the Liege, Cologne and Brussels airports).

FedEx is the largest air cargo transport company in the world, with 15.1 billion TKT in 2007⁴⁶. With 11.4 billion TKT⁴⁷, the Air France-KLM group is the world's second largest air freight carrier behind FedEx, and the world's leading general air cargo company (excluding express services). The power of the Air France-KLM group is reinforced by the SkyTeam alliance's leading position in air cargo, due mainly to major players like Korean Air and Northwest.

Finally, Aéroports de Paris has sufficient space to keep pace with the future growth of companies already located at its airports, so it will be able to provide more space for aircraft parking areas or the land needed to build or expand cargo terminals.

6.3. Aéroports de Paris's primary activities

6.3.1. The Group

Aéroports de Paris is responsible for building, operating and developing the Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget airports, the Issy-les-Moulineaux heliport, and ten general aviation airfields open to public air traffic in the Ile-de-France region. By managing airport operations and development, the Group provides a public service. See section 6.6.2.7 for a description of this public service role. "Technical aspects of airport management (cahier des charges)".

Aéroports de Paris is also involved either directly or through subsidiaries in real estate activities, ground handling services and other businesses that make use of its expertise, such as the

⁴⁵ Source: *Union des Aéroports français, 2007 figures*

⁴⁶ Source: *IATA*

⁴⁷ Source: *Air France-KLM*

development of international airport management services and airport engineering, specialized telecommunications services and retail activities at Group airports.

The Group's activities are divided into four main segments:

- **airport services**, which include all of the activities conducted by Aéroports de Paris as an airport operator: design, construction and operation of terminals, runways and other infrastructure; allocation of airport resources; development and leasing of commercial space for services provided within terminal buildings to passengers and the public; and related services (car park, baggage handling, security, and aircraft parking),
- the development and operation of **real estate activities** on the land surrounding its airport infrastructure, excluding air terminals,
- **ground handling and related services**: Ground handling services include passenger check-in, baggage handling, aircraft ground assistance (cabin cleaning, arrival/departure guidance, towing and pushback, etc.) and cargo transfer. These activities have been open to competition pursuant to European Directive 96/67/EC of October 15, 1996,
- **other activities**: Foreign airport management services, airport engineering, specialized telecom services and retail operations.

The table below shows the Group's sales (or revenue from ordinary activities) and current operating income by segment for the years ended December 31, 2006 and 2007.

In millions of euros	31/12/07		31/12/06		2007 / 2006	
	Turnover	Current operating income	Turnover	Current operating income	Turnover	Current operating income
Airport services	1,836.9	462.7	1,726.4	426.2	+6.4%	+8.6%
Real estate	194.2	49.0	175.7	43.7	+10.5%	+12.2%
Ground handling and related services	195.3	-11.9	177.1	-17.4	+10.3%	+31.7%
Other activities	326.9	21.5	226.3	17.5	+44.4%	+22.4%
Inter-segment eliminations and unaffected items ⁽¹⁾	-260.9	-79.2	-228.7	-79.1	+14.1%	+0.1%
Total	2,292.4	442.1	2,076.8	390.9	+10.4%	+13.1%

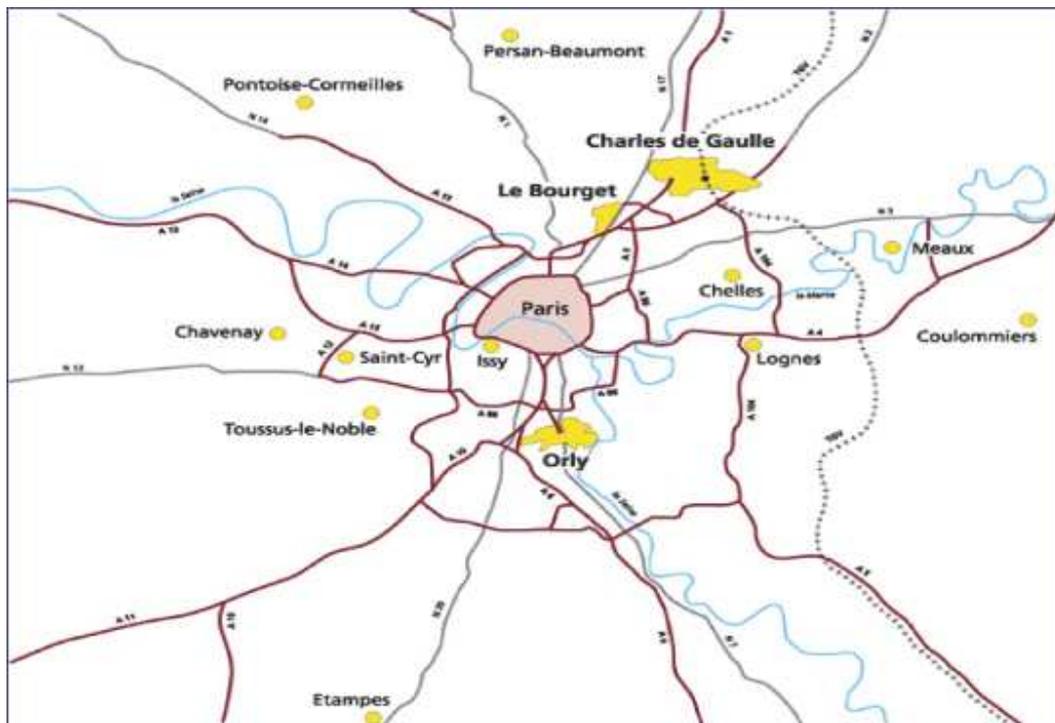
(1) Mainly headquarters costs

6.3.2. Airport services

Aéroports de Paris is Europe's second largest airport group in terms of airport turnover. The Group's airport system is also ranked sixth worldwide based on the number of passengers in 2007, and seventh worldwide for air cargo (including mail). Its three main airports are highly complementary, enabling it to benefit from different sources of traffic:

- the Paris-Charles de Gaulle, airport specializes in long-haul routes, including both point-to-point and connecting flights. It is the global hub of the Air France-KLM Group, the European hub of both the SkyTeam alliance and FedEx, and Europe's largest connecting airport based on the number of connections available in less than two hours,
- the Paris-Orly, airport with its proximity to Paris, specializes in point-to-point traffic serving destinations within France (notably via La Navette, the Air France shuttle), southern Europe, the French overseas departments and territories and North Africa (mainly Morocco, Algeria and Tunisia). It also hosts several low-cost airlines that mainly serve Europe, as well as charter airlines specializing in medium- and long-haul flights to vacation destinations,
- Paris-Le Bourget, is the largest business airport in Europe.

The map below shows the location of the airports and airfields owned and managed by Aéroports de Paris.



The key figures for 2007 illustrate the Group's dynamism and unique positioning in the airport market:

- 86.4 million passengers, of which 79.9% are international passengers (including Europe) and 24.4% are connecting passengers,
- nearly 777,000 aircraft movements, serving some 547 cities in 135 countries, where 333 cities have at least a weekly service,
- on peak days, 210,000 passengers use the Paris-Charles de Gaulle terminals and 97,000 passengers use the Paris-Orly terminals,
- 2.41 million tons of cargo (including mail),
- nearly 42,000 sqm of commercial space, bars and restaurants, which generated overall sales of 343.2 million euros in 2007 compared to 286.5 million euros in 2006,
- 11,381 Group employees, and over 110,000 employees working for 1,100 companies directly involved with the airports. Altogether, over 300,000 jobs in the Ile-de-France region are directly or indirectly related to Aéroports de Paris's activities.

6.3.2.1. Paris-Charles de Gaulle

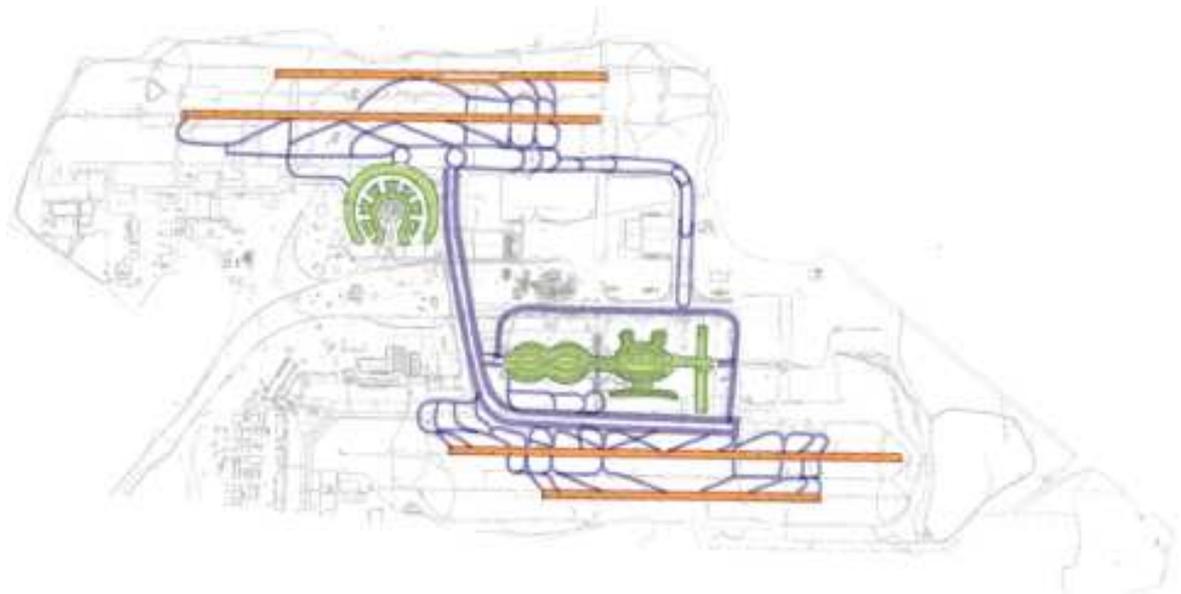
General description of the Paris-Charles de Gaulle airport

The Paris-Charles de Gaulle airport is built on 3,257 hectares of land north of Paris. It has four runways (organized as two independent, parallel pairs) with a maximum scheduling capacity that could eventually reach 120 movements per hour (currently limited to 112 movements per hour), and three passenger terminals: CDG 1 (international and Schengen traffic, which includes in particular the Star alliance Companies), CDG 2 (international and Schengen traffic, which includes in

particular flights from Air France-KLM and its partners from the SkyTeam and OneWorld alliances) and CDG 3 (primarily traffic from charter and low-cost companies and six cargo terminals⁴⁸). The three terminals at Paris-Charles de Gaulle have a nominal capacity of 61.6 million passengers.

The Paris-Charles de Gaulle airport also accommodates train/air connections thanks to the TGV high-speed train station that serves Brussels via the Thalys line, as well as the French regions linked to the TGV network.

The diagram below shows the layout of the Paris-Charles de Gaulle airport.



The Paris-Charles de Gaulle airport handles the full range of commercial long-haul and intercontinental routes available through the Paris airport system managed by Aéroports de Paris, with the exception of those to the French overseas territories and the Caribbean, which are operated out of Paris-Orly⁴⁹. This has a considerable impact on the business and identity of the Paris-Charles de Gaulle airport, which is the world's gateway to France. The average staffing level for the Paris-Charles de Gaulle division was 2,628 employees in 2007.

Paris-Charles de Gaulle airport handled 59.9 million passengers in 2007, compared to 56.8 million in 2006, which represents a 5.4% growth.

Destinations

Altogether, the Paris-Charles de Gaulle airport handled flights to nearly 470 cities around the world in 2007. Nearly 59% of these cities were served by scheduled flights at least once a week; nearly 47% were served more than five times a week; and nearly 26% were served more than 20 times a week.

⁴⁸ See 6.3.2.5. "Air cargo businesses"

⁴⁹ See 6.3.2.2. "Paris-Orly"

The table below shows the number of cities served in 2007 from the Paris-Charles de Gaulle airport, by weekly frequency and geographical region:

	At least once a week	Over 5 times a week	Over 10 times a week	Over 20 times a week
Domestic (France)	18	15	14	14
Europe	128	100	84	70
Africa	46	35	22	9
North America	25	22	16	15
French overseas departments and territories	2	2	2	0
South America	13	9	9	2
Middle East	21	17	13	6
Asia Pacific	23	20	17	8
Total	276	220	177	124

Type of traffic

Point-to-point traffic accounts for over two-thirds of passenger traffic at Paris-Charles de Gaulle. In addition to this large amount of origin-destination traffic, the airport is ideally located to attract connecting traffic. The French capital's position at the heart of Western Europe's North-South axis places Paris within a two-hour flight of all major western European cities. The airport's geographic location is ideal for attracting feeder traffic from Western Europe's other major population and high-traffic areas to connect with long-haul flights departing from Paris.

Recognizing the enormous potential offered by the airport's exceptional location, Air France-KLM decided to transform Paris-Charles de Gaulle – where it has based its operations since the mid 1970s – into a hub for connecting flights. This strategic decision was made in 1995 and was immediately implemented in the summer of 1996, mainly due to Aéroports de Paris's efforts to adapt the airport's infrastructure and provide the necessary facilities for increasing capacity.

In just a few years' time, Paris-Charles de Gaulle became Air France-KLM's global hub and the main European hub for the SkyTeam alliance. Flights operated by Air France and its SkyTeam partners are mostly operated the CDG 2 terminal. CDG 2 now offers more connecting flight options between medium- and long-haul flights than any other hub in Europe⁵⁰. On average, the CDG 2 hub handles more than 1,000 flights per day, and each week offers nearly 21,000 connection options that require a stopover of less than two hours. Each day, the hub processes an average of 164,000 arriving and outbound passengers, more than 26,000 connecting passengers and 31,000 pieces of baggage in transit.

⁵⁰ Source: Air France-KLM

Airlines

The distribution of traffic among the airlines reveals the growing influence of alliances, as the table below shows.

	2007 traffic, (in millions)	% of total traffic at Paris- Charles de Gaulle
SkyTeam	36,5	61,2%
Star Alliance	5,3	8,9%
OneWorld	3,2	5,4%
Total of the 3 alliances	45,0	75,1%
Other airlines	14,9	24,9%
Total Paris-Charles de Gaulle	59.9	100.0%

To support these alliances, Aéroports de Paris allocates resources adapted to their respective business strategies. Insofar as possible, Aéroports de Paris bases flights of Star Alliance members in terminal 1; OneWorld member company flights are in terminals 2A and 2B; and SkyTeam flights are grouped mainly in terminals 2C, 2D, 2E and 2F.

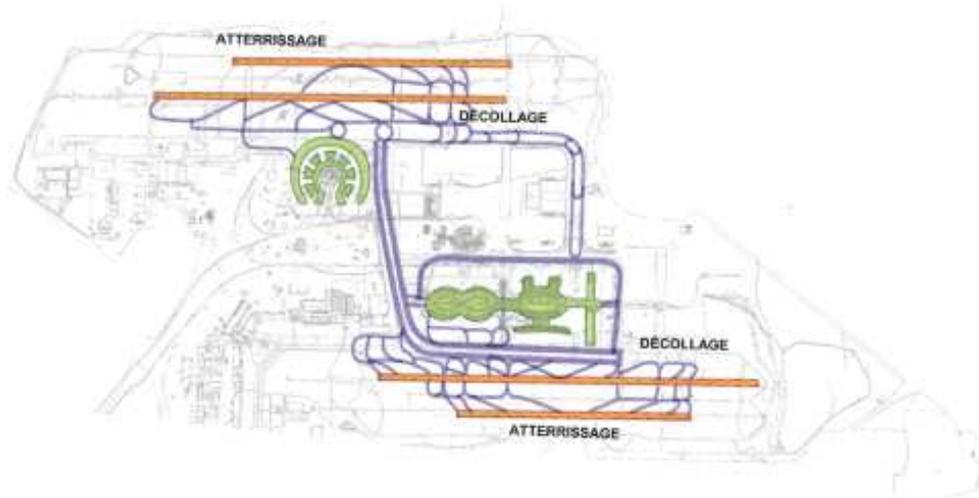
The table below shows the ten airlines that handled the greatest number of passengers at the Paris-Charles de Gaulle airport.

Airline	Passengers	% of total
Air France-KLM	33,299,459	55.8%
Lufthansa	1,510,657	2.5%
easyJet airlines	1,486,937	2.5%
Vueling Airlines SA	1,167,208	2.0%
Alitalia	1,076,809	1.8%
British Airways	1,005,295	1.7%
XL Airways France SA	771,148	1.3%
American Airlines	705,155	1.2%
Air Méditerranée	646,557	1.1%
SAS Scandinavian Airl	622,272	1.0%

Runways

The Paris-Charles de Gaulle airport has an extremely efficient runway system consisting of two pairs of parallel runways, comparable to those at the Atlanta and Dallas-Fort Worth airports in the United States. The two original runways located to the south and north of the airport were each duplicated with parallel runways, in 1998 and 2000 respectively.

The physical layout of these parallel runway pairs enables them to be used independently (two planes can be simultaneously on final approach). Moreover, for each pair, one runway is specially designated for take-offs and the other for landings, which reduces the noise pollution caused by air traffic. The functioning of the two pairs of dual runways is illustrated in the diagram below.



Thanks to this system, the airport can currently schedule 110 aircraft movements (arrivals/departures) per hour, which should go up to 112 in summer 2008 and could eventually increase to 120. To accommodate this traffic, the airport has about 80 aircraft parking stands connected to the terminals and just over 100 remote aircraft parking stands (excluding freight zones).

Access to the Paris-Charles de Gaulle airport

The Paris-Charles de Gaulle airport is served by a road and railway network that provides easy access for passengers, cargo transporters and staff of all the companies that conduct business at the airport, and puts it at the cutting edge among airports in terms of intermodality. The primary means of access are:

- the A1 motorway (the North motorway), which links Paris and Brussels. For passengers coming from Paris, the A1 is located next to Paris's belt parkway. It is connected to the A3 (eastern Paris), A86 and A104 (the Francilienne). Currently, the A1 and A3 motorways are the main road routes to the airport,
- the A104 motorway, accessible from the east of the airport via highway RN2, provides secondary access to the airport. It will become the main direct access from the east once the eastern section of the Francilienne is completed in 2011,
- the TGV high-speed train station, located inside the CDG terminal 2. In 2007, 3 million passengers used this station, which links the airport to the world's densest high-speed train network, with almost 60 direct trains daily to nearly 50 cities in France and other countries, including Brussels. In June 2007, the launch of the Eastern Europe high-speed TGV service linked up the TGV station at Paris-Charles de Gaulle airport to 3 new French destinations, with 3 daily return services: Strasbourg, Lorraine TGV and Champagne-Ardenne TGV. Strasbourg is now only 2 hours and 25 minutes from Paris-Charles de Gaulle by train, Metz and Nancy an hour and a half, and Rheims, just 45 minutes,
- two RER commuter line stations, located in CDG 1 and CDG 2, place the airport within 30 minutes of central Paris, with one train every 8 minutes during rush hour periods. Increasing service to one train every 6 minutes during rush hour periods is planned for 2011, as part of the implementation of the master plan for improving the RER B line,
- a major bus station, located at the RER station in CDG 1, provides public transportation to the airport's neighboring areas. Additionally, each terminal has an area that has been specifically designed so that passengers can rapidly board coaches and shuttle buses serving a wide range of destinations.

The entire airport facility is served by 220 kilometers of roads operated by Aéroports de Paris.

The Paris-Charles de Gaulle airport has around 27,000 parking spaces. Of this total, nearly 20,100 parking spaces are available for passengers and the public: around 15,000 spaces are in parking lots connected directly to the terminals, while 5,100 reduced-rate parking spaces are located in remote lots served by shuttle buses. 6,500 parking spaces are reserved for people who work at the airport. The rest are used by transportation professionals who operate at the airport: car rental companies, taxis, group coaches, and shuttle buses.

In 2007, parking facilities located at the airport generated 94.6 million euros in revenues, including 20.9 million euros from parking passes, a 15.8% increase compared to 2006.

In 2007, around 34% of passengers arrived at Paris-Charles de Gaulle by car (including rental cars) or motorbikes, 28% by taxi and 38% by public transportation (train, bus, group coaches, hotel shuttles). Over 50% of all passengers said they were traveling to or from the center of Paris.

The on-site automatic metro facility CDGVAL was commissioned in April 2007. Serving 5 stations over 3.5 km, it transfers air passengers and airport staff between terminals T1 and T2, the remote parking lots PR and PX and the intermodal public transport facility RER1 station / bus station in the Roissy Pôle development area. This service features comfort, speed and regularity, a considerable improvement with respect to the existing bus shuttle services, and will have an extremely favorable impact on travel conditions within the airport.

Aéroports de Paris, in association with the French national railroad companies SNCF and "Réseau Ferré de France", took part in the CDG Express feasibility surveys, forming a consortium (the CDG Express GIE) to oversee development. The project entails building a 32-km rapid rail line that will provide a 20-minute link between the Paris-Est train station and the CDG 2 TGV station. The year-round service would have extended hours, with a train running every 15 minutes, and offer a high level of reliability and passenger comfort. Inasmuch as it will improve the link between the center of Paris and the Paris-Charles de Gaulle airport, Aéroports de Paris welcomes the CDG Express project. The final route of the future airport link was decided following a public hearing in 2004, under the auspices of the National Commission for Public Debate (CNDP). After this debate an infrastructure solution known as "solution Virgule" was adopted. The solution makes maximum use of existing rail lines and minimizes the need to dig tunnels. On October 14, 2005, the Inter-ministerial Committee for French Development and Competitiveness (CIACT) named the CDG Express project a top priority for completion. Article 22 of the Law 2006-10 of January 5, 2006, relating to transport safety and development, established the necessary legal framework to carry out this project under the auspices of the French government. Consequently, the CDG Express GIE was dissolved and the studies conducted under its aegis has been transferred to the State, which will be managing the project. CDG Express is scheduled to begin service in 2012.

In accordance with Decree No. 2007-453 of March 27, 2007 which defines the conditions under which the government can establish an express and direct railway link dedicated to the transport of passengers between the Paris-Charles de Gaulle airport and Paris proper. The government is to assign the design, financing, construction, operation and servicing of the railway infrastructures on the one hand, and the organization and operation of all the services offered to passengers on the railway link on the other hand, to a company (or a consortium of companies) within the framework of a "delegation of public service". Aéroports de Paris will assist the government as needed with preparations, refinement of basic features, definition of the conditions for economic feasibility of the CDG Express link, and determining conditions for implementing the project within the airport's facilities (crossing under runway 4, connection to the RER station at CDG2, information, signage, etc.).

Strategy of the Paris-Charles de Gaulle airport

The Group plans to reinforce the Paris-Charles de Gaulle airport's currently strong position in international long-haul traffic and to take advantage of the sustained growth in this segment in the years ahead. Relying on the natural attractiveness of the Ile-de-France region and the quality of its

airport infrastructure, Aéroports de Paris plans to strengthen Paris-Charles de Gaulle's role as an intermodal (air, rail, road) transport node and consolidate its position as a connecting hub. The Group has set the following strategic goals:

- increase the airport's passenger handling capacity through the construction of new infrastructure (satellites S3 and then S4, and the CDG 2G regional terminal in particular), the renovation of existing terminals, and the optimization of infrastructure use,
- introduce more efficient operational management through the use of tools such as aviation certification, the development of a pilot project on cooperative operational management between Aéroports de Paris, the air navigation services provider and the airlines, and improvement of passenger and cargo flow monitoring,
- develop transport intermodality by taking better advantage of the complementarity with the TGV high-speed train network and by improving connections between the CDG 1 and CDG 2 terminals,
- improve the quality of customer service at the Paris-Charles de Gaulle airport. For passengers, this means the introduction of quality commitments and new services, technological innovation, greater attention to the needs of connecting passengers, better amenities for passengers requiring assistance, and a significant increase in the number of aircraft stands connecting directly with terminals,
- implement a competitive commercial policy, notably through more dynamic retail areas within the airport, more effective use of car park facilities, a pricing policy more in keeping with the needs of professional customers, and a cost-control program (security, energy consumption, etc.).

Investment program for the Paris-Charles de Gaulle airport

Because of the quality of its airside infrastructure, Aéroports de Paris does not anticipate a need for major investments in terms of aircraft areas and runways. To keep pace with the future growth of air traffic, however, Aéroports de Paris has launched an ambitious investment program at Paris-Charles de Gaulle to increase the passenger handling capacity of terminals and the quality of its amenities.

Several megaprojects that contribute directly to the completion of the CDG 2 hub were launched in 2007, including:

- commissioning of CDGVal, an automated metro link that has been connecting the CDG 1 and CDG 2 terminals since April 2007 and enhances the development and accessibility of business areas within the Paris-Charles de Gaulle airport and reinforces their interconnections with SNCF train stations,
- the Galerie Parisienne (formerly called the S3 satellite) located to the east of the CDG 2E and 2F terminals, which opened to the public on June 27, 2007. The purpose of this boarding satellite is to improve the performance of the CDG 2 hub by adding additional capacity (8.6 million passengers) and increasing the number of aircraft positions connecting directly with terminals (more than 20 aircraft stands). The Galerie Parisienne can also simultaneously accommodate up to 6 super-jumbo jets like the Airbus A380,
- the completion in October 2007 of the first phase of the TBE baggage handling system, a fully automated system that integrates screening for 100% of checked baggage. Aéroports de Paris will invest 17.3 million euros in TBE in 2008 and a total of 22.1 million euros from 2008 to 2012. This integrated baggage-handling system will automatically handle all baggage at the CDG 2E and 2F terminals and the Galerie Parisienne.

Over the period from 2008 to 2012, the Company will continue its investment program aimed at improving the efficiency of the Paris-Charles de Gaulle hub and addressing the growth in traffic with the following measures:

- reconstruction of the CDG 2E boarding area following the collapse of a section of roof on May 23, 2004. This work represents an investment of 22.4 million euros for 2008. The boarding area reopening occurred on March, 30th 2008 and allowed Aéroports de Paris to resume service at 10 gates connecting directly with the terminal with a nominal capacity of 7.6 million passengers per year. To address the shortage of parking stands for wide body aircraft in the meantime, three remote stands were created in spring 2007 in the LIMA area located near the future S4 satellite,
- construction of the CDG T2G regional terminal, which is designed to serve passengers traveling on 50 to 100 seat aircraft within the Schengen region. Scheduled for completion in September 2008, this terminal will have a nominal capacity of 3 million passengers a year. Total investment in the terminal and related infrastructure is estimated at 87.6 million euros between 2007 and 2011, including 27.2 million euros in 2008,
- continuation of renovation on the CDG 1 terminal which was begun in 2004 and will cost an estimated 76.8 million euros from 2008 to 2012. The renovation work is being done in four phases, each taking one quarter of the terminal, or a capacity of 2.5 million passengers, out of service. The first newly renovated quarter of the terminal reopened in December 2005, the second in March 2007 and the third in April 2008. Aéroports de Paris plans to invest 40.8 million euros in this project in 2008, which is scheduled to be completely finished by the first quarter of 2009,
- studies on satellite S4, the future boarding area parallel to the Galerie Parisienne that is to be connected to terminal 2E by the extension of the LISA line. Currently scheduled to be operational in 2012, the capacity of satellite S4 is expected to be about 7.8 million passengers per year. This international long-haul traffic satellite will accommodate as many as 16 wide body aircraft simultaneously, including up to seven A380s. Conceptual design and initial work on the project were carried out in 2007,
- improving the availability of public parking places of 5,100 spaces between 2006 and 2010. Between now and then, the Company plans to invest 96.2 million euros in additional storeys for the PX parking facility, located to the north of CDG 2 and bordering the CDG Val line,
- studies on expanding the TBE, which will make it possible to connect the Satellite 3 and Satellite 4 modules to the TBE automatic baggage handling system in terminal 2 which went online in 2007. This extension is scheduled to be operational in 2013,
- improving the service quality and the retail areas in terminal 2 by rehabilitating terminal 2B. The project involves updating the terminal's boarding and deplaning areas to meet current standards. These new facilities are expected to go into service in 2011,
- investments to accommodate the Airbus A380. With the Galerie Parisienne and the gate at terminal 1, the Paris – Charles de Gaulle airport will have 7 A380-ready gates with direct terminal access. In 2009, an additional gate connected to CDG 2C will be open, bringing the total number to 8; this is comparable to the airport's primary competitors. Moreover, three additional A380 terminal-based gates could be created, depending on demand from the airlines.

The table below summarizes the investment projects at the Paris-Charles de Gaulle airport for the period 2008-2012.

<i>In millions of euros, 2008 constant euros</i>	2008	2009	2010	2008-2010 (scope of the CRE)	2011	2012	2008-2012
Capacity investments, including:	159.3	127.8	178.5	465.6	308.5	255.5	1,029.6
CDG VAL	5.9	0.0	0.0	5.9	0.0	0.0	5.9
Reconstruction and completion of terminal 2E	22.4	2.0	0.0	24.4	0.0	0.0	24.4
TBE baggage system, phase 1	17.3	3.0	0.0	20.3	0.3	1.6	22.1
Satellite S3 (including LISA, excluding expansion of TBE)	7.6	0.0	0.0	7.6	0.0	1.5	9.1
Phase 2 of TBE for satellites S3 and S4	4.0	16.0	33.5	53.5	50.5	51.0	155.0
T2G regional terminal	27.2	0.0	0.0	27.2	0.0	0.0	27.2
Satellite 4 (including LISA, excluding expansion of TBE)	33.1	69.2	96.9	199.1	172.1	119.8	491.0
"East" road access	0.0	0.0	16.1	16.1	12.7	8.1	36.9
Additional storeys for PX parking facility xxx	1.9	8.9	17.7	28.5	37.7	30.0	96.2
Threshold 26 - E4 taxiway	6.1	0.0	0.0	6.1	0.0	0.0	6.1
AGEN aircraft parking areas (Aires Grand Est Nord)	1.7	12.0	4.0	17.7	4.0	3.0	24.7
Renovation investments including:	45.1	53.2	29.0	127.3	25.0	10.3	162.6
Rehabilitation CDG 1 (excl. renovation of satellites)	40.8	32.2	3.8	76.8	0.0	0.0	76.8
Renovation of CDG 1 satellites	4.0	7.0	6.8	17.8	9.3	0.0	27.1
Rehabilitation of terminal 2B	0.0	5.0	12.0	16.9	14.6	0.0	31.5
Current investment	71.4	71.7	60.9	204.0	67.2	68.9	340.0
TOTAL	275.8	252.6	268.4	796.8	400.6	334.7	1,532.2

Capacities

The development of the 2008-2012 investment program was an opportunity to re-baseline the nominal capacities of the terminals at Paris-Charles de Gaulle airport. The nominal capacities were revised from 47.1 million passengers to 53 million passengers in 2006 and 2007 due to:

- an increase in the average annual traffic per gate,
- a systematic optimization of passenger traffic routes.

At the end of 2007, the capacity of Paris Charles de Gaulle airport stood at 61.6 million passengers thanks to the additional capacity offered by the Galerie Parisienne (8.6 million passengers). By the end of 2012, capacity should reach 80.9 million passengers. This increase is made possible in particular by:

- the terminal 2E finger becoming operational (planned for the end of March 2008) which will handle 4.7 million additional passengers (2.8 million in 2008 and 1.9 million in 2009),
- terminal 2G becoming operational (planned for September 2008) which will handle 3 million additional passengers,
- completion of the CDG 1 rehabilitation project (planned for the first quarter 2009) which will handle 2.5 million additional passengers,
- Satellite S4 becoming operational in the third quarter of 2012, and the transition of the southwest side of the Galerie Parisienne to the Schengen region which will handle 8.4 million additional passengers.

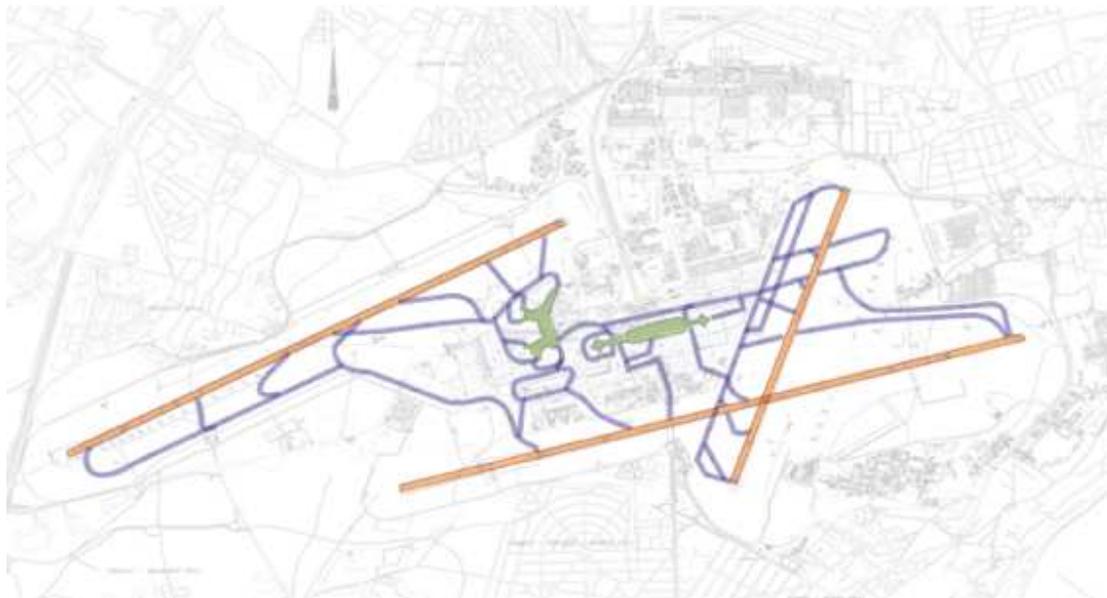
Thanks to our investment programme, our infrastructures' capacity is now sufficient to meet demand for many years.

6.3.2.2. Paris-Orly

General Description of the Paris-Orly Airport

Located south of Paris, 16 kilometers from the center of the city, the Paris-Orly airport serves destinations in Europe, North Africa (mainly Morocco, Tunisia and Algeria) and the French overseas departments and territories, and offers connecting flights to domestic destinations. The airport is highly valued by most passengers for its close proximity to Paris, easy access and simplicity. With 26.4 million passengers in 2007 (as against 25.6 million in 2006) and about 233,000 aircraft movements, it is France's second largest airport and the tenth largest in Europe⁵¹.

The diagram below shows the layout of the Paris-Orly airport.



The Paris-Orly airport, which generates 26,000 direct jobs, plays an essential role in one of the Ile-de-France region's major economic zones, comprising the Rungis wholesale food market, the SOGARIS logistical platform, the Silic business parks (Silic, a listed company that leases office space in the Ile-de-France region, is a major player in business parks), and the Belle-Epine shopping mall.

The Paris-Orly airport has a maximum nominal capacity of 30 million passengers a year, with the Orly Ouest and Orly Sud terminals able to accommodate up to 18 and 12 million passengers a year, respectively. The airport has 102 aircraft gates, including 49 terminal gates served by some 60 jetways.

For the airlines and air cargo transporters, the main advantages of the Paris-Orly airport are moderate usage costs (due mainly to the particularly short taxi distances for an airport of this size) and fluid runway traffic, which ensures high operational consistency. On average, only six minutes of taxi time is required between the terminal and the runways. This is one of the shortest times in the world for an airport of this size.

In 2007, the average staffing level for the Paris-Orly airport division was 1,505 employees.

⁵¹ Source: Airports Council International

Destinations

All told, the Paris-Orly airport handled flights to over 280 cities in 2007. Over 50% of these destinations, or 142 cities, were served by scheduled flights at least once a week. Nearly 36%, or 98 cities, were served more than five times a week. As for international flights, Africa, mainly North Africa, accounts for the greatest number of destinations served at least once a week.

Type of traffic

Nearly all of the traffic at the Paris-Orly airport is almost entirely point-to-point. The Orly Ouest terminal is host to La Navette, Air France's domestic air shuttle service, as well as most domestic flights and certain European airlines (Iberia, TAP Air Portugal). At the Orly Sud terminal, low-cost carriers operate flights mainly to Europe and North Africa, while other airlines serve numerous destinations - especially Africa, the French overseas departments and territories and the Caribbean.

Airlines

The table below shows the ten airlines that handled the greatest number of passengers at the Paris-Orly airport.

Airline	Passengers	% of total
Air France-KLM	13,546,719	51.3%
easyJet Airlines	2,041,004	7.7%
Iberia	1,558,843	5.9%
Corsair	1,432,270	5.4%
Aigle Azur	958,911	3.6%
Royal Air Maroc	807,053	3.1%
Air Europa / Air Espana	634,532	2.4%
TAP Portugal	607,472	2.3%
Tunis Air	542,038	2.1%
Air Caraïbes	535,789	2.0%

The 10 top companies accounted for more than 85% of passengers in 2007. Air France-KLM and its partners made up a bit more than 51% of the airport's traffic with about 13.5 million passengers. Brit Air and CCM operate their French flights under Air France flight numbers or code sharing.

Over the same period, low-cost companies accounted for about 4 million passengers were 15.3% of the airport's total traffic. EasyJet alone handled about 2 million passengers. Corsair, a regular, predominantly tourist-oriented airline owned by the German TUI group, has made the Paris-Orly airport its primary base. It operates regular medium- and long-haul routes to the French overseas departments and territories and international destinations with a fleet of Boeing B747-400 and Airbus A330-200 wide bodies. It also runs charter flights.

The runways

The Paris-Orly airport occupies 1,540 hectares of land and has three runways. The two main runways run east-west. They are equipped for landings in any weather and are specially designed for either landings or take-offs, depending on wind direction. The southern runway (runway 3) is 3,300 meters long and 45 meters wide while the northern runway (runway 4) is 3,600 meters long and 45 meters wide. The third runway (runway 2) is 2,400 meters long and it runs north-south.

Runway 2 is used during strong crosswinds or when one of the main runways is unavailable. The maximum runway capacity at the Paris-Orly airport is 76 movements (take-offs or landings) per hour.

Regulatory constraints

Traffic at the Paris-Orly airport is subject to two regulatory constraints. An order of the Ministry of Infrastructure, Transport and Tourism on October 6, 1994 limits the Paris-Orly airport to 250,000 aircraft movements (take-off/landing) per year. Moreover, since 1968 the airport has had to observe a daily curfew between 11:30 pm and 6 am.

In 1996, after two years of robust growth, the Paris-Orly airport reached the 1994 ceiling on aircraft movements. Then, the annual traffic level stabilized at about 240,000 aircraft movements until 2000. There was a substantial downturn between 2001 and 2003, then the number of movements started to rise again and reached at 233,000 in 2007.

Access to the Paris-Orly airport

The Paris-Orly airport is located at the junction of the A6 and A10 motorways, just 10 minutes from Paris's belt parkway. The airport is also served by an RER commuter railway line that links with Orlyval, a dedicated automated metro line.

The Paris-Orly airport has some 20,000 parking spaces. Of these, approximately 15,000 are open to passengers and the public, including 10,000 parking spaces in nearby lots with direct connection to the terminals and 5,000 reduced-rate parking spaces served by the airport shuttle bus. 3,800 parking spaces are reserved for people who work at the airport. Finally, nearly 1200 spaces are made available to car rental companies.

In 2007, Orly's car parks generated revenues of €53 million, up from €50.6 million in 2006.

Each terminal also has its own bus station, providing regular bus service to Paris (Air France buses or the Orlybus service of the RATP transport authority) and neighboring urban areas. The bus terminal at Orly Ouest was completely renovated in 2007 with financial support from the *Syndicat des Transports d'Ile-de-France* (Ile-de-France Region transports union) and the Ile-de-France Region⁵².

Strategy of the Paris-Orly airport

The strategy of the Paris-Orly airport is to take advantage of its strengths - foremost being its proximity to Paris, its ease-of-use for passengers, and its operating efficiency - in such a way as to maximize revenues within the regulatory restriction of 250,000 aircraft movements authorized annually. The implementation of this strategy is based on the following two goals:

- maintain growth in the number of passengers to allow the Paris-Orly airport to benefit from strong financial leverage, since operating costs are mostly independent of traffic. Given the limitation on the number of aircraft movements at the airport, this goal can be reached by increasing the average passenger load per flight,
- significantly develop commercial revenues generated by the Orly Sud and Orly Ouest terminals, in particular by renovating their retail areas.

Several programs have been launched to implement the Group's strategy for the Paris-Orly airport:

- to continuously modify the facilities at the Paris-Orly airport so as to maintain its appeal as an easy-to-use airport for both passengers and airlines and well adapted for point-to-point flights - and to reinforce this image in the public eye,

⁵² See 6.7.1.2. "Air Quality - Urban transit Plans"

- to enrich its line of passenger services, notably in terms of car parks and retail services, by pursuing major renovation projects and expanding retail areas,
- to give a relatively upmarket bent to the airport's offering aimed at low-cost airlines, in keeping with the quality of its airport facilities (runway equipment, boarding bridges) and its intrinsic strengths (close proximity to Paris, broad range of services),
- to develop a proactive approach to airlines whose commercial positioning is best adapted to these targets.

Investment Program for the Paris-Orly Airport

The Group plans to reinforce the attractiveness of the Paris-Orly airport by modernizing its facilities. Having invested over 38.1 million euros in this modernization in 2007, Aéroports de Paris plans to invest another 196.8 million euros between 2008 and 2012 (including 33.1 million euros in 2008) to adapt its current infrastructure to meet the needs of the expected increase in air traffic.

Another renovation project has been ongoing since late 2005 involving the restructuring of international traffic flows (departures and arrivals) at Orly Sud, with the gradual opening of new facilities scheduled between mid 2007 and April 2008. This project, estimated at 24.4 million euros, will completely separate inbound international traffic from outbound international traffic, to create a single, undivided international boarding area and to develop within this boarding area a major retail space which should reach 2,200 sqm, up from 880sqm today. The project also includes the extension of the baggage claim area, with the installation of two baggage carousels designed to handle loads from jumbo passenger jets. This project aims to improve the quality of service for 6 million passengers while increasing commercial revenues, boosting capacity by about 10% and reducing security costs.

The project to upgrade runway 4 has since 2006 made it possible to handle the B777-300ER, which are often used for flights serving the French overseas departments and territories. Other projects are slated to revamp runway 3 and other taxiways. This renovation, estimated to cost €32 million, is planned for 2009 to 2012. Additional projects to make the airport's taxiways more generally compatible with the B777-300ER, and improve the arrangement of maneuvering areas are planned for the same period at a cost of €10 million. The provisions made for handling the B777 will also make it possible to receive A380s that may be diverted from their schedule destinations.

It is possible that a major renovation project for Concourses 3 and 4 at Orly Ouest, costing an estimated 20.5 million euros, will be scheduled for 2011 to 2012. A decision on this project will require additional studies.

The table below summarizes the investment projects at the Paris-Orly airport for the period 2008-2012.

<i>In millions of euros, 2008 constant euros</i>	2008	2009	2010	2008-2010 (scope of the CRE)	2011	2012	2008-2012
Capacity investments, including:	-	11.0	-	11.0	18.0	3.0	32.0
Capability to handle B777 and other new jumbos	-	11.0	-	11.0	18.0	3.0	32.0
Renovation investments including:	3.0	-	-	3.0	5.2	15.3	23.5
Re-engineering of international traffic flows at Orly Sud	3.0	-	-	3.0	-	-	3.0
Renovation of halls at Orly Ouest	-	-	-	-	5.2	15.3	20.5
Current investments including:	30.1	27.0	32.4	89.5	26.6	25.2	141.3
Renovation of the Orly P0 parking lot	5.6	-	-	5.6	-	-	5.6
TOTAL	33.1	38.0	32.4	103.5	49.8	43.5	196.8

6.3.2.3. Paris- Le Bourget

General description

Located 7 kilometers north of Paris and occupying 553 hectares, the Paris- Le Bourget airport is devoted mainly to business aviation. With its three runways - a primary 3,000 meter runway running northeast-southwest; a secondary 2,665-meter north-south runway; and a third 1,845-meter runway oriented east-west, parallel to the Paris-Charles de Gaulle runways - and its aircraft parking areas, the airport is able to handle almost any type of aircraft. The Paris- Le Bourget airport is also a major center for the aeronautics industry: over 100 aircraft maintenance, equipment and development companies and other service providers are housed in roughly 30 buildings, including eleven hangars. In 2007, the average staffing level of the Paris- Le Bourget airport division was 166.

The diagram below shows the layout of the Paris- Le Bourget airport.



Business aviation is a professional tool used by companies as well as individuals in three complementary forms:

- commercial business aviation: independent transport companies provide on-demand "air-taxi" service, supplying aircraft and crew for the duration of the flight. The cost of the flight depends on the type of aircraft and the amount of flight time,
- time-share aviation: a company buys a share in an executive jet, corresponding to a certain amount of annual flight time,
- corporate aviation: the Company owns its own fleet of aircraft and employs its own crew, to serve its own exclusive needs.

According to a recent survey published by the DGAC⁵³, business aviation users can be broken down as follows:

- 45% - companies operating transport of employees or decision-makers, or technical trips (for instance, work at a remote site, or transport of spare parts),
- 30% - emergency medical evacuation,

⁵³ Theme note by the department of strategic and technical affairs, no. 5, December 2006

- 20% - transportation of personalities,
- 5% - other tasks.

With nearly 70,775 aircraft and helicopter movements in 2007, the Paris- Le Bourget airport is the leader in business aviation in Europe⁵⁴.

The Paris-Le Bourget airport's reputation is reinforced by its proximity to the Paris-Le Bourget exhibition center, the third largest in the Ile-de-France region. With 37 hectares of outdoor facilities and seven exhibition halls offering a surface area of 210,000sqm⁵⁵, Le Bourget is designed to host big trade shows, such as the International Air and Space Show (SIAE), which is held there every two years. The 47th SIAE was held at the airport in June 2007 and saw a record number of professionals in attendance. Two A380s were on display, as was a Falcon 7X, the latest long-range business aircraft from Dassault Aviation.

Moreover, the airport site offers numerous expansion possibilities for aviation companies, thanks to ample land reserves: 41 hectares are immediately available for industrial and air transport activities. The Paris- Le Bourget airport is a major site for the Group's real estate activity: Le Bourget's real-estate revenues account for a considerable slice of the revenues on the Paris- Le Bourget platform (€16.8 million in 2006 out of total revenues of €329 million). A major share of the real estate revenues of the Paris- Le Bourget airport is closely linked to business aviation.

For business travelers, the Paris- Le Bourget airport offers several advantages:

- quick boarding and deplaning, thanks to the optimization of transfer procedures between aircraft and ground transportation,
- proximity to Paris and the decision-making centers of La Défense, Cergy-Pontoise and the Paris-Charles de Gaulle airport,
- discretion and confidentiality for travel,
- the possibility of landing at the airport at any hour (with certain restrictions as described below) and of reaching destinations not served by traditional commercial airlines (over 700 destinations logged in 2007, of which 500 were international),
- the quality of ground services and the possibility of holding meetings at the airport itself.

The Paris-Le Bourget airport is increasingly subject to environmental restrictions, particularly in terms of noise pollution. Anti-noise measures have already been introduced and especially affect night operations, with the following conditions in force between 10:15 pm and 6:00 am: jet aircraft may not take-off, reverse thrust is not allowed, and runway 2 cannot be used by aircraft exceeding 5.7 tons (without special permission).

At the urging of the Prefect of Seine-Saint-Denis, a charter on the environment and sustainable development was drawn up in collaboration with elected officials, associations of local residents and professionals. This charter and the accompanying action plan will contribute to the long-term viability and development of the airport.

The business aviation market

Business aviation emerged in the United States before the First World War and has enjoyed a boom since the 1960s, as major corporations have become more aware of the advantages offered by this means of transportation. According to the above-mentioned survey by the DGAC, there are nearly 25,000 business planes in the world, 52% of which are jets and 48% turboprop aircraft. According to the engine manufacturer Rolls-Royce, the number of business planes delivered should reach 15,400 units within 20 years. The number of deliveries should grow by 32% between 2005 and 2014 and 9% between 2015 and 2024. Nevertheless, with about 2,550 aircraft, Europe accounts for only about 10% of this market, far behind the United States which represents 70%, with almost 18,000 aircraft. According to the Paris Chamber of Commerce and Industry, Europe's

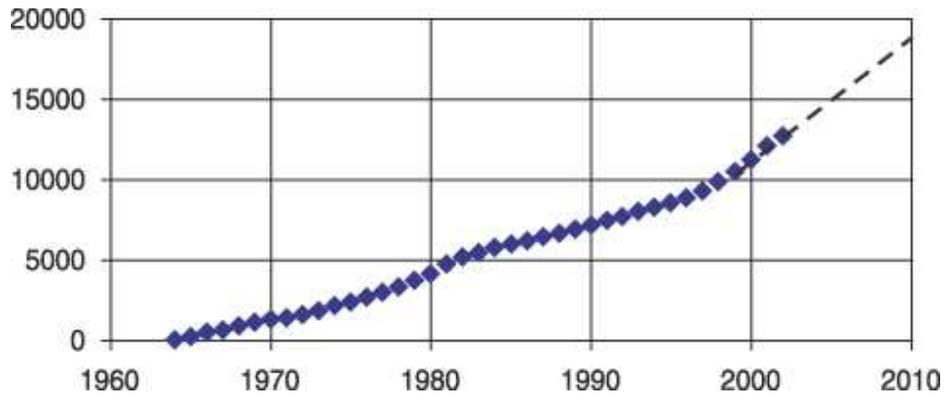
⁵⁴ Source: Roland Berger

⁵⁵ Source: Paris Chamber of Commerce and Industry

share is expected to grow in the future, mainly due to the enlargement of the European Union to 27 members and increased restrictions on regular air transportation, especially in terms of security.

Some 3,580 units were delivered worldwide in 2005, breaking a 22-year old record, for a total value of 15 billion dollars. The strong growth seen in 2005 continued in 2006, and 2007 sales are on the same track. Today, the waiting period for delivery of a business aircraft is approximately three years.

The graph below shows the growth in business aviation since the 1960s and Gulfstream's forecast of traffic growth until the 2010s.



In France, this mode of transportation is growing primarily due to shared ownership plans and aero-club cards offered by major business aviation companies, as many companies are occasional or regular business aviation customers. With 415 registered business aircraft, France now ranks second in Europe, behind Germany (440 aircraft), but ahead of the UK (296 aircraft)⁵⁶.

Traffic at the Paris- Le Bourget airport

Since the decision was made to specialize the airport in business aviation in 1981, passenger traffic at Paris- Le Bourget has declined by an average of 6% a year, due to the cessation of regular commercial traffic. Since 1998, the airport has enjoyed slow but steady growth in the number of passengers and in the number of aircraft movements⁵⁷. In 2006, the airport handled 146,000 passengers, as against 142,580 in 2006. The number of airplane and helicopter movements (take-off and landings) increased to 70,775 in 2007, up 9.4% from the previous year⁵⁸.

Flights originating from the Paris- Le Bourget airport serve a very large number of cities: flights have departed the Paris- Le Bourget airport for 172 destinations in continental France, 279 European cities and 332 cities outside of Europe in 2006.

Competition

The year 2007 saw Paris-Le Bourget solidify its position as Europe's leader in business aviation. Primary comparable facilities include the Farnborough and Luton airports near London (with approximately 20,000 and 29,000 aircraft movements per year, respectively), the Geneva-Cointrin airport (with approximately 30,000 business aircraft movements per year) and the Cannes-Mandelieu airport (with approximately 15,000 aircraft movements per year)⁵⁹. Paris- Le Bourget's reputation has attracted the leading names in business aviation, including Signature Flight Support, Netjets, Universal Airways, Aéro Service Executive and Dassault Falcon Services, and prompted

⁵⁶ Source: Dassault Aviation, 2003

⁵⁷ Source: Chambre de Commerce et d'Industrie de Paris

⁵⁸ Source: flight plans filed with the civil aviation authority

⁵⁹ Source: Eurocontrol study "Business aviation in Europe", May 2006

the big manufacturers - Dassault Falcon, Cessna Aircraft, Embraer and Eurocopter - to establish operations in the airport's business zone. The airport's role as a training ground for various air transportation professions was strengthened by the growth of the firm Flight Safety International (20% increase in the number of flight simulators). The presence of these leading industry players and the airport's close proximity to Paris are strong competitive advantages that Aéroports de Paris believes will sustain its competitive lead in the future.

Strategy and investment program of the Paris- Le Bourget airport

At the Paris- Le Bourget airport, the Group's strategy is to develop up-market services geared toward decision makers and corporate travelers, which should enable it to absorb the strong growth in business traffic and stimulate local economic activity. The business aviation market offers major growth opportunities through the emergence of new products and services (such as joint ownership options, subscriptions, micro-jets), the economic development of eastern European countries (which are poorly served by commercial airlines), and the increasing performance capabilities of executive jets.

The Group has invested nearly 3.8 million euros in building the airport's first business terminal, opened in June 2006, and intends to invest 5.5 million euros in renovation work on the K1 hangar, particularly to make provision for maintenance activities. This strategic development will also be made possible by the creation of mixed-activity units on the site of old buildings to be demolished after the end of the current Temporary authorization of occupation (AOT), particularly along the RN2/RN17 facade. A complex consisting of a hotel, restaurant and a business centre, which does not currently exist at the platform, could also be envisaged. New airline companies (Jet Group, Encore Fbo) plan to build business aviation complexes (hangars, retail and office space).

The table below summarizes the investment projects at the Paris- Le Bourget airport for the period 2008-2012.

<i>In millions of euros, 2008 constant euros</i>	2008	2009	2010	2008-2010 (scope of the CRE)	2011	2012	2008-2012
Capacity investment	3,1	2,8	2,8	8,7	3,1	3,1	14,9
Current investment	4,8	5,1	5,1	15,0	4,9	4,9	24,8
TOTAL	7,9	7,9	7,9	23,7	8,0	8,0	39,7

6.3.2.4. General aviation aerodromes and heliports

Aéroports de Paris manages ten civil airfields for general aviation purposes located in the Ile-de-France region, for the benefit of nearby companies. The airfields are briefly described below:

- Meaux-Esbly, located in the Seine-et-Marne department, has four airstrips and six Aéroports de Paris hangars on 103 hectares of land,
- Pontoise-Cormeilles-en-Vexin, located in the Val d'Oise department, has two airstrips and four Aéroports de Paris hangars on 237 hectares of land,
- Toussus-le-Noble, located in the Yvelines department, has two airstrips and 12 Aéroports de Paris hangars on 167 hectares of land,
- Chavenay-Villepreux, located in the Yvelines department, has two airstrips and two Aéroports de Paris hangars on 48 hectares of land,
- Chelles-le-Pin, located in the Seine-et-Marne department, has two airstrips and two Aéroports de Paris hangars on 31 hectares of land,

- Coulommiers-Voisins, located in the Seine-et-Marne department, has four airstrips and four Aéroports de Paris hangars on 300 hectares of land,
- Etampes-Mondesir, located in the Essonne department, has two airstrips and three Aéroports de Paris hangars on 113 hectares of land,
- Lognes-Emerainville, located in the Seine-et-Marne department, has two airstrips and two Aéroports de Paris hangars on 87 hectares of land,
- Persan-Beaumont, located in the Val d'Oise department, has four airstrips and two Aéroports de Paris hangars on 139 hectares of land,
- Saint-Cyr-l'Ecole, located in the Yvelines department, has two airstrips on 75 hectares.

Aéroports de Paris also manages the Issy-les-Moulineaux heliport. Located on 7 hectares with four Aéroports de Paris hangars, this heliport serves 17 companies and handles about 12,000 helicopter movements a year.

In 2007, these 11 light aviation facilities recorded traffic totaling some 700,000 light aircraft up from 680,000 in 2006. At the 10 airfields, this traffic consisted primarily of recreational and training aviation, and flight schools. At the Pontoise aerodrome, a regular flight to Brighton with the 15-seat plane has been operating since July 2007.

The airfields in Pontoise-Cormeilles en Vexin, Toussus-Le-Noble, and Lognes-Emerainville are also open to business aviation (though solely on demand at the Lognes-Emerainville airfield).

6.3.2.5. *Air cargo business*

The cargo business involves the transport of goods by airplane or by truck. According to data from the International Civil Aviation Organization (ICAO), the International Air Transport Association (IATA) and the Organization for Economic Cooperation and Development (OECD), in 2007 air freight accounted for 3% of international trade by volume and 45% by value, making for a market worth 50 billion dollars. According to a DGAC study published in October 2005, air cargo represents only 0.1% by volume of French international trade, putting it far behind road, rail and water-borne cargo. However, air cargo represents a high value business, with goods worth nearly 100 billion euros transported per year, 14% by value of French foreign trade (between 13 and 15% according to the same study), compared to 3% for rail, 26% for water-borne and 47% for road-based transport. By way of illustration, the average value of a kilo of goods transported by air is around 114 euros for imports and 122 euros for exports, whereas the national average for a kilogram of transported goods, taken across all goods, is 1.15 euro for imports and 1.90 euro for exports.

Air cargo is a significant business line for Aéroports de Paris, which was the European leader in the sector in 2007. Aéroports de Paris estimates that its revenues relating to this business were almost 90 million euros in 2007, with about half from the lease of buildings, land and parking spaces for planes belonging to cargo companies, and the other half from landing fees from cargo-only flights and the estimated share of landing fees relating to cargo carried in the hold of passenger flights (mixed flights). In addition, cargo is a highly complementary business to passenger transport. For Aéroports de Paris, it allows for the better use of aeronautical infrastructure throughout the day, as cargo companies do not have the same scheduling constraints as passenger companies. For airlines, cargo represents an additional source of income, and carrying cargo can be a significant factor in the profitability of their passenger lines. For mixed cargo-passenger airlines, cargo can account for between 10% and 15% of revenues, or more in the case of certain Asian companies.

Cargo is transported both on all-cargo flights and on mixed flights, where cargo is carried in the hold of passenger aircraft. All-cargo flights are limited to a few high-traffic routes, where the capacity available on passenger flights is insufficient (e.g., Paris-New York and Paris-Chicago), or to destinations where passenger traffic rights are limited by quotas (as in Asia). For other routes, where the volumes of cargo are insufficient to justify all-cargo flights, or which for practical reasons

need to have cargo transported frequently, cargo is carried in the holds of passenger flights. An estimated half of all air cargo is carried on passenger flights.

Because of this use of both all-cargo and mixed flights, airlines use the same airports for both cargo and passenger lines, especially for cargo that needs connections. It is essential that cargo in transit be moved quickly from the hold of a mixed flight to that of an all-cargo flight and vice versa. In addition, critical mass is a very important factor in this business, as implementation of all-cargo flights, which play a very important role in intercontinental cargo delivery, is possible only when consignments can be grouped together.

These features of the market have been contributory factors to Aéroports de Paris' leading position in this market, as Paris offers air cargo companies both the frequency of flights and the number of destinations that are essential to the swift and reliable routing of goods. According to the DGAC report cited above, Aéroports de Paris, mostly through the Paris-Charles de Gaulle airport, handles 87% of air cargo passing through French airports.

Cargo and mail traffic have grown rapidly in recent years, with an average annual growth of 7.6% since 2003. In 2007, some 2.41 million tons of air freight (including mail) were handled at the two airports run by Aéroports de Paris. This is up by 7.5% compared to 2006. Air cargo exclusive of mail accounts for 89% of the total volume processed or 2.15 million tons in 2007.

In 2007, the two principal routes were to the Asia-Pacific region and North America. These two destinations alone accounted for 55% of all cargo traffic out of Paris and grew by more than 7% compared to 2006. 2007 also saw a marked increase in cargo bound for the near East and Europe. Domestic air cargo, meanwhile, was a mere 5% of traffic.

On average, mail has grown annually by an average of 2.8% since 2003, with a total of 0.26 tons carried in 2007 (down 0.7% from 2006). Of this, 60% was domestic mail, 6% mail to other European countries and the remainder to destinations outside Europe.

The Group's cargo business (including mail), and thus the growth in this business, is concentrated at the Paris-Charles de Gaulle airport, which handled 2.15 million tons of cargo in 2007, or 95.5% of the total.

The cargo operations at Paris-Charles de Gaulle (including gates for aircraft used solely for cargo) occupy a total of about 300 hectares, split into two main zones:

- The first zone is located in the southwest area of the airport. The zone houses cargo activities for Air France-KLM, the world's largest international cargo carrier, which has located its main cargo terminal there (G1XL), with a capacity of more than 1 million tons per year. Aéroports de Paris operates three general cargo terminals in this area.

The zone also houses one of Europe's most efficient postal hubs, the Chronopost and La Poste operations center, which occupies a 17-hectare site. With approximately twenty plane-docking points on a defined time range, this facility now handles a volume of 245,000 tons each year. It is also the site of the 6-hectare international mail-sorting facility operated by La Poste.

Lastly, there is a 13.5 hectare site housing some 51 cargo agents, (transport commissioners, customs agents and handling companies), which is managed on their behalf by Sogafro, as well as the Roissy-Sogaris air cargo logistics centre, which houses 35 companies specializing in transfers between road transport and air cargo in 65,000sqm of warehouses and offices. Aéroports de Paris owns a 40% stake in Roissy-Sogaris.

- The second zone, located on 30 hectares to the northwest of the airport, is the European hub of integrator FedEx, a major force in the express freight business. FedEx, the largest express freight company in the world, opened its largest sorting center outside the United States in this zone in September 1999. This center can accommodate some 15 jumbo jets

simultaneously and process 24,000 packages and 30,000 envelopes per hour, for approximately 1000 tons processed per day⁶⁰.

In total, at the Paris-Charles de Gaulle airports, buildings involved in air cargo and directly in contact with the apron offer floor space of approximately 500,000 sqm, with approximately 68 gates, 41 of which may be used by wide bodies. The total annual capacity is around 3.5 million tons.

The presence of cargo hubs for three major players (Air France-KLM Cargo, FedEx and Europe Airpost) at the same airport allows considerable opportunity for interconnection among the three systems themselves and with other companies. Thus, La Poste relies on certain airlines, among which Air France and FedEx, to load mail and export parcels from its subsidiary Chronopost. FedEx uses some Air France-KLM⁶¹ flights to redirect parcels to destinations which are not covered by its own network.

Aéroports de Paris' strategy for its cargo business is to continue to provide the highest level of service to all parties in the cargo market to support the expansion of their businesses. Thus, the Group plans to make available the land and airplane parking positions required to support the rapid development of this business. The intention over the next few years is to increase the aircraft stands available to FedEx. The group also intends to develop and deploy high-performance tools that provide an optimized, simplified goods handling process, particularly in areas such as information transfer and customs clearance.

Moreover, Aéroports de Paris plans to satisfy the strong demand that exists for modern and functional general cargo facilities that offer significant productivity improvements to operators. Thus new investment has already been committed to ongoing construction of a new cargo station at Paris-Charles de Gaulle, and there are plans for another at Paris- Orly.

To support the increase in air cargo over the long term, Aéroports de Paris and other cargo companies and local groups are members of the "Roissy Carex" association. This association was formed to study the economic and technical feasibility of a high-speed rail-based freight service connected to the Paris-Charles de Gaulle airport. Due to identical initiatives in Belgium, the Netherlands and the UK, the project has taken on a European dimension, and complementary legal, technical and economic studies are being conducted under the EuroCarex label to develop intermodality between the pre-and post-handling via TGV Fret, and medium and long-haul air links.

Aéroports de Paris' ultimate objective is to increase the attractiveness of its platforms, particularly by favoring coordinated actions, and the localization of European logistics and distribution centers in close proximity to Paris-Charles de Gaulle airport.

6.3.2.6. *Revenues from the operation of airports*

Airport services provided by Aéroports de Paris generate revenues primarily in the form of airport fees for services provided. These fees are based mainly on the number of outbound commercial passengers and the tonnage and number of plane movements (both take-offs and landings).

Revenues from these fees for services provided ("principal aeronautical fees" and "ancillary fees" excluding the airport security tax), for all airports and aerodromes managed by Aéroports de Paris amounted to 837.6 million euros in 2007, compared to 765 million euros in 2006 (after intersegment eliminations). They accounted for 36.5% of Group revenue, compared to 36.8% in 2006. They also represented 45.9% of the revenue of the Airport services segment, as against 44.6% in 2006

In accordance with Articles L. 224-2 and R. 224-4 of the Civil Aviation Code, the maximum rate of increase in airport fees is determined through multi-year contracts with the French government lasting up to five years or, in the absence of such a contract, on a yearly basis.

⁶⁰ Source: FedEx

⁶¹ Source: FedEx

On February 6, 2006, Aéroports de Paris and the French government signed a *Contrat de Régulation Economique* (CRE, or Economic Regulation Agreement) covering the period from 2006 to 2010. The CRE sets a maximum limit on the average increase in airport fees, details the investment program⁶², and determines service quality objectives for Aéroports de Paris⁶³.

According to the terms of this agreement, the ceiling for the average annual increase in both the principal and the most important ancillary fees (see the following section "*Types of airport fees*") is set at 3.25% per year, not accounting for inflation. Beginning in 2007, the amount of fee increases may be adjusted by factors based on actual traffic growth and service quality as compared to the main assumptions in the CRE.

The level of increases agreed upon for the primary fees is 3.8% as of April 1, 2008, compared to 4.25% in 2007 and 5% in 2006. Regarding ancillary fees, the CRT stipulates that the average increase should be 4.7% as of April 1, 2008, following rates of 4.2% as of April 1, 2007 and 5% as of April 1, 2006.

Types of airport fees

Decree No. 2005-827 of July 20, 2005 relating to fees for services provided at airports, modified the provisions of the Civil Aviation Code governing airport fees. Article R. 224-2 of the Civil Aviation Code draws a distinction between principal fees and ancillary fees.

There are four types of *principal fees*: landing fee for airplanes weighing more than 6 tons, parking fee for airplanes weighing more than 6 tons, fee per passenger and fee for the use of aviation fueling facilities.

Ancillary fees are paid for additional services not covered by principal fees. These can include the provision of technical facilities, specialized facilities, and take-off, landing and parking of airplanes weighing less than 6 tons. The CRE caps increases for the following ancillary fee: runway lighting fee, fee for provision of check-in counters and boarding facilities, fee for provision of baggage handling facilities where the price is not covered by a specific contract between Aéroports de Paris and the user, fee for supplying 400 Hz electric current to airplanes, and fee for provision of airplane de-icing facilities, which are classified as centralized infrastructure under Article R. 216-6 of the Civil Aviation Code. Increases in other ancillary fees are not capped, but must be proportional to the cost of the services provided, in accordance with the general principle governing fees.

Principal aeronautical fees

Principal aeronautical fee levels are set on the basis of the following factors:

- *landing fees* are charged for the use of the airport infrastructure and equipment required for the landing, take-off and movement on the ground at the three airports (Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget) by airplanes weighing more than 6 tons (which includes nearly all commercial aircraft). They are calculated as a function of the certified maximum take-off weight of the aircraft and adjusted as a function of the aircraft's noise-rating classification. A multiplier of the basic fee is calculated for each noise-rating group and as a function of the airport used and the time of day (day or night flight). In addition, all-cargo and postal flights qualify for a reduction (14% in 2007, and subsequently 10% in 2008) in the landing fee. Under the CRE, this reduction will be removed in 2010,
- *parking fees* for aircraft weighing more than 6 tons are calculated as a function of the length of time parked, the characteristics of the airplane and those of the parking stand (stand in contact with the terminal, remote stand or long-term parking areas),
- *fees per passenger* are based on the number of passengers boarded. They are paid for all outbound passengers other than those in direct transit (leaving on the same airplane), crew

⁶² See 5.2.3. "*Main planned investment or investment as firm commitments by management bodies* "

⁶³ The CRE may be consulted on the Company Internet site: www.aeroportsdeparis.fr

members working on the flight and children under two years of age. Flights where the airplane has had to land for technical reasons or has made a forced return after take-off and test and training flights are also exempt from additional passenger fees. Fees vary according to the destination of the flight, divided into five destination categories:

- France (continental): 6.30 euros as of April 1, 2008,
- Schengen: 7.56 euros,
- European Union outside the Schengen region: 9.07 euros,
- France's overseas departments and territories, Switzerland and the members of the European Economic Space: 9.07 euros, or
- international: 15.13 euros,

A 37.5% reduction in the passenger fee has been in effect since April 1, 2008 for connecting passengers (those for whom, regardless of carrier, a maximum of 12 hours separates their scheduled arrival and departure times at Paris-Charles de Gaulle or Paris-Orly and who do not make a round-trip flight within that period), with the exception of connecting passengers who are bound for Metropolitan France, for whom a minimum fee is set at 4.60 euros. This "connecting passenger" reduction was 35% in 2007.

- the "fees for the use of aviation fuelling facilities" are paid by the fuel distribution companies operating at the airports. They are based on the volume of fuel supplied to airplanes by each company. Since February 1, 2005, this fee has been set at 0.41 euro per hectoliter of fuel distributed at Paris-Charles de Gaulle and Paris-Orly airports. As of April 1, 2008 it is 0.3045 euro per hectoliter distributed at the Paris-LeBourget airport.

In accordance with the CRE, Aéroports de Paris plans changes in the fee structure over the 2006-2010 period to make them more proportionate to costs and to bring fees in line with comparable fee structures at other major European airports.

Ancillary fees

Ancillary fees are determined in the following manner:

- the landing fee for aircraft under 6 tons is a fixed amount,
- the rates for parking fees for aircraft under 6 tons are determined by the maximum take-off weight along with the type of aircraft stand and the time the aircraft is part,
- runway lighting fees cover the use of runway lighting systems. It is payable each time an airplane takes off or lands under conditions necessitating the use of runway lights,
- as of April 1, 2008, the fee for the provision of check-in and boarding counters includes both a fixed and variable portion. The fixed part, which is charged either manually or by the hour, is based on the number of counters used. The variable part is related to the use of baggage handling facilities and is based on the number of passengers checked in, excluding those in transit, while the rate varies based on destination type (the European Union and France's overseas departments and territories on the one hand, other international destinations on the other hand),
- unless set by a specific contract (the one in effect for the baggage handling system in terminal CDG 1, for example), the fee for the provision of baggage handling facilities is based on the number of checked bags loaded on board the plane,
- the fee for provision of de-icing facilities is paid for services provided by Aéroports de Paris to airlines operating out of Paris-Charles de Gaulle during the winter period from October 1 to May 31 (at Paris-Orly, airlines buy de-icing services from private operators). This fee will include a fixed portion, determined by the number of landings made during the winter season in question, and a variable portion for the number of de-icing operations. The amount of the unit rate for both parts of the fees will vary according to the size of the aircraft,

- the fee for the provision of infrastructure to supply electricity to airplanes is determined on the basis of the maximum take-off weight of the airplane and whether or not the flight is to a European Union destination.

The ancillary fees that are not governed by the CRE deal primarily with particular baggage handling systems used by Air France-KLM which have contractual rates in the form of annual rental fees. Other ancillary fees deal with usage of the CREWS computer system (airport management software) and "shared resources" required for airport activities, such as runway-side operating areas and ground assistance equipment storage areas.

In 2008 Aéroports de Paris was obliged to establish a fee for airport passes for secured area and a fee for new services provided for the benefit of disabled or mobility impaired persons. See 6.6.2.9. "Other regulations".

Principles governing the determination of airport fees

In accordance with the definition of fees for services provided established in the applicable law, airport fees are paid in return for services provided by Aéroports de Paris to its users and must remain in proportion with the corresponding costs incurred by Aéroports de Paris.

Moreover, the fourth paragraph of Article L. 224-2-I of the Civil Aviation Code states that the total revenues from fees charged may not exceed the cost of services provided at the airport. This article also provides that the level of airport fees must take into account the return on capital invested to provide these services. In application of this principle, Article R. 224-3-1 of the Civil Aviation Code states that fees shall be set so that, given (i) the forecasted passenger and cargo traffic through airports, (ii) targeted growth in revenues, and (iii) costs and the investment programs relating to a predefined scope of activities and services, the airport operator receives a fair return on capital invested, taking into account the weighted average cost of capital of the Company.

This range of activities and services, called the "scope of regulated activity", includes aeronautical services listed in Article R. 224-1 of the Civil Aviation Code and all or part of the airport operator's profits generated from businesses other than aeronautical services. For Aéroports de Paris, the scope of regulated activity, established by Article 1 of the Order of September 16, 2005 on fees for services provided at airports, includes all the Company's businesses relating to the presence of air transport clients, including non-aviation businesses such as the leasing of commercial spaces or the operation of car parks. Thus, under this Order, all business activities conducted by Aéroports de Paris at its airports in the Ile-de-France region are included in the scope of regulated activity, except:

- activities conducted by subsidiaries of Aéroports de Paris, and those that are not part of the management of the airports in the Ile-de-France region, which include its main subsidiaries Hub télécom, ADPi, Aéroports de Paris Management, Alyzia and Société de Distribution Aéroportuaire,
- activities financed by the airport tax: security, prevention of bird strikes and plane security and fire services,
- management by Aéroports de Paris of noise reduction projects,
- ground assistance activities open to competition,
- land and real estate activities not directly linked to aviation, or "real estate diversification" activities (such as the construction or rental of office space outside the terminals).

An exception in the Order of September 16, 2005, provides that all real estate business of Aéroports de Paris (including real estate diversification) may be included in the first CRE. This is the case for the CRE signed for 2006-2010. In the second regulatory period (beginning in 2011), current regulations call for real estate diversification to be removed from the scope of regulated activity.

The Order of September 16, 2005 also created the possibility of excluding some non-aviation activities from the scope of regulated activity for any multi-year contracts signed for a period beginning in or after 2011.

The Order of September 16, 2005 defines the criteria that the regulator should use when drawing up the CRE agreement, in assessing a fair return on capital invested by the operator in businesses falling within the scope of regulated activity, with regard to its weighted average cost of capital, and in accordance with Article R. 224-3-1 of the Civil Aviation Code:

- forecasts, over the period covered by the CRE, of the rate of return on capital invested within the scope of regulated activity, calculated as the ratio of (1) the operator's operating income from activities within the regulated scope over the year in question (after company tax) to (2) the total amount of fixed assets financed by the operator and of its working capital requirements allocated to the scope of regulated activity, determined at the end of the fiscal year in question, where:
 - operating income is defined as the difference between (1) revenues, income from internal transfers between the scope of regulated activity and the rest of the business, capitalized production, reversals of operating provisions, other operating income from ordinary activities, the share of equipment subsidies allocated to the year, capital gains on the disposal of assets and prepaid costs, and (2) all operating expenses of the Company from ordinary activities, internal costs between the scope of regulated activity and the rest of the Company, depreciation of tangible fixed assets and operating provisions, losses on the disposal of assets and employee profit sharing,
 - the amount of fixed assets financed by the operator is calculated as the sum of the net book values of the assets of Aéroports de Paris allocated to the scope of regulated activity, less, where appropriate, provisions for impairment and equipment subsidies to be allocated to future years.
- the estimated weighted average cost of capital of the operator, calculated as a function of the level of return an investor would expect from the Company and the average cost of its borrowings, is determined on the basis of methods customarily used in valuing Company assets.

Principles governing the growth of fee rates

The CRE covers five fee periods, the first from May 1, 2006 to March 31, 2007 (the "2006" fee period) with the four others running from April 1 to March 31 of each of the following years.

Under the terms of the contract, changes in the level of fees from one fee period to the next are capped by a "basic increase level." This ceiling on the annual growth rate of principal and ancillary fees governed by the agreement is equal to $i(n) + 3.25\%$, where $i(n)$ is the percentage growth in the consumer price index (excluding tobacco products) as published by INSEE, calculated for the period beginning October 1 of year $n-2$ and ending on September 30 of year $n-1$.

For principal aeronautical fees, this cap may be adjusted for the following factors:

- traffic levels if the annual change in traffic is outside a pre-defined range. This corrective factor would adjust for 70% of the aeronautical fees' revenue surplus or shortfall and would be applied to adjust principal aeronautical fees in the following fee period. To determine this adjustment, actual traffic over a given period is compared with the baseline traffic growth level set out in the CRE. The traffic data projection used in the CRE is given as a composite index of the CRE's estimation of passenger numbers, weighted at 60%, and its estimation of airplane movements, weighted at 40%. The central assumption for growth in passenger traffic is 3.75% per year, with the predefined range within which no adjustment would be made set at 3.5% to 4.0%. For airplane movements the central growth assumption is 2.31% with a

range from 2.16% to 2.46%. For the 2008 fee period, the adjustment factor in relation to traffic is -0.85%,

- beginning in the 2008 fee period, a factor based on Aéroports de Paris' performance in service quality will be applied. This adjustment factor, which may be applied periodically in the form of a bonus or a penalty, is based on various service quality indicators which are targeted by various financial incentives. These ten indicators include:
 - the availability of aircraft stands,
 - the availability of telescopic jetways,
 - the availability of electromechanical equipment,
 - the availability of baggage carousels,
 - the availability of public information systems in the terminals,
 - passenger satisfaction regarding the cleanliness of the terminals,
 - passenger satisfaction regarding directional signs and flight information,
 - passenger satisfaction regarding the availability of luggage trolleys,
 - the promptness with which claims are addressed,
 - the provision of the planned number of aircraft contact stands. The last indicator is weighted ten times more than the other nine. Each of the other nine indicators may represent an adjustment of up to 0.05% of the four principal fees' revenue,
 - for the 2008 fee period, the adjustment factor in relation to service quality is -0.29%.
- the CRE also provides that if cumulative investment spending, other than that relating to capacity, renovation and real estate diversification projects, from January 1, 2006 to December 31, 2008, does not reach 95% of the initially budgeted amount (*i.e.*, 628 million euros), 70% of the difference between the resulting depreciation costs from regulated activity and over the duration of the contract will be subtracted from the cap on principal fee increases in the 2010 fee period (the last period covered by the first CRE). The adjustment factor applied will be 26.6% of the difference between actual investment in 2006-08 and 95% of the investment budgeted in the CRE over this period.

Determination of the maximum fee increase under the terms of the CRE

To implement capping and adjustment process, Aéroports de Paris determines the price for all its services based on fee schedules. This set of services and the fee schedules are established for the principal fees and for the ancillary fees, in accordance with the formulae set out in the CRE. By applying the abovementioned formulae, the growth cap allowed for the 2008 fee period for principal aeronautical fees were calculated to be 4.23% and ancillary fees 5.11%.

Annual determination of fee rates by Aéroports de Paris under the CRE

Under paragraph I of Article R. 224-3 of the Civil Aviation Code and as provided for in the CRE, Aéroports de Paris will set the fees for airport services for each annual fee period at levels that are subject to the ceiling as determined above. The procedure to be followed is set out in Article R. 224-3 and in paragraph III of Article R. 224-4 of the Civil Aviation Code. It includes the following stages:

- convening by Aéroports de Paris of the Economic Consultative Committee of the airport in question at least three months prior to the beginning of each fee period,
- notification to the Minister for Civil Aviation and to the Minister for the Economy by Aéroports de Paris of fee rates subject to the CRE and, where appropriate, changes in these rates, at least two months before the beginning of each fee period,
- application of the fee rates for the fee period in question one month after their publication, unless the Ministers for civil aviation and for the economy have jointly opposed them, if the fees do not meet the general rules applicable to fee rates or the terms of the contract, within a period of one month following receipt of their notification.

If the Ministers responsible for civil aviation and the economy oppose the proposed fee rate levels, Aéroports de Paris can submit a new proposal by following the same procedure. If this occurs, the CRE provides that the fee rates for the preceding fee period would remain in force until the approval of the new fee rates, and the opening of the new fee period would be postponed accordingly, but its end date would not change. The new proposal from Aéroports de Paris could then increase fee rates for the new shortened fee period so that forecast revenues are equivalent to those that would have resulted from the application of fee rates in line with the CRE over the initially expected fee period. Thus the Group can offset the effect of a temporary freeze on an increase in fee rates. If this were to occur, the maximum levels of fee rates in the following fee period would not be affected.

For the 2008 fee period, the average effective increase in principal aeronautical fees is 3.80% (as against a ceiling fixed at 4.23%), with 4.70% for ancillary fees (as against a ceiling fixed at 5.11%).

Moreover, further to the order by the Council of State of July 11, 2007, rescinding for procedural reasons the fee rates applicable to the 2006 fee period, Aéroports de Paris implemented a retroactive revision of those fee rates. As another result of this order, Aéroports de Paris instituted new rates for 2007 in accordance with the applicable procedure.

Adjustments during the contract period to take account of new fees or additional costs

The CRE includes certain mechanisms that allow for changes during the contract period, such as the creation of new fees, transfers between fee categories, the creation of new services or the inclusion of new costs that were not foreseen at the time the contract was signed.

In this context, Aéroports de Paris established a new ancillary fee as of January 1, 2008 for services provided regarding passes for authorization to access restricted airport areas (represented by badges), the base of which is the number of badges requested. These services were previously paid for by the airport tax.

Similarly, Aéroports de Paris plans to institute a fee beginning July 2008 to pay for services provided to disabled or mobility impaired persons in accordance with European regulation number 1107/2006 of July 5, 2006. The base for this fee will be the total number of passengers emplaned at the Paris-Charles de Gaulle and Paris-Orly airports.

Revisions to or early termination of the contract

The CRE provides that the French government and Aéroports de Paris should discuss whether to revise the contract if growth in traffic falls outside a predefined range of 1.25% to 6.25% for passenger numbers and 0.77% to 3.85% for plane movements in two consecutive years.

Similarly, the CRE provides that the French government and Aéroports de Paris should seek an amicable agreement over changes to or early termination of the contract in the event of exceptional and unforeseen circumstances that create a fundamental shift in the economics of the contract.

Preparation of the new CRE

As part of the CRE, Aéroports de Paris and the French government have agreed to prepare a contract regulating fees for a period of several years after 2010. After having convened the Economic Consultative Commission to determine the investment forecasts and service quality improvements planned for the period covered by the second contract, Aéroports de Paris will publish, by May 1, 2010 at the latest, a public consultation document relating to this second regulatory contract.

Under paragraph III of Article 1 of the Order of September 16, 2005, the contribution of non-aviation businesses to all regulated activity may be capped for multi-year contracts signed in 2011 or after that date.

If no regulatory contract is agreed, Articles L. 224-2 and R. 224-4-1 of the Civil Aviation Code provide that fees shall be determined on an annual basis. In this case, Aéroports de Paris would be required, at least four months before the beginning of each yearly period, to notify fee rate levels, and where appropriate any changes to them, to the Ministers responsible for Civil Aviation and for the Economy for approval (this procedure would be accompanied by consultation with users and the opinion of the Economic Consultative Commission for the airport in question). These fees and any changes will be deemed approved and will be implemented unless the Ministers responsible for Civil Aviation and for the Economy jointly object to them within one month of having been notified. If the ministers jointly object, Aéroports de Paris may renew the procedure without consulting users again. In the event of a second rejection by ministers, the fees from the prior year would remain in place. If fees remained unchanged in this way for two consecutive years, the Ministers could themselves, by joint order and at least 45 days before the start of the annual fee period in question, set the average level of change in fees, and, where necessary, set details of the individual changes.

6.3.2.7. Security

Description of security activities

Under the terms of the Chicago Convention on International Civil Aviation of December 7, 1944, particularly Article 37 and Appendix 17 thereof, national governments are responsible for organizing airport security. Against this background, the European Union has implemented rules regarding the creation of common regulations in the area of civil aviation security. The main EU texts in this area are regulation No. 2320/2002 of December 16, 2002 and regulation No. 622/2003 of April 4, 2003 setting the measures for implementing shared rules in the area of civil aviation security. These were enhanced by regulation No. 1546/2006 of 4 October concerning transportation of liquids on board aircraft, as of 6 November 2006.

In France, Articles L. 213-3 and L. 282-8 of the Civil Aviation Code govern the legal regime applicable to airport security operations. Article L. 213-3 provides that airfield operators and other parties implement air transport security measures, following procedures to be set by a decree of the Council of State, which has not yet been published, unless the law specifically provides that the French government is instead responsible for implementation. Article L. 282-8 of the Civil Aviation Code authorizes judicial police officers, agents of judicial police offices, assistants to agents of judicial police officers, customs agents, as well as private agents, under the supervision of judicial police officers, designated by the airport operator and specifically certified by the *Préfet* and the state prosecutor, to conduct security visits.

Within this framework, under authorization from the relevant *Préfet* and under the supervision of the relevant government agencies, Aéroports de Paris is required to provide:

- a screening system for all passengers and cabin baggage (including a metal detector plus security searches as required). All cabin baggage must be examined by an X-ray machine, and where necessary searched by a member of the security team. Aéroports de Paris has a total of 163 passenger and baggage screening stations,
- a screening system for checked baggage that assures inspection of 100% of checked baggage following procedures defined by the French government, which primarily consists of explosives-detecting equipment integrated into the baggage handling facilities of the airports,
- a screening system for staff and vehicles at each access point to the restricted security areas of the airports that must include biometric techniques (Aéroports de Paris has 22 staff screening points and 11 secure road access points),
- security procedures for the use of facilities made available to the Group's partners (primarily airlines and ground handling companies), such as check-in counters, boarding areas, passenger access routes to planes, checked baggage processing areas and protection for checked baggage awaiting loading,

- structuring of terminals and other airport areas (physical separation of inbound and outbound passengers, video monitoring of inspection procedures and staff access, security fences, secure emergency exits, one-way doors, etc.).

Article 37 of the inter-ministerial Order of November 12, 2003 relating to air transport security measures requires that all of these measures must be described in a security program. Aéroports de Paris has drafted a security program, which has been submitted to government authorities and is updated regularly. The Civil Aviation Authority launched operator security program control operations at the end of 2006.

The security program, which sets out the tasks, locations, resources and procedures to be used, is backed by a quality assurance program in accordance with article 38 of the abovementioned order, which describes the supervisory structures employed by Aéroports de Paris in monitoring companies providing security services. This program includes the following procedures: a reporting and analysis system for security-related events, to which all involved in security contribute via a dedicated computer system; a continuous improvement loop; traceability of all actions carried out under this program; and the supervision of service providers. This security activity quality procedure was extended by Aéroports de Paris, which obtained certification to ISO 9001 Version 2000 from BVQI in March 2006 for security activities by the Security Division and Paris-Orly Airport.

Aéroports de Paris employs substantial resources to meet its regulatory obligations in this area. The Company employs almost 300 full-time staff for security functions. In addition, nearly 4,000 people are employed by a small number of specialist service providers that Aéroports de Paris hires to provide screening services.

Aéroports de Paris has invested 315 million euros between 2001 and 2007 to meet these requirements. The investment program in the security area has particularly focused on ensuring 100% screening of checked baggage (purchasing and integration of detection machinery in baggage sorting facilities), the opening of road checkpoints for access to the restricted security area, the installation of video-surveillance equipment, the installation of biometric equipment, the increase in the number of screening stations, the physical separation of passenger flows and the purchasing of explosive trace detectors.

Security measures were tightened (with the number of staff involved in implementing them doubled) following the September 11, 2001 attacks in the United States, and this produced a particularly rapid increase in costs, which rose from 173.7 million euros in 2002 to 283.8 million euros in 2004, an increase of 63.4%. These costs amounted to 37.2 million euros in 2007 against 349.2 million euros in 2006. These expenses consisted largely of sub-contracting costs (218 million euros), staffing costs (40.4 million euros) and capital asset amortization costs (39.3 million euros).

Fiscal 2006 was notable for new restrictions, effective November 6, 2006, on carrying liquids on board the aircraft. Aéroports de Paris committed early on to making arrangements for the effects of these new regulatory requirements. Several factors - the cooperation of all parties involved, excellent responsiveness, an effective information campaign, and bringing in the necessary additional staff - all helped minimize the effects on passengers. As a result, there was no significant increase in waiting times at screening checkpoints (SCP), and flight delays remained limited. To maintain a satisfactory flow at control points, the new measures necessitated the deployment of extra staff, particularly in relation to organization, prevention and pre-reception (500 extra staff were deployed during the first week).

Financing of security activities

Security activities at Aéroports de Paris are financed by the airport security tax provided for in Article 1609 *quater* of the General Tax Code. This tax is charged on each outbound passenger. A tax is also payable on each ton of cargo or mail loaded.

The Budget Minister and the Civil Aviation Minister set the level of the tax within a ceiling set by the General Tax Code for the Paris airport system (since January 1, 2007, the ceiling has been 9.50

euros per passenger and 1.00 euros per ton of cargo or mail). The level is set according to the financing needs of each airport, as calculated based on the cost of services provided to meet regulatory standards and the predicted trends in these costs. Aéroports de Paris is thus closely involved in the preparation of the ministerial decision setting the tax levels for the airports it operates. Aéroports de Paris supplies the Budget Minister and the Civil Aviation Minister with information on the costs for the current year, previous year and subsequent year, and any other items necessary for the setting of the tax rate. The government then informs Aéroports de Paris of the figures used in setting the tax level.

The airport security tax is designed to finance all costs borne by Aéroports de Paris in carrying out the security tasks allotted to it, including the cost of the fixed assets needed for these tasks. Therefore, security and safety activities can make neither a profit or a loss, and any profit or loss recorded on the activities funded by the airport security tax is taken into account when setting the tax level for subsequent years.

Since January 1, 2007, the airport security tax has been set at 8.75 euros per outbound passenger and 1.00 euros per ton of cargo or mail. These rates remain unchanged in 2008. Moreover, an increase in airport taxes, 0.88 euros per departing passenger, came into force on January 1, 2008. This revenue assists with the State budget to finance governance of small French airports (platforms where annual passenger traffic is less than 2.2 million passengers).

6.3.2.8. Commercial and service activities at Aéroports de Paris

Aéroports de Paris's commercial activities are paid activities aimed at the general public: passengers, escorts and people who work at the airports. These include shops, bars and restaurants, banks and foreign exchange counters, car rental, advertising and, more generally, all other paid services (Internet access, gas stations, etc.).

General description of commercial activities

Commercial activities are at the heart of the Group's expansion, and thus contribute to the financial performance and image of its airports. Commercial activities play a leading role in the provision of services to passengers using airports. Aéroports de Paris acts as the creator, developer and manager of commercial zones and businesses.

Some commercial activities within airports take place in the public access zone, while the rest are located in the restricted access zone. The public zone refers to all parts of the airport that are freely accessible to the general public: areas outside of the security screening points in terminals and public areas of transport infrastructure (TGV/RER stations, Orlyval, road network). Anyone, whether a passenger or not, can make a purchase in the stores in this public zone, but the stores can not offer duty free goods. Conversely, the restricted zone (also known as the "customs controlled zone" even if strictly speaking it includes areas (most notably the Schengen zone⁶⁴) which no longer require customs clearance) is that part of the airport located beyond the various control points (customs, border police, security screening points), within which passengers on flights to destinations other than the European Union or the French overseas territories can buy duty-free goods.

Stores, bars, restaurants and other paid merchant services are operated by third parties, which, currently, are holders of authorizations for the temporary occupation of publicly owned spaces. These are due to be replaced by civil leases granted by Aéroports de Paris (see below), following the change in status of assets owned by Aéroports de Paris brought about by the Law of April 20, 2005 regarding airports. The operators of these stores pay Aéroports de Paris rent that is based in part on their sales. For Aéroports de Paris, revenue from commercial activities is therefore closely linked to the gross receipts of the operators of the 322 commercial spaces (shops, bars and restaurants) within its airports.

⁶⁴ Area handling flights to and from European Union countries that have signed the Schengen agreements of June 14, 1985 and June 14, 1990.

The commercial goods offered in Aéroports de Paris' airports fall into four categories: *core goods*, including alcohol, tobacco, perfumes and specialty food (Hachette group, Société de Distribution Aéroportuaire and Dufry), luxury goods, with the biggest French brands in the sector (Cartier, Hermès), services, including newsagents (Relay) and photo, video and audio (Virgin) and *other*, such as jewelry, glasses, accessories, gifts, children's items and museum souvenirs.

Aéroports de Paris also receives revenues from advertising space within its airports. JCDecaux Airport France has been in charge of advertising for Aéroports de Paris at the Paris-Orly and Paris-Charles de Gaulle airport since September 2001. The focus of the business agreement between JCDecaux and Aéroports de Paris is the use of media vehicles, spaces or devices that can host advertisements, as well as running promotional or event-oriented operations that don't entail direct sales. Its scope covers the interior of terminals in both public and restricted access zones and the sides of the main road routes to the airports. This activity has been extended to cover 'shared-time' information screens, through the AEO channel. The agreement expires on June 30, 2011.

The table below shows the breakdown of revenues received by Aéroports de Paris from commercial activities in 2007, by product and service type, before inter-segment eliminations and before the consolidation of the Société de Distribution Aéroportuaire subsidiary.

In millions of euros	31/12/07	31/12/06	2007 / 2006
Non "duty-free" shops	146.5	130.3	+12.5%
Public zone stores	9.1	9.4	-2.8%
Bars and restaurants	23.6	20.8	+13.5%
Advertising	17.6	17.8	-1.4%
Banks and foreign exchange	12.4	14.0	-11.3%
Car rental	11.9	12.1	-2.0%
Other	8.8	6.3	+39.8%
Total	230.0	210.8	+9.1%

Strategy in commercial activities

To achieve its targets for commercial revenues, Aéroports de Paris plans to implement a wide range of measures:

- *An ambitious program to increase commercial floor space:* Analysis of the comparative performances of European airports in the commercial segment shows that revenue per outbound passenger is related to the commercial floor space operated in the airport in question. The size of commercial areas is a fundamental determinant of the ability to deploy innovative and attractive concepts and to diversify the goods offered to passengers.

This analysis has led Aéroports de Paris to deploy a plan, begun in 2006, to increase commercial floor space for shops, bars and restaurants by more than 30% between the reference year 2004 (the last year before major renovation work at CDG 1 and the accident at terminal 2E at Paris – Charles de Gaulle) and 2010, with retail floor space in the international non-duty-free zone to be increased by more than 40%.

This plan has since been revised upwards, in particular as regards the shops in the international non-duty-free zone, since these are the most economically advantageous from Aéroports de Paris's perspective, following optimisation of passenger flows which has secured more space for commercial outlets in the international area. The revised number is now on the order of a 70% increase between 2004 and 2010. The increase, greater than originally planned following the Stock Exchange listing, will not require any significant additional investment since the outlay allocated to implement a shop is much the same as for a shop in the public or international area.

Commercial floor space details as follows:

<i>In m²</i>	2004	2005	2006	2007	2008	2009	2010
Shops in the international zone	10,581	9,177	9,407	14,355	17,222	18,058	18,123
Shops in the Schengen zone	2,518	2,698	2,828	2,955	3,719	3,948	4,694
Shops in the public zone	3,976	3,912	4,062	4,462	4,890	4,890	4,890
Bars and restaurants	20,096	18,518	18,724	20,693	22,173	22,173	22,173
Total	37,171	34,305	35,021	42,466	48,004	49,069	49,880

As the table above shows, the bulk of the increase in retail floor space will come in 2007 and 2008, as new facilities come into operation and on-going renovations are completed.

The retail space development plan calls for a complete reworking of the retail areas in terminals CDG 2A, CDG 2E, CDG 1, and CDG 3 at Paris-Charles de Gaulle. At Paris-Orly, there will be a far-reaching redesign of the commercial zone at the Orly Sud terminal (from the current 880 sqm to more than 2,200 sqm of retail floor space), accompanied by a greatly increased number of sales kiosks in all terminals.

In 2007, over 7,500sqm of additional shops, bars and restaurants were opened, including approximately 5,000sqm of shops in the international area. In addition to the Galerie Parisienne extension which opened June 27 with 3,200 sqm of retail space in addition to 1400sqm of bars and restaurants, 2007 was also the year in which the first line of shops opened in the Orly Sud terminal, and nearly all of the commercial space in the central concourse of terminal 1 at Paris Charles de Gaulle reopened after the second quarter of that terminal was put back into service following renovation. Once all the renovation work is complete, terminal 1 will house 3,400 sqm of business space.

In 2008, Aéroports de Paris plans to open more than 5,500 sqm of shops, bars and restaurants. The work being done in terminal 2A will double the available commercial space by the end of 2008 with a shopping mall of more than 1,500 sqm. The terminal 2E boarding area, which will reopen in March, will include 3,200 sqm of retail space. Finally, the shopping center in the Orly Sud international zone will continue to go operational progressively.

These expansions of retail floor space will increase the ratio of square meters of shops per million outbound passengers (expressed as nominal outbound capacity for all international terminals) from 519sqm per million passengers in 2004 to 624 sqm per million passengers in 2010 for the international zones, an increase of 25% in commercial space subject to customs. At the end of 2007, this figure stood at 556 sqm per million passengers.

The expansion of retail floor space has been made easier by the provisions of Law No. 2006-10 of January 5, 2006 relating to transport security and development⁶⁵, which exempts from prior approval by the *Préfet* (or "authorization of commercial operations") any sales outlet accessible only to ticketed passengers and located within airports. This streamlines significantly the procedures for opening retail areas in the restricted zone.

- *Improvements in the location, visibility, layout and ambience in commercial zones.* The program of increasing floor space described above will be complemented by systematic measures to improve the operational aspects of these zones. Their physical layout determines the optimal positioning of stores relative to passenger flows, the visibility of store signs and products, ease of access to shelves and, more generally, the atmosphere and enjoyment for the public. These factors have a significant impact on the average proportion of outbound passengers who spend time in the stores.

⁶⁵ Which amended Article L. 720-5 of the French Commercial Code

For example, the retail outlets for alcohol, gourmet items and perfume in Hall 1 in Orly Ouest have been grouped together in one single store which has been enlarged and centrally positioned at the entrance to the boarding area. Similarly, passenger flows to in the new finger of terminal 2E at Paris-Charles de Gaulle were analyzed in order to increase the exposure of passengers to the businesses.

- *A wider range of the product offering.* The plan to develop and remodel commercial spaces includes a clear product-positioning strategy that would put greater emphasis on high-margin products and satisfy the much more focused demand expressed by certain specific client groups.

Product positioning will concentrate on perfumes and cosmetics, fashion and leather goods, accessories and food. These areas will be operated alongside alcohol and tobacco shops, which remain particularly popular among international passengers. The Group will also develop diversified retail areas to include new brands and categories. The increase in retail floor space will make it possible to open attractive concept stores such as specialist cigar, whisky or wine shops.

The choice of brands will also be better differentiated between terminals to take account of the particular characteristics of passengers in each terminal: thus up-market and luxury goods will be offered primarily to non-European international passengers (particularly those from Japan, China and the United States), while a more diversified and competitively priced offering will be available in terminals where the clientele is predominantly French or European. Some shops will offer an approach that differentiates by gender, age or socio-professional class to better meet the diverse range of passenger expectations and thus stimulate buying. As part of the renovation of the finger of terminal at Paris Charles de Gaulle (scheduled to open at the end of March 2008) the commercial spaces have been completely redesigned, with the introduction of luxury brands and famous names in the area of fine foods and dining.

- *Improvement in the management of passenger time and passenger flows to increase the amount of time available for passengers to spend in the stores.* The profitability of commercial zones in air terminals is highly dependent on the makeup and effectiveness of the flow of passengers and those accompanying them who cross and use these zones. Aéroports de Paris' expertise in the management of complex pedestrian traffic flows will be applied to retail outlets in an airport setting: easing the journey of a passenger short of time, allocation of aviation resources, integration of customs requirements and management of scheduling issues.

To improve passenger flow, a coordinated range of measures has been implemented, spanning the passengers' entire journey through the airport from arrival (directing them to car parks, ensuring free flow of traffic in front of the terminals), to boarding (optimized allocation of boarding gates with regard to neighboring commercial outlets and as a function of flight destination). These measures also improve passenger information, reducing travel-related stress, by providing accurate and updated information on the distance they need to walk and the time it will take them, and by raising awareness of the goods offered in the commercial zones (maps of commercial zones, signage).

- *Perception of the commercial offering and building customer loyalty.* Price positioning of the stores and other outlets at Aéroports de Paris benefit from the Paris name, which provides a direct notion of luxury and French quality. This high end image naturally creates certain expectations among international passengers and has undeniably allowed Aéroports de Paris to resist the upward pressure on prices following the elimination of intra-European "duty-free" on July 1, 1999. Aéroports de Paris has managed to fill the gap with increased traffic, expanded commercial space, and a better, wider range of goods and services.

Aéroports de Paris plans to continue to boost its image of offering value for money, particularly for the European and medium-haul customers who tend to look for more

accessible, mass-market products. For these passengers, Aéroports de Paris has diversified the goods sold by including brands such as Occitane, Swarovsky, and Gérard Darel, Swatch, Cécile et Jeanne, etc. and has conducted a significant promotional and marketing effort within retail outlets.

Contractual features of commercial activities

Until the application of Law No. 2005-357 of April 20, 2005 relating to airports, and the Order of July 20, 2005 on the Aéroports de Paris company itself, commercial merchants both in the public and restricted access zones were temporarily authorized to occupy publicly owned spaces that were awarded to operators of retail or service outlets. Until the new law was introduced, these temporary authorizations were granted for periods that varied according to the type of outlet or service: they generally ran for five years for shops, seven years for services such as car rental, ten years for bars and restaurants and up to seventy years for hotels, which must amortize the substantial investment required. The selection process for holders of these authorizations was based on a bidding process with parties considered to be competitive in the relevant market, and the fees received by Aéroports de Paris under the authorizations were based on a percentage of revenues generated by their holders, with a minimum guaranteed payment expressed as an amount per passenger. The agreement also put a certain number of obligations on the authorization holder, particularly regarding marketing, merchandising and human resources.

Law No. 2005-357 of April 20, 2005 relating to airports provided that assets owned by Aéroports de Paris were no longer considered to be public property. Thus, the "temporary occupancy authorizations" were no longer needed, although the law did expressly state that the authorizations granted before Aéroports de Paris was converted into a corporation would remain in force under their original legal regime until their original expiry date. To plan for these expirations and for any new commercial floor space that becomes available, Aéroports de Paris has drawn up model lease documents, under the general legal regime, to replace the former temporary authorization system. Two types of model contracts have been produced:

- civil leases, for which one model has been drawn up specifically for shops and another for all other types of third-party use of space located in the airport zone (defined as the land and buildings used by Aéroports de Paris in the execution of its public service duties), primarily in airport terminals. Under these leases the period of occupation offered by the Company will initially be five years for shops and ten years for services such as restaurants. For continuity, these model leases require that the rent received by Aéroports de Paris will consist of a fixed rent indexed on the construction cost index published by INSEE together with a variable amount calculated as a percentage of sales, with a guaranteed minimum payment,
- commercial leases, which were drawn up exclusively for occupants outside of the area of the airport reserved for public service purposes. the standard term is 9 years, but they can be cancelled in accordance with the provisions of the French commercial code. These would last for nine years and could be cancelled in accordance with the provisions of the Commercial Code. These leases also provide that rents will consist both of a guaranteed fixed minimum rent indexed on the construction cost index published by INSEE and a variable additional amount calculated as a percentage of sales.

6.3.2.9. Services offered by Aéroports de Paris

Because Aéroports de Paris is constantly striving to improve passenger satisfaction and the services offered to its customers, the Company has implemented new services, in particular in the areas of providing information, and offering a warm welcome and a comfortable, uncomplicated experience to passengers. Some of these new passenger services are merchant based while others are not -- they also include e-services available on the Company's website or through partners' websites.

- In *passenger information*, these services include:
 - an interactive telephone server, 3950, a single number providing passenger information on flight times, airlines, parking facilities and access,
 - a website, www.aeroportsdeparis.fr, which gets over 700,000 visits per month. Web surfers can currently find information on schedules, flights, access and also on the various services offered to passengers, to help them better prepare for their trip. Passengers can also find exclusive commercial offers there,
 - a "consumer" magazine, *Aéroports de Paris Magazine*, providing information about Paris in general but also news and behind-the-scenes insight about Aéroports de Paris, together with promotional information and services for passengers relating to terminal retail outlets. The magazine is issued ten times per year and 300,000 copies are distributed to passengers in all boarding lounges in the Group's airports,
 - a dedicated TV channel, AEO, shown on 203 screens, which informs and entertains passengers with short, bilingual programs,
 - practical information guides made available to passengers in the terminal buildings.

- In terms of receiving passengers and making them feel comfortable, Aéroports de Paris has undertaken a variety of facility improvements to make the passenger experience more friendly and comfortable:
 - welcome and information desks at all terminals will be made larger and rearranged to make them more visible,
 - play areas for children (in partnership with Gulli television channel) and video game areas (in partnership with Sony-PlayStation),
 - new areas where passengers can work on their computers and access the Internet,
 - the development of areas offering massages and personal care,
 - replacing and increasing the number of seats in waiting areas, creating relaxation areas with semi-reclining chairs,
 - since 2003, there has been "Operation Orange Vest" aimed at improving the welcome factor and facilitating the movement of passengers in all terminals. In summertime, young people have been brought in to welcome, inform, direct and assist passengers.

- Aéroports de Paris has also made great strides recently in terms of facilitating the passenger experience:
 - a premium parking service was launched. Called "Parking Premium", it offers reserved parking spaces near terminal entrances, which can be reserved online. This means passengers can be certain of finding a place to park at any time, and can gain precious minutes on their way to the aircraft,
 - flight information during their trip, using text messaging on mobile phones for clients who have subscribed to the service.

- In *telecommunications*, telephone, data transmission services, at all terminals in Paris-Orly and Paris-Charles de Gaulle, a public phone facility is available, Internet terminals have been provided, and Hub télécom, a subsidiary of Aéroports de Paris, has installed a Wifi network, thereby providing the general public with a wireless Internet connection.

6.3.2.10. Energy supply and logistics services

Aéroports de Paris is responsible for providing all of the support services necessary for the proper functioning of its airports, both for its own needs as well as for those of companies located at the airports who choose Aéroports de Paris as their service provider.

Energy supply and logistics services provided by Aéroports de Paris include:

- production and supply of heating generated in thermal facilities and carried through hot water pipe systems. Aéroports de Paris provides heating services to companies located at its

airports, although some companies have their own gas-powered systems. Aéroports de Paris uses natural gas for more than 90% of its heating needs, and at Paris-Charles de Gaulle, that figure is 100%. At Paris-Orly, 10% of heating requirements are provided by the incineration factory of the Rungis national interest market,

- production and supply of air conditioning services for its facilities, generated by refrigeration stations (powered by electricity) and carried through cold water pipe systems. At Paris-Orly, Aéroports de Paris only has a few external clients for this service. At Paris-Charles de Gaulle, the Group provides this service to external users, although it is difficult to estimate the percentage provided by Aéroports de Paris given that the companies may use their own air conditioning facilities,
- the supply of potable water and the collection of wastewater⁶⁶. Other than the Air France Industries facilities in the north zone of the Paris-Orly airport, Aéroports de Paris provides all potable water at its airports. Water is purchased from Lyonnaise des Eaux and from Véolia Water,
- garbage collection at the airports⁶⁷. Aéroports de Paris provides most waste management services at its airports, with the exception of certain specialized waste,
- Aéroports de Paris uses its own network for electricity services to power its airport facilities. Aéroports de Paris also provides electricity for some companies, particularly those located inside the passenger terminals (shops, airline company offices). Most of the electricity used at the airports is purchased from external sources (primarily from Endesa France since November 2006 with some marginal supplies by Atel and Poweo as of 2008), although Aéroports de Paris does have some generating capability to cover its aviation facilities in the event of a blackout.

In 2007, the industrial services provided by Aéroports de Paris generated external revenues of 69.2 million euros (as against 68.8 million euros in 2006), with 50.4 million euros at Paris- Charles de Gaulle and 13.6 million euros at Paris-Orly.

The largest customers at Paris-Charles de Gaulle are Air France, Roissy-Print Le Figaro, Sogafro (*Société de la gare des agents de fret de Paris-Charles de Gaulle*), FedEx, Servair, SNCF and the airport-based hotels.

At this airport, the volume of heat produced and supplied totaled 300 GWH (as against 314 GWH in 2006) and the volume of cooling was 111 GWH (down slightly from 119 in 2006) – this is equivalent to the consumption of a city of 100,000 inhabitants. In 2006, Aéroports de Paris supplied about 2.3 million cubic meter of potable water in 2007 (unchanged from 2006) and the amount of garbage collected and processed was nearly 43,000 tons (42,000 in 2006), equivalent to the waste produced by a city of 95,000 inhabitants. In 2006 the Paris-Charles de Gaulle airport completed work on a new boiler house (the "CFE-bis"); this equipment is intended to support the airport's eastward development.

At Paris-Orly, the largest customers are Servair, Air France Industrie, French government services and the airport-based hotels.

Some 130 GWH of heating was produced and supplied in this airport in 2007, as opposed to 136 GWH in 2006, and the volume of cooling was 18 GWH, as opposed to 24 GWH in 2006. Some 588,000 cubic meters of potable water was provided in 2007 as against 661,000 cubic meters in 2006. The amount of garbage recovered and processed in 2007 was 13,900 tons as opposed to 13,200 tons in 2006. In 2006, the Paris Orly airport updated its heating system, replacing boilers and heat exchangers on 3 of the 4 networks at the facility, and moving from a high-pressure hot water system to a low-temperature system. In 2007, the airport modernized its cooling plant, replacing two 5 MW cooling units with a total of 16 MW of cooling power.

⁶⁶ See 6.7.1.3. "Water"

⁶⁷ See 6.7.1.4. "Waste"

6.3.3. Real estate

In 2003, real estate activities outside the terminals were brought together into a new real estate division covering Paris-Charles de Gaulle and Paris-Orly airports, and into the central management team at Paris- Le Bourget airports. These activities represent a strategically important development area and over the medium term are expected to provide the Group with an additional source of growth. Aéroports de Paris, as the landowner, invests in preparing land for development that it then makes available for rent to investors or other users. Aéroports de Paris also acts as a developer, managing real estate projects to meet its own needs or those of companies seeking to establish or extend a presence in one of the airports. As an owner of real estate, Aéroports de Paris is responsible for the management (leasing, renovation and modernization) of its portfolio. Aéroports de Paris also provides facility management services (maintenance, security, cleaning, mail).

Aéroports de Paris provides real estate services to about 670 external customers, mainly Air France-KLM, FedEx, GMD-WFS, La Poste, Servair-Acna, the Paris-Le Bourget exhibition grounds, HSBC, Sogaris and the Accor group.

The Group's 2007 real estate revenues amounted to 194.2 million euros, a 10.5% increase over 2006. 65.5% of this came from external rents paid by third parties, 26.2% from internal rents (including those paid by the Aéroports de Paris's own subsidiaries, which amounted to 5.1 million euros), and 8.3% in rebilled occupancy expenses and other receipts.

6.3.3.1. *The land assets available for real estate businesses*

Aéroports de Paris' total land estate consists of 6,686 hectares, of which 4,606 hectares, or 69%, is reserved for the Group's aviation activities, 851 hectares, or 13%, is unusable due either to zoning reasons or aviation needs, and 1,229 hectares, or 18%, is the usable land available for the real estate business and can be broken down as follows:

- 881 hectares are already used (13% of the Group's total holdings), including:
 - 337 hectares occupied by buildings that Aéroports de Paris leases in whole or in part to third parties,
 - 544 hectares leased to third parties for development of their own real estate projects.In all cases, Aéroports de Paris remains the owner of the land.

- 348 hectares of land available for development, or 5% of the Group's total estate:
 - 136 hectares for Paris-Charles de Gaulle,
 - 155 hectares for Paris-Orly,
 - 41 hectares for Paris- Le Bourget and
 - 16 hectares for general aviation aerodromes.

The land available for real estate development must be used in compliance with the local zoning scheme of the relevant municipality.

6.3.3.2. *Land leased to third parties*

Revenue from land rented to third parties accounted for 69.6 million euros in 2007, up by 12.6% compared to 2006, which represents about 35.8% of all revenues from the real estate segment. The 544 hectares of land leased to third parties can be broken down as follows:

- about 289 hectares are occupied by buildings involved in airport-related activities, such as airplane hangars, freight and general or business aviation terminals. Of these, 182 hectares are located at Paris-Charles de Gaulle airport, 30 hectares at Paris-Orly, 43 hectares at Paris-Le Bourget and 34 hectares at general aviation airfields. In the latter case, the land is occupied by aeroclubs and recreational aviation facilities; thus, the rental rates for this land are substantially lower than the base parcels of the rest of this segment. In 2007 the most significant activity was the leasing of land at Paris-Charles de Gaulle airport intended for

activity related to Air France-KLM's boarding equipment (1.8 hectares), and, at Paris-Orly, the provision of 2 additional hectares for Air France-KLM in the northern industrial zone,

- approximately 160 hectares are home to service, industrial or active business or corporate real estate products. 85 hectares of this land are located at Paris-Charles de Gaulle airport and 75 hectares are at Paris-Orly. Noteworthy in 2007 at Paris-Orly was the provision of a one-hectare parcel to the Visual company to use as bus parking,
- about 95 hectares are devoted to areas that support the needs or interests of people (hotels, shops and services, public equipment, public services, and the Le Bourget exhibition grounds). Of these, 19 hectares are located at Paris-Charles de Gaulle airport, 21 hectares at Paris-Orly, 47 hectares at Paris-Le Bourget and 8 hectares at general aviation airfields. At the general aviation airfields, the 8 leased hectares were used for a go-kart raceway (Racing Electronic) created at Pontoise in 2007.

6.3.3.3. Leased buildings

Revenue from land leased to third parties accounted for 69.6 million euros in 2007, up by 6.9% compared to 2006, which represents about 29.7% of all revenues from the real estate segment.

As of December 31, 2006, the portfolio of buildings owned by Aéroports de Paris consisted of a total net floor area of 1,160,250 sqm with usable floor area of 1,060,664 sqm. After deducting the common areas not invoiced (approximately 7,500 sqm), and areas within obsolete buildings (slightly more than 104,073 sqm as against 64,000 sqm in 2005), the total usable floor area is 949,078 sqm. Of this amount, Aéroports de Paris occupied 169,956 sqm for its own requirements. The balance, 779,122 sqm, represents the portfolio of buildings available for lease to third parties. Of this amount, the occupancy rate at December 31, 2006 was 89.5%, with a total of 697,556 sqm actually leased. These 676,095 sqm of floor space let to third parties were broken down as follows:

- approximately 70% were airport-related buildings: These were mostly hangars for aircraft maintenance (44% of the leased area), areas used for cargo (23%) or areas used for other airport activities (3%),
- about 30% of the buildings: Offices (13% of leased space), logistical, transport and transit area (8%), mixed activity and industrial space (8%) and general public premises (1%).

In June 2007 Aéroports de Paris refined the classification of its asset base to include airport real estate and diversification real estate. Everything that could be kept without prejudice outside the airport proper falls by nature under diversification. Previously, classification had been based on customer type. This change resulted in reclassifying 9% of the Aéroports de Paris's buildings from the "airport" to the "diversification category."

In 2007, the usable floor area was broken down as follows:

	Airport real estate	Diversification real estate
Paris-Charles de Gaulle	72%	28%
Paris-Orly	71%	29%
Paris- Le Bourget	65%	35%

The total floor area of buildings leased to third parties has grown by 21,500 sqm since 2006. 22,006 sqm have been lessed for the new cargo terminal at Paris-Charles de Gaulle airport. At the Paris-Le Bourget airport, the floor area of leased buildings went down by 1873 sqm.

6.3.3.4. Real estate strategy

The existing asset portfolio, the location of the airports, the quality of ground transportation links and the powerful role played by airports in regional development and national economic growth create opportunities to generate value from the real estate business of Aéroports de Paris. An airport location gives a competitive advantage to certain types of companies where responsiveness and the rapid movement of goods are essential, and to international companies needing easy access to clients, suppliers and branches around the world.

Additionally, the amount of available building land, mostly consisting of large single-tenant property units, the majority of which had no previous occupation and benefiting from the platforms' systems and infrastructures, represents an re-location opportunity for companies looking for this kind of land close to Paris - for example, for grouping of service activities in the entire Ile-de-France region, or for logistics and express parcel activities.

The Group intends to build on the potential of its land and property assets to ensure that they provide an additional source of revenue growth over the medium term. This strategy includes the following elements:

- development of each of the airports that is harmonious and specific to the individual site, with increased density of buildings and with an overall development vision, modulated into different sectors, depending on the identity of each airports,
- a marketing and pricing approach that reflects the diversity of the portfolio and the different real estate products and markets targeted: leisure and services, manufacturing and logistics, commercial businesses, aeronautical and support activities,
- provision of services and products designed to add value and enhance the efficiency and competitiveness of companies choosing to locate at the airports: business parks, hotel complexes, shops, restaurants, services, leisure facilities,
- optimization of risk and financial commitments.

Over the period 2006-2010, the Group announced its wish to develop and market approximately 60 hectares, which could hold buildings with a usable floor area of more than 315,000 sqm, including approximately 150,000 sqm at Paris-Charles de Gaulle, 150,000 sqm at Paris-Orly and 15,000 sqm at Paris-Le Bourget. Of these 60 hectares, approximately 30 hectares will be used for aviation activities (a usable floor area of approximately 85,000 sqm) and the other 30 hectares are expected to be used for diversification activities (a usable floor area of approximately 230,000 sqm).

For this 2006-2010 development program, an intermediate assessment for the period 2006-2007 is as follows:

- 154,946 sqm of usable floor space (equivalent to 49% of the goal) representing 40.6 hectares (or 67% of the goal) have already been completed,
- These projects have required investments totaling 192.6 million euros, of which 31.1 million euros has been financed by Aéroports de Paris, and 161.5 million euros by third parties.

In 2007, Aéroports de Paris invest 17.3 million euros in real estate development (16.4 million euros in 2006) which went largely to the construction of two new cargo terminals at the Paris-Charles de Gaulle and Paris-Orly airports and to launching the expansion of FedEx's sorting facility at Paris-Charles de Gaulle.

In addition, other projects are also in progress:

- Projects being managed by Aéroports de Paris include:
 - the expansion of FedEx's buildings by 32,750 sqm of usable floor space,
 - the Orly freight terminal, for another 14,700 sqm of usable floor space.

- Projects being managed by third parties on land leased by Aéroports de Paris include:
 - phase 1 of the Air France-KLM A380 hangar with 26,000 sqm of usable floor space,
 - phase 2 of the Servair Acna handling base with 8,400 sqm of usable floor space.

In view of the results of the projects currently in development, the goal of developing servicing and opening for business some 60 hectares, which will be able to support buildings with a usable floor space of more than 315,000 sqm is being retained.

The group estimates the construction of these buildings will require a total investment of approximately 712 million euros. This is somewhat higher than the 2006 estimate of the cost of this development program which had been 643 million euros. This increase takes into account the type of products that will be developed, in particular the expansion of a hotel at Paris-Charles de Gaulle and the expansion of FedEx's buildings.

Aéroports de Paris plans to use its resources to act as overall developer of the areas of the airports that are open for development. The group could also invest further down the property development chain, financing all or part of some buildings from its own resources, as it currently does with the cargo terminals at Paris-Charles de Gaulle and Paris-Orly.

Other programs, to develop offices, hotels, services or workshops, could be developed by partnerships involving Aéroports de Paris to a greater or lesser extent.

Of the total of 315,000 sqm mentioned above, Aéroports de Paris currently plans to develop 78,000 sqm itself, with 237,000 sqm remaining to be developed either by developers or investors unrelated to Aéroports de Paris, with, possibly, depending on financial optimizations and opportunities, a shareholding by Aéroports de Paris.

Aéroports de Paris's portion of finance for these projects will require most of the Group's own resources intended for real estate ventures to 2010 ie. 164 million euros. The balance of the 164 million euros will be used to prepare and refurbish a number of areas and land requirements for projects that will not be delivered or marketable until after 2010.

As a result the Aéroports de Paris Group has re-updated its real estate investment plan. For the period 2008 to 2012, that plan is now estimated at 340 million euros, including so-called "diversification" real estate investments after 2010.

In due consideration of the sums already allocated for the period 2006-2007, the abovementioned forecast of 164 million euros for 2006-2010 has been adjusted to 246 million euros, justified by financing from equity:

- extension to the FedEx facility, originally planned as a partnership finance project, the investment package for which has doubled,
- the Cœur d'Orly project for an equivalent project, albeit representing an increase in Aéroports de Paris's general real estate outlay,
- new operations to be delivered after 2010.

For the latter part of the period, 2011 to 2012, the main investment packages are as follows:

- refurbishment and development work on the Cœur d'Orly project,
- construction of a cargo warehouse,
- construction of an office block at Roissy-pôle using partnership finance,
- construction of a new computer unit on the Paris-Charles de Gaulle platform,
- refurbishment work on Aéroville, services and shopping mall.

In order to reach its objectives and complete projects designed to meet the demands of the market, Aéroports de Paris began in 2007 to expand its policy of developing partnerships with major users and operators in the French real estate market.

In this vein, the Cœur d'Orly project, which involves developing a business park initially on 13.5 hectares, should be completed in conjunction with developers and investors (Altarea and Foncière des Régions) selected at the end of December 2007 following competitive bidding with a number of developers and investors. This operation should begin to firm up in 2008 with the creation of development companies owned equally by Aéroports de Paris on the one hand, and the Altarea and Foncière des Régions companies on the other hand. These two companies specialize in different types of buildings (offices or commercial). The shareholders of these companies are bound by a memorandum of understanding and a shareholder agreement governing their rights and responsibilities which were signed on March 10, 2008.

The Paris-Charles de Gaulle airport

Paris-Charles de Gaulle airport has a number of strengths that enhance real estate operations on its site. Road and public transport access is of the highest quality and continues to be improved. The site still has reserves of unused land and the number of air passengers using the airport is expected to grow steadily, as is air cargo.

Real estate at the airport is currently dominated by cargo activities and the specific profile of each of the different zones within the airport. This is particularly true of the Cargo, Maintenance and Express Cargo and Roissy Pôle sectors. In the long term, Aéroports de Paris intends to develop a diversified real estate portfolio where the products aviation-related products will continue to dominate but where other key activities can be created and/or developed. This will include offices, workshops, retail and hotels.

To this end, by 2010 Paris-Charles de Gaulle airport plans to have developed 36 hectares. Plans call for some 150,000 sqm of net floor area to be constructed by 2010. Slightly less than 70,000 sqm of this will be dedicated to cargo, aircraft maintenance and other aviation activities, with approximately 72,000 sqm used as office and industrial space and 8,000 sqm for public facilities and recreational locations.

Six priority real estate development areas have been identified at Paris-Charles de Gaulle:

- cargo Sector,
- Roissy center,
- western gateway sector,
- Roissy Pôle,
- support sector,
- cargo, maintenance and express cargo sector.

Development has already begun in several of these areas. The Support Sector houses Servair's new catering unit and Acna's new plane cleaning and supplies unit, along with the maintenance center for the Air France-KLM hub. The cargo, maintenance and express cargo sector houses Air France-KLM's A380 hangar, a short stay residence hotel by 1.5 hectare parcel and the expansion of FedEx's facilities. The new Air France-KLM flight personnel residence project is in the Roissy Pôle sector.

Overall in 2007, Aéroports de Paris rented a total of 1,8 hectare of land to third parties at Paris-Charles de Gaulle.

With regard to buildings constructed by Aéroports de Paris, 2007 saw the opening of the new cargo terminal in July, a 22,600 sqm facility intended to meet operators' high demand.

Additionally, to address the increase in express cargo traffic at the airport, FedEx and Aéroports de Paris plan to expand the FedEx hub between now and 2010. This agreement signed on Septembre 28, 2007 calls for:

- The construction of 13 new wide-body aircraft stands. Five of these were completed at the beginning of 2007, four more should be done in 2009, and the last four in 2010,

- Building expansion projects, resulting in the addition of 32,700 sqm of net floor area that will be used to extend the sorting facility, build a new package receiving unit, reconfigure the dock unit and build new office space. The new buildings should be ready for use in 2009. Parking lots and equipment areas are also planned.

Aéroports de Paris is handling construction of these structures, which it owns, and is leasing them to FedEx under civil or commercial leases, depending on the type and location of the facilities.

Over the next several years, Aéroports de Paris and its partner Unibail will continue studies and take initial steps toward the creation of "Aéroville", a shopping mall and service complex situated halfway between the towns of Tremblay-en-France and Roissy-en-France, aiming to serve the 80,000 people employed at the Paris-Charles de Gaulle airport. Unibail is the developer for this project and will build and operate the complex on a 10-hectare site leased from Aéroports de Paris. The lease agreement between Aéroports de Paris and Unibail was signed August 4, 2006. Following the 2007 simplified review of the comprehensive development area map for the two base towns, the application for commercial authorization for the project is under consideration. This shopping and services center will open sometime after 2010.

The Paris-Orly airport

Paris-Orly airport's real estate portfolio offers many advantages that could allow it to become, over the next 15 years, an important business center at the core of the largest business area south of Paris, which includes the Silic business park in Rungis, the Rungis national wholesale food market, the Belle-Epine shopping mall and the SENIA business park.

Against this background, the real estate strategy at Paris-Orly is to develop a mid-range to up-market office property portfolio, while also ensuring that the needs of aviation businesses are met. To achieve this, Paris-Orly plans to develop 18 hectares between now and 2010, on which 150,000 sqm of net floor area will be built. Of this, about 115,000 sqm will be for offices, approximately 20,000 sqm will be for services and hotels and around 15,000 sqm will be cargo facilities.

Six priority sectors have been identified within the Paris-Orly site:

- Cœur d'Orly,
- Orlytech La Fraternelle,
- South-west Sector,
- Cargo Sector,
- Pont de Rungis Sector (aviation maintenance area),
- Est Villeneuve Le Roi Sector.

In these areas, Aéroports de Paris has begun modernizing and increasing the density of the airport's real estate. In 2007 work was begun on new freight terminal with a net floor area of 14,700 sqm intended to address the high demand from operators. This facility is scheduled to open in mid-2008. Space in the freight terminal is almost completely sold out.

Construction of a 42,000 sqm unit for Air France Industries (restaurants and production facilities) in the Eastern Villeneuve-le-Roi District, as well as the requalification of the Air France "engines" business in the Pont de Rungis district are ongoing. The Paris Sud industrial mail facility, with a net floor area of 35,000 sqm on a 9.5 ha parcel, leased by the French postal service was opened in September 2007 in the Orlytech La Fraternelle district. Finally, the South-west Sector will be open for urbanization instead of logistical activities.

The largest real estate operation at Paris-Orly is the Cœur d'Orly, where a new business district near the center of the airport is being created. The goal is, first, to develop a "Rectangle" of 13.5 ha which will include offices, a conference center, a four-star hotel and a complex for shops, services and recreational activities.

When bidding began in March 2007 for the first phase of the project, Aéroports de Paris worked exclusively with promoter/investor the Altaréa and Foncières des Régions group. The project was designed by coordinating architect Jean-Michel Wilmotte and landscaped by Philippe Thébaud. The final project aims to unite in a single area the airports' most attractive features (currently separated by the N7 highway) through the creation of an center for various activities.

Cœur d'Orly will have several mass transit options available including RER C, Orlyval and, in particular, the Villejuif-Juvisy tramway project, already designated as a public utility, as well as the airport's new TGV high-speed train station.

The first phase of this Rectangle (2008-2013) includes 160,000 sqm of offices, shops and hotel space, 70,000 sqm of which should be open at the beginning of 2011.

The marketing strategy aims to:

- position from the outset this new business district as the standard setter in real estate in that Ile-de-France region, with an offering targeting major users (including those looking for facilities of more than 30,000 sqm net floor area), particularly international groups,
- to reach a critical mass of occupied office space by 2011-2012 which will allow the development of a wide variety of shops and services, setting this project apart from its competition (concept of "brand centers", lots of nearby services, etc.).

At this stage, first step costs are estimated at 450 million euros (excluding the hotel and conference center). Aéroports de Paris plans to carry half the required investment in the project's equity for the offices and shops, alongside its partner, the Altaréa/Foncière des Régions group. Aéroports de Paris will earn half the income from these operations. This investment is included in the investment programme in paragraph 5.2.3. "Main investment planned" for the years 2008 to 2010 only. As from 2011, diversification real-estate, which the Cœur d'Orly project is part of, will be removed from the regulatory scope.

The Paris-Le Bourget airport and the general aviation airfields

At Paris-Le Bourget, a program to develop the north-west and north-east edges of the airport has been drawn up, with the initial operations launched during the first half of 2007. The north-west area will house companies involved in aviation (it already houses a training center for aviation jobs and an engine test bed). This land is in the public zone and will be accessible from the Parisis ring road that is currently being built. The north-eastern segment, which is already home to Eurocopter's rotor development center, will house business jet companies. This will give access to the restricted zone (and thus to airplanes) but will also be accessible from the public zone.

In addition, some old buildings along the RN2/RN17 road have been demolished as the current occupancy arrangements came to an end in late 2007, thus freeing up land in an ideal location with access to the airport from the RN2/RN17.

Finally, there is a project at the Lognes-Emerainville aerodrome to develop industrial and logistics buildings. In total, the Group plans to develop 5 hectares of real estate zones at Paris-Le Bourget and the general aviation airfields, representing a surface area of 15,000 sqm of tertiary development.

6.3.4. Ground handling

Ground handling services include all the services required by an airline while its plane is on the ground at an airport. An airline can either provide these services itself, using its own staff, or make use of an external service provider. A distinction can be drawn between passenger services (check-in, boarding, ground transport and shuttle buses, incoming passenger welcome, baggage claims, etc.) and aircraft services (loading, unloading, catering, cleaning, towing and push-back, production of technical documentation, baggage handling).

Legal context

The requirement to open up ground handling activities to competition became part of French law in 1998. Indeed, European Directive 96/67/CE of October 15, 1996 regarding access to the ground handling market in the EU airports as defined in articles R. 216-1 and following of the civil aviation code redefined the regulatory framework for this activity which up to that time had been shared between Air France, the Group, and independent services, the latter of which was developed primarily for passenger services. This directive established the “arm’s length” principle for passenger services (administrative support and supervision on the ground, passenger check-in and ground transport) and some plane services (cleaning, refueling, in-line maintenance, aircraft operations and crew management, catering). However, the directive made it possible to limit the total number of service providers for ramp assistance, baggage handling, cargo and mail transfer and transport between terminals and planes, while at the same time specifying that at least one service provider, independent of the airport operator and the dominant airline, must be authorized to offer such services at each terminal.

As these activities require licensing from the *Préfet*, Aéroports de Paris has obtained approval to offer such services at Paris-Orly and Paris-Charles de Gaulle airports. In compliance with European regulations, separate financial accounts for ground handling services have been established.

Where the number of service providers is limited, authorized service providers are chosen by the French government following a tender process and after consultation of a users' committee made of representatives of the airlines using the terminal in question and of representatives of government agencies. The number of votes allotted to each airline is proportional to its share of traffic through the terminal.

Each terminal at Paris-Orly and Paris-Charles de Gaulle has at least one and sometimes two independent service providers, with the exception of terminals CDG 2C, 2E and 2F, which are used exclusively by Air France and its partners in the SkyTeam alliance and where Air France provides its own ground handling services.

The ground handling services market in Paris

At Paris-Orly and Paris-Charles de Gaulle, 65% of the ground handling service market (both fully competitive and restricted segments) is held by Air France, which provides these services for its own needs and to its SkyTeam alliance partners. The remaining 35% of the market represents approximately 400 million euros of annual revenues, and is split between five groups: Independent providers (Europe Handling Group, WFS, Swissport, Servisair) account for nearly two thirds of available market share. Aéroports de Paris, long involved in the ground handling business, accounts for one third of the market share⁶⁸. These market shares appear to be fairly stable now.

The Group offers its services to airlines that do not provide their own ground handling. For the group, ground handling activities generated revenues before intersegment eliminations of 195.3 million euros in 2007 up from 177.1 million euros in 2006. These services represent the processing of some 5.5 million departing passengers, as opposed to 4.6 million in 2006, and about 47,000 assisted flights up from 40,000 in 2006. Customers of the Group's ground handling services come from every continent (major clients include Vueling, Continental Airlines, Air Algérie, Corsair, Iberia and American Airlines) and are offered to all segments of the market (low-cost operators, charters, regular European carriers, medium and long-haul carriers). The airlines sign service agreements directly with Aéroports de Paris.

The services offered by the Group's ground handling business include primarily the following: passenger assistance, ramp assistance, baggage handling, cargo and mail transfer, aircraft operations and ground transportation. The Group does not offer catering, in-line maintenance or refueling services.

⁶⁸ Source: Aéroports de Paris

The opening of the ground handling market to competition has created constant downward pressure on prices. In addition competitive pressure on the "accessible market" has increased due to the progressive growth of the SkyTeam alliance, which is led to a reduction in the size of this market to the benefit of Air France. This high level of competition puts pressure on the margins of this highly labor-intensive activity.

Aéroports de Paris is also a member of Aviance, a global alliance of ground handling service providers with 10 members active in 12 countries and more than 100 airports worldwide.

In addition to Aéroports de Paris's 580 employees, the Alyzia Group has 1,290 permanent employees (up from 1,117 in 2006), for a total of 1,870 Group employees (as against 1,784 in 2006) who work at airport facilities managed by Aéroports de Paris in the area of ground handling services.

Strategy

Following the opening to competition in 1998, Paris ground handling was subject to intense competitive pressure, exerted by various operators seeking to take a market share in the Paris platforms that represent a first-rate position on the European airport market. The operators are generally international groups operating all the core businesses of ground handling, with a large-scale network in other European airports and worldwide. This gives them a real competitive advantage, particularly in terms of serving the major airline alliances, searching for service providers which can go with them on all their destinations.

Although the European Commission has, for the time being, declined to implement a new obligation to liberalize further the ground handling market, Aéroports de Paris is still subject to the consequences of the initial market opening. Thus in 2006 renewal of licenses led to the emergence on December 1 of a third operator, Orly Flight Service (WFS group), at the Orly Sud terminal. This operator is now active at three terminals at which the Group is present.

This intense competition is found in a ground handling market which is not excessively dynamic overall. Although Paris air traffic is really increasing, the main objective of the airlines is to use new technology (particularly dematerialization of tickets and automatic passenger check-ins through the self-service kiosks and over the Internet) to reduce their volumes of ground assistance. The International Air Transport Association IATA, which coordinates the "simplifying the business" program, thus estimates that by the end of 2008 almost 80% of check-ins will be carried out directly by passengers using self-service kiosks and the Internet, as against only 20% using the traditional methods.

Regarding the price of ground handling services, the trend is downward long term, since airlines are exerting considerable pressure on ground handlers, within a context of tough competition between them, particularly with the emergence of low-cost companies flying to European destinations. Regrouping of the airlines into alliances is also a way to improve their negotiating position with those providing ground handling services.

In order to remain competitive, the group is implemented to restructuring plans in its ground handling businesses, in 1998, 2000 and 2003. These plans have sought to adjust the structures of this business to ensure its sustainability and to return to financial liability by cutting production costs, focusing on profitable services and contracts, and moving into line with industry standards. The restructuring plans have resulted in a gradual reduction in ground handling staff at Aéroports de Paris to 580 as of December 31, 2007, down from 1176 permanent employees in 1997, and 667 at the end of 2006).

To reestablish the economic balance of this business, Aéroports de Paris decided in 2007 to reorganize all of its ground handling activities into one single subsidiary, to allow the group to continue to operate over the long-term in this market with highly competitive price and cost conditions. This groupment will entail the end of ground handling exercised directly by Aéroports de

Paris. Aéroports de Paris, which holds business contracts with the airlines, will subcontract 100% of that work to Alyzia.

Following several meetings with the labor unions, information and advice was provided by the works council held on September 26, 2007 (*Results of Creating An Airport Service Center for Ground Services Management*). The Board of Directors decided to proceed with the reorganization on September 27, 2007.

For the Group, the expected benefits of this strategy are to remain a major player in ground handling on the Paris platforms, with multi-terminal presence and good value for money. In particular, the cutback in production costs which should be produced by the integrated company could offer some competitive prices for premium service quality, in order to generate additional income. Improvement of competitiveness within this activity ought, in particular, to target the new dynamic segments of the market, such as European medium-haul or low-cost carriers. Under these conditions, the Group is continuing to work toward its goal of rebalancing this business. The current operating income is expected to be back in balance for the 2009 fiscal year. The final decision in relation to the launch of reorganization of this activity was taken by Aéroports de Paris's Board of Directors on September 27, 2007. Reclassification of the parent company's staff will be carried out in accordance with the tendency of airline customers towards the subsidiary Alyzia on expiry of the various contracts, in which case it will be spread over 2008 to the end of the first six-month period in 2009. Under these conditions, the targeted return to equilibrium of operations has been adjusted to 2009.

Regarding the impact this reorganization will have on workers, informational meetings explaining the range of measures put in place to assist employees were held beginning mid October 2007. Employees were then invited to a personal and confidential orientation interview conducted by an external professional counselor in October and November 2007 to help them choose one of the mobility solutions listed below:

- transfer by redeployment within Aéroports de Paris,
- moving to the airport's services cluster,
- early termination of employment,
- possibility of early retirement,
- resignation for a wage-earning employment outside the Aéroports de Paris Group or to create or takeover and business, or to carry out a personal project.

The cost of the planned measures was estimated at 48.5 million euros on a provisional basis. A provision of 36.1 million euros was reported in 2007. The remaining 12.4 millions euros will be accounted for as non-current expenses as they arise⁶⁹.

6.3.5. Other activities

Aéroports de Paris, either directly or through its subsidiaries, carries out various business activities that leverage the expertise it has established, such as international airport management and airport engineering, specialized telecommunications services, and the operation of retail outlets in the Group's airports.

6.3.5.1. International airport management

The Group is active internationally, providing skills and expertise in airport management. The Group has entered into a number of airport management contracts, which in some cases have been accompanied by the acquisition of a stake in the airport operator. The Group's presence in the airport operations market is handled by its wholly-owned subsidiary, Aéroports de Paris Management, created in 1990.

In 2007, Aéroports de Paris Management's revenue was 10.6 million euros⁷⁰ (including Jordan Airport Management), compared to 8.1 million euros in 2006. The net book value of holdings was

⁶⁹ See note 3 of the Notes to the consolidated financial statements in appendix 1

⁷⁰ Aéroports de Paris Management financial accounts

13.5 million euros in the consolidated accounts as of December 31, 2007. Aéroports de Paris Management's average staffing level in 2007 was 31 employees including 20 outside of France.

The group's worldwide presence is shown in the map below:



Group holdings outside France

All of the Group's holdings in airport operating companies are held by Aéroports de Paris Management. These stakes are accompanied by management, consultancy or operating contracts held by Aéroports de Paris Management or the Company in which the stake is held.

The Group's international holdings are listed below:

- *Mexico.* On September 4, 2006, Aéroports de Paris contributed a 25.5% stake in the Mexican company Servicios de Tecnología Aeroportuaria, S.A. de C.V. (SETA), for a total of 22.6 million euros, to its subsidiary, Aéroports de Paris Management. Aeroinvest, a subsidiary of the Mexican group ICA, owned by the Empresa ICA S.A. de C.V holding company, owns the remaining 74.5% of the capital.

SETA is the strategic partner to Grupo Aeroportuario del Centro Norte, S.A. de C.V. (GACN), the holding company for 13 airports in the north and center of Mexico, including Monterrey International Airport. In 2000, SETA bought up 15% of this company's share capital, and drew up a 15-year technology transfer and technical assistance contract with it. Following the exercise of an option authorizing it to fully benefit from a 2% capital increase at GACN, SETA has held 16.7% of GACN's share capital since September 2006. At the end of 2006, the Mexican government floated the balance of the share (48.0%) on the Mexican stock market and on NASDAQ. This distributed GACN's capital between 47.25% of floating stock, Aeroinvest with 36.05% and SETA 16.7%. Aeroinvest undertook to vote as SETA at general meetings of GACN shareholders.

In 2007, traffic to the Mexican airports managed by GACN rose to 15.1 million passengers, up 25% compared to 2006. This remarkable increase is due essentially to growth in low cost traffic which represented 20% of all traffic at the Monterrey Airport in 2007. GACN has undertaken major projects in order to manage the growth of traffic at Monterrey. A new 800sqm terminal for low cost traffic was started at the end of 2006. The first phase of work on

terminal B (20,000 sqm capable of handling 1.5 million passengers) will begin in 2008. That terminal is scheduled to open at the end of 2008 or beginning of 2009.

- *Belgium.* Since 1999, Aéroports de Paris Management has owned a 25.6% stake in the Société de Développement et de Promotion de l'Aéroport de Liège-Bierset SA (SAB), which manages the Liège-Bierset airport in Belgium. The other shareholders are Société de Leasing et de Financement (SLF) and Société Wallonne des Aéroports (SOWAER). This stake has a book value on Aéroports de Paris Management's balance sheet of 3.9 million euros, of which 0.87 million euros is not yet paid up. A partnership agreement between Aéroports de Paris Management and SAB was signed in March 1999 for a 15-year period. With almost 482,000 tons of traffic in 2007, Liège-Bierset airport is Europe's 8th largest European platform in terms of cargo and is currently undergoing a major expansion program of infrastructures to increase its handling capacity. At the same time, SAB opened a new passenger terminal in April 2005, with a capacity of over 1 million passengers per year, essentially for charter traffic. This terminal will handle 333,000 passengers in 2007, a 6% increase in traffic compared to 2006. In 2007 SAB changed its name to the more commercial "Liege Airport".
- *Guinea.* Aéroports de Paris Management signed a technical assistance contract, with effect from January 1, 2007, for a renewable one-year period with SOGEAC (Société de Gestion et d'Exploitation de l'Aéroport de Conakry), which operates the international airport at Conakry - Gbessia. Aéroports de Paris Management has held a 29% stake in SOGEAC since 1994.
- *Saudi Arabia.* In February 2007, the consortium made up of Aéroports de Paris Management and the SBG Group was selected for a "build, transfer and operate" project aimed at renovating, expanding and operating the Hajj terminal at the King Abdulaziz International Airport in Jeddah. This terminal receives pilgrims during the month of the Hajj (great pilgrimage), but also year-round for the Omrah (lesser pilgrimage), and its capacity will be increased to more than 4 million passengers per year. The facilities and operation of this terminal were designed and sized specifically for this traffic. A 20-year concession contract was signed on February 20, 2007 between SBG and GACA (the Saudi civil aviation authority).

SBG has transferred all its rights and obligations regarding the concession contract to one of its wholly owned subsidiaries called the Hajj and Omrah Terminal Construction and Development Company, which concluded an operating and maintenance contract with the operating company Ports Project Management and Development Company (PPMDC) in which Aéroports de Paris Management holds a 5% stake and SBG a 95% stake. At the same time, PPMDC signed a technical assistance contract for a renewable term of five years with Aéroports de Paris Management to handle terminal operations.

Aéroports de Paris Management assumed control of operations on September 13, 2007. Two expatriate employees work at the facility.

- *Jordan.* In association with the Cypriot builder Joannou & Paraskevaides, J&P Avax and the ADIC (Abu Dhabi), NOOR (Kuwait) and EDGO (Jordan) investment funds, Aéroports de Paris Management signed a concession contract for the development and operation of the Queen Alia International Airport (QAIA) Amman on May 19, 2007. With a term of 25 years, this concession contract aims to renovate the existing terminal and build an additional terminal with an initial capacity of 9 million passengers and final capacity of 12 million passengers after 2010. Aéroports de Paris Management holds a 9.5% stake in the concession company (AIG), with the remaining capital District is among the investment funds (71.5%) and J&P/J&P Avax (19%). The contract specifies that operation of the existing terminal must continue throughout the duration of the new terminal construction.

The terminals operated by Jordan airport management (JAM), an airport operation company entirely owned by Aéroports de Paris Management. On November 15, 2007, JAM and

Aéroports de Paris Management signed an operating and maintenance contract with the AIG company for a term of 25 years.

Aéroports de Paris Management assumed control of operations on September 16, 2007. Six expatriate employees work at the facility.

- *Disposal of the Group's holding in China in February 2007.* The 6.27% holding that Aéroports de Paris Management held in the capital of Beijing Capital International Airport (BCIA) was sold on February 26, 2007 for just over 1.97 billion Hong Kong dollars which, after expenses but before taxes, amounts to 188.9 million euros. Capital gains on the transfer amounted to 109.8 million euros for fiscal 2007.

Management and technical support contracts

The Group has also signed management and technical support contracts abroad without taking up any capital stakes. The principal contracts are:

- *Egypt.* On December 27, 2004, Aéroports de Paris signed a six-year agreement covering the management of five major regional tourist airports receiving international traffic, at Sharm el-Sheikh, Hurghada, Luxor, Aswan and Abu Simbel. These airports account for traffic of over 15 million passengers, up 16% compared to 2006. This contract, which is being performed by Aéroports de Paris Management, is part of a plan to completely restructure the Egyptian airport sector under the auspices of the World Bank. In 2007, Aéroports de Paris Management handled the bringing of the new terminal at the Sharm el-Shaikh airport online. Aéroports de Paris Management also manages the private airport at Marsa Alam.
- *Algeria.* In continuation of the two-year technical support contract drawn up with the airport authority EGSA-Algiers for the opening in the first half of 2006 of the new terminal at Algiers International Airport, which was remodeled by ADP Ingénierie, on July 1, 2006 Aéroports de Paris Management signed a four-year renewable management contract for Algiers airport according to which Aéroports de Paris Management is responsible for managing the new Airport Management Company. The Algiers airport handled more than 3.8 million passengers in 2007, a 9.3% increase over 2006.
- *Cambodia.* In Cambodia, Aéroports de Paris Management signed a three-year operational support contract on January 1, 2005, with CAMS, the Company operating the international airports at Phnom Penh and Siem Reap, on behalf of concession holder SCA, whose majority shareholder is the Vinci Group.
- *Saudi Arabia.* In December, in partnership with the Saudi SBG Group, Aéroports de Paris Management won the competitive bidding for operation of the Hajj terminal at Jeddah Airport in Saudi Arabia. The Jeddah Airport handles over 16 million passengers every year, of which 4.8 use the Hajj terminal, frequented by pilgrims traveling to Islamic holy sites.

Strategy

The Group's strategy for airport privatizations and concessions internationally is to maintain a prudent presence so as to preserve sources of future growth with the priority of creating value in so doing. With this in mind, Group strategy for international business is as follows:

- the Group will continue its activity through consortiums or minority stakes. It could contemplate a majority position on very limited number of projects. In addition to taking up the shareholdings, there will be management or technical assistance contracts justifying Aéroports de Paris' ability as an airport operator,
- the Group will select projects where it can take up a position on the basis of a satisfactory level of profitability, in due consideration of the anticipated level of risk,

- the Group will follow clear rules of selection in order to limit risk. It will also prioritize holdings in airports in Europe (including France), or in OECD countries. It will also pay special attention to countries with fast-growing economies like Brazil, Russia, India and China,
- the Group will seek out opportunities to become involved in large, but under-used airports, which have significant requirements for airport management skills, and thus offer strong growth potential.

The Group is examining the privatization of Prague airport through a parity consortium with the Ontario Teachers' Pension Plan, although it is waiting for the Czech Government to announce its transfer plans in order to decide whether or not to submit a tender. Privatization of Chicago Midway and Abu Dhabi airports are also being examined. The format here would be as operator and minority interest in partnership with investment funds.

6.3.5.2. *Development of engineering businesses in France and abroad*

Created in June 2000, ADP Ingénierie is a wholly-owned subsidiary of Aéroports de Paris which provides design, architecture, project management and works supervision services in the area of airports and venues where there are issues of complex pedestrian flows (like air terminals and sports and cultural venues). ADP Ingénierie, which works either alone or alongside other consultants, is active on all continents and in 2007 generated revenues of 64.5 million euros⁷¹ against 33.6 million euros in 2006.

Prior to the creation of a separate subsidiary, the architecture and engineering office of Aéroports de Paris directly engaged in the activities now carried out by d'ADP Ingénierie. ADP Ingénierie has been ISO 9001 certified since February 2003 and in March 2007 successfully passed its first ISO 9001 follow-up audit.

ADP Ingénierie provides services for any level of project that the client wishes to formalize:

- in the planning and scheduling phase, the Company conducts a variety of technical and economic studies (feasibility studies, traffic forecasts, sizing of facilities) which form the basis of master plans, covering site selection and evaluation and the overall site development plan,
- during the initial design phase, it handles preliminary design work (initial definition of technical features, assessment of cost of project, and definition of architectural style of the buildings and their geometric details),
- during the phase of detailed design and preparation of contractors' tender document (representing the core of the engineering input in the true sense of the term), the Company's role has traditionally been to produce detailed designs and technical specifications for the project, technical specifications for equipment, budget costs for the works and estimates of the time required,
- during the construction phase, the Company manages the project (including selection and management of contractors and supervision of works) and/or provides post-project support (notably checking that installed equipment works correctly).

ADP Ingénierie primarily handles projects in airport environments, but the Company also takes on occasional jobs outside of airports, such as high-rise building design. However, the majority of the subsidiary's business remains in the area of airports, where ADP Ingénierie has a portfolio of some 170 projects in 70 countries.

ADP Ingénierie works mostly at the international level – its activity in France accounts for only a very small part of its revenues. A substantial part of the Company's revenue currently comes from

⁷¹ *Aéroports de Paris Ingénierie financial accounts*

projects in the Middle East which represent about 50% of its sales in 2007. Contracts based in Libya account for about 27% of revenues.

Commercially speaking, 2007 was an excellent year – orders signed through December 31, 2007 amounted to about 237 million euros.

The main contracts handled in 2007 were the following:

- in Dubai, the design and supervision of the construction of terminal 3 and concourses 2 and 3, the maintenance base for Emirates Airline (seven 380 hangars already built), the new the Tiara Towers and Jebel Ali international airport. ADP Ingénierie is mainly involved in design work for the first phase of the project, set for the opening in 2009 of a runway, a passenger terminal, a control tower, a business aviation terminal and an exhibition center. It is also handling tender documents in order to select the builder or builders, and will be responsible for supervising construction on the two terminals and the control tower. The second development phase will probably consist of a further 2 runways and a passenger terminal, the capacity of which has not yet been determined, but will likely be able to handle between 30 and 60 million passengers,
- and Qatar, the new Doha international airport,
- in Oman, the new Seeb and Salala airports,
- in Libya, project management of studies, project management and oversight of the work on airports at Tripoli, Benghazi and Sabah,
- in Saudi Arabia, the renovation of the Hajj terminal at the Jeddah airport.

Outside the Middle East, ADP Ingénierie has agreed to act as project manager for the expansion of Terminal 1 at Dublin airport and the Mohammed 5 terminal at Casablanca airport, development the floor plan and expansion of Monterrey airport in Mexico, the expansion at Bogotá airport, the floor plan and development at El Salvador airport, etc.

ADP Ingénierie is one of the leading design office is in its area anywhere in the world, and one of the largest engineering design offices in France. Its strategy is based around three central features:

- managing its growth so as to better amortize the general expenses and development costs related to projects,
- adopting a strategy of geographical targeting of the best opportunities (notably in the Persian Gulf) without overlooking stable, low-risk regions such as France, Western Europe and Japan and fast-growing areas such as Asia and Eastern Europe,
- expanding its project portfolio so as to be able to grow in new and profitable activities (baggage systems, runways, control towers) while continuing to cover the segments where it has built its reputation (major air terminals, industrial airport buildings and complex infrastructure).

In 2007, ADP Ingénierie employed an average of 268 people, 121 of them outside France, most of whom were working under local contracts.

6.3.5.3. Hub télécom

Created in 2001 under the name of ADP Télécom, Hub télécom is a telecom operator specializing in electronic communications networks and services in airports and other sites with high levels of professional users. It is a wholly-owned subsidiary of Aéroports de Paris. Hub télécom had revenues of 84.7 million euros in 2007⁷², (including 5.5 million euros from its subsidiary BGI Technologie), of which 28.5 million euros with other entities in the Group. At constant Group structure, its revenues increased by 5.4%. In 2007, the average staffing level was 260 persons (including BGI Technologie).

Hub télécom mainly supplies telephony, data transmission, specialized networks for airport environments and engineering services. Electronic communications services include subscriptions, traffic and equipment in the form of lease and maintenance contracts.

⁷² Hub telecom financial accounts

As an operator of electronic communications networks and services, Hub télécom offers a full range of telecommunications solutions including telephony, data transmission, and mobility, multimedia and engineering services. It has also developed consumer offerings including Wifi services and flight information by SMS. Hub télécom is also supplying radio communications services over secure networks based on the TETRA digital radio technology.

The mobility solutions developed by Hub télécom meet all the needs of companies working at airports, from mobile telephony (DECT, TETRA and GSM) to data transmission (Wifi, GPRS and soon, Wimax) to activity-specific solutions (baggage management, plane preparation, real-time flight information and GPS services).

Hub télécom's clients in airports include airlines, ground handling service providers, transit agents, cargo companies, logistics providers, hotels, car rental groups and the government agencies. Specialist services and the solutions offered by Hub télécom contribute to increase the productivity of these customers and enhance the attractiveness and competitiveness of the Paris airports. Hub télécom's expertise thus provides a very good fit with that of Aéroports de Paris and emphasizes the Group's positioning as a provider of value added services.

Hub télécom has been awarded contracts to install and operate broadband wireless (Wifi) networks to meet the requirements of airlines, service providers and the general public in France (at Lyon, Montpellier, Toulon, Clermont-Ferrand, Lille, Perpignan, Toulouse, Nantes, Strasbourg, Mulhouse and Ajaccio airports), in Switzerland (Geneva airport) and in Morocco (Casablanca airport).

The services developed by Hub télécom are well adapted to other venues used by the business community, where it can offer innovative shared solutions. In particular this applies to complex business sites, where tens or hundreds of companies co-exist, with strong demand for mobility of people and goods. Hub télécom includes amongst its clients business parks, conference centers (including the Palais des Congrès in Paris), exhibition centers (including the one at Porte de Versailles in Paris) and the Rungis wholesale food market.

Hub télécom also operates in Morocco at the new port at Tangiers and other areas of activity, and in this regard signed an agreement with TMSA (Tangiers Mediterranean special agency) and December 20, 2006, to create the Cires Télécom company. Hub télécom controls 49% of this company while TMSA controls 51%. Its primary purpose is the design and operation of telecommunications networks, and the marketing of telecommunications services, in particular, value added telecommunications services. Cires Télécom relies on Hub télécom for assistance with specific project management tasks for its network, and with the launch of its initial offerings (video surveillance, local networks, Internet services, radio communications, IP PBX, hosting and access control services). Cires Télécom was created in May 2007 and posted revenues of 100,000 euros this year with an average staff of 4 employees, 2 of whom had moved over from Hub telecom.

Moreover, on July 7, 2006 Bolloré Télécom, a company in which Hub télécom holds 10.5% of shares, obtained the licenses for the utilization of WIMAX frequencies in twelve French regions following a competitive tender by ARCEP (Aquitaine, Auvergne, Bretagne, Corsica, Franche-Comté, Ile-de-France, Languedoc-Roussillon, Limousin, Midi-Pyrénées, Provence-Alpes-Côte d'Azur, Picardie, Rhône-Alpes), to allow it to operate WIMAX services and networks.

Bolloré Télécom was officially launched and its two top executives were named in 2007, after which the first employees were recruited. In 2007, the expertise of the company was ramped up and initial trials with equipment providers were conducted. Hub telecom will be in charge of deployment and maintenance of Wimax infrastructures at certain complex activity sites, and thus will be in a position to offer its customers specific roaming broadband services to its customers, particularly in terms of continuous Wifi. For example, in addition to its fixed telecommunications network, the company will handle a radio network which can take in future technological IP progress and guarantee the company a position as a telecommunications services leader on complex sites. For Hub telecom, the stake in Bolloré Télécom represents an investment of 10 million euros.

As well as being a service operator, Hub télécom owns its own network at the Aéroports de Paris airports and can thus offer telecommunications integration services to its clients. In addition, the company provides consultancy and engineering services to support the expansion of its clients, with its offering covering service marketing, cost optimization and network engineering. Hub télécom also offers site managers a range of telecommunications infrastructure outsourcing solutions.

Hub télécom has more than 1,350 corporate customers and more than 150,000 daily users across all its businesses.

Strategy

Over the past six years Hub télécom has established itself as the telecom operator of choice for complex sites. The subsidiary aspires to become the leader in the area of airport communications solutions in Europe and complex sites in France, and to develop solutions designed for specific needs of companies in the logistic freight transport sector.

Hub télécom's strategy revolves around three central points making it possible to sustain substantial growth:

- being the telecom operator of reference for airports in the Europe/Middle East/Africa zone (EMEA),
- becoming the IP telephony operator of reference at the national level for the Transport-Freight-Logistics (TFL) sector, and
- becoming an integrator and manager for traceability and geolocalization solutions in France for the TFL sector and at airports.

On July 12, 2007, Hub télécom purchased the BGI Technologie company. This acquisition will allow Hub télécom to strengthen its presence in the French provinces thanks to BGI's five regional agencies (Lyon, Strasburg, Nantes, Aix en Provence and Lille) and to access the vast portfolio of customers in the areas of transportation, logistics, general post and industry. In 2008, Hub télécom will market, by means of BGI technology, its offering of traceability, geolocalization and video surveillance solutions, in particular to the TFL sector. In 2007, BGI Technologie produced 5.5 million euros in revenues (over six months) and had 32 employees as of December 31, 2007.

6.3.5.4. Commercial distribution: the Société de Distribution Aéroportuaire

To complement its activity of developing and renting commercial space in its terminals, Aéroports de Paris has decided to develop a more integrated model. Since 2003 it has been involved in the direct management of retail operations through Société de Distribution Aéroportuaire, a company created in partnership with the airport retail specialist Aelia (a subsidiary of the Lagardère Services Group, formerly Hachette Distribution Services). Greater integration between the airport operator and the retailer provides greater flexibility in adapting the offering to meet client expectations and in the development of new retail concepts. It has thus given Aéroports de Paris better control over the operation of its retail space⁷³.

Following creation of the Société Distribution Aéroportuaire in 2003, Aéroports de Paris held 49% of share capital, while Aelia held the remaining 51%. Under the terms of an agreement signed on July 28, 2006, Aéroports de Paris decided to increase its stake in Société Distribution Aéroportuaire from 49% to 50% as of January 1, 2007. Aelia holds the remaining 50%.

Aéroports de Paris and Aelia have introduced balanced and bi-partisan management through a management committee consisting of three representatives from each partner. The partnership in Société de Distribution Aéroportuaire is in a position to benefit from synergies between the two partners in many ways: organization of passenger flows, marketing and merchandising.

⁷³ See 6.3.2.8. "Airport Services - Commercial and service activities at Aéroports de Paris"

Société de Distribution Aéroportuaire procures its supplies exclusively from the Aelia purchase unit, and this means it can benefit from conditions negotiated on the basis of volume of purchases from the Aelia Group.

Following its creation in 2003, Société Distribution Aéroportuaire handled the management of retail outlets at Paris-Charles de Gaulle's terminal 2 (including the outlets comprising the future Galerie Parisienne which opened at the end of June 2007) for the sale of perfumes and cosmetics, alcohol and tobacco, and, as a supplementary activity at retail outlets for alcohol and tobacco in terminals A and D, certain fine food and confectionary items. As of January 1, 2007, the company also managed the same activities at retail outlets in Paris-Charles de Gaulle's terminal 1 (where fine food items are only a supplementary activity in alcohol and tobacco retail outlets).

Under the terms of the agreement of July 28, 2006, Société Distribution Aéroportuaire has also managed retail outlets at Charles de Gaulle's terminal 3 since November 1, 2006 for alcohol, tobacco, perfumes, cosmetics and fine food items, and has managed the same items at retail outlets in the Orly Sud and Orly Ouest terminals since January 1, 2007.

Areas devoted exclusively to fine food items have been operated by Société de Distribution Aéroportuaire since January 1, 2007 at retail outlets in terminal F, and will be operated on expiry of the current AOT (temporary authorization of occupation) for retail outlets at the number 1 terminal and terminal 2's B and C areas.

All contracts allowing Société Distribution Aéroportuaire to conduct its business will terminate on December 31, 2013, but this deadline may be extended for a maximum period of 15 months, if sales objectives per passenger for each year of the 6 years of the agreement are met or surpassed.

Shares in Société de Distribution Aéroportuaire can not be sold for 10 years from registration - in other words, until April 29, 2013. However, the by-laws of Société de Distribution Aéroportuaire allow each of the partners to forcibly assign the other party's shares in the event of violation of a clause in the by-laws, bankruptcy or capital reduction at the partner in question below the legal minimum. In addition, Aéroports de Paris will have the option to exclude Aelia and buy out Aelia's share should the Lagardère Services Group transfer control of the subsidiary or in the event of termination or expiry of all leases drawn up with Aéroports de Paris for Paris-Charles de Gaulle and Paris-Orly.

Since January 1, 2007, each of the two partners in Société de Distribution Aéroportuaire will be entitled to a 50% share in company reserves and profits.

Total revenues at Société de Distribution Aéroportuaire were 327 million euros in 2007 as against 203.7 million in 2006⁷⁴, an increase of 123.3 million euros, including 93 million euros generated by broadening the scope of its activity at terminal 3 at Paris-Charles de Gaulle and the Paris-Orly airport, and 16.7 million euros from retail outlets in the Galerie Parisienne. Total fees of 111.8 million euros (as against 73.1 million in 2006) were paid by Société de Distribution Aéroportuaire to Aéroports de Paris, accounting for 49% of all commercial fees paid to Aéroports de Paris. The average number of employees was 827 in 2007.

6.3.5.5. *Training in the area of human resources*

In line with its strategy of international expansion and the export of its expertise, the Training and Cooperation Department at Aéroports de Paris offers customers training and advice on human resources development, offering a range of support and training services that complement the services provided by its ADP Ingénierie, Aéroports de Paris Management and Hub télécom subsidiaries.

Marketed under the banner "Aéroports de Paris Training", these services can be purchased as a standard or a tailored package, thus ensuring quality and flexibility for clients, and can address any

⁷⁴ Social and welfare data

of the themes specific to the operation of an airport: operations, management, human resources, security, etc. Drawing on training materials already developed internally, Aéroports de Paris Training can also call on a network of speakers and trainers from within the Group, all of whom are experts in very specific areas of airport management spanning all of the Group's business lines.

Aéroports de Paris is able to offer a wide range of services, including consulting on the management and development of human resources, customized training and personalized programs on a long list of topics relating to the business of airports, analysis and development of training systems, training for training managers and/or trainers at customer companies.

In this business area, Aéroports de Paris has provided services in more than 55 countries worldwide. By way of illustration, the Company was recently appointed to provide, between 2005 and 2007, more than a dozen training sessions for managers and staff at the five regional airports in Egypt operated by Aéroports de Paris Management. In France, the main training provided has covered maintenance, operation of air terminals, crisis management, safety and security.

In 2007, services provided under the "Aéroports de Paris Training" name generated revenues of 0.8 million euros.

6.4. Dependency factors

6.4.1. Clients

Revenues generated by the contractual relations between Aéroports de Paris and the companies of the Air France-KLM group represented about 23% of the total revenues of Aéroports de Paris for the year 2007, as against 25.6% in 2006⁷⁵.

6.4.2. Intellectual property

In accordance with the provisions of the French Code of Intellectual Property, Aéroports de Paris is bound to comply with the moral rights attached to existing airport constructions, in particular on the Paris-Charles de Gaulle platform. Such rights imply for the Company to obtain a prior authorization from architects for any significant adaptation or modification of the constructions. Any opposition from such architects might result in a delay or freeze of the proposed works on said constructions.

6.4.3. Events with substantial impact upon the business or profitability of Aéroports de Paris in 2007

Not applicable.

6.5. Group's competitive position

The Group's competitive position is set out in paragraph 6.2.5.1. "Competition".

6.6. Legal and regulatory environment

6.6.1. Sources of the regulatory regimes applicable to the Group

Aéroports de Paris is subject to a number of international, European and international regulatory regimes relating to the operation of airports.

The international civil aviation treaty

Aéroports de Paris is subject to the French regulations implementing the International Civil Aviation Treaty signed in Chicago on December 7, 1944, ratified on December 7, 1944 and published in its approved French translation in Decree No. 69-1158 of December 18, 1969. Under Article 37 of this

⁷⁵ See 4.1. " Risks relating to the business activities of Aéroports de Paris "

treaty, the International Civil Aviation Organization (ICAO), which has more than 180 member states, is responsible for establishing "recommended standards and practices" to ensure that each flight is handled in an identical and uniform way in all of the states that are signatories to the Treaty. These standards and practices cover technical specifications, the uniform application of which is considered necessary or desirable in the interests of security, conformity and efficiency of air travel and to which the signatory states must conform (in the case of standards) or seek to conform (in the case of recommended practices). They cover all technical and operational aspects of international aviation and in particular set out the characteristics of airports and landing areas and other items relating to security, efficiency and conformity of air travel.

European Union regulations

Aéroports de Paris is subject to European regulations relating to the air transport sector, most notably Council Regulation (CEE) No. 2408/92 of July 23, 1992 regarding access of community air carriers to intra-community air routes (which paved the way for liberalization of air transport in Europe) and Council Regulation (CEE) No. 95/93 of January 18, 1993 on common rules on the allocation of slots at European Community airports, modified most recently by Regulation (CE) No. 793/2004 of the European Parliament and the Council of April 21, 2004.

The Group is also subject to French laws implementing European Directive No. 96/67/CE of October 15, 1996 which opened the market for ground handling services in airports in the European Union⁷⁶, EU Regulation No. 2320/2002 of the European Parliament and the Council of December 16, 2002 on the creation of common rules in the area of security, as modified by EU Regulation No. 849/2004 of April 29, 2004⁷⁷ and Directive 2002/30 of the European Parliament and Council of March 26, 2002 on the creation of noise control rules at European Community airports⁷⁸.

French legislation

Under Articles L. 251-2 and D. 251 of the Civil Aviation Code, Aéroports de Paris is responsible for managing, operating and developing the Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget airports, as well as 11 civilian airfields in the Ile-de-France region⁷⁹. Under these articles Aéroports de Paris has exclusive rights to manage, operate and develop these airports for an indefinite period.

As part of its legally mandated functions, Aéroports de Paris must comply with:

- the provisions of law applicable to all airfield operators, which are set out primarily in the Civil Aviation Code. These rules have been modified on several occasions, in particular in order to strengthen requirements regarding flight security and airfield security,
- the specific terms contained in the Law of April 20, 2005 and its enacting Decrees, as codified in Articles L. 251-1 and subsequent and R. 251-1 and subsequent of the Civil Aviation Code,
- the obligations in a technical document or specifications, as provided in Decree No. 2005-828 of July 20, 2005.

6.6.2. Regulation of Group airport activities

6.6.2.1. Regulations regarding revenues generated from the operation of airports

The public airport services provided by Aéroports de Paris are primarily paid for through airport fees for services provided. Airport fees are determined mainly as a function of the number of departing commercial passengers and the number of aircraft movements, including both take-offs and landings.

⁷⁶ See 6.3.4. " Ground handling "

⁷⁷ See 6.3.2.7. " Security "

⁷⁸ See 6.7.1. " Implemented measures and environment Balance – Environmental regulations "

⁷⁹ See 6.3.2.4. " General aviation heliports and aerodromes "

The maximum level of annual increase in airport fees are determined by multi-year contracts with a duration of up to of five years between the Group and the French government or, in the absence of a contract, on an annual basis in accordance with articles L. 224-2 and R. 224-4 of the Civil Aviation Code. Aéroports de Paris and the French government signed a contract on February 6, 2006 (the CRE) to cover the period from 2006 to 2010⁸⁰.

6.6.2.2. *Opening of airfields to public air traffic and classification of airfields*

Opening to public air traffic

The airfields operated by Aéroports de Paris are open to public air traffic within the meaning of Article R. 221-1 of the Civil Aviation Code, which provides the authorization for the operation of the airfield. As a result, all aircraft with the appropriate technical characteristics for these airfields are authorized to use them.

The opening or closing of an airfield to public air traffic is a decision made, after a technical review, by the Minister with responsibility for civil aviation. An authorization to open an airfield to public air traffic cannot, except in an emergency, be suspended, restricted or withdrawn other than by a reasoned ministerial order issued, in certain cases, after approval from the Superior Council for Aviation Infrastructure and Navigation.

Classification of airfields

Airfields must be managed and equipped in a way that meets the obligations that are appropriate for the activity undertaken on them. The Civil Aviation Code classifies airfields that are used by public air traffic into five categories, according to the nature of the traffic that the airfield is intended to receive (Article R. 222-1 and subsequent of the Civil Aviation Code). The classification of airfields is made by decree issued after approval from the Superior Council for Aviation Infrastructure and Navigation. The adoption of the decree is made on the basis of a report from the Minister responsible for civil aviation, after approval from the Minister of Economy and Finance, the Minister for Infrastructure, the Secretary of State for Housing, the Minister of the Interior and any other ministers affected. The list giving the classification of airfields is appended to the Civil Aviation Code (by virtue of Article D. 222-1 and subsequent of the Code).

Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget airports are in category A (that is to say airfields suitable to receive normal long-distance flights under all conditions). The other airfields operated by Aéroports de Paris are classified in categories C, D and E.

6.6.2.3. *Construction, extension or modification of airfields*

Projects subject to specific procedures

The development of airfields requires considerable investments, which can have a significant impact on the environment and safety of neighboring populations. As a result, some projects are subject to specific procedures designed to assess their impact on the environment and security and to inform and consult with local residents (Articles L. 211-1 and R. 211-3 and subsequent of the Civil Aviation Code). Therefore:

- the creation or extension of infrastructure for which the cost is greater than 1.9 million euros requires the prior publication of an impact study,
- major transport infrastructure projects with a cost of approximately 83 million euros or more are subject to review, including analyses of the conditions and costs of construction, maintenance, operation and renewal of the infrastructure; financing conditions and an estimate of the financial return; the effect of the project on existing transport infrastructure or other infrastructure in the process of being built; and a provisional analysis of the advantages

⁸⁰ See 6.3.2.6. " Revenues from the operation of airports "

and disadvantages resulting directly from the approval or rejection of the proposed infrastructure,

- the creation or extension of runways for category A airfields with a cost of over 35 million euros may involve a public debate (this becomes compulsory where the expected cost is greater than 100 million euros),
- the creation of a new airfield, a new runway or work carried out with a view to a change in category under Article R. 222-5 of the Civil Aviation Code must be preceded by a public enquiry,
- works to build, extend or carry out extensive modification of airport infrastructure, the operation of which poses safety threats to users and neighboring residents, are subject, prior to commencement, to the production of a descriptive report accompanied by a security report drawn up by a suitably qualified and approved expert or organization. This report must detail the operating conditions of the infrastructure and examine its compatibility with existing structures, or in the case of projects on the fringes of airports its impact on the security of neighboring residents (to date, however, this procedure, set out in Law No. 2002-3 of January 3, 2002, has not been the subject of an enacting Decree).

Building permits

In accordance with Articles L.421-2-1 and R.490-5 of the French Urban Land Use Code, the French government is the competent body for the issuing building permits relating to operations in the national interest. Article 5 of the Decree of July 20, 2005 included works to enhance and develop the airfields operated by Aéroports de Paris in the scope of such operations.

On September 23, 2005, the local authority of Tremblay-en-France submitted a motion to the *Conseil d'Etat* calling for the annulment of the Decree of July 20, 2005. In support of its motion the local authority challenged the legality of Article 5 of the Decree of July 20, 2005 on the basis that it failed to define in a sufficiently precise fashion the scope of the airport sites to which it was applicable. The authority claims that with the exception of the major airports operated by Aéroport de Paris, the airfields operated by the Company did not fulfill the criteria of being in the national interest. The authority therefore claims that the competence given to the French government to grant building permits is inconsistent the principle of freedom of action of local authorities.

If the arguments put forward by the local authority of Tremblay-en-France were upheld, the provisions of Article 5 of the Decree of July 20, 2005 could be overturned. The legality of the other provisions of the Decree would not be called into question provided that the provisions in question are considered to be separable from Article 5. This case is currently pending.

6.6.2.4. Ownership of assets, obligation to pay a share of capital gains on the sale of closed airport sites to the French government

Ownership of Aéroports de Paris assets

Article 2 of Law No. 2005-357 of April 20, 2005 provided for the reclassification of all public assets held by Aéroports de Paris as a public body and all assets that the French government had transferred to it or had authorized it to occupy. As from July 22, 2005, the date on which Aéroports de Paris was transformed into a *Société Anonyme*, full ownership of these assets was vested in the Company. Aéroports de Paris thus owns all its assets outright, including the land on which its airfields are located as well as all infrastructure and other installations that the Company has constructed there. At the same time, the Law of April 20, 2005 contained a provision for the French government, or its public bodies, to retain the assets necessary for public service functions relating to the operation of the airports. The list of these assets is given in Appendices 1 and 2 of Decree No. 2005-1538 of December 8, 2005⁸¹.

⁸¹ See 8.1. "Real Estate properties and equipment of Aéroports de Paris"

However, the exercise by the Company of its property rights is restricted by the law in certain circumstances. Article L. 251-3 of the Civil Aviation Code stipulates that where a structure or land owned by Aéroports de Paris and situated within an airport is necessary for the proper execution by the Company of its public service functions or for the development of these functions, the French government may oppose the sale or transfer of the structure or land, in whatever form, or the creation of a lien over the structure or land, or may make such sale, transfer or creation of a lien subject to the condition that it does not disturb the performance of these functions. Article 53 of the *cahier des charges* of Aéroports de Paris sets out the categories of assets affected. The areas affected by the restrictions above represent approximately 67% of the total surface area of the three Paris airports, Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget. Only 14% of the 369 hectares of real estate reserves currently available for development are affected by these restrictions.

The Company must also inform the Minister for Civil Aviation as to fitting-out operations over a built surface of over 10,000 sqm it intends to carry out, or authorize a third party to carry out, on the land requirement or in immediate proximity to the Paris-Charles de Gaulle and Paris-Orly aerodromes outside the airport service. Here it must state that these projects do not affect public service, and that they are compatible with planned development.

Obligation to pay to the state a share of capital gains realized on the sale of closed airfield sites

The agreement between the State and Aéroports de Paris under Article 3 of the Law of April 20, 2005 stipulates that, for a period of 70 years, in the event of the closure to public aviation of all or part of an airfield operated by Aéroports de Paris, the Company must pay to the state 70% of the difference between the market value of the buildings that are no longer used for public airport services and their value on the balance sheet at December 31, 2004, as approved by the General Meeting of Shareholders of Aéroports de Paris on December 23, 2005, taking into account costs relating to their renovation and the closure of airport facilities.

The agreement provides that:

- the market value of real estate assets is to be determined by a panel of experts (consisting of four members nominated equally by the French government and Aéroports de Paris and one member chosen by these four to be the chairman of the panel), who will apply methods customarily used in the valuation of real estate assets (assessment of the location, recent transactions for similar assets, general market level, etc.),
- the reference value of the assets is also set by the panel of experts, which will examine the costs of renovation and of the closure of airport facilities, particularly the cost of ground decontamination and of demolition of buildings and structures, which will be added to the balance sheet value at December 31, 2004.

The payment by Aéroports de Paris to the French government must be made within 90 days of notification of its amount.

This agreement affects only those buildings which belonged to the public domain of Aéroports de Paris before the change in its status from public body to *Société Anonyme*, or to the French government. It does not cover any assets that had been held by the private domain of the former public enterprise or any assets acquired subsequent to the conversion of Aéroports de Paris to *Société Anonyme* status.

It should be noted that under current regulations, the decision to close an airfield or part of an airfield operated by Aéroports de Paris to air traffic would be taken by the minister responsible for civil aviation and would not be the responsibility of Aéroports de Paris (Article R. 221-2 of the Civil Aviation Code).

Characteristics of the airspace surrounding airfields: airport zoning

Airfields require control over large expanses of land.

Most importantly, airfields must have a substantial volume of unimpeded airspace so that planes may approach and take off in complete safety. Article R. 241-1 of the Civil Aviation Code creates two types of aviation zoning designed to protect an airfield from obstructions, so that planes may land and take off safely and regularly:

- clear space aviation zoning regulations, which forbid the creation or require the removal of any obstacles that could hinder air movements or interfere with the operation of safety systems created in the interest of aviation. These could include height limits for buildings, trees or other structures and they give the authorities the right to require the removal of existing obstacles. A plan of such zoning regulations is drawn up for each airfield, and is subject to a public hearing. Depending on whether the conclusions of the enquiry's report and the opinions of the public services and authorities affected are favorable to the plan, it will be approved by order or by decree. This plan is appended to local zoning plans. It will indicate the areas in which the height of buildings or any other potential obstacle is limited.
- warning beacon aviation zoning regulations, which impose the requirement to inform pilots of certain obstacles and of the placing of visual or electronic warning systems designed to indicate their presence or to allow the identification of such obstacles or permit the installation of such systems.

In addition, expansion of airport capacity is made possible by the creation of a protected space around the airports, within which restrictions are imposed on the issuance of building permits. These restrictions are set out in particular in the noise exposure zoning, the purpose of which is to limit the number of people affected by noise pollution, and through the careful planning of urbanization in the areas surrounding airfields⁸².

6.6.2.5. Allocation of take-off and landing slots

Allocation of take-off and landing slots refers to the authorization to use airport infrastructure that may be required to fly into or from an airport at a specified date and time for the purpose of take-off and landing. The allocation of slots is distinct from the allocation of air carriers between terminals or airfields.

Rules for the allocation of slots have evolved gradually since the 1960s, particularly in the forum provided by IATA scheduling conferences. As far as the European Union is concerned, the rules for allocation of slots were harmonized across the community by Council Regulation CE No.95/93 of January 18, 1993 setting common rules for the allocation of slots in European Community airports, since modified by Regulation CE No.793/2004 of the European Parliament and the Council of April 21, 2004. These regulations aim to establish clear rules for the allocation of slots to different carriers, based on principles of neutrality, transparency and non-discrimination.

The rules for allocation are as follows: all slots allocated to a carrier for an aviation season are automatically reallocated to that carrier provided they have been correctly used (that is used for at least 80% of the period of allocation, under the so-called "use-it-or-lose-it" rule) and if the carrier makes a fresh application for those slots in the following equivalent season. Slots that remain unallocated after this re-allocation (returned by carriers, not re-allocated or newly created), are pooled. Half of the pooled slots are allocated to new entrants (carriers with little or no presence at the airport in question) and the other half allocated to carriers already using the airport. EU regulations also allow member states to take special measures to insure adequate domestic air

⁸² See 6.7.1.1. "Noise control regulations"

services by allocating a certain number of slots to routes serving particular regions and/or carrying a public service requirement.

Slots are allocated free of payment. They may be swapped between carriers at the same airport, but may not be given, bought or sold by carriers. Slots are not attached to specific routes but to carriers, other than for the special case of routes designed to improve internal links or with a public service requirement (for example, at Paris-Orly).

Under these regulations, member states may designate certain airports as "coordinated airports". This implies that any take-off or landing at these airports is subject to the prior allocation of the corresponding slot, with the exception of government flights, emergency landings and humanitarian flights. The allocation of these slots is carried out by an impartial and independent organization known as the "coordinator".

Paris-Orly and Paris-Charles de Gaulle airports were designated "coordinated airports" by order of the minister with responsibility for civil aviation (Order of October 19, 1999 and subsequent modifying orders, the latest of which is that of October 9, 2007).

The designated coordinator for the allocation and distribution of slots is COHOR, the *Association pour la Coordination des Horaires* (under the Order of August 9, 1996 designating the coordinator for the allocation of slots at Paris-Orly and Paris-Charles de Gaulle airports). COHOR is a non-profit organization governed by the Law of July 1, 1901. Its members are airlines (Aigle Azur, Air France, Britair, CCM Airlines, Corsairfly, Europe Airpost, Régional and XL Airways) and airport operators (Aéroports de Paris, Aéroport de Lyon-Saint Exupéry and Aéroport de Nice Côte d'Azur). Any company holding an operating license in accordance with European regulations and any airport coordinated by COHOR, may become a member. In addition, two observers attend Annual General Meetings and meetings of the Board of Directors: BAR (Board of Airline Representatives) and UAF (Union des Aéroports Français). Lastly, a representative of the minister responsible for civil aviation sits on the Board of Directors and attends annual general meetings for consultative purposes.

In practice and in accordance with its by-laws, COHOR appoints a "delegated coordinator" for timetable coordination and/or allocation of slots between air carriers serving coordinated airports.

The delegated coordinator is currently Mr. Eric Herbane. He was appointed for an automatically renewable 4-year term.

The delegated coordinator carries out all functions that are the responsibility of COHOR, namely:

- allocation and distribution of slots between the various users of coordinated airports,
- coordination of timetables of the various users of coordinated airports where COHOR has been appointed as coordinator,
- supervision of use of slots and respect of timetables,
- issuance of information to be provided to air carriers under European regulations,
- attendance at international scheduling conferences for the planning of aircraft movements;
- representation of COHOR on European and international coordinating bodies.

In addition, the Coordinating Committee for French Airports (created by the Order of September 28, 2004 and modified by the Order of November 29, 2007) to which airlines, their representatives, operators of coordinated French airports (including Aéroports de Paris) and the air traffic control authority may all belong, can issue proposals or advice to COHOR regarding:

- the possibility of increasing capacity at coordinated airports or improving use of existing capacity,
- coordination parameters,
- methods of monitoring use of allocated slots,
- local guidelines for the allocation of slots and the monitoring of their use, in particular to take account of any environmental considerations,
- improvements to traffic conditions in coordinated airports,

- serious problems experienced by new entrants,
- any question relating to the capacity of coordinated airports.

The coordinating committee is also responsible for mediation between parties in dispute over the allocation of slots.

Paris-Charles de Gaulle

At Paris-Charles de Gaulle the number of available slots for each aviation season is set by the Minister of Transport, as a function of runway and terminal capacity. Thus the number of slots increases as a function of the increase in physical capacity created by investment, particularly in terminal facilities, and as a function of the operational capacity of the runways determined by the air traffic service. The total capacity at Paris-Charles de Gaulle (given as the number of departures and arrivals per 10 minute period and per hour between midnight and 11:59 PM local time), as well as the terminal capacity (given as the maximum hourly flow of outbound passengers at each terminal for the summer season 2008), were set by order of the Minister for Transport on October 9, 2007.

Total plane activity at Paris-Charles de Gaulle is, however, limited by a measured weighted overall indicator (the *Indicateur Global Mesuré Pondéré* or IGMP) set by the French government under the Order of January 28, 2003. Under this indicator, weighted annual noise energy emissions at the airports must not exceed the average level of energy emissions over the three years 1999, 2000 and 2001.

Activity at Paris-Charles de Gaulle is also subject to limitations on night flights. With a view to reducing noise nuisance for neighboring residents, several orders of November 6, 2003, which became effective on March 28, 2004, are limiting, amongst other things, night flights between 0.30 am and 5.29 am for arrivals and between midnight and 4.59 am for departures.

These orders placed restrictions on flights by the noisiest aircraft. The night-time slots which have been abandoned or are not used by airlines are not reallocated. These abandoned or unused slots are deducted from the number of night-time slots available for subsequent aviation seasons.

Paris-Orly

There is a cap on the total number of slots at Paris-Orly. The order of October 6, 1994 on slots at Paris-Orly airport limited to 250,000 the maximum number of slots to be allocated over two successive aviation seasons (that is the "summer" season - from the last Sunday in March to the last Saturday in October and the "winter" season, from the last Sunday in October to the last Saturday in March). In addition, and in accordance with European Union regulations, the French government reserves a certain number of slots at Paris-Orly (32,684 in 2007-2008) for routes providing domestic air links or serving the public interest. Information concerning the distribution of slots is available on the coordinator's Web site.

The annual volume of slots freely available to Air France-KLM, the "historic" carrier at Paris-Orly represents around 46% of total slots at this airport. This total does not include the slots allocated by the French government to Air France to allow the provision of domestic air links or public interest services (in January 2008, Air France held nearly 60% of these reserved slots with its franchise partner Britair).

The pool of unallocated slots has increased considerably over recent years due to the financial difficulties experienced by some airlines and the disappearance of others, such as Air Lib, Aëris and Air Littoral. Thus whilst a total of 12,848 slots were allocated, in eight pools, between 1997 and 2002, between February 2002 and February 2005, COHOR allocated 94,726 slots in fourteen separate pools. This increase in the number of slots available, has allowed low-cost airlines to establish a presence at Paris-Orly.

COHOR distributed 2,812 slots for the winter season 2005-2006, and 2,924 slots for the 2006 summer season, which were then topped up with 1,460 extra slots for the summer season.

3,328 slots were distributed for the 2006-2007 winter season. In September 2006, it distributed 2,460 extra slots corresponding to slots returned by transporters and slots previously reserved for mandatory public services and released by the minister of transportation. As of January, 31st 2008, 2,080 slots have been distributed.

The Paris-Orly airport is subject to a night-time curfew between 11:30 pm and 6.00 am.

6.6.2.6. *Airport safety*

Certification and technical safety standards

The standards produced by the ICAO regarding the certification regime for airfields were incorporated in Order No. 2005-863 of July 28, 2005 regarding the safety and security of airfield operations, and in turn this has been incorporated in the Civil Aviation Code.

Under Articles L. 211-3 and R. 211-8 of the Civil Aviation Code and by official order of 10.12.07, each operator of a civilian airfield handling over 350,000 passengers on commercial flights must obtain an airport safety certificate from the minister responsible for civil aviation. The issue of this certificate, for a maximum duration of 5 years, is subject to a technical enquiry into the operating procedures and conditions at the airfield and the safety management structures in place as described in the airfield manual. In the event of default by the airfield operator, the minister responsible for civil aviation may annul or suspend the certificate or take steps to restrict operations of the airfield concerned.

Two orders by the minister responsible for civil aviation, respectively on July 10, 2006 and August 4, 2006, define the security rules for the design, management and operation of airfields, and rules to be observed by the airfield operator to obtain an airport safety certificate.

Paris-Charles de Gaulle and Paris-Orly airports are covered by the application of this regulation, and Aéroports de Paris holds the airport certificates required for their operation. The certificates were issued on December 27, 2006 for five years.

Prevention of bird or animal risks

In accordance with Law No. 98-1171 of December 18, 1998 regarding the establishment of certain air transport services, under which article L. 213-3 of the Civil Aviation Code was created, Aéroports de Paris, under the authority of the *Préfet* who holds the power of police for the right-of-way occupied by its airports, is required maintain a program to prevent bird risks by implementing appropriate steps to avoid collisions between aircraft and birds.

Order number 2007-432 of March 25, 2007 (which established the section on "prevention of risk from animals" in the civil aviation code, articles D. 2.3-1-14 to D213-1-25) broadens the task of preventing collisions between aircraft and birds to all types of animals, establishes the ways in which this task is to be done, and requires the operator of the airfield to implement the plan. These provisions have been in effect since July 1, 2007 for the Paris-Orly, Paris-Charles de Gaulle and Paris-Le Bourget airports, and will take effect on September 1, 2009 for the other airfields operated by Aéroports de Paris.

The order of April 10, 2007 specifies how the airfield operator is to handle this task, in particular, the preventive measures to be implemented, the methods to be used for scaring birds or removing animals, the human and physical resources to be deployed, and required interaction with the air traffic authority. For the Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports, these provisions took effect on September 1, 2007. However, the prescriptions regarding fencing will not take effect until January 1, 2011. For the other airfields operated by Aéroports de Paris, the provisions of this order will take effect November 1, 2009, except for the provisions on fencing, which must be brought into standards compliance between now and January 1, 2012.

Other requirements

In accordance with Article L. 213-3 of the Civil Aviation Code, Aéroports de Paris, under the authority of the relevant *Préfet*, is required to provide rescue and firefighting services for aircraft. The main purpose of this service, as defined by Article D. 213-1 of the Civil Aviation Code, is to save human life in the event of an accident or incident involving an aircraft, by making available staff, equipment and organizational structures adequate for the needs of the specific levels of protection required at each airfield. For the airfields operated by Aéroports de Paris, levels of protection are set out in an order from the minister responsible for civil aviation dated December 20, 2004.

Moreover, in accordance with the stipulations of Articles L. 1332-1 and following and R. 1332-1 and following of the Defense Code, Aéroports de Paris has been designated a vital-importance operator, and is thus subject to specific obligations in relation to national defense.

6.6.2.7. Technical aspects of airport management ("specifications")

The technical document applicable to Aéroports de Paris (specifications), approved by Decree No. 2005-828 of July 20, 2005 regarding Aéroports de Paris, sets out the duties of Aéroports de Paris in its public service role. In particular, it defines the relationships between Aéroports de Paris and the various other parties involved in the use of the Group's airports: passengers, the general public, air carriers, plane operators and the French government and its institutions and services. In particular the specifications structures the cooperation between Aéroports de Paris and government agencies (production of zoning documents, production of noise exposure maps, maps of noise nuisance and aviation and electrical servitudes, publication of noise level curves, management of air terminals, etc.).

According to these specifications:

Allocation of airlines to passenger terminals or airports

Aéroports de Paris allocates airlines to the terminals of a given airport in accordance with principles prepared by the Company, approved by the minister responsible for civil aviation, and made publicly available to users. The assignment principles currently in force were approved on March 7, 2006 and June 28, 2007, by the Aéroports de Paris Board of Directors.

Aéroports de Paris has, in due application of this technical document, the power to allocate airlines between the airports it operates according to the rules on the division of traffic within the Paris airport system set out by the minister responsible for Civil Aviation in application of Article R. 221-3 of the Civil Aviation Code (Order of November 15, 1994 modified for the division of inter-community traffic within the Paris airport system which indicates that, barring exceptions, each airline may only operate four outbound and four inbound services between Paris-Orly and another airport or airport system within the European Union). As far as routes beyond the European Union are concerned, the allocation of carriers by Aéroports de Paris is subject to approval by the minister responsible for civil aviation.

Aéroports de Paris may not on its own initiative change the allocation of a carrier between airports or air terminals without the prior consultation of the carrier involved and, for changes of airport, the approval of the minister responsible for civil aviation.

Services to passengers and the public

Aéroports de Paris must provide the following services to passengers: access to and movement within airports, which requires Aéroports de Paris to provide certain facilities (access routes, drop-off areas, car parks) and the operation of transport services linking access points to the public transport system, terminals and car parks; accessibility for certain categories of passengers;

provision of emergency services including a permanent medical team; distribution of useful information to passengers and the public; passenger surveys (particularly concerning flight destinations, place of departure, residence of passenger, reason for journey, etc) and associated services (Aéroports de Paris must ensure through regular surveys that the services available at Paris-Charles de Gaulle and Paris-Orly, particularly hotels, restaurants, shops, banks, foreign exchange dealers, car rental and public transport within the airport are acceptable). In the event of significant delays or disruption to traffic, Aéroports de Paris must deploy the resources required to provide help and assistance to passengers.

Availability of airport facilities

- Aéroports de Paris must draw up, as a complement to any measures taken by the government, rules for the operation of facilities and opening hours for airports and may set rules for the allocation of airport resources,
- Aéroports de Paris must manage airports so that the requirements of airlines in terms of premises and facilities "directly necessary" for their activities can be satisfied within a reasonable time,
- Aéroports de Paris must make available to government services (customs, border police, Ministry of Foreign Affairs for official welcomes) and public bodies such as Météo-France such land, premises and facilities as are necessary for the exercise of their duties. It must supply on demand to these occupants all services associated with such premises. This availability may be either free of charge (as with land on which buildings used by the French government are situated) or subject to the payment of rent,
- at Paris-Charles de Gaulle and Paris-Orly, Aéroports de Paris must create and, where relevant, operate or make available the shared ground handling equipment mentioned in Articles R. 216-6 and D. 216-4 of the Civil Aviation Code, adequate for the needs of air carriers and their ground handling service providers,
- Aéroports de Paris must make available to ground handling service providers, cargo and postal services and public transport operators the facilities directly necessary for the conduct of their businesses,
- Aéroports de Paris must provide access to airport facilities to these companies and to any others whose presence is necessary for the conduct of air transport activities,
- Aéroports de Paris issues airport authorizations to ground handling service providers, airlines that handle their own ground handling functions and other companies that conduct industrial, commercial or trade activities at its airports.

Operation of aviation areas

Under its specifications, Aéroports de Paris is responsible for inspection of runways and taxiways, measurement and control of traction and skid ratings and, in certain conditions, regulation of plane movements in traffic areas.

Aéroports de Paris has also retained the responsibilities previously exercised in its role as:

- General manager: management of runways and taxiways, particularly for guidance systems, technical inspections and security measures in the event of works,
- Airport operator: implementation of measures to prevent bird threat, allocation of parking slots, etc.

The legal framework for inspections of maneuvering areas and all plane movement areas is set out in the Order of March 15, 2002. Inspections consist of collecting information on the overall condition

of the surfaces, identification of factors likely to affect the ground movements of aircraft (debris, ice, surface wear, ongoing works, etc) and, as required, to take immediate remedial action. Two inspections must be carried out every day, with one inspection carried out prior to the opening for use of "all parts of the plane movement areas likely to be used". Although the responsibility to carry out these inspections now falls on Aéroports de Paris, this function is nevertheless carried out in collaboration with the Paris region air traffic control service.

An order of March 6, 2008, raises to three the number of daily runway inspections required at the Paris-Charles de Gaulle and Paris-Orly airports beginning on January 1, 2009.

Parking and movement within the airports

Aéroports de Paris is responsible for appointing staff empowered to enforce the rules regarding policing of airports issued by the relevant *Préfet* and the Director of Civil Aviation North, under the provisions of the Civil Aviation Code and the rules governing parking in airports under the provisions of the Highway Code. It must also take measures to enhance security, including lighting and CCTV surveillance.

Aéroports de Paris deploys a service responsible for management of applications for authorization for access to the restricted zone issued by the *Préfet*.

Monitoring of compliance with applicable environmental and health regulations

At the request of the minister responsible for health, Aéroports de Paris ensures the application of certain health protection measures (implementation of risk reduction measures in the event of a severe health threat or pandemic, information to passengers going to or coming from geographical regions temporarily affected by an epidemic).

Aéroports de Paris ensures the application and monitoring of environmental regulations and is responsible for measurement of noise and atmospheric pollution and analysis of rainwater run-off and wastewater.

Aéroports de Paris must supply information to government services allowing identification of flights made in contravention of the allocated slots, information allowing identification of flights made in contravention of restrictions on the operation of airports, and information on any contravention of the regulations on aviation and radio-electric servitudes.

Other services

In addition to the services supplied to government agencies, Aéroports de Paris is required to supply the regional air traffic control center, SNA Région Parisienne, with specific services for a maximum period of 30 years. This situation is the result of the fact that air traffic control services were previously integrated within Aéroports de Paris when it was a public body. These services include the supply of electricity and telecommunications services, IT support and project management for certain air traffic control investments.

6.6.2.8. Oversight and penalties

In addition to the provisions relating to the oversight exercised by the French government over public companies generally, Aéroports de Paris' specifications gives the French government the right to be informed of the economic and financial situation of the Company, in particular to ensure the correct operation of the CRE. The French government also monitors the use made by the Company of the land and buildings it owns, with a view, in particular, to ensuring the correct execution of the public service functions for which it is responsible⁸³.

In addition, contracts under which Aéroports de Paris subcontracts certain functions to others may be freely entered into by Aéroports de Paris, with the exception of those where Article 5 of the

⁸³ See paragraph 6.6.2.4 "Ownership of assets"

specifications states that they must be authorized by Decree (mainly contracts concerning the management, operation or development of runways, taxiways and aircraft parking positions).

Article L. 251-2 of the Civil Aviation Code sets the method of calculation of the amount of any fine or financial penalty that the minister responsible for civil aviation may impose, after approval by a committee of experts chaired by a judicial or administrative magistrate, in the event of a failure by Aéroports de Paris to meet its specific obligations under the specifications. The amount of the fine must be proportionate to the seriousness of the failure and the scale of any damage and/or advantage gained up to a maximum of 0.1% of revenues excluding taxes of the preceding financial year, with this ceiling raised to 0.2% in the event of a further failure to meet the same obligation. In the event of a penalty procedure being initiated by the minister, Aéroports de Paris has the right to defend its case and may be represented or supported. The specifications details the legal structures applying in this case.

Moreover, the minister responsible for civil aviation and the *Préfets* with police power over the airports may take, after issuing due warning, remedial measures in the event of a "serious and persistent" failure by the Company to meet the requirements of its specifications. The cost of these measures are to be borne by Aéroports de Paris.

6.6.2.9. *Other regulations*

Tender processes for public sector contracts

Since the implementation of Decree No. 2002-1171 of September 17, 2002 which modified certain aspects of the Civil Aviation Code, Aéroports de Paris is no longer covered by the Code for Public Sector Contracts.

Aéroports de Paris is nevertheless a "deciding entity" as defined in Directive No. 2004/17 of March 31, 2004 coordinating procedures for the awarding of contracts in the water, energy, transport and postal service sectors. As a result, all contracts with an estimated value before VAT of over 412,000 euros for contracts for goods and services and 5,150,000 for works contracts must be advertised and open to competition. The rules for the subsequent management of the process are primarily set out in Order No. 2005-649 of June 6, 2005 relating to contracts awarded by certain public or private entities not governed by the Code for Public Sector Contracts and Order No. 2005-1308 of October 20, 2005.

Aéroports de Paris has adopted specific rules for awarding contracts with values that are below this level. It has also created a Contract Consultation Committee. This committee is responsible in particular for examining and giving its opinion on draft contracts with a value of over 5,000,000 euros for works and 400,000 euros per year for goods and services, as well as on draft contract revisions resulting in a significant modification to the financial terms of the original contract. It also gives its opinion on any issue relating to the preparation, process or performance of these contracts or modifications to contracts and checks to ensure that the procedures adopted for the awarding of contracts and of modifications are in accordance with the laws and regulations governing Aéroports de Paris.

Regulations applicable to establishments open to the public

Aéroports de Paris is subject to the regulations applicable to establishments open to the public as set out in Article R. 123-2 and subsequent articles of the Building and Housing Code. The Company must manage and operate those parts of the airports it operates that are open to the public (primarily the terminal buildings) so as to reduce the risk of fire and panic (building design, security features, specialist equipment, etc.). The opening to the public of the parts of the airports in question is subject to authorization by the *Préfet*, which is issued after review by a security commission of the measures taken by the operator.

Reception of disabled people and people with reduced mobility

By July 26, 2008 and in due application of the EU regulation No. 1107/2006 of July 5, 2006, Aéroports de Paris must substitute airlines to ensure that disabled people or people with impaired mobility have access to assistance to help them use airport services and move around within the facilities, including getting on and getting off aircraft. In order to finance this assistance that is free for the persons concerned, a new ancillary fee for people with reduced mobility will be set. It will be charged to the airline companies on the basis of all the boarding passengers. Tariffs of this fee will be submitted April 2008 to the State approval.

6.7. Environmental information

6.7.1. Sustainable development policy

In his speech at the opening of the Galerie Parisienne in June 26, 2007, the French president requested that a charter for sustainable development at the Paris-Charles de Gaulle airport be drawn up. This task was entrusted to Mr. Jacques Dermagne, president of the Socio-Economic Council.

A presentation on Aéroports de Paris's sustainable development policy was given to the Board of Directors on January 24, 2007. This policy includes three central precepts:

- to excel in the environmental management of our own pollution (see sections 6.7.2 and 6.7.3 below),
- to strengthen the awareness of our common interests with surrounding communities (see section 6.7.4 below),
- to work to make our development acceptable and attractive to our various constituencies (see section 6.7.5 below).

This policy is reviewed every two years by BMJRatings, a corporate responsibility rating agency. The first review conducted in 2003 gave Aéroports de Paris a grade of B+ in the areas of the environment and relations with surrounding communities. In 2005, the same agency awarded Aéroports de Paris a grade of A+ following a review with an even broader scope (the areas of human resources, marketing, purchasing and corporate governance were included). In 2007, this same type of broader review was conducted again: Aéroports de Paris again received a grade of A+.

In addition, Aéroports de Paris wished in 2003 to give an additional frame to its policy by adhering to an international charter promoted by the United Nations Organization (UN): the Global Compact. This tool establishes 10 fundamental principles in the fields of human rights, labor standards, environment and struggle against corruption that its signatories have committed to comply with. Annual confirmation that these commitments are being respected comes in the form of a "Communication on Progress" in its "Environment and Citizenship" report and the recognition of "Best Practices". Aéroports de Paris has thus filed the following with the UN:

- in 2004, the Papa-Charlie plan, a unique mechanism to fight discrimination in hiring. The plan involves making a reduced-price car rental service temporarily available to job seekers,
- in 2005, the "Equi-table" program promoting fair trade, which involves the use of these products in company dining facilities (with no surcharge), raising awareness among employees, and encouraging similar programs among business partners in the air terminals,
- in 2006, the provision of a ride-sharing service time helping to reconcile the need for environmentally friendly transportation. The service is available to the 63,000 employees at the Orly - Rungis facility and the 80,000 employees at Paris-Charles de Gaulle,
- in 2007, the "Aéroports de Paris's First Summer School Program for Sustainable Development", a three-day qualifying training program offered to all airport-area residents airport-based businesses in the Ile-de-France region. The result of a partnership with the University of Political Sciences in Paris, this initiative offered the general public an opportunity to understand what sustainable development is (who is involved, what the stakes are, impacts on our growth and behavior).

6.7.2. Environmental policy

In July 2006, the CEO of Aéroports de Paris signed a statement providing direction on the Group's environmental policy. This policy is based on four principles:

- systematically integrating environmental considerations in all business activities (maintenance, operation, purchasing, management) in accordance with ISO 14001. The three airports have all been certified: Paris-Charles de Gaulle since 2001, Paris-Orly since 2002 and Paris-Le Bourget since 2005. The manager of the environmental management system coordinates implementation of standard ISO 14001 at each airport. In addition an environmental reporting agent is responsible for applying the standard in each entity within the Company,
- the commitment to act responsibly: Aéroports de Paris works to support the control of the local air pollution emissions for which it is directly responsible. "Clean" modes of transportation, the use of energy-saving lighting, and occupancy detectors are some of the most striking examples. In April 2007 Aéroports de Paris also opened the CDGVAL, an entirely electric automated rapid transit system, which replaces some 20 shuttle buses and thus keeps nearly 15 tons of NO_x and just under 2500 tons of CO₂ from going into the atmosphere each year,
- the prevention of community pollution risks at its airports (rainwater runoff, waste processing). With regard to water management, the use of three rainwater treatment stations ensures that water discharged into each of the rivers downstream from the airports complies with objectives defined by the local authorities in terms of both quantity and quality. The system reduces the pollution caused by the activities not only of the Aéroports de Paris Group but also other companies with facilities at the Paris area airports,
- promoting its values as good environmental practices among its business partners at the airport sites as well as stakeholders in nearby communities. Thus, each airport has an "Environment House", a place where visitors can freely access a variety of informational displays about topics of interest to nearby residents: The airport's environmental policy, the economy, employment, occupations, training, reduction of noise pollution, etc. Moreover, Aéroports de Paris supports other airport-based companies with their own environmental programs through the Environmental Partners Clubs at the Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports. These clubs created in 2003, 2005 and 2006, respectively, maintain a website (www.ecoairport.fr) and are led by the management of the environment and sustainable development in conjunction with the management of the various airports. Charters outlining the commitments of the members of the environmental partners clubs at Paris-Orly and Paris-Le Bourget are also being drawn up and are scheduled for signing in mid-2008. Their objective is to define the common criteria for environmental performance for the land associated with the airports that they represent.

To ensure the effectiveness of these principles, Aéroports de Paris has had its three main airports (Paris-Orly, Paris-Charles de Gaulle and Paris-Le Bourget) certified in accordance with the international environmental standard ISO 14001 version 2004. This certification of its environmental management system affords the Aéroports de Paris Group certain assurances including:

- strict observance of environmental regulations currently in force,
- the provision of all necessary human and financial resources,
- a systematic effort to find ways to reduce its primary environmental impacts (solid waste, waste water, air pollution, etc.),
- a level of expertise among all of its employees through training, raising awareness, and information,
- operational control of the impact of its activities under normal circumstances as well as emergencies,

- finally, monitoring the company's performance by means of audits (internal or external) and other means of oversight and measurement (the Laboratory of Aéroports de Paris).

The Paris-Charles de Gaulle airport was the first to commit to this course of action in 2001, followed a year later by the Paris-Orly airport (2002), and four years later by the Paris-Le Bourget airport (2005). Renewals of certification for Paris-Charles de Gaulle and Paris-Orly three years later were obtained in accordance with a revised version of the 14001 standard which pays particular attention to regulatory compliance on the one hand, and to training and information on the environment for Aéroports de Paris employees on the other. Audits conducted in 2007 did not reveal any areas of non-compliance.

Beyond the legal requirements with which it must comply, Aéroports de Paris formalizes its action through the preparation and follow-up of multi-year programs enabling to guarantee the compliance of its activities. Aéroports de Paris has been actively taking part for many years in discussion and dialogue bodies and regularly communicates indicators of environmental follow-up and news on the Parisian platforms.

The Aéroports de Paris Laboratory handles environmental monitoring tasks and specialist and engineering studies in the fields of air, water and soil, as well as acoustic quality, at all airports and airfields managed by Aéroports de Paris.

In 2007, expenditure to prevent the negative consequences of the Group's activity on environment amounted to 3.8 million euros for environmental monitoring (noise, water, air) and 4.0 million euros for the distribution of environmental information and community outreach. Environmental actions mainly consisted in landscaping works (3.3 million euros), treatment of rainwater (5.2 million euros) and collection and elimination of ordinary and hazardous waste (10.7 million euros). Nevertheless it should be highlighted that outside these expenditures, investments tied to the environment are an integral part of Aéroports de Paris's budgets.

In fiscal 2007, no damages were paid as a result of court judgments on environmental matters. In addition, no significant remedial actions were required due to environmental damage.

Employee training

In the context of ISO 14001 certification for the three primary airports, Aéroports de Paris must ensure that all of its employees and all employees and subcontractors have the knowledge necessary to manage any environmental impacts caused by their activities. The Human Resources Department offers a catalog of environmental training. In 2007, it devoted 208,011 hours of training at all levels of the Company to environmental issues. The environmental awareness charter for temporary personnel at Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget, signed in 2007 by Aéroports de Paris and five major companies (three companies providing temporary staff and two companies that employ them) is part of the same concept.

6.7.3. Environmental impact assessment and actions taken

6.7.3.1. *Noise, consensus and noise abatement assistance*

The government has intervened to limit the noise generated by aircraft. The order of October 6, 1994 on time slots on the Paris-Orly airport sets the maximum number of time slots that may be assigned by the coordinator of the Paris-Orly airport at 250,000 and a curfew is set between 11:30 pm and 6:00 am. At the Paris-Charles de Gaulle airport, noise pollution management has been implemented by introducing a limited index for noise pollution and a limitation of night traffic.

Public authorities further have administrative tools to take into account the noise pollution caused by air traffic and manage the urbanization of exposed areas. This is carried out through the noise exposure plan (*PEB*), a planning document attached to the local zoning plan (PLU) of the town concerned and setting out areas near airports within which the construction of residential housing is prohibited or must include strengthened insulation for the cases authorized by the French Code of Urbanism. Any housing built under a PEB is submitted to acoustic insulation obligations.

Law number 99-588 of July 12, 1999 established the airport noise pollution abatement authority (ACNUSA) and independent administrative agency in the area of the environment. It is primarily tasked with:

- having airport operators organize the measurement of aircraft noise and the level of disturbance created,
- organizing the distribution of the results of these measurements,
- guaranteeing the conditions under which the public has access to noise exposure plans or to the noise nuisance plan (PGS),
- being consulted on such draft documents,
- finally, taking on a role of supervision and mediation between the interested parties⁸⁴.

The DGAC ensures the operational monitoring of the upper-limit of noise pollution for the Paris-Charles de Gaulle airport through the global indicator measurement for weighted measured noise (*indicateur global de bruit mesuré pondéré* (IGMP)) under the supervision of the ACNUSA. On the Paris-Orly airport and on the Paris-Charles de Gaulle airport, a network of stations permanently measures the level of noise generated by air traffic. Such measures enable to constitute indicators on the evolution of levels of noticed noise. Two measurement stations have also been set near the Paris- Le Bourget airport (Stains and Villepinte).

Modulations of the landing fee and of the air noise pollution tax also enable to limit noise insofar as they favor the use of less noisy aircraft and penalize night flights. The air noise pollution tax (*taxe sur les nuisances sonores aériennes* (TNSA)) was set by the rectification finances law for 2003 no. 2003-1312 of December 30, 2003. Implemented as from January 1, 2005 and collected by the DGAC, its proceeds are then entrusted to airfield operators, who allocate them to the acoustic insulation mechanisms, up to the collected amounts. This tax is paid for each take-off of aircraft having a maximum take-off weight greater than, or equal to 2 tons.

Finance Law 2007-1824 of December 25, 2007 in rectification of 2007, Article 6 of which modifies Article 1609 quatercivies A of the General Tax Code concerning the TNSA air noise pollution tax, increased the maximum amount of the tax for Group 1 aerodromes, including Paris-Orly, from 40 to 68 euros. For 2008, the TNSA tax applicable to each aerodrome covered by Section IV of Article 1609 quatercivies A of the General Tax Code was set by the Order of December 26, 2007 – 47 euros at Paris-Orly (as against 34 euros in 2007, and 22 euros in 2006), and 19 euros at Paris-Charles de Gaulle (22 euros since 2005). The increase will bring annual resources to almost 23 million euros in 2008, as against 11 million euros in 2007⁸⁵.

Since January 1, 2004, Aéroports de Paris has been entrusted, on behalf of the State, with the management of assistance in carrying out acoustic insulation of residents near the Paris-Charles de Gaulle and Paris-Orly airports submitted to the PGS (the PGS defines the three areas of noise nuisance, inside which residents may claim for financial assistance for the acoustic insulation of their house by taking short-term traffic assumptions into account). The Company must now receive the new requests for assistance, investigate them, present them to relevant local commissions, who decide to grant assistance, and to pay resident the financial assistance granted to them for diagnostics and for acoustic insulation works. Aéroports de Paris has established a department dedicated to the program to assist airport area residents, which provides support to residents at every step of the process.

Since November 2005, Aéroports de Paris makes air trajectories available for public viewing through the Vitrail tool (viewing of aircraft trajectories and on-line information), available in the environmental areas (*maisons de l'environnement*) of Paris-Orly and Paris-Charles de Gaulle (also including Paris- Le Bourget). Local authorities may ask the DGAC to use the Vitrail tool. Aéroports de Paris provides the technical service for the DGAC in due observance of the security requirements drawn up by the General National Defence Secretariat. A specific protocol approved by the DGAC is drawn up between Aéroports de Paris and the local community where the consultation system is installed. Six communes had the terminal installed by the end of 2007.

⁸⁴ Article L. 227-1 et seq. of the Civil Aviation Code

⁸⁵ Source: French Civil Aviation Authority press release, December 4, 2007.

Two cases in connection with noise regulations obtained rulings by the Council of State favorable to Aéroports de Paris. The air noise pollution defense association (ADVOCNAR) had brought proceedings for annulment of the implicit decision of rejection arising from the silence of the Minister of Transport, Tourism and Maritime Affairs in connection with its request that an Order be issued to prohibit all nocturnal aircraft movement at Paris-Charles de Gaulle. Likewise, the appeal lodged by the inter-associative nuisance refusal collective (CIRENA) related to the implicit decision of rejection by the same minister in connection with its request that an Order be issued to impose minimum altitudes for take-off phases, and also limit the number of annual movements at Paris-Charles de Gaulle airports. In two decisions handed down on October 26, 2007, the Council of State rejected both appeals on the grounds that the Minister's decision to refrain from using his powers to police nocturnal air traffic was not illegal and that he had not altered a sound balance between the right of individuals to respect for their private lives and economic interests, or the objective of a balanced approach to noise management, and that an environmental objective exists in relation to overall maximum noise pollution. It was also stated that a curfew would have substantial adverse effects on airport activity and on national economic activity.

6.7.3.2. *The fight against climate change*

Greenhouse gas (GHG) emission quotas

The Directive of October 13, 2003 setting forth a system of exchange of quotas for greenhouse gas emissions in the European Community is reflected in French law by Articles L. 229-5 to L. 229-19 of the French Environmental Code and the Decree of February 25, 2005 approving the National GHG Emission Quota Allocation Plan (*plan national d'allocation des quotas d'émission de GES (PNAQI)*) prepared for the period of 2005 to 2007 and the Order of May 31, 2007 establishing the list of operators subjected to GHG emissions quotas, and the amounts of quotas for the period between 2008 and 2012 (PNAQII).

Aéroports de Paris is a substantial producer of energy and operates three combustion plants of more than 20 MW. As a result the group is affected by the national quota allocation plan. For the first period (2005 to 2007), the annual quotas allocated to Aéroports de Paris were 189,935 tons of carbon dioxide (tCO₂) or 0.1% of the quotas allocated. For the second period of the national quota allocation plan (2008 to 2012), the annual quotas allocated to Aéroports de Paris will be 181,239 tCO₂ which equals a reduction of 4.6% of the Group's allocated quotas compared to the first period. This is broken down as follows:

In tCO ₂	2005-2007	2008-2012
Paris-Charles de Gaulle	134,351	128,199
Paris-Orly	49,121	46,872
Paris- Le Bourget	6,463	6,168
Total	189,935	181,239

In 2007, Aéroports de Paris actually emitted 144,171 tCO₂⁸⁶, as opposed to 162,606 tons in 2006 and 166,507 tons in 2005.

As early as 2005, Aéroports de Paris indicated that it was in favor of a proposed European Directive published on December 18, 2006 aimed at broadening the European CO₂ quota market to include aviation. The technicalities of implementation are currently being discussed.

At the same time, Aéroports de Paris has engaged in a sustainable management of its atmospheric emissions and, in particular, in a significant reduction of emissions related to energy production units by adopting less polluting technologies: giving-up of coal, low-NOx boiler and majority use of gas as combustible. For example, the Group has a gas turbine cogeneration system at Paris-

⁸⁶ Volume verified by BVQI according to rules defined by the order of July 28, 2005 on verification and quantification of greenhouse gases.

Charles de Gaulle, and since July 2007, two electrical generation units have been used as an emergency power source for the aviation navigation assistance system (control towers, runway lights, etc.). Since it takes quite some time to start up these units, they run continuously to guarantee immediate power if needed. These units should be replaced in 2009 with instant-on units that will only run if needed. At industrial sites, the Group also invested to reduce CO₂ emissions: 2/3 of the heating system at Paris-Orly now uses a "low-temperature" system (105°) instead of "high-temperature" (160°). This leads to lower fuel consumption, which in turn reduces emissions of CO₂. Surveys have also been introduced to examine the possibility of equipping Paris-Orly with a 10 MW geothermal energy unit, and this could be up and running by 2010.

Aéroports de Paris's climate plan

When it signed the agreement on commitments made by the air transportation sector in the context of the government's Grenelle forum on environmental issues, the Company reaffirmed its own commitment as part of the global approach aimed at improving environmental performance, in particular reducing greenhouse gas emissions. These steps are part of an ongoing policy of sustainable control of its atmospheric emissions which Aéroports de Paris has already had in place for a number of years.

The following seven commitments were made:

- a 10% reduction in average taxi time for planes at Paris-Charles de Gaulle before 2015 in conjunction with the other entities involved,
- implementation of an "HQE" (high environmental quality) building approach, especially in the future Cœur d'Orly business district as well as terminals T2G and S4 at Paris-Charles de Gaulle airport,
- reduce the Company's internal energy consumption by 20% per passenger between now and 2020 compared to 2004 and by 40% before 2040. In this way, internal consumption will remain relatively stable despite the substantial growth of Aéroports de Paris's base of real estate assets. This effort amounts to a reduction of 20,000 tons of CO₂ in six years,
- introduce a program for implementing renewable energies (for instance geothermal), and finalize studies before the end of 2008,
- reduce the CO₂ emissions of the Company's fleet of light utility vehicles by 30% between now and 2012,
- in partnership with the airlines, contribute to limiting recourse to auxiliary power unit. These units provide power to parked planes and emit between 15 and 30 times more CO₂ than a direct electrical power supply,
- use the Internet to promote ridesharing for the 120,000 people who work at the airports.

6.7.3.3. Air quality

Like all private entities referred to in Article L. 220-1 of the French Environmental Code, Aéroports de Paris must contribute (as far as its specific business is concerned) to the objective of implementation of the right of each individual to breathe air complying with applicable health standards by actions of prevention, monitoring, reduction or suppression of atmospheric pollutions, preservation of air quality, and savings and rational use of the energy. The law of December 30, 1996 on air and rational use of the energy also introduced two territorial air quality management tools: the regional air quality plan (PRQA) and the atmosphere protection plans (PPA). The law also confirmed the objectives of the urban transit plans (PDU).

Urban transit plans (Plans de déplacements urbains)

Derived from Law no. 96-1236 of December 30, 1996 on air and rational use of the energy (as amended in September 2000 and codified in the French Environmental Code), the objective of PDUs is to reduce car traffic and promote public alternative and clean energy transportations in all community with more than 100,000 inhabitants. Prepared at the urging of the government, the PDU for the Ile-de-France region was approved by Decree after public hearings in December 2000. In this context, Aéroports de Paris is tasked with implementing the principles defined therein, at the

Paris-Orly and Paris-Charles de Gaulle airports, through a "pole project". This medium-term action plan was prepared with the participation of all the parties concerned by the issue of ground access to airports (in particular the State, the Ile-de-France region, the *Syndicat des transports d'Ile de France*, local communities, bus companies and associations), all of whom came together in an "airport pole committee", with one such committee for each airport. The "CDG pole project" was finally approved in June 2003, that of Paris-Orly in March 2004. The main achievements include the lighting renovation at the RER station of Paris-Charles de Gaulle, the upgrading of accessibility and comfort at bus stops at the Paris-Orly airport, the completion of a bus station at the Orly Ouest terminal and the completion of a company Transit Plan (PDE) for Aéroports de Paris (open access office space, videoconferencing, participation in the European mobility week, creation of a specific "transport and transit" Intranet for use by employees).

Within the context of the PDE, at the end of 2006 Aéroports de Paris implemented an inter-company car-pooling service in conjunction with the Association for Economic Development of the Orly Rungis Pole (ADOR) grouping the main managers of business areas around the Orly pole. The service is accessible to almost 140,000 employees within the perimeter of the airport poles at Paris-Orly and Paris-Charles de Gaulle. At the end of 2007, 4% of Aéroports de Paris's employees were enrolled in this program.

Regional air quality plans

Pursuant to the Order of April 6, 2006, the president of the Regional Council of Ile-de-France created on May 11, 2006 the Regional Air Quality Plan's consultation commission in response to the obligations set out in article L.222-1 of the French Environmental Code, as modified by the law of February 27, 2002 concerning local-level democracy. This commission launched the process for updating this plan. Aéroports de Paris is a participant in terms of "activities contributing to the emission of substances likely to affect air quality". Its work will be completed in June 2009 following public hearings between November 2008 and January 2009.

Atmosphere protection plans

Article L. 222-4 of the French Environmental Code provides for the preparation, at the State's initiative, of PPA in communities with more than 250,000 inhabitants, and in areas where concentrations in pollutants exceed the regulatory limit values.

As distinct from the PRQA, which sets guidelines to meet the air quality objectives set out in Appendix I of decree No. 98-360 of May 6, 1998, a PPA sets objectives to reduce atmospheric pollutants which could lead to the implementation of mandatory measures within the perimeter of the plan. It must be compatible with the guidelines of the regional air quality plan.

The PPA for the Ile-de-France region was approved by an inter-prefectorial order of July 7, 2006, following submission to public enquiry in September-October 2005. The plan includes nine regulatory measures that complete the existing regulations. Moreover, three major transportation companies (SNCF, RATP and Aéroports de Paris) have expressed concrete objectives for the improvement of the quality of air in Ile de France. Therefore, acting as the liaison between the other air traffic stakeholders (airlines, air traffic control), Aéroports de Paris will prepare and offer a PPA action plan. The objectives of this plan, whose implementation depends on cooperation of all the agents concerned, and particularly the airlines, are as follows:

- limiting the use of aircraft power auxiliary engines in normal situation and in case of pollution peak,
- reducing by 10% the average taxiing time of aircraft in Paris-Charles de Gaulle between 2007 and 2015,
- reducing by 25% the NOx emissions of the boilers rooms of Paris-Charles de Gaulle and Paris-Orly between 2000 and 2010,
- managing emissions relating to land transportation, with completion of travel plans in Paris-Charles de Gaulle and Paris-Orly,
- improving knowledge on air quality on and around airport platforms.

Aéroports de Paris submits an annual report to the Ile-de-France Directorate of Industry, Research and the Environment (DRIRE) setting out the action taken in the five areas mentioned above.

The regional environmental health plan

On June 21, 2004 the government adopted the first national plan for prevention of environmental health risks (PNSE). This course of action provides a response to French international commitments at the inter-ministerial conferences organized by the World Health Organization. It was instituted by article L1311-6 of the Public Health Code⁸⁷.

The PNSE enumerates 45 actions to be implemented between 2004 and 2008 to improve knowledge, prevention and handling of health risks in relation to environmental factors. Three priority objectives have been set: to ensure good quality air and water, prevent environmental pathologies, particularly cancer, provide better protection for the general public, and protect sensitive groups among the population.

A circular of November 3, 2004 defines the action to be implemented at local level - in the form of a regional environmental health plan (PRSE) as part of the regional public health plan - to detect, prevent and fight environmental pollution affecting health. In Ile-de-France the PRSE was approved by the region's *Préfet* in an order of September 18, 2006. Aéroports de Paris integrated the steering committee in relation to implementation of fiche 6bis in the PRSE for Ile-de-France concerning the health impact of air traffic around Ile-de-France. Work to be carried out, assigned under the aegis of the Val d'Oise *Préfet*, commenced on May 22, 2006.

6.7.3.4. Water

Rainwater management

Since 1996, Aéroports de Paris have been equipped with rainwater treatment stations for the Paris-Orly and Paris-Charles de Gaulle platforms. These stations allow for continuous treatment of surface waters and compliance with regulatory requirements on water quality. Rejection authorizations are delivered by prefectorial order. At both airports, the operation of the rainwater treatment systems has been entrusted to ISO 14001-certified operators.

At Paris-Orly, rainwater is treated through a physicochemical process followed by filtration before release in the Orge river. A portion of treated water is used to feed the airport's air-conditioning installations, allowing savings of 70,000 m³ of drinking water per year.

At Paris-Charles de Gaulle, rainwater is treated at two treatment stations, through a biological process at the Marne-side basin, by a process associating lagooning and physicochemical process at the Seine-side basin. 5.9 million cubic meters were thus collected and released in 2007 with approximately 86 tons of thick purification sludge produced; such sludge is then recycled in compost and valorized in agriculture. 2,037 tons of liquid sludge were collected upward stations in hydrocarbon separators; such polluting wastes are evacuated and treated in approved sites. A process to recycle part of the rainwater to supply the thermal plants' cooling towers and the sanitation systems of a number of terminals, thereby reducing the volume of wastewater, is planned for this platform. The ISO 14001 certificate for management of rainwater processing was renewed on July 8, 2007 for 3 years.

Moreover, a request for modification of the order authorizing current rainwater waste in order to introduce a control flow to replace the fixed flow currently authorized for the airport was filed at the Seine et Marne Préfecture in September 2006 by Aéroports de Paris. Public hearings were completed on December 14, 2007.

⁸⁷ Law of August 9, 2004 on public health policy

For Paris- Le Bourget and for general aviation airfields, compliance work in relation to the water law has been carried out since 2003. The Le Bourget airport project was subject to public hearings in 2006, now in the final phase. The project for the Toussus-le-Noble aerodrome will be subject to public inquiry in 2007.

Wastewater

Wastewater produced at the Aéroports de Paris platforms is collected and disposed of through the local sanitation system for processing by SIAPP (Syndicat Interdépartemental d'Assainissement de l'Agglomération Parisienne). At the Paris-Charles de Gaulle and Paris-Le Bourget airports, a procedure to self-monitor the release of wastewater derived from the various airport businesses and industries is in place. In exchange for the treatment services, Aéroports de Paris must pay water treatment fees for transportation and processing.

6.7.3.5. Waste

Hazardous industrial waste

Aéroports de Paris is an authorized collection agent for the collection of ordinary industrial wastes at airports. Thus, at the Paris-Orly and Paris-Charles de Gaulle airports, Aéroports de Paris works with specialized service providers to handle the collection not only of its own rubbish but also of those of companies installed at the airports. A selective sorting is organized at the platform level to optimize their recycling and Aéroports de Paris is acting to reduce production at source. In 2007, Aéroports de Paris collected 58,725 tons of ordinary industrial waste as opposed to 55,986 tons in 2006.

Hazardous industrial waste

Moreover, after receiving the necessary authorization from the Préfet to act as a waste brokerage, since 2006 collection and treatment of hazardous waste can also be entrusted to Aéroports de Paris, at the option of companies with a presence at the Paris-Orly and Paris-Charles de Gaulle airports. Aéroports de Paris has the service carried out by subcontractors on behalf of customer production companies, who remain responsible for their waste until they have been completely eliminated.

The rare amounts of radioactive waste is collected either by the services of Aéroports de Paris (in the case of medical waste or smoke detectors), or through maintenance companies whose contracts include waste collection (in case of baggage inspection equipment). In both cases, such waste is then treated by approved companies with full traceability. Similarly, the rare radioactive waste collected as part of customs seizures is treated by a specialized service provider.

At Paris-Orly, a green plant waste composting platform was opened in 2004. It has been built to receive 800 tons per year and could therefore be interesting for some neighboring communities. This structure enables storing for composting purposes all wastes derived from the treatment of the airport's green areas.

Moreover, as part of the waste treatment agreements in force, fermentable wastes of the Paris-Orly platforms are sent to the SIEVD incineration plant which is on the Rungis national food market. In exchange, Paris-Orly purchases a portion of the heat produced at the plant from the Rungis market. This system has been operational since November 1, 2007 and runs from April to November when the Paris-Orly production unit is shut down due to the low demand (from 2 to 3 MW for hot domestic-use water). An additional technical installation will secure the operation in the winter months (temperature stability) since Aéroports de Paris intends to increase its use of thermal energy from SEMMARIS from 17 to 25 GWh which will save the equivalent of approximately 800 tons (TOE) of natural gas.

6.7.3.6. Management of activities that do or might pollute

Fuel storage

Aéroports de Paris does not handle the storage and distribution of aviation kerosene. Instead, the *Société de Manutention des Carburants d'aviation* (SMCA) manages the storage and distribution at refueling points in parking areas, and fueling companies take over between the hydrant mouth and aircraft tanks. SMCA is the owner of tanks and of the hydrant system (underground pipeline system dedicated to the fueling of aircraft on traffic areas) of the Paris-Orly and Paris-Charles de Gaulle platforms, and ensures the maintenance and operation thereof. This system is checked daily for leakage. While tanks are traditionally located directly at the airport in the case of Paris-Orly (capacity of 9,380 m³ and 59,300 m³), they are outside the Paris-Charles de Gaulle perimeter (202,539 m³). Due to the volumes of combustibles stored there, these facilities are subject to the legislation on Classified Facilities for the Protection of the Environment (ICPE), which is the French implementation of the SEVESO II⁸⁸ European Directive (Directive 96/82/EC of December 9, 1996). Thus the facilities are regularly subjected to quality and compliance audits by regional directorates of industry, research and the environment (DRIRE).

Additionally, the work of reviewing the hazards study and the plans for the prevention of technological risks (PPRT), as provided for in Articles L. 515-15 *et seq.* of the French Environmental Code began in 2006 at Paris-Charles de Gaulle and in 2007 at Paris-Orly. Moreover, the depots are already covered by Special Intervention Plans (PPI) and Internal Operations Plans (POI) to prevent risks and protect personnel, the population and the environment in case of disaster.

Article L. 125-2 of the French Environmental Code makes public information and its participation mandatory in the prevention of technological risks through the creation of local information and consultation committees (CLIC) around this type of site. At Paris-Orly, after it was constituted in 2006, the committee met in 2007. At Paris-Charles de Gaulle, the CLIC dealing with the depot located in the airport was constituted in December 2005 on the initiative of the Préfet of the Val d'Oise department.

Monitoring and knowledge of the classified facilities for the protection of the environment operated by Aéroports de Paris

As the operator of these facilities, Aéroports de Paris is responsible for the regulatory compliance and in particular for that of the Classified Facilities for the Protection of the Environment (ICPEs). These classified facilities receive specific treatment in accordance with the articles of Title One of Book V of the French Environmental Code and its implementing order of September 21, 1977, as modified and taken as application of Law No. 76-663 of July 19, 1976 relative to ICPEs. The activities in question are defined by a nomenclature that classifies them under "declaration" or "authorization" depending on the seriousness of the dangers or difficulties that they could present.

Aéroports de Paris operates:

- facilities subject to authorization satisfying specific prescriptions defined by prefectorial order. The power plants at Paris-Charles de Gaulle, Paris-Orly and Paris-the Bourget are subject to authorization due to their activities involving combustion and refrigeration. An annual operational assessment provided to the local authorities reports on their compliance,
- facilities subject to declaration comply with general prescriptions, such as load accumulators and combustion facilities or flammable liquid filling stations.

The prevention policy that has been implemented relies on internal appraisals, audits assessing regulatory compliance in the context of environmental management systems and regular regulatory compliance checks by the authorities (DRIRE, or the Classified Facilities and Inspectors Engineering Services, STIIC).

⁸⁸ Directive 96/82/EC of 9 December 1996

Knowledge of ICPEs operated by third parties located at the airports

Every company that operates a Classified Facility for the Protection of the Environment (ICPE) is responsible for its control and regulatory compliance. Several companies with operations at the airports do operate ICPEs subject to both authorization and declaration for activities involved in maintenance and operational functions. These companies are periodically inspected by the authorities (DRIRE or STIIC) and their relevant prefectorial orders are available on the Ile-de-France DRIRE website. Aéroports de Paris monitors this information.

6.7.3.7. Measurement and monitoring

The environmental monitoring of the soil quality and risks of pollution of underlying ground waters is carried out by the Aéroports de Paris laboratory. To date, for Paris-Orly, some 20 soil quality diagnostics have been made (areas inspected include the Air France zone, the firefighting test zone, the northern zone of runway 4 and car rental areas). Additional diagnostics have been conducted in the context of development programs, particularly in relation to the Cœur d'Orly operation; For Paris-Charles de Gaulle, approximately 15 soil quality diagnostics have been made, including the firefighting test zone, the former EcoPur site (southwest zone of the airport) and some lands that will house new installations in the future (Air France A380 hangar, satellite four, works council building). Finally, for Paris-Le Bourget, a general investigation was conducted in 2007 in conjunction with the Civil Aviation Engineering Services (STAC). Some 40 tests distributed across sites representative of the airports activities were conducted. No significant anomalies were found that would require any action on the part of the airport management. In addition, specific studies were conducted on more than 20 individual parcels.

In 2006 and 2007, diagnostics were also taken on in relation to general aviation airfields such as Saint Cyr l'Ecole and Toussus le Noble.

In accordance with prefectorial orders on effluent release and operation of the heating power stations at Paris-Orly and Paris-Charles de Gaulle, approximately 20 piezometers per airport have been monitored for 15 years on a quarterly, half-year or annual basis, depending on the zones. This surveillance also involves Paris- Le Bourget.

High-risk areas identified on each of the airports in 1999 by meetings and compilation of historical documents have therefore been additionally checked as required by the compliance audit conducted in 2005 at Paris-Orly and at the beginning of 2006 at Paris-Charles de Gaulle. They have enabled to test the absence of proven pollution on some sites and the absence of degradation on the sites where pollution was already known. To-date, to prevent such risks, preventive actions have been implemented (specific quality controls of the ground water and systematic completion of soil diagnostic).

6.7.3.8. Asbestos

Aéroports de Paris has taken the following measures, in order to fulfill its obligations in relation to the prevention of asbestos hazards:

- location of the presence of asbestos at the Company: all buildings normally used by employees of Aéroports de Paris have been investigated for asbestos presence,
- building technical documentation: all areas where asbestos has been found have been listed (Technical Asbestos Documents),
- verification of the condition of asbestos in areas where the material has been detected: To date, there has been no "volatile or friable" asbestos; the only asbestos found has been "locked" and presents no danger as it is for employees,
- systematic asbestos removal in those locations where work has been undertaken: calling on approved external companies to carry out such operations.

Aéroports de Paris is also currently implementing procedures to monitor any employee exposure to hazardous products, including asbestos, by documenting the employee's career before he or she came to the Company (question about possible exposure to hazardous materials during a medical exam required upon hiring) and by developing a tool for tracing the path of individual careers of employees within Aéroports de Paris.

See 20.8. "Legal proceedings".

6.7.4. Ties to surrounding communities

Aéroports de Paris pursues an active policy of partnership with local socioeconomic entities and elected officials. It is aimed primarily at promoting access to employment opportunities for neighboring populations. As a result, 49% of the employees at Paris-Charles de Gaulle come from the three neighboring departments. Aéroports de Paris spends 2 million euros annually for social and economic development actions to assist disadvantaged groups.

The "Papa Charlie" Association provides a reduced price vehicle to low income persons who have found a job at one of the airports. The association has a fleet of 160 vehicles. Between 1997 and 2007, 2,500 new hires benefited from this assistance.

The GIP ADIF, a public interest group supporting social integration and school-to-work transition for unemployed people met with, advised and provided direction to 1,469 persons in 2007, which led to hiring 116 people in airport business activities.

The Housing Committee, an association created in partnership with 42 other companies, 23 social landlords and 12 local communities, assists employees at the Paris-Charles de Gaulle airport to find nearby housing. This association helps approximately 100 employees per year.

In 2007, an intercompany and interdepartmental day care center was built and opened at the Paris-Charles de Gaulle airport. This facility cared for the very young children of employees with atypical workloads. Some 210 families are registered and 140 children attend the center. In addition, this center has created 25 jobs. Another day care center will be set up at Paris-Orly in 2008.

At the same time, Aéroports de Paris decided as early as 1996 to begin a unique dialogue with neighboring communities by creating a social and economic cooperation mission.

This dialogue is based on promoting the assets of the territories within which the airports reside. The results of this effort are: Datagora, a center for the promotion of the assets and resources of the Roissy basin, aimed at attracting companies to set up new facilities in neighboring departments, and the Occupational, Employment and Training Monitoring Agency, an organization performing ongoing analysis of the employment situation at the airports. This organization has established that in 2000, approximately 1350 jobs had been created per million passengers, a ratio that has risen to 1500 jobs per million passengers in 2006. This dialogue also relies on making educational information on environmental impacts of the activities conducted at the airports available to all: ground-level noise and noise below flight paths, air traffic, air quality. Distribution paths for this information are the Centers for the Environment and Sustainable Development which receive 15,000 visitors per year, the Vitrail system which provides delayed displays of flight paths and to which 12 local governments have access at the end of 2007, and finally, the publication of "Entrevoisins", a quarterly review with a print run of 500,000 copies reaching 1.2 million airport area residents and which also maintains a website.

6.7.5. Ties with stakeholders

Article 48 of the decree of July 20, 2005 regarding the Aéroports de Paris requires the Company to participate in controlling the environmental impact of its suppliers, subcontractors and establishments with facilities at the airfields that it operates, in particular through the introduction of environmental provisions in the contracts promoting ISO 14001-type management systems.

In line with this requirement, Aéroports de Paris's official purchasing policy includes a component on Ethics and Sustainable Development which specifies the Company's commitments with regard to social responsibility vis-à-vis its suppliers in the Code of Conduct. Aéroports de Paris's

subcontractors are made aware of issues of managing risk in work safety and the environment by drafting a Prevention Plan when regulations require it.

Companies with operations at the Paris-Charles de Gaulle, Paris-Orly and Paris-the Bourget airports are encouraged to implement an environmental program through the Environmental Partners Clubs which were established in 2003, 2005 and 2006. Several environmental services are made available to airport-based companies in an effort to promote an Environmental Management Systems program: Online environmental diagnostics, environmentally related information and communication tools, charters, etc.

The Company has also been assisting many associations in their charity work and their support to the underprivileged for several years now.

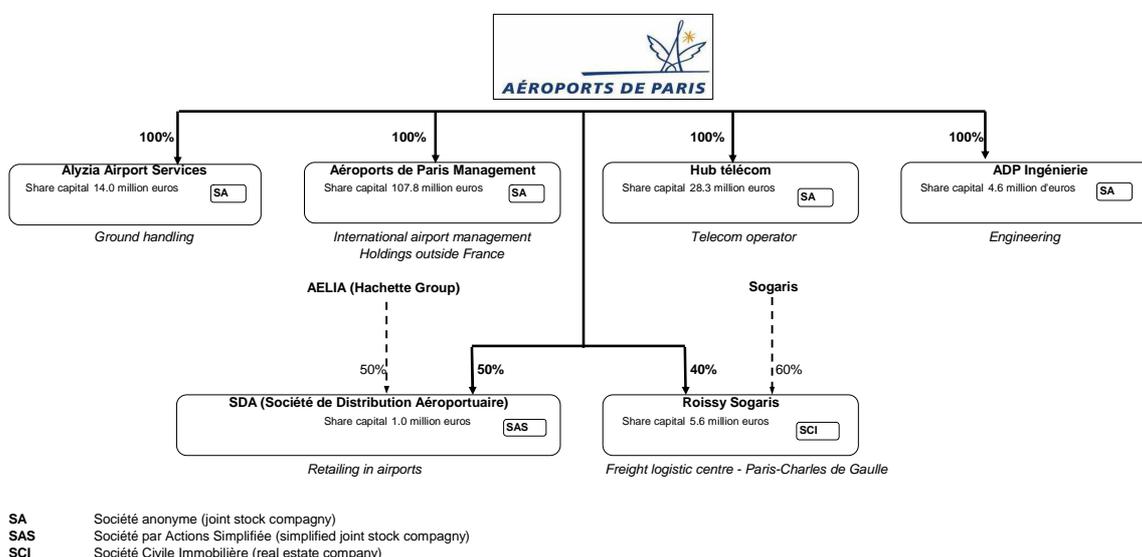
Placed under the aegis of the Fondation de France and chaired by the Chairman & CEO of the Company, the Fondation Aéroports de Paris was created in March 2003 with the mission of contributing financial support to associations in locales around the Paris-area airports. In 2007, this endowment financed 56 projects in various "local solidarity" sectors: tutoring, services to the elderly, access to leisure for underprivileged families, or social reintegration and upgrading of housing. A 16-member executive committee is responsible for selecting the projects that are funded. In accordance with the agreement that links Fondation Aéroports de Paris to Fondation de France, Fondation Aéroports de Paris receives an annual budget of 600,000 euros.

CHAPITRE 7 ORGANIZATION CHART

The organization chart below is the simplified organization chart of the main companies held by Aéroports de Paris (in rounded percentage of capital and voting right) on the date of registration of this document.

The main part of the Group's activities is directly exercised by Aéroports de Paris, which also holds the main assets for the Group's activities. The activities of Aéroports de Paris and its more significant subsidiaries are described in Chapter 6 in this document. The financial components regarding such companies are set out in Chapter 9⁸⁹. No corporate officer of Aéroports de Paris exercises any corporate office within the management bodies of the Group's subsidiaries.

Simplified organization chart of subsidiaries and significant holdings of Aéroports de Paris



All the companies that are included in the consolidation scope of the Group are mentioned in Note 40 of the consolidated accounts of December 31, 2007 attached in appendix 1 to this Registration Document.

Information concerning subsidiaries

The activities of the major subsidiaries of the Group are presented in paragraph 6.3.4. "Ground handling" for the Alyzia Group,⁹⁰ and in paragraph 6.3.5. "Other activities" for Aéroports de Paris Management, Hub télécom, ADP Ingénierie and Société de Distribution Aéroportuaire. The main financial results for the major subsidiaries are presented in paragraph 9.3. "Year ended Sunday, December 31, 2007 compared with year ended December 31, 2006".

Also, the associated company GIE Roissypôle is held by Aéroports de Paris (49%), BNP Paribas (25.5%) and Société Générale (25.5%).

⁸⁹ See in particular 9.3.2 "Revenues (income from ordinary activities of the Group)" and 9.3.4 "EBITDA, Operating Income from Ordinary Activities and Operations Income"

⁹⁰ Alyzia Airport Service jusqu'au 1^{er} décembre 2007

Organization of the Group

The Group is organized and managed through the Group Committee, whose permanent members are the Chairman and CEO, the Deputy CEO, the Executive Director Vice-President for Development, the Executive Director for Finance and administration, the Finance Director, the Director of Subsidiaries and Shareholdings, and the Director for Corporate Strategy and Quality. Other Directors of Aéroports de Paris and the Chairmen and Directors of subsidiaries may be invited to committee meetings in accordance with the agenda.

Within the context of major strategic orientations defined by the Board of Directors, the objective of the Group Committee is to discuss matters of strategy in relation to subsidiaries, the Group scope (purchases, mergers, transfers, partnerships) and financing. It also examines the financial and operational performances of the main subsidiaries and shareholdings. The committee met on 10 occasions in 2007.

CHAPTER 8 REAL ESTATE PROPERTIES AND EQUIPMENT

8.1. Real estate properties and equipment of Aéroports de Paris

Real estate and movable assets owned or used by Aéroports de Paris

On the date of registration of this document, the real estate assets of Aéroports de Paris are formed of lands for a total surface of 6,686 hectares, including 4,977 hectares corresponding to the control of lands and works necessary to the proper performance of public service missions or the development thereof. A little bit less than the two-thirds of lands, *i.e.* approximately 4,193 hectares have been acquired by Aéroports de Paris directly as part of expropriation procedures or amicable agreement; the remainder is formed of properties that the State had allocated to Aéroports de Paris or had authorized it to occupy. Article 2 of Law no. 2005-357 of April 20, 2005 has declassified all such properties and transferred the ownership to Aéroports de Paris since July 22, 2005. Nevertheless, in accordance with Article 53 of the specifications of Aéroports de Paris, the Minister in charge of civil aviation has a right of refusal on a possible contribution, sale or creation of surety that would relate to certain lands - and properties they hold - belonging to Aéroports de Paris. The land affected by this stipulation at Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget is that required for public service, as boundarized on the plans attached to the specifications⁹¹. It primarily consists of aircraft areas (runways, taxiways and aircraft parking facilities), and associated passageways, terminal buildings and surrounding land.

The Group's real estate assets are also formed of airport infrastructures (roads, networks, etc.) and passenger terminals⁹².

The real estate of Aéroports de Paris also includes works and buildings built on such lands or, sometimes, on lands that Aéroports de Paris is authorized to occupy under authorizations for the temporary occupation of the public domain or private leases. In particular, Aéroports de Paris occupies 7 hectares belonging to the *Ville de Paris* for the operation of the Issy-les-Moulineaux heliport and 2 hectares necessary to the setting-up of runway lights or noise measurement devices rented from private owners. Some buildings or works built by third parties on lands that Aéroports de Paris owns must be given back to it at the end of the agreement authorizing the occupation of the land. Agreements and contracts entered into before the change of status of Aéroports de Paris have been transferred to Aéroports de Paris pursuant to Article 4 of the Law of April 20, 2005.

As at December 31, 2007, the net value of lands and laying-out (investment buildings included) amounted to 71.2 million euros, constructions to 4,739.2 million euros and technical facilities and others to 230.4 million euros⁹³.

For a description of the most important real estate programs, of the main use of fixed assets and rate of use of lands in terms of available land reserves, see paragraph 6.3.3. "Real Estate".

As at December 31, 2007 the real estate assets held by Aéroports de Paris were mainly formed of airport infrastructures, office and IT equipment, transportation equipment and furniture.

Repayment to Aéroports de Paris of investments incurred on properties transferred to the State

In accordance with Article 2 of the Law of April 20, 2005, a financial agreement between the State and Aéroports de Paris was entered into on February 10, 2006 in order to set the amounts and terms of payment of sums owed by the State in consideration of the taking back in its favor of properties necessary to exercise its public service missions. This agreement, relating to properties allocated to the air navigation service department, provides for a financial compensation of 156.6

⁹¹ See 6.6.2.4. "Ownership of assets, obligation to pay a share of capital gains on the sale of closed airport sites to the French government"

⁹² For a description of the airports, see 6.3.2.1 "Paris-Charles de Gaulle" and 6.3.2.2. "Paris-Orly"

⁹³ See 22 and 23 of the notes to the 2007 consolidated financial statements attached as appendix 1 hereto

million euros in favor of Aéroports de Paris, including 6.7 million euros under the 2005 tranche implementing the agreement of October 20, 1994 between the Civil Aviation Authority and Aéroports de Paris on air navigation fees. The transfer of most of the assets concerned has been effective since July 22, 2005.

Other agreements with the same purpose were signed with:

- customs and Excise on December 12, 2006, for the sum of 1,365,000 euros,
- the Department of Civil Aviation (dealing with the air transport police), on November 14, 2006, for the sum of 873,260.62 euros,
- the Ministry of the Interior, on December 13, 2006, for the sum of 2,710,954.87 euros.

Obligation to pay to the French government a share of capital gains realized on the sale of closed airfield sites

The agreement entered into on March 30, 2006 between the State and Aéroports de Paris pursuant to Article 3 of the Law of April 20, 2005 provides, for a 70-year period, in case of shutting-down to public air traffic of all or part of an airfield it operates, that Aéroports de Paris will pay the State 70% of the difference between, firstly, the market value on such date of building that are not allocated to the airport public service anymore and, secondly, the reference value of such buildings corresponding to the value included in the assets of the balance sheet as at December 31, 2004 as approved by the shareholders' meeting of Aéroports de Paris on December 23, 2005, increased by costs related to their upgrading and to the shutting-down of airport facilities⁹⁴. The scope of the assets subject to this stipulation will subsequently be determined by a committee of experts, which will also run a check on the proper valuation.

8.2. Environmental restrictions likely to impact the use by Aéroports de Paris of its fixed assets

The environmental restrictions are included in legislations and regulations at international (OACI), European or national levels. On the date of registration hereof, this set makes the current and future use of the facilities of Aéroports de Paris possible. Only more restrictive regulations could limit the capacities of use of the platforms of Aéroports de Paris beyond what is already the case⁹⁵.

⁹⁴ See 6.6.2.4. "Ownership of Assets, Obligation to Pay a Share of Capital Gains on the Sale of Closed Airport Sites to the French State "

⁹⁵ See 4.1. "Risks Related to the Business of Aéroports de Paris"

CHAPTER 9 GENERAL INFORMATION CONCERNING RESULTS AND FINANCIAL SITUATION

Pursuant to EC regulation No. 1606/2002 of July 19, 2002 in relation to the application of international accounting standards, the consolidated financial statements of the Group for the years ended December 31, 2007 and December 31, 2006 were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

9.1. Key figures

The summary consolidated income statement set forth below has been derived from the Group's consolidated income statements for the years ended Monday, December 31, 2007 and 2006 presented in Appendix 1 of this Registration Document.

Consolidated income statement 2006-2007

In millions of euros	31/12/07	31/12/06	2007 / 2006
Revenue ⁽¹⁾	2,292.4	2,076.8	+ 10.4%
EBITDA ⁽²⁾	754.4	664.7	+ 13.5%
Operating income from ordinary activities ⁽³⁾	442.1	390.9	+ 13.1%
Operating income	403.3	333.9	+ 20.8%
Net financial income (loss)	24.2	- 84.5	ns
Net income ⁽⁴⁾	321.8	152.1	+ 111.5%
Net income, excluding non-recurring items ⁽⁵⁾	239.0	200.6	+ 19.2%

(1) Income from ordinary activities

(2) EBITDA: earnings before interest, tax, depreciation and amortization.

(3) Operating income from ordinary activities is operating income before the impact of certain non-recurring revenues and expenses (see below).

(4) Net income attributable to shareholders of Aéroports de Paris."

(5) Non-recurrent expenses and revenues for 2006 (in particular following the IPO) and 2007 (in particular provision for the reorganization of ground handling and capital gains on the sale of BCIA securities). See 9.3.5. "Change in net income"
ns: not significant

9.2. Overview

9.2.1. Introduction

Trends during the period from 2003 to 2007

During the period from 2003 to 2007, a number of factors had a significant impact on the Group's activity and its results of operations:

- from 2003 to 2007, the annual average rate of growth of air traffic was 5.1% in terms of the number of passengers and 2.5% in terms of the number of aircraft movements, excluding cargo. Air traffic has been on the rise since 2003, a clear sign of the recovery of the air transport business after the crisis that followed in the wake of the September 11 events. In 2007, traffic in Aéroports de Paris airports grew 4.70%⁹⁶,
- airport fee rates increased by 5.5% as at April 1, 2003, 5.5% as at April 1, 2004, 4.0% as at February 1, 2005, 5.0% as at May 15, 2006 and 4.25% as at April 1, 2007,
- Aéroports de Paris and Aelia (Lagardère Services Group) created Société de Distribution Aéroportuaire, which started its activity in June 2003 in terminal 2 at Paris-Charles de Gaulle. In 2006, its scope was extended to terminals 1 and 3 at Paris-Charles de Gaulle, and to the two Paris-Orly terminals on January 1, 2007,

⁹⁶ See 6.2.2.2 "Growth in air passenger traffic at Aéroports de Paris airports"

- the gradual increase in the airport security tax which has been set at 8.75 euros per outbound passenger since January 1, 2007 instead of 8.20 euros in 2004.

In all, Group consolidated revenue rose 8% per year between 2004 and 2007 and increased by 10.4% in 2007.

As its revenues have grown from 2004 to 2007, the Group has implemented a cost control policy that has resulted in its costs growing less quickly than revenues, improving the Group's margins.

Lastly, over the past several years, the Group has implemented a major capital investment program to provide the facilities necessary to accommodate traffic and to improve the quality of its services. Its annual capital investments have exceeded 540 million euros since 2003, and rose even as high as 712.5 million euros in 2006 and 732.1 million euros in 2007. These capital investments have resulted in a significant increase in depreciation charges over the period.

Financial structure

The net debt to equity ratio has dropped since 2004 (it was 1.26) and was 1.13 at December 31, 2005. The increase in share capital in June 2006, for a net income of 583.5 million euros, brought the ratio down to 0.67, within a context of particularly heavy investment. The share capital increase also allowed the Group to shed debt. The net debt to equity ratio was 0.60 as at December 31, 2007.

The Group's gross debt (excluding derivative instruments) was 2.34 billion euros as at December 31, 2007 and consisted mainly of bonds (more than 71% of total debt) and bank loans (more than 24% of total debt). 18% of the bonds and 86% of the bank loans mature in more than five years, according to their contracts, and less than 13% of the total debt mature in less than one year.

As at December 31, 2007, net debt had dropped to 1,782 million euros as against 1,859.7 million euros in 2006.

9.2.2. Segments

In its consolidated financial statements prepared according to the IFRS, the Group has defined its primary segment information by activity. The identified segments are as follows:

- **Airport services.** This segment includes all the goods and services supplied by the Group that are necessary or related to handling aircraft or flows of passengers (and people accompanying them) in the Group's facilities. It represents the greatest part of the Group's revenues (slightly more than 1.8 billion euros in 2007, or approximately 80% of the Group's total revenues before inter-segment eliminations, which were down compared with the 83% recorded in 2006). Revenues in this segment include the following:
 - *Airport fees* constitute the Group's most important source of revenues, representing almost one-third of total revenues in 2006. This category includes the four principal airport fees as defined in Article R. 224-2-1° of the Civil Aviation Code (landing fee, aircraft parking fee, passenger fee and fuel fee) as well as the lighting fee. These fees are invoiced to users of airport infrastructure, principally airlines. They are calculated primarily on the basis of the number of outbound commercial passengers and the number of movements of aircraft of different weight categories⁹⁷,
 - *Ancillary fees* include the fees that are defined in Article R. 224-2-2° of the Civil Aviation Code. They are invoiced principally to airlines in respect of airport equipment storage areas or facilities such as check-in counters, baggage handling facilities, de-icing and other aircraft services⁹⁸,

⁹⁷ See 9.2.3. "Factors having a Significant Influence on the Group's Results" and 6.3.2.6. "Revenues from the Operation of Airports "

⁹⁸ See 6.3.2.6 "Revenues from the operation of airports"

- *Commercial revenues*, in this segment, include rent paid by operators of facilities such as shops, bars, restaurants, car rental agencies and advertising space. These facilities are operated under agreements for the temporary occupation of the public domain (which was the legal system used before the conversion of Aéroports de Paris into a *Société Anonyme*), which have been progressively replaced by civil and commercial leases. In both cases, rents are charged as a percentage of the revenues of the relevant activity, subject to a guaranteed minimum amount. The Group also realizes commercial revenues from the activities of Société de Distribution Aéroportuaire, but they are included in the "Other Activities" segment,
 - *Car parks and access revenues* consist primarily of revenues generated from car parks managed by Aéroports de Paris. A small portion of these revenues comes from payments made to Aéroports de Paris by the "Syndicat des Transports d'Ile de France" (STIF) and "OrlyVal Service", for services provided in connection with public transportation at the Group's airports,
 - *Rental revenues* in this segment include rent for areas made available by Aéroports de Paris to various types of users (primarily airlines and ground handling companies) in terminals and aeronautical areas (storage facilities near aircraft parking positions). Rental revenues received for the lease of land, buildings and surfaces outside terminals and aeronautical areas are recorded in the "Real Estate" segment,
 - *Industrial services revenues* include primarily revenues from the supply of heating and cooling, water distribution, waste and wastewater collection, and electricity supply to professional occupants of terminals,
 - The *airport security tax* collected by the French government and paid to Aéroports de Paris to cover the cost of security and other public services⁹⁹,
 - Finally, other revenues in this segment consist primarily of two components. Two-thirds of the other revenues consist of revenues from services invoiced to third parties or to other segments of the Group, such as the supply of energy to the "Real Estate" segment, the rental of facilities in terminals or aeronautical areas for use by the "Ground handling and Related Services" segment, the provision of storage facilities and vehicles and the internal billing of management and administrative services. The remainder of other revenues includes payments made by the civil aviation authority (DGAC) to reimburse the costs of services that Aéroports de Paris provides to its air traffic control directorate, such as the maintenance of equipment and networks for air traffic control, telephone and power services, and the availability of about one hundred members of personnel of Aéroports de Paris.
- **Real estate.** Revenues of this segment were approximately 194.2 million euros in 2007, or approximately 8.5% of the Group's total revenues before inter-segment eliminations, includes all revenues from real estate rental and related services provided by the Group, excluding real estate inside terminals and in aeronautical areas, which are included in the "Airport Services" segment. The revenues of this segment are earned in part from customers external to the Group and in part in respect of premises made available to other segments, as well as the internal billing of management and administrative services¹⁰⁰.
 - **Ground handling and related services.** Revenues of this segment were 195.3 million euros in 2007, or approximately 8.5% of the Group's total revenues before inter-segment eliminations. The segment includes all goods and services provided by the Group to airlines in respect of ground handling and other services. These services are billed on the basis of the type of service rendered (for example, passenger check-in or aircraft ramp assistance) based on IATA standard agreements for each activity.

⁹⁹ See 6.3.2.7. "Security"

¹⁰⁰ See 6.3.3. "Business - Real Estate Activities"

- **Other activities.** Revenues of this segment were approximately 326.9 million euros in 2007, or approximately 14.3% of the Group's total revenues before inter-segment eliminations. It includes primarily goods and services provided by subsidiaries of the Group that do not fall within the other segments. For the year ended Monday, December 31, 2007, the four main companies that were part of this segment were Hub télécom, Société de Distribution Aéroportuaire (proportionately consolidated at 50%), ADP Ingénierie and Aéroport de Paris Management.

9.2.3. Factors having a significant influence on the Group's results

9.2.3.1. Revenue

A significant portion of the Group's revenue depends directly or indirectly on the level of traffic at the Group's airports:

- Airport fees and the airport security tax directly depend on air traffic, as well as on the rates for such fees and tax.
- Commercial revenues, car park revenues and revenues of the Ground handling and Related Services segment are also closely correlated with air traffic, but they also depend on other factors that are discussed below.

Airport fees

The amount of principal airport fees depends on two components: traffic and fee rates:

- in addition to the overall level of air traffic, the structure of traffic has a significant influence on principal airport fees. Principal airport fee rates for international traffic are higher than those for European traffic, which in turn are higher than those for domestic traffic. For example, between April 1, 2007 and April 1, 2008, the passenger fee paid for a domestic flight was 5.29 euros per outbound passenger, while it amounted to 7.56 euros for a flight to the Schengen area and 13.51 euros for an international flight outside the European Union. Fees for aircraft movements are higher for heavier aircraft (based on maximum take-off weight),
- rates are set primarily on the basis of the number of aircraft movements for different weight classes of aircraft (departure and arrival) and on the number of passengers (departure only). Fees for connecting passengers are reduced by 35% in 2007. No fee is charged for transit passengers, meaning connecting passengers who remain on the same plane.

The increase in fees between 2004 and 2007 was as follows:

Changes	2004	2005	2006	2007
Redevance d'atterrissage	3.4%	4.0%	1.6%	1.7%
Passenger fee	6.5%	4.0%	7.2%	5.8%
Parking fee	9.0%	4.0%	6.7%	5.6%
Fuel fee	5.5%	4.0%	0.0%	0.0%
Weighted average increase	5.5%	4.0%	5.0%	4.25%

Ancillary airport fees are based on a variety of rate mechanisms, and they generally increase in accordance with indexation formulas based on a combination of the French cost of construction index, labor cost index and industrial price index.

For the period between 2006 and 2010, increases in principal airport fee rates and the rates for ancillary fees that are not determined by specific contractual provisions will be determined in accordance with the economic regulation agreement (*Contrat de Régulation Économique* or CRE)

between Aéroports de Paris and the French government, signed on February 6, 2006. For 2006, this increase was set at 3.80% as from April 1, 2008.¹⁰¹

Commercial revenues

Commercial revenues depend significantly on the number of passengers in terminals, as well as on the nature of the traffic. For example, international traffic generates more commercial revenues than domestic traffic. Commercial revenues also depend on the product and service offering, including the amount of space made available for these activities, the attractiveness of the commercial spaces in terms of product positioning and price and the location of shops, bars and restaurants (their proximity to passenger flows and their accessibility).

Other factors also influence the commercial potential of terminals, including reducing the time that passengers are required to spend at security or customs checkpoints (which increases the time available before boarding and makes the overall experience more pleasant), and decreasing terminal saturation.

Commercial revenues are also affected by a number of factors that are beyond the control of the airport operator, including foreign exchange rates (in particular the exchange rate between the euro and the US dollar), the effect of public health policies (which can result in a rise in tobacco and alcohol prices) or changes that affect the number of passengers who can make duty free purchases (for example, the extension of the European Union).

Car park revenues

Car park revenues depend on the amount of time during which cars are parked, the occupancy rate of parking spaces and parking rates. They depend in particular on both the actual and perceived cost of parking to potential customers compared to other modes of transportation, as well as quality factors such as cleanliness, availability of spaces, and access to car parks and terminals.

Rental revenues

Rental revenues depend on the surfaces of land and buildings leased to third parties or made available within the Group. Revenue growth depends principally on the Group's ability to develop new land and building areas for rental. Revenue increases depend on the servicing and renting of new land and the sale of new building complexes. For leased land or existing buildings, changes in revenue depend on the occupancy rate of the land and buildings and the level of rent charged to tenants. The Group's leases typically include escalation clauses based on the French construction cost index.

Energy supply and logistics services

Revenues from industrial services depend on the requirements of companies located in the facilities of Aéroports de Paris for power, fluids and services, as well as the Group's internal needs. The development of new real estate projects can also significantly affect the demand for industrial services. Demand can also be affected by the existence of alternative sources of supply - for example, some companies located in Aéroports de Paris facilities may choose to use their own gas heating systems rather than heat supplied by Aéroports de Paris.

Rates for industrial services are generally specified in annual or multi-year agreements entered into with users. For drinking water supply and waste collection agreements, there are annual price revision clauses. For power, heating and cooling, agreements provide for the quarterly pass-through to customers of supply costs based on market prices for electricity, gas or fuel. In a period of increasing energy prices, the increase in revenues resulting from such indexation mechanisms does not necessarily result in an increase in the margins of Aéroports de Paris, as the cost of energy purchases increases at a similar rate.

¹⁰¹ See 6.3.2.6. "Revenues from the Operation of Airports "

Airport security tax

The airport security tax covers the costs incurred by Aéroports de Paris to implement security measures and other public services. For this purpose, costs include depreciation as well as a return on invested capital. Costs relating to security are accrued as they are incurred. When the total airport security tax for an accounting period is greater than the total cost for that period, the excess is recorded as deferred revenue. When the total tax for an accounting period is lower than the total cost for that period, receivables are booked. Deferred revenues of 2006 million euros and 8.9 million euros, and were fully written back in 2006. Deferred revenue stood at 8.9 million euros as at December 31, 2007.

9.2.3.2. Operating expenses

Operating expenses are presented by type of expense. The most significant operating expense categories are personnel expenses and, to a lesser extent, subcontracting expenses. From 2004 to 2007, personnel expenses represented less than 45% of the Group's operating expenses, and subcontracting expenses represented slightly more than 20%. Taxes, duties and purchases each represented approximately 8% of total operating expenses. The remainder includes costs of studies and external services, external personnel, insurance premiums, travel and corporate events, advertising, publications and public relations.

The level of personnel expenses depends on the Group's hiring policies and compensation practices, which are described below under 9.3.3. "Operating Expenses".

Subcontracting expenses include primarily security costs, cleaning of terminals and public transportation services in terminals (buses). Security costs depend primarily on regulatory requirements regarding screening and access, while the level of the other costs depends on the extent to which new facilities are opened, and the number of flights. All subcontracting expenses are labor intensive, and thus depend on salary levels in the services sector.

Taxes consist mainly of the French professional tax and real estate taxes paid to the municipalities in which the Group's facilities are located. Their level depends on the growth in the tax base (principally the Group's fixed assets), as well as tax rates applied by the relevant municipalities, departments and regions where they are located.

Raw materials and consumables used include primarily the cost of energy and utilities, as well as the Group's share of purchases by Société de Distribution Aéroportuaire, as part of its commercial activity. The recent increase in this item is the result of increased gas prices and the growth in the activity of Société de Distribution Aéroportuaire.

Finally, repair and maintenance costs include preventive and corrective maintenance for facilities and equipment, such as baggage-handling equipment, passenger transportation systems (elevators, walkways, escalators, automatic metro) and jetways, as well as large maintenance projects that are planned several years in advance. These expenses increase with the start-up of new facilities, such as CDGVal or TBE. Prices for maintenance contracts are typically indexed on the building trades index published by the French statistical organization INSEE.

9.2.3.3. Capital investments

The Group's activity requires it to make significant capital investments in airport infrastructure. The Group has initiated a major capital investment program to increase its terminal capacity and to improve the quality of its services in order to take advantage of the anticipated growth in future air traffic. On the regulated scope, Aéroports de Paris informed the economic advisory board for Paris-Orly and Paris-Charles de Gaulle on 19 December 2007 of its investment program for 2008-2012. Since 2011 and 2012 are outside the CRE's period of application, the amounts posted for these years were not subject to contractualization with the State, and must therefore be considered as estimated forecasts.

For 2008-2012, the sum of Aéroports de Paris' investment on the regulated scope is 2,464.4 million euros, in 2008 constant euros. The Group's main capital investments are described under 10.2.4. "Capital Investment" and 5.2.3. "Main Investments Planned or Included in Firm Commitments from the Management Bodies." Outside the context of the CRE, the actual amount of capital investment could be greater or smaller depending on future decisions of Aéroports de Paris or new obligations with which it might be required to comply.

The pace and level of capital investment in new terminal capacity mainly depend upon the anticipated level of growth in traffic. The level of investment in a given year also depends on where in the overall capital investment cycle that year falls. Airport infrastructure investments require advance planning and long lead times for construction. As a result, they are heavily concentrated in the period closely preceding the opening of a new facility, such as a new terminal or a runway. Even in low-cycle periods, however, capital investment must be made to ensure the renewal and renovation of obsolete facilities and to continually adjust existing equipment in order to improve operational and commercial performance.

The implementation of the Group's capital investment program and the related growth in net fixed assets have resulted in increased depreciation and amortization. The depreciation periods for the various categories of the Group's fixed assets are described in note 4.5 to the 2007 consolidated financial statements in Appendix 1 of this document.

9.2.3.4. *Non-current revenues and charges*

The Group presents under the heading "other non-current operating revenues and charges" items of revenues and expenses that by their nature are unusual or non-recurring. To present the Group's results of operations before the impact of these items, the Group presents its "current operating income", meaning operating income before other operating revenues and expenses. In 2006, almost all income and expenses were related to the Aéroports de Paris stock market listing. In 2007, this section included expenses related to the reorganization of ground handling activities.

9.2.4. Employee benefit commitments

The companies of the Group contribute to the general pension system. There is no special pension system applicable to Aéroports de Paris¹⁰². The Group's employee benefit commitments include the one-off payment served for each employee that goes into retirement, obligations under an early retirement plan (which terminated on February 28, 2005), a plan to allow fire fighters to retire at age 55, supplementary health benefits and length of service benefits. Employee commitments (net of assets held to cover those obligations and actuarial gains and losses) are fully provisioned. The aggregate provision for employee benefits as at December 31, 2007 was **411.7** million euros¹⁰³.

¹⁰² See chapter 17.

¹⁰³ See note 13 in the notes to the 2007 consolidated accounts, in appendix 1 to this Registration Document

9.3. Year ended December 31, 2006 compared with the year ended December 31, 2007

9.3.1. Traffic

In 2007, traffic at the airports of Aéroports de Paris was 86.4 million passengers (including transit passengers), an increase of 4.7% compared with 82.5 million passengers in 2006. The number of aircraft movements (including cargo) increased by 1.9%, i.e., 776,801 movements in 2007. The following table sets forth traffic in 2006 and 2007 at Paris-Charles de Gaulle and Paris-Orly:

	31/12/07	31/12/06	% change from 2007/2006
En millions de passagers			
Paris-Charles de Gaulle	59.9	56.8	+5.4%
Paris-Orly	26.4	25.6	+3.2%
Total passagers	86.4	82.5	+4.7%
En nombre de mouvements			
Paris-Charles de Gaulle	543,810	532,961	+2.0%
Paris-Orly	232,991	229,371	+1.6%
Total movements	776,801	762,332	+1.9%

The number of tons of cargo at the two main airports was 2.41 million tons in 2007 (including mail), an increase of 7.5% compared with 2.24 million tons in 2006. Most of the cargo activity and growth was at Paris-Charles de Gaulle, which alone accounted for 95.1% of Group traffic, with 2.30 million tons in 2007¹⁰⁴.

9.3.2. Group revenues (or "income from ordinary activities")

Income from ordinary activities was 2,294.2 million euros in 2007, an increase of 10.4% as compared with 2,076.8 million euros recorded in 2006. Approximately 3% of the Group's income was generated abroad in 2007, mainly by ADP Ingénierie and Aéroport de Paris Management. This is broken down by type of activity as follows:

In millions of euros	31/12/07	31/12/06	2007 / 2006
Principal airport fees	731.7	667.1	+9.7%
Ancillary airport fees	105.9	97.9	+8.2%
Commercial revenues	343.2	286.4	+19.8%
Parks and access	150.3	144.2	+4.2%
Energy supply and logistics services	68.7	68.7	+0.0%
Taxe d'aéroport	366.4	356.3	+2.8%
Rental revenues	205.5	176.3	+16,6%
Ground handling assistance	138.1	126.2	+9.4%
Other revenues	182.7	153.6	+18.9%
Consolidated Revenue	2,292.4	2,076.8	+10.4%

¹⁰⁴ See 6.2.2 "Air passenger traffic worldwide and in France" and 6.2.4 "Growth in cargo traffic"

The table below shows the breakdown of consolidated revenue by segment.

In millions of euros	31/12/07	31/12/06	2007 / 2006
Airport services	1,836.9	1,726.4	+ 6.4%
<i>of which external revenue</i>	1,714.4	1,627.3	
Real estate	194.2	175.7	+ 10.5%
<i>of which external revenue</i>	143.4	127.6	
Ground handling and related services	195.3	177.1	+ 10.3%
<i>of which external revenue</i>	138.1	126.2	
Other activities	326.9	226.3	+ 44.4%
<i>of which external revenue</i>	296.6	195.8	
Intersegment eliminations	-260.9	-228.7	+ 14.1%
Consolidated revenue	2,292.4	2,076.8	+ 10.4%

Airport services

Income from ordinary activities in the Airport services segment was 1,836.9 million euros, an increase of 6.4% on 2006. This income was split between Paris-Charles de Gaulle, 1,335.3 million euros (7.5%), Paris-Orly, 468.7 million euros (2.7%), and the other airports, 32.9 million euros (20.1%). It is broken down by activity as follows:

In millions of euros	31/12/07	31/12/06	2007 / 2006
Principal airport fees	731.7	667.1	+ 9.7%
Ancillary airport fees	112.2	103.7	+ 8.3%
Commercial revenues	230.0	210.8	+ 9.1%
Parks and access	150.4	143.8	+ 4.5%
Energy supply and logistics services	69.2	68.8	+ 0.7%
Taxe d'aéroport	366.4	356.3	+ 2.8%
Rental revenues	82.7	70.4	+ 17.4%
Other revenues	94.3	105.5	- 10.6%
Total	1 836.9	1 726.4	+ 6.4%

The 9.7% increase in revenue from **principal airport fees** (passenger fees, landing fees, aircraft parking fees, fuel fees and lighting fees) to 731.7 million euros, is a reflection of the increase in passenger traffic (4.7%) and in aircraft movements (1.9%), as well as the application of the 4.25% price increase since April 1, 2007.

Revenue from **ancillary airport fees**, a segment including ancillary fees (baggage-handling, check-in counters, de-icing) and other services (official welcomes, hire of networks), increased by 8.3% to 112.2 million euros.

Revenue from baggage handling facilities increased significantly, benefiting from the increase in the volume of baggage processed, the price increase applied since April 1, 2007 and the full-year effect of the implementation of the baggage handling system in terminal 2E at Paris-Charles de Gaulle.

De-icing revenue declined 7.8% for the whole of 2007 as a result of the sharp drop in volumes handled. The increase in the number of de-icing observed since October 2007, only partially offset the sluggishness of the beginning of the year given the particularly mild winter of 2006-2007.

Revenue from **commercial activities** (shops, bars and restaurants, car rental and advertising) increased 9.1% to 230 million euros.

Restricted area shops grew 12.5% as a result of increased passenger traffic and a sharp growth in business. These excellent results are a sign of the relevance of the program to expand retail floor space, which increased by more than a third between 2006 and 2007, going from 16,300 sq.m to 21,800 sq.m. The shops in the La Galerie Parisienne terminal extension showed excellent performance.

Bars and restaurants confirmed their growth over the year, with a 13.6% increase in revenue. Their surface area increased by more than 10% and went from 18,700 sq.m in 2006 to 20,700 sq.m in 2007.

Car park and access revenues rose by 4.5% to 150.4 million euros despite the removal of a subsidy from the *Syndicat des Transports d'Ile-de-France* (STIF) which was accounted for in this budget item since the commissioning of the CDG Val on April 1, 2007. Despite this impact, the activity confirmed its sound performance and increased by 9.5%. Hourly rates and subscriptions continued to increase.

Revenue from **industrial services** (supply of energy, fluids etc.) increased by 0.7% to 69.2 million euros. There was an increase in all services in 2007, except for heating sales, air-cooled comfort and refrigeration. These sales suffered from the decrease in the price of thermal energy (variable portion), which is pegged to the purchase price of gas and the smaller volumes of thermal power sold during the particularly mild winter of 2006-2007.

Income from **airport security tax**, mainly for financing security activities rose 2.8% at 366.4 million euros.

Leasing revenues from leases of spaces inside terminals grew sharply by 17.4% over the year, to stand at 82.7 million. This growth is the result of the indexing of prices on the construction cost index (a 7.05% index applied since January 1, 2007) and the leasing of new terminal areas in Paris-Charles de Gaulle, especially in the La Galerie Parisienne, during the second half of 2007.

Other revenues are down 10.6% at 94.3 million euros. This is the result of a reduction in the services provided to the Civil Aviation Authority and the full-year impact of the end of the Aérobus service in June 2006.

Real estate

The excellent performance of income from the **Real Estate** segment in **2007**, which rose 10.5% to 194.2 million euros, is the result of the combination of several factors:

- the increase in rents (indexed on the construction cost index, which went up 7.05% on January 1, 2007),
- the full-year impact of the commercial operations of new premises rented in 2006 (the Air France Hub maintenance center, the West maintenance base for the future A380 aircraft, and the FedEx logistics center at the Paris-Charles de Gaulle airport),
- the beginning of commercial operations, as from July 1, 2007 of a new cargo terminal, GB2, at the Paris-Charles de Gaulle airport. The start of commercial operations in the GB2 terminal was accompanied by the renting of additional space in terminal GB4,
- the renegotiation and regularization of some of our prices, together with improved invoicing.

Ground handling and related services

Revenue from **Ground handling and related services** was 195.3 million euros, up by 10.3%. All activities (ground handling, security, other activities) performed well in terms of revenue.

Ground handling income rose 8.3%, boosted by new contracts awarded in 2006 and 2007, in particular with the airlines Vueling, Varig, Fly Niki and BMI Baby at Paris-Charles de Gaulle and TUI at sur Paris-Orly, against a backdrop of fierce competition.

Other activities

Income from the **Other activities** segment rose 44.4% in 2007, to 326.9 million euros.

Société de Distribution Aéroportuaire, which is jointly owned with Aelia, an airport retail specialist and a subsidiary of the Hachette group, manages retail outlets specialized in alcohol, perfume and cosmetics of all the Aéroports de Paris terminals as well as the shops dedicated to gastronomy in terminal 2F. It posted a revenue of 163.6 million euros, up 63.9%. The extension of the scope of activities (excluding gastronomy) to terminal 3 of Paris-Charles de Gaulle since November 1, 2006 and to the two terminals of Paris-Orly (Orly Sud and Orly Ouest) since January 1, 2007 resulted in a perimeter effect of 46.7%. The perimeter effect excluded, the contribution of Société de Distribution Aéroportuaire to Group revenue rose 17.2%, a reflection of the boom in restricted area retailing.

Hub télécom posted revenue of 84.6 million euros, up 14.4%. BGI Technologie, a Lyon-based company, which specializes in mobility solutions for companies (with in particular, traceability, geolocation and video surveillance appraisals) and was acquired on July 12, 2007, recorded activity that was in line with forecasts. Hub telecom posted growth of 6.9%, excluding the perimeter effect.

ADP Ingénierie, a subsidiary that provides design, architecture and engineering services outside France, recorded exceptional growth in 2007 with revenues up 90.5% at 64 million euros. This performance is a reflection of its commercial successes, in particular in the Middle East (in Jeddah, Saudi Arabia with the rehabilitation of the Hajj terminal and the extension of the North and South terminals, in the Sultanate of Oman), Africa (signing of new contracts in Libya for the Tripoli, Benghazi and Sebah airports), Asia (in Islamabad, Pakistan) and in South America (Bogota, in Colombia).

The revenue generated by **Aéroports de Paris Management**, a subsidiary specializing in airport management and the acquisition of interests in airport companies, rose 32.8% to stand at 10.6 million euros. This was due to the signing of new contracts together with the acquisition of minority interests, in particular the 25-year operating contract for the Queen Alia airport in Amman, Jordan and the management contract for the Hajj Terminal of the Jeddah airport in Saudi Arabia.

Revenue generated by **Aéroports de Paris SA** dropped sharply as a result of the transfer to the Airport Services segment of the fees of GSM telephone operators (4.4 million euros) and the non-recurrent nature of the the payment by a client of an export claim amounting to 1.5 million euros in 2006.

9.3.3. EBITDA trend

In millions of euros	31/12/07	31/12/06	2007 / 2006
2006 revenue	2,292.4	2,076.8	+ 10.4%
Own work capitalized	41.0	43.1	-4.9%
Current expenses	- 1,595.4	- 1,470.7	+ 8.5%
Other income and expenses	16.3	15.4	6.1%
EBITDA	754.4	664.7	13.5%
EBITDA / Revenue	32.9%	32.0%	+ 0.9 pt

In 2007, the Group's ordinary operating expenses (excluding depreciation and amortization) increased by 8.5% to reach 1,595.4 million euros (69.6% of revenues), as compared with 1,470.7 million euros in 2006 (or 70.8% of revenues). The expenses are broken down as follows:

In millions of euros	31/12/07	31/12/06	2007 / 2006
Purchases	147.3	121.6	+ 21.2%
External services	580.2	524.6	+ 10.6%
<i>Of which subcontracting</i>	341.8	307.6	+ 11.1%
Personnel Expenses	652.2	648.1	+ 0.6%
Taxes other than income tax	145.5	128.5	+ 13.2%
Other Operating charges	70.2	48.1	+ 46.2%
Total current expenses	1,595.4	1,470.7	+ 8.5%

The **Group's purchases consumed** rose 21.2%. The entire increase was due to Société de Distribution Aéroportuaire whose sales reached 65.6 million euros against 40.1 million euros in 2006. This sharp increase was due to the extension of the joint venture's activity to terminal 3 of Paris-Charles de Gaulle as from 1 November 2006 and to the two Paris-Orly terminals as from January 1, 2007. Conversely, fuel purchases dropped as a result of the mild winter in 2007, at 20.2 million euros, compared with 23.8 million euros in 2006.

External services revenues climbed 10.6% at 580.2 million euros. The main principal expenditure item was subcontracting, which increased by 11.1%. This is due, in particular to the increased subcontracting of security services after the Galerie Parisienne terminal extension was opened on June 27, 2007 and the reinforcement of security measures since November 2006 and the considerable development of the business of the subsidiary ADP Ingénierie. Maintenance expenditure rose 12.5%, mainly from the maintenance of infrastructure commissioned at the Paris-Charles de Gaulle airport in 2007.

Personnel expenses increased by 0.6% to 652.2 million euros, mainly due to increased staff numbers at subsidiaries (21.1%), while the headcount at the parent company dropped by 1.6%.

	31/12/07	31/12/06	2007 / 2006
Personnel expenses (in million euros)	652.2	648.1	+ 0.6%
Average headcount	11,381	10,816	+ 5.2%
ADP SA	7,451	7,571	- 1.6%
<i>of which ground handling</i>	636	697	- 8.8%
Alyzia Group	2,957	2,502	+ 18.2%
Rest of the Group	973	743	+ 31.0%
Total	11,381	10,816	+ 5.2%

The staff increase at the Alyzia group was a result of the organic growth of the subsidiary and the continuation of the transfer of ground handling activities from Aéroports de Paris SA as well as the development of activities of Alyzia Sûreté due to the full-year effect of the security contracts signed (111 staff).

The staff increase at other subsidiaries (230) was mainly due to increases in Société de Distribution Aéroportuaire staff (145), ¹⁰⁵ in turn mainly caused by the extension of the scope of activity and by staff increases at ADP Ingénierie (68) as a result of an increase in activity in the course of the year, nearly half of which concerned staff on local contracts.

¹⁰⁵ Aéroports de Paris portion

The increase in personnel charges for the parent company is due to:

- drop in the average headcount (1.6%),
- Increases resulting from seniority or technical advancement of employees (2.1%),
- the increase in salaries (1.8%),
- the drop in provisions for employee benefits, net of reversals,
- the drop in charges linked to the early retirement memorandum of understanding (PARDA),
- the increase in supplemental health insurance charges linked to the new agreement on the reimbursement of health expenses signed in 2007¹⁰⁶.

Taxes other than income tax rose 13.2%. Business tax amounted to 55.1 million euros. Since 2007, it has been capped at 3.5% of added value for Aéroports de Paris SA. Real estate taxes were 40.5 million euros, a 6.1% increase due to increases in tax rates and bases. To a lesser extent, the impact of the new security and airfield operational safety fees payable to the civil aviation authority (DGAC) since 2006 accentuated the phenomenon, amounting to 3.9 million euros, compared with 1.1 million euros in 2006.

Other operating charges include expenses related to the tax audit, which was fully covered by the reversal of the provision created for this purpose on December 31, 2006 and posted under "other current operating revenues and charges" (see below), as well as the negative impact of the shortening of the payment schedule of a lease contract for a hangar of the real estate segment (14.8 million euros). This loss corresponds to the decrease in the present value of future minimal payments linked to this contract. In 2006, the other operating charges had been affected by the loss on irrecoverable credits of Air Lib amounting to 21.2 million euros, which was fully covered by the reversal of provisions already recorded.

Other current operating revenues and charges

They comprise, in particular, penalties imposed on suppliers, impairment of receivables, net of reversals, as well as **provisions for liabilities and charges net of reversals**. These amounted to 4.7 million euros as against 38.5 million euros in 2006. Allowances for the period stood at 39.3 million euros, and concerned diverse customer, supplier and labor litigation for an amount of 9.6 million euros, as well as provisions for customer and supplier risks of 29.7 million euros. Reversals for the period were 34.6 million euros. Reversals of provisions used, which amounted to 25.8 million euros, include a provision for tax, for which the corresponding expense was posted under "other operating charges" (see above) and customer and supplier disputes settled during the period. Provisions no longer relevant, stood at 8.8 million euros.

Gross margin trend

The increase in EBITDA reflected the combined effect of the significant increase in revenues compared to the more moderate increase in operating expenses. This increase puts up the gross margin by 0.9 point. It was 32.0% in 2006, and 32.9% in 2007.

9.3.4. Change in current operating income and operating income

In millions of euros	31/12/07	31/12/06	2007 / 2006
EBITDA	754.4	664.7	+ 13.5%
Depreciation and amortization	- 312.4	- 273.9	+ 14.1%
Current operating income	442.1	390.9	+ 13.1%
ROC / CA	19.3%	18.8%	+ 0.5 pt
Other operating revenues and charges	- 38.7	- 57.0	- 32.1%
Operating income	403.3	333.9	+ 20.8%

¹⁰⁶ See 2. "Significant events of the fiscal year"

Current operating income jumped 13.1% to 442.1 million euros. The sharp increase in **depreciation charges** was due to the major projects commissioned in 2007, in particular the Galerie Parisienne terminal extension, the east baggage handling system (TBE), the CDGVal automatic shuttle service and the rehabilitation of the second quarter of terminal 1 at the Paris-Charles de Gaulle airport and the full-year effect of projects commissioned in 2006.

The ratio of current operating income to revenue thus increased by 0.5 points from 18.8% in 2006 to 19.3% in 2007.

The negative balance of **other operating income and charges** was 38.7 million euros, mainly comprising the provision related to the reorganization of ground handling activities. In 2006, this line item consisted of charges relating to the IPO, amounting to 52.8 million euros.

After the impact of these non-recurring items, **operating income** rose 20.8% to 403.3 million euros as against 333.9 million euros in 2006.

The ratio of operating income to revenue rose 1.5 points from 16.1% in 2006 to 17.6% in 2007.

Current operating income by segment

The increase in the Group's total current operating income in 2007 was led by the Airport services segment, which recorded a 13.1% increase. The table below shows the Group's operating income from ordinary activities by segment.

In millions of euros	31/12/07	31/12/06	2007 / 2006
Airport services	462.7	426.2	+8.6%
Real estate	49.0	43.7	+12.2%
Ground handling and related services	(11.9)	(17.4)	-31.7%
Other activities	21.5	17.5	+22.4%
Eléments non affectés *	(79.2)	(79.1)	+0.1%
Current operating income	442.1	390.9	+13.1%

* *Mainly head office expenses*

In the Airport services segment, the increase in current operating income reflects sound performance by the two main Group platforms: the current operating income of Paris-Charles de Gaulle increased by 2.3% to 348.4 million euros while that of Paris-Orly rose 26.3% at 111.9 million euros.

The current operating income of the Real estate segment increased by 12.2% to 49 million euros in 2007 as compared with 43.7 million euros in 2006. The operating charges of the segment were negatively impacted by two non-recurrent elements:

- the review of the payment schedule for the lessor finance lease of a hangar (-14.8 million euros)¹⁰⁷,
- exceptional depreciation charges for the rehabilitation and demolition of old buildings: 4.2 million euros for fiscal 2006 and 1.2 million euros for 2007. Without this non-recurring item, depreciation would have increased by 4.8%.

If we exclude these two one-off items, current operating income for the segment would be 65 million euros in 2007 compared with 47.9 million euros in 2006 and the margin rate would be 33.5% and 27.3% respectively, representing a 6.2 point increase.

Despite the good performance of revenue for the period, current operating income of the Ground handling and related services segment continued to post a loss of 11.9 million euros in 2007 compared with a current operating loss of 17.4 million euros in 2006. This situation led the Group to reorganize this activity in 2007¹⁰⁸.

The contribution of Société de Distribution Aéroportuaire to current operating income jumped 151.6% at 10.4 million euros, while that of Hub télécom remained stable compared with 2006 at 7.6 million euros. ADP Ingénierie's contribution was 3.5 million and that of Aéroports de Paris Management stood at 0.8 million euros.

9.3.5. Net income trend

Financial income amounted to 24.2 million euros as against a loss of 84.5 million euros in 2006.

¹⁰⁷ See 9.3.3. "EBITDA trend – Other operating charges"

¹⁰⁸ See 6.3.4. "Ground handling services" and the note 3.1.1. from the notes to the consolidated accounts published in the appendix 1 to the present Registration document

The *gross cost of financial debt*, which was stable compared to 2006 at 102.7 million euros, corresponds to the cost of net financial debt (84.5 million euros compared with 87.2 million euros in 2006) before profits on cash equivalents (see below). It was affected in particular:

- by the negative impact of the increase in interest rates¹⁰⁹ and therefore of the weight of the variable-rate debt of approximately 11.1 million euros,
- It was partly offset by the decrease in financial charges of approximately 9.3 million euros thanks to the repayment of three loans (two in 2006 for a total amount of 306 million euros and one in 2007 for an amount of 68 million euros).

Cash equivalent Profits rose 3.1 million euros to 18.2 million euros, mainly due to income from investments made after the capital increase of June 2006 and the disposal of BCIA securities by Aéroports de Paris Management on 26 February 2007.

This sale generated a pre-tax capital gain of 109.8 million euros, which raised other financial income and charges significantly, to 108.7 million euros, compared with 2.7 million euros in 2006.

Group income tax increased 6.7% to 107.6 million euros, and the apparent rate of tax was 25.2% as against 40.4% in 2006. The relatively low level of this tax rate is mainly derived from the impact of the reduced taxation on the capital gain on the sale of BCIA securities which were subject to the general law rate of only 5% of the amount.

Group share of net income climbed 111.5% at 321.8 million euros. Without the impact of non-recurring items (IPO costs, costs resulting from the accident of terminal CDG 2E, effect of transfer of air navigation assets, provision for the reorganization of ground handling and the disposal of BCIA securities), net income would have been 239 million euros in 2007 compared with 200.6 million euros in 2006, representing a 19.2% increase. The table below breaks down the change from net income to net income excluding non-recurring items:

In millions of euros	31/12/07	31/12/06	2007 / 2006
Net income (loss)	321.8	152.1	+ 111.5%
IPO	-	52.8	<i>ns</i>
Charge related to the terminal 2E accident	2.6	4.2	- 37.7%
Transfer of assets air navigation assets	-	- 0.6	<i>ns</i>
Provision for reorganization of ground handling	36.1	-	<i>ns</i>
Capital gains on the disposal of BCIA securities	- 109.8	-	<i>ns</i>
Tax impact	- 11.8	- 7.9	+ 48.3%
Net income, excluding non-recurring items	239.0	200.6	+ 19.2%

¹⁰⁹ The average 3-month Euribor rate went up from 3.08% in 2006 to 4.23% in 2007.

CHAPTER 10 LIQUIDITY AND CAPITAL RESOURCES

10.1. Overview

The Group's cash needs are covered by significant cash flow from operating activities, supplemented over normal periods of time by bonds and bank loans, and in 2006 by a share capital increase. The Group's liquid resources are mainly used to finance its capital investment program, which is intended to increase the capacity of the Group's airports to accommodate the anticipated growth of traffic, to improve the quality of services offered by the Group and to develop the Group's commercial and real estate business.

In 2007, the improvement in cash flow from operating activities (700.4 million euros as against 551.7 million euros in 2006), was due to three factors: the increase in Group EBITDA as described in chapter 9, the increase in working capital requirements and a decrease in tax.

The decrease in cash flow from investment activities was smaller (442.8 million euros instead of 555.5 million euros in 2006), and was affected by two significant elements: investments in property, plant and equipment and intangible assets, which remained high at 732.1 million euros compared with 712.5 million euros in 2006), and conversely, income generated from the sale of BCIA securities for an amount of 189.9 million euros.

Cash flow from financing activities dropped to -252.9 million euros as against + 125.6 million euros in 2006. In 2006, it increased after the listing on the Paris Stock Exchange in June, amounting to 583.5 million euros.

Net debt dropped to 1,782 million euros as against 1,859.7 million euros in 2006. The net debt to equity ratio dropped to 0.60 compared with 0.67 in 2006.

10.2. Cash flow

The table below shows the simplified cash flow statement:

In millions of euros	31/12/07	31/12/06	2007 / 2006
Cash flow from operating activities	700.4	551.8	+ 26.9%
Cash flow from investment activities	-442.8	-555.5	- 20.3%
Cash flow from financing activities	-252.9	125.6	<i>ns</i>
Change in cash	4.7	121.8	-96.1%
Cash at the beginning of the year	503.1	381.3	+ 31.9%
Cash at the end of the year	507.8	503.1	+ 0.9%

10.2.1. Cash flow from operating activities

In millions of euros	31/12/07	31/12/06	2007 / 2006
Operating income	403.3	333.9	+ 20.8%
Amortization and reserves	335.4	328.8	+ 2.0%
COST OF BENEFITS TO EMPLOYEES (OFFERING RESERVED FOR EMPLOYEES)	-	33.3	ns
Differences in the payment of compensation for terminal 2E	-	41.4	ns
Other flows without an impact on cash	1.2	-1.5	ns
Cash flow before tax	740.0	735.9	+ 0.5%
Change in working capital requirement	47.6	- 73.6	-164.6%
Taxes paid	- 87.1	- 110.6	- 21.2%
Cash flow from operating activities	700.4	551.8	+ 26.9%

Cash flow before tax

The Group's operating cash flow before changes in working capital and tax was 740 million euros as against 735.9 million euros in 2006. This increase was primarily the result of two opposing factors:

- operating income climbed 20.8% at 403.3 million euros,
- charges without an impact on cash dropped 72 million euros because in 2006, they included non-recurring items: 33.3 million euros related to the cost of benefits granted to employees under the offering reserved for employees, as well as 41.4 million euros related to the differences in the payment of insurance benefits received for the accident in terminal 2E of the Paris-Charles de Gaulle airport.

Change in working capital requirement

The change in working capital requirement of 2006 had been affected by the non-recurring items linked to the offer reserved for employees during the listing of the Company on the Stock Exchange. In 2007, this figure mainly reflected the increase in activity.

10.2.2. Cash flow from investment activities

In millions of euros	31/12/07	31/12/06	2007 / 2006
Property, plant and equipment and intangible assets	- 732.1	- 712.5	+ 2.8%
Proceeds from the sale of non-consolidated holdings	189.9	0.3	ns
Proceeds from the sale of property, plant and equipment	6.0	147.7	- 95.9%
Other cash flow from investment activities	93.5	9.0	+ 938.9%
Cash flow from investment activities	- 442.8	- 555.5	- 20.3%

Investments in property, plant and equipment and intangible assets

Investments in property, plant and equipment and intangible assets rose from 712.5 million euros in 2006 to 732.1 million euros. Substantially all such capital expenditures were made in respect of property, plant and equipment.

These were as follows:

In millions of euros	31/12/07			31/12/06		
	Aéroports de Paris	Subsidiaries	Groupe	Aéroports de Paris	Subsidiaries	Groupe
Development of capacity	400.5	16.8	417.3	370.2	16.5	386.7
Restructuring	58.7	-	58.7	46.2	-	46.2
Renovation and quality	137.5	3.2	140.7	152.4	3.0	155.4
Real estate development	17.3	-	17.3	16.4	-	16.4
Security	29.0	-	29.0	41.1	-	41.1
Design and supervision of works	69.1	-	69.1	66.7	-	66.7
Total	712.1	20.0	732.1	693.0	19.5	712.5

For the second year running, Group investments were high at 732.1 million euros, a slight increase compared with 2006. This high level reflects the continuation of capacity development and rehabilitation projects initiated by Aéroports de Paris.

Investments were made at the **Paris-Charles de Gaulle** airport for the following projects:

- the commissioning of the CDGVal automatic shuttle in April 2007 to connect terminals 1 and 2,
- the end of the Galerie Parisienne project which was inaugurated on 27 June 2007,
- the first phase of the rollout of the Tri Bagages Est handling system in October 2007,
- the continuation of the project to rebuild the terminal 2E boarding platform scheduled to open at the end of March 2008,
- the continuation of the regional terminal T2G scheduled to open in September 2008,
- continuation of the rehabilitation of terminal 1 with the opening to the public of the second quarter renovated in May 2007 and the launch of the third quarter scheduled to open at the end of March 2008,
- the beginning of studies relating to the S4 satellite, the future boarding room parallel to the Galerie Parisienne that is due for commissioning in the third quarter of 2012,
- the beginning of studies relating to the extension of the TBE baggage handling system scheduled for commissioning in 2013.

Investments at the **Paris-Orly** airport mainly concerned the continuation of the reconfiguration of the Orly Sud international circuits.

With respect to subsidiaries, Hub télécom continued its investments in new technologies (VOIP, mobility) and media (cable networks), to the tune of 11.9 million euros. Société de Distribution Aéroportuaire invested approximately 5 million euros in its various retail outlets, in particular the shops in the Galerie Parisienne terminal extension.

Proceeds from the sale of holdings

They were made up exclusively of the price of disposal of BCIA securities. The losses on exchange, posted under financial charges, brought the net proceeds of this sale down to 188.9 million euros. In 2006, proceeds from the sale of fixed assets corresponded to the transfer to the French government of air navigation assets (control tower, control centers) and buildings used by public services such as the police and customs authorities.

Other cash flow from investment activities

These correspond mainly to supplier debts on the acquisition of fixed assets, which increased as a result of the large volume of investments made during the year.

10.2.3. Cash flow from financing activities

In millions of euros	31/12/07	31/12/06	2007 / 2006
Proceeds from the issue of shares	-	583.5	<i>ns</i>
Interests paid	- 160.6	- 151.1	+ 6.3%
Dividends paid to shareholders of the parent company	- 93.0	- 63.2	+ 47.2%
Reimbursements of long-term loans	- 78.2	- 316.2	- 75.3%
Financial income received	77.6	64.5	+ 20.4%
Other cash flow from financing activities	1.3	8.1	- 84.0%
Cash flow from financing activities	- 252.9	125.6	<i>ns</i>

Cash flows from financing activities dropped by 378.5 million euros. Cash flow for 2006 had increased with the net income from the share issue following the capital increase of 583.5 million euros, while there were 316.2 million euros of loan reimbursements.

10.3. Financing

The Group's outstanding debt in 2007, including financial derivatives, amounted to 2,353.5 million euros, compared with 2,428.7 in 2006. Net debt decreased to 1,782 million euros compared with 1,859.7 million euros in 2006.

The net debt to equity ratio dropped to 0.60 compared with 0.67 in 2006.
The net debt to EBITDA also dropped to 2.4 compared with 2.8 in 2006.

The following table sets forth the Group's net debt as at December 31, 2006 and December 31, 2007.

In millions of euros	Total at 31/12/07	Total at 31/12/05
Bonds	1,673.9	1,683.8
Bank loans	546.3	618.5
Accrued interest	66.0	66.5
Other	55.5	50.7
Loans and financial debt, excluding derivatives	2,341.8	2,419.5
Derivative financial instruments in a liability position	11.7	9.2
Loans and financial debts	2,353.5	2,428.7
Derivative financial instruments in an asset position	- 47.5	- 59.8
Cash and cash equivalent	- 524.1	- 509.2
Net debt	1,782.0	1,859.7

The contractual residual maturities of financial liabilities are broken down as follows:

In millions of euros	Total at 31.12.2007	Contractual maturities as at 31/12/2007	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Bonds	1,673.9	1,652.4	152.4	-	450.0	400.0	350.0	300.0
Bank loans	546.3	558.0	78.0	-	-	-	-	480.0
Interest on loans	66.0	599.2	111.1	101.3	101.1	75.2	53.6	156.8
Other	55.5	55.6	25.0	4.7	2.7	2.2	1.7	19.4
Loans and financial debt, excluding derivatives	2,341.8	2,865.2	366.5	106.0	553.8	477.4	405.3	956.2

The debt is practically entirely euro-denominated.

In fiscal 2007, Aéroports de Paris reimbursed 68.6 million euros of Caisses d'Épargne 1997 loans.

The subsidiaries of Aéroports de Paris did not take out any loans.

The weighted average interest rate on the Group's debt was 4.46% per annum before hedging and 3.81% after hedging.

As at December 31, 2007, after accounting for interest rate swaps, nearly 69% of Group debt ¹¹⁰ was at a fixed rate (58% in 2006). The interest rate was 76% before accounting for hedging swaps (74% at 2006).

Liquidity risk is described in paragraph 10.7. "Market risks - liquidity risk".

10.4. Shareholders' equity

Group shareholders' equity was 2,952 million euros as at December 31, 2007 compared with 2,786.8 million euros as at December 31, 2006.

The main trends for fiscal 2007 were as follows:

- reversal of the fair value reserve previously recognized on the BCIA securities for 70.7 million euros after they were sold in February 2007,
- payment of a 93 million euro dividend, i.e. 0.94 euros per share, in accordance with the third resolution of the Annual General Meeting of 29 May 2007,
- buyback of treasury shares for 3.7 million euros.

10.5. Group commitments

Investment commitments

The only investments covered by firm commitments by Aéroports de Paris are those described in the CRE. These investments are detailed in paragraph 5.2.3. "Main Investments planned or included in firm commitments from the Management Bodies relating to the regulated scope".

Off-balance sheet commitments

These were as follows:

In millions of euros	As at 31/12/07	As at 31/12/2006
Irrevocable commitments to acquire assets	172.0	435.5
First request guarantees	29.3	11.2
Guarantees	6.6	13.7
Asset and liability warranties	2.8	2.9
Other	9.9	4.1
Total	220.7	467.4

¹¹⁰ The creation of cancellable swaps changed the breakdown between fixed rate and floating rate in the last quarter of 2007. The breakdown was as follows as at December 31, 2007: fixed rate 80% / floating rate 20%

Irrevocable commitments to acquire assets presents as follows:

In millions of euros	As at 31/12/07
Capacity investment	68,3
Restructuring investment	30,1
Current investment	37,4
Real estate investment	5,9
Security investment	12,4
Cost of studies and supervision of works	16,1
Other	1,8
Total	172,0

First request guarantees were granted exclusively by the subsidiaries ADP Ingénierie and Aéroports de Paris Management for their proper performance. The increase recorded in 2007 is related to the strong growth of these companies during the year. Guarantees correspond primarily to guarantees granted for employee loans. Asset and liability guarantees warranties relate to the sale in 2005 of the securities of France Handling.

Employee benefit commitments

The Group's employee benefit commitments, before deducting the value of reserve assets, amounted to 347 million euros as at December 31, 2006 as against 416,7 million euros as at January 1, 2006. These commitments include severance pay, obligations under an early retirement plan, a plan to allow fire fighters to retire at age 55, supplementary health benefits and length of service benefits for the aeronautic industry¹¹¹.

Employee benefit obligations (net of deferred actuarial gains and losses) are covered by provisions or, to a lesser extent, by reserve assets. As at December 31, 2007, provisions for employee benefit commitments were 411.7 million euros.

10.6. Investment properties

An assessment of the Group's investment properties as at December 31, 2007 established a fair value of 1,063.3 million euros¹¹² as compared with 1,076.6 million euros as at 31 December, 2006. The difference was primarily the result of a decrease in the discount rate (5.85% as at December 31, 2007 as against 5.02% as at December 31, 2006), because of the change in the parameters that make up this discount rate (in particular the increase of interest rates without a reference risk, the increased volatility of real estate companies taken into account in the reference sample as well as the increase in the market risk premium. The net book value of investment properties amounted to 274.3 million euros as at December 31, 2007 and 284.2 million euros as at December 31, 2006.

Investment properties are real estate properties (land, buildings, real estate complexes or a portion of any of them) held for the purpose of rental to third parties and/or with a view to a capital gain. In contrast, buildings occupied by Aéroports de Paris for its own needs (head office, administrative buildings or operating buildings) are not investment properties, but are instead operating assets recorded in the balance sheet as tangible fixed assets. Vacant buildings that are not planned for use by Aéroports de Paris for its own needs are included in investment properties. Buildings that are used both for investment property purposes and for Aéroports de Paris activities are classified as investment properties when more than half of the surface area is used for purposes falling within the definition of investment properties.

¹¹¹ A detailed description of the Group's employee benefit commitments and the main assumptions used to determine their amount appears in note 13.2.3 to the 2007 consolidated financial statements, in appendix 1 to this Registration Document.

¹¹² The methodology is described in note 4.6 to the 2007 consolidated financial statements attached as appendix 1 of this document

The valuation does not take into account the 70-year legal requirement that Aéroports de Paris pay to the French government 70% of any capital gains realized from the sale of properties underlying closed airport facilities (after taking into account land remediation costs).¹¹³

10.7. Market risks

The most significant market risk to which the Group is exposed is interest rate risk related to the Group's debt.

These risks are described in notes 5 and 32 of the appendix to the consolidated accounts in appendix 1 of this Registration Document.

Interest rate risk

See note 32.2.1 "Interest rate risks" in the notes to consolidated financial statements attached as Appendix 1 to this Registration Document.

In addition to its operating cash flow, Aéroports de Paris may use debt to finance its investment program. Debt at 31 December, 2007, excluding interest accrued and financial derivatives (liabilities), was 2,275.7 million euros, and was mainly composed of bonds and bank debt.

Interest rate risk relating to the debt is managed by adjusting the fixed and floating rate proportions to market trends. The management of this risk is based on the setting up or cancellation of interest rate swap operations. Aéroports de Paris' interest rate exposure is mainly due to its financial debt and, to a lesser extent, its interest rate derivative portfolio.

The Group's policy consists in managing its interest expense by using a combination of fixed rate and floating rate loans. The aim of this policy is to have 50 to 100% of fixed rate debt. That is why the Group has set up interest rate swaps with which it exchanges, at defined intervals, the difference between the amount of fixed rate interest and that of floating rate interest, calculated on a nominal loan amount agreed between the parties. These swaps are assigned to the hedging of loans. As at 31 December 2007, after accounting for interest rate swaps, roughly 69%¹¹⁴ of Group debt was at a fixed interest rate (58% in 2006).

Aéroports de Paris is exposed to fluctuations in future finance expenses on variable-rate instruments. A change in interest rates on the balance sheet date would increase (decrease) shareholders' equity and profits by the amounts given below. For the requirements of this analysis, all other variables, in particular exchange rates, are supposed to remain constant.

At constant net debt, a change of 1% (100 basis points) in the market interest rate at the end of the year would increase the annual financial charges by 7.4 million euros. As at 31 December 2006, a similar change would have increased annual financial charges by 10.1 million euros.

Aéroports de Paris holds only interest rate swaps and cross-currency swaps for a fair value of 47.50 million euros recognized as assets in "Other current financial assets", and 11.7 million euros recognized as liabilities in "Current debt".

Foreign exchange risk

See note 32.2.2 "Exchange rate risks" in the notes to consolidated financial statements attached as Appendix 1 to this Registration Document.

¹¹³ See 6.6.2.4. "Business - ownership of assets, retrocession of a portion of the capital gain in case of shutting-down to public air circulation of all or part of an airfield operated by Aéroports de Paris and encumbrances."

¹¹⁴ Implementation of the cancellable swaps altered the fixed rate / variable rate distribution during the last quarter of 2007. At December 31, 2007 distribution was as follows: fixed rate 80% / variable rate 20%.

The Group is generally not very exposed to foreign exchange risks. The breakdown of financial assets and liabilities by foreign currency is as follows:

In millions of euros	As at 31/12/07	Euros	USD	MXN	Other currencie s
Total financial assets, of which:	1,171.0	1,134.5	25.4	5.1	6.0
Trade notes and accounts receivable	478.2	468.8	6.1	0.1	3.2
Cash and cash equivalent	524.1	509.5	11.6	0.3	2.7
Total financial liabilities, of which:	2,970.4	2,962.5	2.7	-	5.3
Non-current debt	2,030.5	2,030.5	-	-	-
Trade notes and accounts payable	507.3	500.4	2.4	-	4.4
Current debt	323.0	322.6	0.1	-	0.3

Short-term loans and financial liabilities include the 41 million US dollar loan that was fully hedged from the beginning and up to its maturity by a cross currency swap. The other currencies mainly concern the United Arab Emirates dirham (AED), the Swiss franc (CHD), the Libyan dinar (LYD) and the Moroccan dirham (MAD).

The main exchange rates used to convert assets and liabilities at year-end were as follows:

- United States dollar (USD): 0.67930 euros,
- Mexican peso (MXN): 0.06231 euros.

Assuming that all the other variables remain constant, a 10% increase in the euro in relation to all the currencies would have led to a drop in equity and income in the region of 3 million euros. A 10% drop in the euro in relation to the above-mentioned currencies would have had the same impact, but inversely to the ones presented above.

Liquidity risk

See note 32.2.3 "Liquidity risks" in the notes to the 2007 consolidated financial statements attached as Appendix 1 to this Registration Document.

The liquidity risk corresponds to the risk that the Group will find it difficult to pay its debts when they reach maturity.

Aéroports de Paris is rated AA by Standard & Poor's since June 2006. The prospects are stable. The rating was lowered from AA to AA- when the Company was floated in June 2006.

Euro-denominated bonds are listed on Euronext Paris.

Aéroports de Paris has a financing and cash unit whose duties consist in assessing financial and market risk. The cash situation is monitored every day. Every month a report sets out financing operations, investment and analyses discrepancies with respect to the annual cash budget. This also includes a detailed breakdown of investments and possibly also the level of risk involved.

Aéroports de Paris has bonded debt described in paragraph 21.1.7. "Securities not representing capital". They do not include clauses or obligations to maintain financial ratios.

Aéroports de Paris has also outstanding bank loans with the European Investment Bank (EIB), for 546.3 million euros as of December 31, 2007. The Group's bank loans do not include clauses or obligations to maintain financial ratios. The EIB loans are for the financing of specific infrastructure (runway 4, satellite S3, CDGVal) and require prepayment in case of significant reduction in the cost of projects to be funded by these loans.

The loan agreements contain customary events of default that may trigger an early repayment, such as non-repayment of amounts owed, inaccuracy of representations and warranties given or made by Aéroports de Paris, a substantial decrease in the assets of Aéroports de Paris and any event that might affect the payment of the loan and related security.

In addition, the loan agreements with EIB provide that in case of decrease in the rating of Aéroports de Paris to or below A+ by Standard & Poor's (or any equivalent rating given by another rating agency), EIB may call for the early repayment of the loan if at the end of a discussion with Aéroports de Paris a legally acceptable solution enabling the parties to protect their mutual interests has not been found. In this respect, the consultation resulting from the change in status of Aéroports de Paris gave rise to an agreement with BEI in March 2007, with no modification of the financial conditions for these loans.

At 31 December 2007, Aéroports de Paris did not have any confirmed credit lines, European Medium-Term Notes (EMTN) or commercial paper.

At the end of the period, total debt was as follows:

In millions of euros	Total at 31/12/07	Total at 31/12/05
Bonds	1,673.9	1,683.8
Bank loans	546.3	618.5
Accrued interest	66.0	66.5
Other	55.5	50.7
Loans and financial debt, excluding derivatives	2,341.8	2,419.5
Derivative financial instruments (liability)	11.7	9.2
Loans and financial debts	2,353.5	2,428.7
Derivative financial instruments (assets)	- 47.5	- 59.8
Cash and cash equivalent	- 524.1	- 509.2
Net debt	1,782.0	1,859.7

The contractual residual maturities of financial liabilities are broken down as follows:

In millions of euros	Total at 31/12/07	Contractual maturities as at 31/12/2007	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Bonds	1,673.9	1,652.4	152.4	-	450.0	400.0	350.0	300.0
Bank loans	546.3	558.0	78.0	-	-	-	-	480.0
Interest on loans	66.0	599.2	111.1	101.3	101.1	75.2	53.6	156.8
Other	55.5	55.6	25.0	4.7	2.7	2.2	1.7	19.4
Loans and financial debt, excluding derivatives	2,341.8	2,865.2	366.5	106.0	553.8	477.4	405.3	956.2

The breakdown of bonds and bank loans is as follows:

In millions of euros	Nominal value	Nominal rate
Bonds		
- ADP 4.95% 1998-2008	152.4	4.95%
- ADP 5.875% 2000-2010	450.0	5.88%
- ADP 5.25% 2001-2011	400.0	5.25%
- ADP 5.25% 2002-2012	350.0	5.25%
- ADP 4.10% 2003-2013	300.0	4.10%
Total bonds	1,652.4	
Bank loans		
- EIB loan 1998-2008	38.1	3-month Eur - 0.09%
- EIB loan 2003-2018	100.0	3-month Eur + margin
- EIB loan 2004-2019	220.0	3-month Eur + margin
- EIB loan 2004-2019	30.0	3-month Eur + margin
- EIB loan 2005-2020	130.0	3-month Eur + margin
- \$41m EIB loan 1999-2008	28.1	3M Libor (USD) - 0.11%
- Other	0.1	
Total bank loans	546.3	

During the period under review, Aéroports de Paris did not record any significant change in its bond loans and reimbursed 68.6 million euros of Caisses d'Épargne 1997 loans.

Credit risk

See note 32.2.4 "Interest rate risks" in the notes to the 2007 consolidated financial statements attached as Appendix 1 to this Registration Document.

Credit risk is the risk of financial loss for the Group in the event that a client or counterparty to a financial instrument is unable to meet its contractual obligations. This risk stems mainly from client receivables and investment securities.

Trade and other receivables

The Group's policy is to check the creditworthiness of all clients who wish to obtain credit terms for payment. With the exception of agreements signed with the State and 100% subsidiaries, contracts between Aéroports de Paris and its customers contain guarantee clauses (check deposit, bank endorsement, first-request bank guarantee, etc.). Moreover, customer balances are constantly monitored, and so the Group's exposure to irrecoverable credit risk is not significant.

Group exposure to credit risk is mainly influenced by the individual characteristics of clients. Approximately 23% of Group products are attached to services with its principal client. On the other hand, there is no geographical concentration of credit risk.

The Group assesses a level of impairment which represents its estimates of losses incurred as a result of trade and other receivables as well as investments. The two main components of this impairment correspond to specific losses related to individual significant risks, as well as overall losses determined by similar asset groups, which correspond to losses incurred but not yet identified. The amount of the overall loss is based on historical data of payment statistics for similar financial assets.

The book value of financial assets represents the maximum exposure to credit risk. At year end, this maximum exposure was as follows:

In millions of euros	31/12/07	31/12/06
Loans and receivables	598.3	550.1
Cash and cash equivalent	524.1	509.2
Other	48.6	221.7
Total	1,171.0	1,280.9

Placements

Concerning credit risk in relation to other financial assets in the Group (cash and cash equivalents, financial assets available for sale and certain derivatives), Aéroports de Paris channels its cash surpluses through euro monetary mutual funds. The counterparty risk in relation to these investments is considered marginal. The Group's exposure to derivatives is related to possible default by one of the third parties concerned, which are mostly top-tier financial institutions. Maximum exposure equals the accounting value of these instruments.

Guarantees

The Group policy is to grant financial guarantees only to wholly-owned subsidiaries. As at December 2007, there were no outstanding guarantees of this type.

CHAPTER 11 RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

11.1. Research and development

In view of the activity it exercises, Aéroports de Paris is conducting a specific research and development policy limited to its activities. For example, it has developed algorithms that model airport processes such as passenger boarding or luggage-delivery, using various simulation software. These airport capacity simulation tools are used, among other things, to assess instantaneous flows of passengers, luggage or vehicles in all locations of an airport from data such as flight programs.

11.2. Trademarks, patents and licenses

Regarding trademark policy, Aéroports de Paris initiated since 2005, a policy of construction and valuation of its trademark. The trademark summarizes the personality, values, ambition and strategic orientations of the Company. It symbolizes its dynamism and the commitment of the teams, both with its clients, its partners, and future shareholders.

The creation of the Aéroports de Paris trademark is built upon on a global communication strategy focused on the development of institutional philosophy via the implementation of many mechanisms and tools (implementation of a new slogan, "the world is our guest", creation of a new visual identity with a corporate jingle, launch of advertising campaigns, overhaul of the web site, launch of a general magazine for passengers etc.).

In 2008, Aéroports de Paris is planning to set up a communication campaign focused on the new services and areas proposed to passengers as well as specific campaigns on Aéroports de Paris retail outlets. The policy of communication to individual shareholders should continue with the ramping up of communication tools (shareholder meetings, stock market classes, etc).

Aéroports de Paris uses about fifty trademarks, which it owns and which differentiate the Group's various business activities. The main trademark of the Company, "Aéroports de Paris," including the logo composed of a winged Eiffel Tower and a sun, was filed in March 2005. Many other trademarks, such as "Boutiques Aéroports de Paris", "Voyages-Aéroports de Paris.com" and "Aéroports de Paris.fr" have also been filed to promote the commercial services of the Group. Many subsidiaries of Aéroports de Paris, including Hub télécom use their own trademarks.

The main trademarks of the Group are protected in France and, where necessary, in other countries where the Group operates.

As at the date of this document, Aéroports de Paris held a portfolio of about 120 internet domain names, in particular "adp.fr" and "aeroportsdeparis.fr."

Aéroports de Paris occasionally files for patents, particularly for innovative new products, although it does not have a targeted research and development policy. None of these patents are essential to the Group's business.

CHAPTER 12 RECENT DEVELOPMENTS AND OUTLOOK

12.1. Recent developments since the end of fiscal 2007

Airport fee pricing as from April 1, 2008

In accordance with the provisions of IV of Article R. 224-3 of the French Code of Civil Aviation, a notice was published on February 28, 2008 informing users of the availability of service fee pricing set by Aéroports de Paris for the Paris-Charles de Gaulle and Paris-Orly airports. These prices are applicable as from April 1, 2008.

This means that over the 2008-2009 period, the average weighted level of tariffs will increase by 3.80% (as against 4.25% for 2006-2007), in accordance with the provisions of the CRE. These prices are broken down as follows per fee.

<i>Change (%)</i>	2006	2007	2008
Landing fee	+1.6%	+1.7%	+1.6%
Passenger fee	+7.2%	+5.8%	+5.0%
Parking fee	+6.7%	+5.6%	+4.9%
Fuel fee	+0.0%	+0.0%	+0.0%
Weighted average increase	+5.0%	+4.25%	+3.80%

Trends in traffic over the first quarter of 2008

The table below shows traffic trends (in numbers of passengers) for Aéroports de Paris' two main airports over the first quarter of 2007 with respect to traffic over the first quarter of 2006.

	January 2007 - January 2008	February 2007 - February 2008	March 2007 - March 2008
Aéroports de Paris	+1.8%	+3.5%	+2.2%
Paris-Charles de Gaulle	+2.3%	+5.7%	+3.3%
Paris-Orly	+0.7%	-1.1%	-0.1%

Traffic through main European airports, as shown in the table below¹¹⁵.

	Janvier 2007 - janvier 2008	Février 2007 - février 2008	Mars 2007 - mars 2008
BAA (three aéroports)	-2.2%	+3.2%	+1.7%
Heathrow	-1.3%	+3.8%	-0.6%
Gatwick	+0.8%	+7.4%	+8.1%
Stansted	-9.3%	-4.2%	-0.3%
Francfort - Main	+3.7%	+8.2%	-0.2%
Amsterdam Schiphol Airport	+0.9%	+3.3%	+1.2%
Madrid Barajas	+10.0%	+12.0%	+6.6%

¹¹⁵ Source: press releases by the companies concerned

12.2. Outlook 2008

The financial situation and the future performance of the Group depend on numerous factors, described in Chapters 4, 5, 6, 9 and 10. In 2008, trends in Group revenues and thus of its EBITDA will be affected by the following:

Increase in airport fees on April 1, 2008

The average rate of fees increased by 3.80% on April 1, 2008, which corresponds to the beginning of the third fee period set by the CRE that is scheduled to end on March 31, 2009¹¹⁶.

Distribution policy

The objective of Aéroports de Paris is to apply a dividend distribution policy representing 50% of its consolidated net income, Group's share, with the understanding that future dividends will be assessed for each fiscal year, according to the Company's results, its financial position and any other factor deemed relevant.

For 2007, the board of directors decided, at their meeting of March 12, 2008, to propose a vote at the annual shareholders' meeting, scheduled for May 28, 2008, to pay a dividend of 161.3 million euros, i.e. 50% of its consolidated net income, Group's share, for 2007,. This dividend represents 1.63 euros per share, which is a 73% increase on the 2006 dividend paid in 2007. This sharp increase is partly due to the positive but non-recurrent impact of the capital gains generated by the disposal of BCIA.

12.3. Objectives of the Group

Aéroports de Paris estimates that in 2008, passenger traffic through the two main Paris airports should grow at a rate close to what has been forecasted by the CRE (3.75%) before falling in line between 2008 and 2010.

It is planned to increase average fee rates by 3.80% on April 1, 2008, which is the beginning of the third fee period set by the CRE and is that is scheduled to end on March 31, 2009. Airport security tax will be maintained at the 2007 level of 8.75 euros per outbound passenger and 1 euro per ton of freight or mail.

On this basis, Aéroports de Paris believes that growth of revenues and EBITDA in 2008 will be significantly greater than the rate of growth of traffic for the year. The Group raised its EBITDA growth target, in absolute value, to over 60% by 2010 (in comparison with 2005 when EBITDA was 598.6 million euros), instead of the 45-50% range announced during the IPO in 2006.

The objectives summarized above are based on data, assumptions and estimates considered to be reasonable by Aéroports de Paris. These data, assumptions and estimates may change or be modified due to uncertainties relating to the economic, financial, competitive and regulatory environment and weather conditions. The occurrence of certain risks described under paragraph 4.1 "Risk Factors" may also have an impact on the Group's activities and its ability to realize its "objectives. In addition, the realization of its objectives is based upon the assumption that Aéroports de Paris successfully implements its commercial strategy described under "section 6.1.3. "Strategy". Aéroports de Paris provides no assurance the objectives below and it expressly disclaims any obligation or undertaking to publish any updates or revisions to these objectives.

¹¹⁶ See 6.3.2.6. "Revenues from the Operation of Airports"

CHAPTER 13 PLANNED OR ESTIMATED PROFIT

13.1. Planned or estimated profit of the Group

Assumption of an increase in passenger traffic in 2008

Aéroports de Paris reckons that passenger traffic through the two main Paris platforms should grow by 3.75% per year, at a rate close to CRE assumptions.

Trend in revenues and EBITDA

On this basis, Aéroports de Paris believes that growth of revenues and EBITDA in 2008 will be significantly greater than the rate of growth of traffic for the year.

This estimation may evolve or be modified, due to a number of uncertainties, particularly in terms of economics, finance, competition, regulations and climate. Moreover, the emergence of certain risks described in paragraph 4.1. "Risks relating to activities by Aéroports de Paris" in this Registration Document could have an impact on the activities of the Group and its ability to achieve its objectives.

Trend in guidances since IPO

	2006-2010 guidance announced during the IPO	Revised 2006-2010 guidance March 2008
Traffic	CRE = + 3.75% a year	In line with the assumption of CRE for 2008-2010
Regulated rates	3.25 % a year + inflation	In line
Retail areas	- target: open over 11,000 sqm of shops, bars and restaurants by 2010 (+30%), including about 4,600 sqm for shops in international areas - most retail areas to open in 2007-2008	- target: +12,700 sqm (+34%) of new retail areas by 2010, including about 7,500 sqm in international areas (+70% against 44%)
Real estate	- Development of 59 ha - commissioning of about 315,000 sqm in buildings, including about 300,000 sqm equally divided between Paris-Charles de Gaulle et Paris-Orly - €164m investment, including 40 % in diversification real estate	- Development of 59 ha - commissioning of about 315,000 sqm in buildings, including about 300,000 sqm equally divided between Paris-Charles de Gaulle et Paris-Orly - €246m investment in 2006-2010 (additional €82m), including 46 % in diversification real estate, and €340m in 2008-2012
Productivity	Productivity gains (passengers/employee): +15 % over the period (scope: ADP SA)	Productivity gains (passengers/employee): at least +15 % over the period (scope: ADP SA excluding ground handling)
EBITDA	Growth target in the upper range of 45% to 50% by 2010 (from the 2005 level)	Growth target of 60% between 2005 and 2010
Investment (regulated scope for Aéroports de Paris SA)	€2,5bn	2006 – 2010 : €2,8bn 2008 – 2012 : €2,5bn
Dividend	Dividend distribution rate of 50% of 2006 earnings (paid in 2007)	Dividend distribution rate of 50% of 2007 earnings (paid in 2008)

Trend in 2007 guidances throughout the year

The traffic growth hypothesis of “between 3.7 and 4.2%” as published in the 2007 Registration Document was initially increased in the publication of the six-monthly results in August 2007 to the “4 – 4.4% range”, and again on November 9, 2007 to the “4.8 – 5.0% range” in the publication of revenue as at September 30, 2007. Annual increase in traffic was finally up 4.7% on 2006.

In relation to revenue and EBITDA, forecasts evolved as follows: the 2006 Registration Document had announced an increase in both items in 2007 “over and above the traffic growth rate”.

The following items were disclosed in the six-monthly results:

- “revenue is set to grow due to the 4.25% increase in fee charging, including inflation, as of April 1, 2007, and the extension of Société de Distribution Aéroportuaire’s activity to all our platforms as of January 1, 2007”,
- “EBITDA growth in 2007 ought to be in line with growth during the first six months”, which increased by 8.5% with respect to the first half of 2006.

This forecast underwent a slight review on the publication of revenue at September 30, 2007, announcing “full year EBITDA growth in 2007 over and above growth during the first six months of 2007”.

13.2. Auditors’ report on financial forecast

See Appendix 9 of this Registration Document.

CHAPTER 14
ADMINISTRATIVE, MANAGEMENT, SUPERVISORY AND GENERAL MANAGEMENT BODIES

Aéroports de Paris is a *Société Anonyme* with a Board of Directors since July 22, 2005, when Decree No. 2005-828 of July 20, 2005 relating to Aéroports de Paris came into force (such decree implements Law No. 2005-537 of April 20, 2005 related to airports).

14.1. Board of Directors and Deputy CEO

14.1.1. Board of Directors

The Company is administered by a Board of Directors of 21 members, created as per the provisions of Law No. 83-675 of July 26, 1983 relating to the democratization of the public sector and Law No. 2005-537 of April 20, 2005.

The Company's Board of Directors was, until July 14, 2009, made up of a third of employee representatives. The French government has appointed seven board members by decree, and consequently, the general meeting of shareholders of 20 September 2006 also appointed seven members upon a proposal by the board.

The term of board members is five years. Nevertheless, article 13.III of the by-laws states, in due application of section III of article 5 of the law of April 20, 2005, that all initial board members' terms will end on July 14, 2009.

The following table sets out the composition of the Company board of directors at the date of registration of this Registration Document.

Name	Age	First appointed/ elected	Start of current term	Other directorships and business experience held in the last five years (current positions are marked with an asterisk)
Chief Executive Officer				
Pierre Graff	60	19.09.2003 ¹¹⁷	20.09.2006	Director of Gaz de France * Director of RATP * Director of SOGEPA * Director of SOGEADE * (subsidiary of SOGEPA) Member of the Economic and Social Counsel* Associate president of the European affairs section on the National Tourism Council* Member of the national committee for sectors of activity of vital importance* Director of the French employers' union (MEDEF)* Chief of Staff of the Minister Of Equipment, Transportation, Housing, Tourism And Maritime Affairs.
Representatives of the French government				
Denis Mercier	48	05.10.2007	05.10.2007	General in the French Aviation* Deputy chief of staff for "performance-integration" for the French air force (Ministry of Defense)* Deputy and then head of the Plans office – Air Force staff Commander of Air force base 112
Dominique Bureau	52	22.07.2005	22.07.2005	Director of International and Economic Affairs (Ministry of the Environment, the Energy, Sustainable Development, National Planning and development)* Director of Economic Research and Environmental Evaluation (Ministry of the Environment and Sustainable

¹¹⁷ In the capacity of Chairman of the public institution

Name	Age	First appointed/ elected	Start of current term	Other directorships and business experience held in the last five years (current positions are marked with an asterisk)
				Development)
Jérôme Fournel	40	05.04.2007	05.04.2007	Director-General of Customs and Excise (Ministry of the Budget, Public Accounts and Public Service) * Chairman of the Customs Central Department* Advisor to the Prime Minister in charge of budgetary issues Advisor to the minister of Education (Ministry of Education)
Pierre de Montlivault	36	14.01.2008	14.01.2008	Deputy-director of Economic Research and Environmental Evaluation (Ministry of the Environment, the Energy, Sustainable Development, National Planning and Development) Trustee of the French geographical institute (Institut géographique national)* Technical advisor for the environment and sustainable development to the Prime Minister's office Technical advisor for nutrition, environment and health to the office of the minister for health and social welfare (Ministry for health and social welfare) Head of the office for water resources management (Ministry of the Environment and Sustainable Development)
Eric Le Douaron	57	16.11.2005	16.11.2005	Central Director of public safety (Ministry of the Interior, Overseas and Territorial communities) Central Director of the border police (Ministry of the Interior, Overseas and Territorial communities) Director of urban community police (Ministry of the Interior, Overseas and Territorial communities)
Rémy Rioux	38	08.03.2007	08.03.2007	Director, Transportation and Audiovisual holdings, Shareholding Agency of the French Government (Ministry of Economy, Industry and Employment)* Director of the RATP*, Renault*, SNCF*, France Télévision* Director and member of the French-German consortium ARTE GEIE* In charge of the " monetary cooperation and development with African, Caribbean and Pacific countries (Ministry of Economy, Finance and Industry) Member of the Audit Office assigned to the second chamber (<i>defense, industry, energy, external trade, trade, enterprise and industrial public bodies</i>) (Ministry of Economy, Industry and Employment)
Pascal Lelarge	51	06.09.2007	06.09.2007	Prefet, Regional Director of Infrastructure, Ile-de-France* (Ministry of the Environment, the Energy, Sustainable development, National Planning and Development) Non-Executive Director of the regional public land agency* Non-Executive Director of the Land and Technical Agency for the Region of Paris* Non-Executive Director of the La Defense Development Agency* Administrateur de l'Etablissement Public d'aménagement Orly / Rungis / Seine Amont* Non-Executive Director of the Autonomous Port of Paris* Non-executive Director of the Water Agency, Seine Normandie* Administrateur du Comité de Bassin Seine Normandie* Non-executive Director of the Institute for Development and Town Planning, Ile-de- France* Non-Executive Director of the Paris Town Planning

Name	Age	First appointed/ elected	Start of current term	Other directorships and business experience held in the last five years (current positions are marked with an asterisk)
				Section* Deputy director to the director general of town planning, housing and construction, (Ministry of Infrastructure, Transport, Town Planning, Tourism and Maritime Affairs) Regional Director of infrastructure for Brittany and Ile-et - Vilaine (Ministry of the Environment and Sustainable Development)
Directors appointed by shareholders at the general meeting¹¹⁸				
Olivier Andriès	46	10.06.2002	20.09.2006	Deputy director general of Safran, in charge of strategy and development of the Safran group Director of strategic coordination, EADS* Non-Executive Director of Dassault * Non-Executive Director of MBDA * Executive Director, Strategy and Cooperation of Airbus and member of the Airbus Executive Committee Senior Vice-President in charge of the A330/A340/A350 programs, Airbus Senior Vice-President, marketing and pricing policies, Airbus Senior Vice-President, product and service policy, Airbus
Vincent Capo-Canellas	41	09.07.2004	20.09.2006	Mayor of Le Bourget* Chairman and Chief Executive Officer of Sembo* Regional councilor, Seine-Saint-Denis* President of the Le Bourget / Drancy community of municipalities (Communauté de communes)* Trustee of the public planning institution, Plaine de France*
Bernard Irion	70	09.07.1999	20.09.2006	Vice-President of the <i>Société Immobilière du Palais des Congrès (CCIP group)</i> * Director of CITER (PSA Peugeot-Citroën group)* Permanent Representative of the Paris Chamber of Commerce to the board of directors of SAEMES (Ville de Paris)* Director and President of the <i>Société d'exploitation du parc Expo Nord Villepinte</i> * Director and President of the <i>Société d'exploitation du parc Paris Nord Le Bourget</i> * Director of Peugeot Motocycles
Françoise Malrieu	62	22.07.2005	20.09.2006	Managing partner, Aforge Finance* Chief Operating Officer, Société Financière de Grenelle* Non-executive Director of La Poste* Managing Director of Deutsche Bank
Marc Véron	58	09.07.2004	20.09.2006	Director of the Cabinet of the Secretary of State in charge of development of the Paris region, reporting to the Minister of State, the Minister for Ecological Affairs, the Minister for Energy, the Minister for Sustainable Development, and National Planning and Development. Chairman, MV Conseil Non-executive Director of Géodis Official Representative to the SNCF Administration

¹¹⁸ Category which also includes Mr. Pierre Graff. These directors were appointed at the general meeting of shareholders on September 20, 2006. They had previously been appointed by a decree of 22 July 2005 in accordance with their skills or knowledge.

Name	Age	First appointed/ elected	Start of current term	Other directorships and business experience held in the last five years (current positions are marked with an asterisk)
				Executive Vice-President, freight, SNCF Non-Executive Director of SNCF Participations, Ermewa Official Representative to the Management of the Alcatel Group Non-Executive Director of Alcatel Space
Gaston Viens	84	15.06.1976	20.09.2006	Mayor of Orly (94)* Non-Executive Director of the <i>Office public d'aménagement et de construction du Val de Marne</i> * Regional councilor, Val de Marne * President of the <i>Société d'économie mixte d'aménagement et d'équipement de la ville d'Orly</i> *

Employee Representatives

Nicolas Golias	43	03.06.2004	01.01.2006	Representative for the Sictam-CGT union (engineers, executives, technicians and lower management)*
Jean-Luc Dauje	64	18.05.1999	22.07.2005	Representative for the <i>Confédération Française de l'Encadrement CGC (CFE-CGC)</i> *
Jean-Louis Guy	59	18.05.1999	22.07.2005	Representative for the federation CGT-FO*
Antonio Pinto	37	03.06.2004	22.07.2005	Representative for the SPE-CGT union (line staff)*
Carole Leroy	46	03.06.2004	22.07.2005	Representative for the CGT-FO federation *
Paul Vatin	64	24.05.1984	01.01.2006	Representative for the UNSA-SAPAP union *
Brigitte Recrosio	57	03.06.2004	22.07.2005	Representative for the SPASAP-CFDT union *

Pursuant to Article R. 251-1 of the French civil aviation Code, the civil aviation minister appoints two representatives to participate with consultative voice, to the board of directors of Aéroports de Paris. In 2007, Patrick Gandil, Director General of the French Civil Aviation Authority (DGAC) and Florence Rousse, director of economic regulation, who were appointed as the French government representatives (*commissaire du gouvernement* and *commissaire du gouvernement adjoint* respectively) by an Order of the minister for Environment, Sustainable Development and Planning of October 19, 2007 and the minister for Transport, Infrastructure, Tourism and Maritime Affairs of March 1, 2007 sat on the board. The General Controller of Aéroports de Paris and a works council secretary also attend board meetings.

14.1.2. Deputy CEO

In accordance with the requirements of Article 14 of the Company's by-laws, the Board of Directors, upon a proposal by the Chairman and Chief Executive Officer, appointed François Rubichon as Deputy CEO at its September 20, 2006 meeting. Mr. Rubichon had already performed this function following his appointment by the board of directors on October 27, 2005.

Name	Age	Date de première nomination	Autres fonctions ou mandats au cours des cinq dernières années (les fonctions ou mandats en cours sont suivis d'un astérisque)
François Rubichon	44	27.10.2005	Chairman of Geopost Logistics Holding and Geopost Logistics, HPN, Publi Trans Director of Chrono e-Liko, Chronopost, Transdistribution GIE, STARDIS Special adviser in charge of labor issues at the office of the Minister for Transport, Infrastructure, Tourism and Maritime Affairs Adviser to the Prime Minister in charge of labor issues Executive Assistant to the Minister for Infrastructure, Transport, Town Planning, Tourism and Maritime Affairs

14.2. Personal information concerning Board Members and the Deputy CEO

To the best of the Company's knowledge, there is no family link between the members of the Board of Directors and the Deputy CEO.

To the best of the Company's knowledge, for the last five years: (i) no sentence for fraud has been held against a member of the Board of Directors or the Deputy CEO, (ii) none of the members of the Board of Directors or the Deputy CEO has been associated to a bankruptcy, escrow or liquidation, (iii) no charge and/or official public sanction has been held against a member of the Board of Directors or the Deputy CEO by statutory or regulatory authorities (including designated professional bodies) and (iv) none of the members of the Board of Directors or the Deputy CEO has been prevented by a court from acting as member of an administration, management or supervisory body of an issuer or from intervening in the management or conduct of the business of an issuer.

14.3. Conflicts of interest at Board and executive management level

Conflict of interest

To the best of the Company's knowledge, there is no potential conflict of interest between the duties, vis-à-vis the Company, of the members of the Board of Directors and their private interests. In addition to the provisions of the French Commercial Code applicable to regulatory agreements, the Charter for board members attached to the rules of procedure of the board of directors mentions that all members are bound to inform the board of any situation or risk of conflict with Aéroports de Paris or any company within the group, and must refrain from taking part in the vote on such deliberations.

Arrangements or agreements concerning appointment of members of the board of directors or the Deputy CEO

Except for the fact that, in accordance with the law, one-third of the members of the Board of Directors are representatives of the French government, to the best of the Company's knowledge, there is no arrangement or agreement entered into with the French government or with clients or suppliers pursuant to which a member of the Board of Directors would have been chosen as director or member of the management board of the Company.

Restrictions concerning the sale of shares

To the best of the Company's knowledge there are no restrictions accepted by a member of the Board of Directors concerning the sale of their possible interests in the share capital of Aéroports de Paris, with the exception of abstention obligations of the code of ethics appended to the rules of

procedure, concerning share operations and observance of French law concerning insider trading, insider infringements and market manipulation.

Moreover, board members representing employees who have bought shares in the Company following the float on June 16, 2006, within the context of the offer reserved for employees as described in the offering circular approved by the AMF market authorities on May 30, 2006 as number 06-159, or who hold shares via the common company investment funds invested in Aéroports de Paris shares, are subject to the rules governing blockage or non-transferability arising from the provisions applicable to such operations.

CHAPTER 15 DIRECTORS' COMPENSATION AND BENEFITS

15.1. Compensation and benefits paid to the executive management of Aéroports de Paris

Government representatives and the directors elected by employees receive no compensation for exercising their duties (Articles 11 and 22 of the Law no. 83-675 of July 26, 1983 relating to the democratization of the public sector). However, the Company may reimburse any costs incurred in the course of their duties.

Only directors appointed by shareholders at general meetings may receive directors' fees. The shareholders' meeting is competent to set the overall annual amount of directors' fees, upon proposal of the Board of Directors. In 2007, this was set at 110,000 euros by the annual general meeting of May 29, 2007. The meeting of the board of directors on June 28, 2007 defined distribution of attendance fees according to actual attendance at each board meeting and at meetings of special committees of which they may be members.

The level of compensation, whether in the form of a lump sum or by meeting, varies according to whether the director is a member or the chairman of the board, or of the special committee.

The compensation of the executive management of Aéroports de Paris are presented in note 37 of the Notes to the consolidated financial statements attached in appendix 1.

The tables below show the total compensation paid over 2006 and 2007 to corporate officers both by the Company and by controlled companies as defined in Article L. 233-3 of the French Commercial Code:

- **Mr. Pierre Graff** was appointed Chairman and Chief Executive Officer by the decree of September 21, 2006. He was appointed Chairman and Chief Executive Officer of the *société anonyme* Aéroports de Paris for the first time by the decree of July 28, 2005. He had previously been chairman of the Board of Directors of the public institution Aéroports de Paris pursuant to Decree of September 19, 2003:

<i>In euros</i>	Fixed	Variable	ADP attendance fees	Compensation paid by the companies controlled	Benefits in kind	Total overall gross remuneration
Compensation paid for 2006	241,866	89,007	15,900	none	4,760	351,533
Compensation paid for 2007	287,000	115,037	17,866	none	4,728	424,631

On April 19, 2007 the Board of Directors, following the advice of the compensation committee meeting of April 6, 2007 decided that Pierre Graff would receive a fixed gross annual compensation of 300,000 euros, prorated for 2007, and a variable compensation.

Mr. Graff does not benefit from any specific pension scheme, received no signing bonus and will not have any severance pay.

- **François Rubichon** was appointed Deputy CEO for the first time by deliberation on the Board of Directors at the meeting of October 27, 2005:

<i>In euros</i>	Fixed	Variable	Compensation paid by the companies controlled	Benefits in kind	Total overall gross remuneration
Compensation paid for 2006	200,213	73,678	none	3,963	277,854
Compensation paid for 2007	238,750	95,697	none	4,757	339,204

On April 19, 2007 the Board of Directors, following the advice of the compensation committee, of April 6, 2007, decided that François Rubichon would receive a fixed gross annual compensation of 250,000 euros, prorated for 2007, and a variable compensation.

Mr. François Rubichon does not benefit from any specific pension scheme and has received no signing bonus. He benefited from severance pay up to 12 months of his remuneration as corporate officer. The meeting of the Board of Directors of March 12, 2008 authorized an agreement between the Company and Mr. Rubichon whereby his term as CEO would be terminated either by revocation or by non-renewal of his term on its expiry. Mr. François Rubichon may receive compensating remuneration when the Board has noted observance of performance targets.

This will be equal to the remuneration received over the last full 12 months, as per the average level of achievement of the annual ceiling targets set by the Board of Directors to determine the variable portion of remuneration (level achieved / maximum level of increase) (see below for the procedure for calculating the variable compensation). The average level is calculated over the last three business years on the accounts as posted by the Board of Directors. If the events leading to this compensation occur before the 2008 accounts are posted, only the two previous business years will be used for the purposes of calculation.

This agreement is subject to approval by the mixed general meeting of May 28, 2008.

Procedure for calculating the variable compensation to be paid to Pierre Graff and François Rubichon as from April 19, 2007

The variable compensation for 2007 was based on three recurrent performance targets set by the Company for fiscal 2007:

- gross margin rate, weighted at 50%,
- CRE quality indicators (as at December 31, 2007), weighted at 30%,
- commercial revenues, weighted at 20%.

Achievement of these objectives will result in a proportional increase of 20% of the gross annual salary earned by each of these directors. If these targets are exceeded, the variable rate of compensation may be increased in linear fashion up to 35% of the gross annual compensation received. The amounts of this variable compensation will be recognized and attributed in 2007 after the Board of Directors closes the 2007 accounts

Two specific increases can be added to this variable compensation:

- the opening of additional retail areas in 2007 (7.5% increase),
- the conditions for success of the Cœur d'Orly real estate project: selection of developers (3% increase) and an undertaking signed with the developers before December 31, 2007 (4.5% increase).

The President and Chief Executive Officer and the deputy Chief Executive Officer each have a company car and are covered by a contingency contract as well as by the individual accident insurance policies of Aéroports de Paris employees.

Compensation of Directors

The Directors were elected at the ordinary general meeting of September 20, 2006.

The non-executive Directors representing the State did not receive any remuneration (attendance fees or other) from the Company or from the companies controlled by the Company, for fiscal 2006 and 2007.

Directors representing employees did not receive any remuneration (attendance fees or other) from the Company or from the companies controlled by the Company in consideration for the exercise of their term as Director for fiscal 2006 and 2007.

Directors elected by the general meeting of shareholders, and the President and CEO received attendance fees for fiscal 2007. For the year 2007, the total amount of attendance fees paid in 2008 is 110,000 euros.

Their total compensation for 2007 is as follows:

<i>In euros</i>	Fixed	Variable	ADP attendance fees	Compensation paid by the companies controlled	Benefits in kind	Total overall gross remuneration
<u>Chief Executive Officer</u>						
Pierre Graff	287,000	115,037	17,866	none	4,728	424,631
<u>Directors appointed by the shareholders during general meeting of shareholders</u>						
Olivier Andriès	none	none	9,529	none	none	9,529
Vincent Capo-Canellas	none	none	10,720	none	none	10,720
Bernard Irion	none	none	21,930	none	none	21,930
Françoise Malrieu	none	none	20,178	none	none	20,178
Marc Véron	none	none	19,057	none	none	19,057
Gaston Viens	none	none	10,720	none	none	10,720

Shares held by corporate officers and transactions by members of the Board of Directors on the Company's securities are describe in paragraph 17.5.

15.2. Pensions and other benefits

Provisions have been set aside for end-of-career benefits and a supplemental pension scheme for the executive managers, excluding corporate officers, as for the rest of the employees (See 17.2.2. "Employees' terms of employment" and 9.2.4. "Employee benefit commitments"). As at 31 December 2007, the provision covering these persons amounted to 433,000 euros.

No stock option plan has been implemented by the Company in favor of its corporate officers.

CHAPTER 16 FUNCTIONING OF ADMINISTRATIVE AND MANAGEMENT BODIES

16.1. Functioning of Administrative and management bodies

16.1.1. Board of Directors

The functioning of the Board of Directors of Aéroports de Paris is set by legal and regulatory provisions, by the by-laws and by the rules of procedure adopted by the Board of Directors at its meeting of September 9, 2005 and modified at the meeting of September 19, 2006 (the "Rules of Procedure"). The Rules of Procedure mention in particular the scope of responsibility of the Board of Directors and its members, and the mode of functioning of the Board of Directors and its special committees. They establish a director's charter setting forth the rules with which each director must comply, and a code of ethics concerning share transactions and observance of French law concerning insider trading, insider infringements and market manipulation.

The Chairman and Chief Executive Officer of Aéroports de Paris in exercising his duties as Chairman of the Board of Directors organizes and manages the work of the board and represents it in its relations with shareholders and third parties. He sees to the proper running of the Company's bodies and makes sure, in particular, that the directors are able to fulfill their duties.

The Rules of Procedure specify that once a year, the Board discusses its own functioning, and proposes, if necessary, amendments to its Rules of Procedure. Every three years, the Board may implement an external assessment of its own operations. This assessment will be carried out by an external consultant, under the control of an independent director.

Board members are elected for a five-year term. Nevertheless, article 13.III of the by-laws states, in due application of section III of article 5 of the law of April 20, 2005, that all initial board members' terms will end on July 14, 2009.

Meetings of the Board of Directors

The Chairman and Chief Executive Officer is responsible for holding the Board either at periodic intervals, or at times he deems appropriate. In order to enable the Board to review and discuss in details issues falling within its attributions, the Internal Rules of Procedure provides that the Board shall meet at least six times a year, and more if circumstances so require. In particular, the Chairman and Chief Executive Officer shall see to meeting the Board of Directors to review the half-year accounts and to close the annual accounts and call the shareholders' meeting in charge of approving the latter.

The Board meeting is held upon notice given by its Chairman. The notice, sent to the directors at least five days before the date of the meeting unless in case of justified urgency, sets the place of the meeting, in principle the registered office of the Company. The meetings of the Board of Directors may also take place through videoconference, under the conditions set by the Rules of Procedure.

Powers, duties and functions of the Board of Directors

The Board of Directors determines the orientations of Company activity, and ensures these are implemented. It shall control the management of the Company and shall ensure the quality of the information given to shareholders and to the market through accounts or in the context of significant transactions, in particular on the Company's securities. Subject to powers expressly granted to shareholders' meetings and within the limit of the corporate purpose, it deals with any issue interesting the operations of the Company and settles by deliberations the affairs concerning it, and matters for which it has maintained jurisdiction. It implements any controls and verifications it deems necessary.

Pursuant to the Rules of Procedure, the Board of Directors of Aéroports de Paris:

- regularly discusses the major strategic, economic, financial and technologic orientations of the Company and sees to their implementation by the executive management. At least once a year, it reviews all the strategic orientations of the Group, in particular with respect to developments in the air transport sector, and the competitive context in which the Group operates,
- reviews the Group's multi-annual strategic plan,
- is informed, once a year, of the relations of Aéroports de Paris with the State in connection with the public service missions of the Company,
- approves the multi-annual economic regulation agreement,
- sets the rates of fees referred to in 1° of Article R. 224-2 of the French Code of Civil Aviation,
- adopts the Group's 5-year investment and financing plan and reviews each year of performance;
- reviews at the end of each year, for the coming year, the Group's budget and the aggregate amount that the Company and its subsidiaries are authorized to borrow,
- approves the definition of the objectives and profitability of major investment projects directly carried out by Aéroports de Paris involving more than 60 million euros,
- approves transfer of assets or external development investments involving more than 30 million euros, for airport infrastructure or operation activities exercised in France,
- approves transfer of assets or external development investments involving more than 10 million euros for all other activities,
- approves the transactions and waiver of receivables when the amount involved is more than or equal to 15 million euros excluding taxes,
- sets the principles of assignment of air carriers to airports,
- sets the principles of assignment of air carriers to terminals,
- is informed at each of its meetings of the development of its activity and its results, and reviews in particular any divergences with the budget. At least twice a year, the Chairman and Chief Executive Officer includes in the agenda a review of the Group's financial position, cash and off-balance sheet commitments,
- reviews once a year, and insofar as necessary, the position of the main subsidiaries and interests of the Company,
- sets each year the total amount of securities, endorsements or guarantees that the Chairman and Chief Executive Officer is authorized to grant in the name of Aéroports de Paris. The Chairman and Chief Executive Officer also reports to the Board of all securities, endorsements or guarantees exceeding 30 million euros,
- sets each year the amount of bond loans that the Chairman and Chief Executive Officer is authorized to issue,
- decides the by-laws concerning employees and the salary scales and compensation.

Generally and excluding normal management, all decisions that might affect the strategy of Aéroports de Paris, modify its financial structure or its business scope are submitted to prior authorization of the Board of Directors. The Board also reviews the issues submitted for its information at the initiative of the Chairman and Chief Executive Officer. It also discusses the issues that a director wishes to be discussed by the Board as part of various subjects. In such a case, the director informs the Chairman and Chief Executive Officer of the of these issues at the beginning of the meeting. If the Chairman and Chief Executive Officer so requires, the discussion of all or part of such issues is postponed to the following meeting.

Information provided to Directors

The Rules of Procedure recalls that the prior and permanent information of directors is a primary condition of the exercise of their mission. Based on information provided, the directors ask for all the details and information they deem useful. The directors undertake to keep the information disclosed confidential.

With a view to a meeting of the Board of Directors, the Chairman of the Board of Directors communicates to the non-executive directors concerned, for the full exercise of their mission, all information useful to such meeting, within at least five days before the meeting, unless in case of necessity or material impossibility. Moreover, the Chairman and Chief Executive Officer communicate to them, insofar as possible, the minutes of the previous meeting.

During each Board meeting, the Chairman and Chief Executive Officer shall inform the members of the main facts and significant events relating to the Company's life that have occurred since the last meeting.

Directors may regularly receive, and if necessary between two meetings, all relevant information concerning the Company, including press articles and financial analysis reports.

The Chairman and Chief Executive Officer sends to the directors, every three months, a Company's chart including all significant elements, in particular on its activity and results, as well as a summary statement of contracts for an amount greater than 15 million euros entered into by Aéroports de Paris.

When a new non-executive director takes up his office, the Chairman and Chief Executive Officer gives him all necessary documents for the proper exercise of his duties (in particular the Company's by-laws, the legal and regulatory texts, the Rules of Procedure, the last annual report of the Company, the last non-consolidated and consolidated, annual and half-year financial statements available).

Finally, each director may benefit from the Company, upon their appointment or throughout their term of office, of training on the specificities of the Company, its subsidiaries, businesses and activity sector.

The Board of Directors met 11 times in 2007 (with an average attendance rate of 79.2%) to examine the following subjects:

- the budget,
- the closing of the annual financial statements and the income appropriation proposal,
- prior authorizations for signing regulated agreements,
- distribution of attendance fees,
- the half-year financial statements,
- strategy, in particular, international strategy,
- setting of 2007-2008 airport fees,
- adoption of the 2008-2012 investment program,
- authorizations for endorsements and guarantees,
- changing of the principles of assignment of air carriers to terminals,
- strategic orientations on the reorganization of ground handling within the Group,

- the Cœur d'Orly project.

16.1.2. Executive Management

The Company's by-laws provide that the Chairman of the Board of Directors assumes the general management of the Company (article 14 of the by-laws).

Pursuant to Article 14 of the Company's by-laws, the Board of Directors may, upon proposal of the Chairman and Chief Executive Officer, appoint up to five Deputy CEOs in charge of assisting the Chairman and Chief Executive Officer. At its meeting of October 27, 2005 and September 20, 2006, the Board of Directors appointed François Rubichon as Deputy CEO. On the date of registration of this document, the Group's executive management is exercised by Pierre Graff and François Rubichon.

16.1.3. Executive Committee

Duties

The Executive Committee is in charge of the operational and strategic management of the Group and debates on all issues relating to the proper functioning of the Company. It ensures that decisions are implemented.

Composition

The executive committee is chaired by the Chief Executive Officer and comprises the following permanent members as of the date of this document:

- The Deputy CEO,
- Executive Director, Development and Facilities,
- Executive Director, Finance and Administration,
- Managing Director, Paris-Charles de Gaulle airport,
- Managing Director, Paris-Orly airport,
- Director, Real Estate,
- Director, Marketing, Retail and Communications,
- Director, Human Resources.

At the date of registration of this Registration Document, the members of the Executive Committee were Pierre Graff, François Rubichon, Bernard Cathelain who replaced Marc Noyelle as Executive Director, planning and development on January 1, 2008, Laurent Galzy (Executive Director, finance and administration), René Brun (managing director of Paris-Charles de Gaulle airport) and Patrice Hardel (managing director of Paris-Orly airport), François Cangardel (director of real estate), Pascal Bourgue (director of marketing, retail and communication) and Gonzalve de Cordoue (director of human resources).

Any other director may be invited each time necessary. The executive committee meets weekly.

Biographical information about members of the Company's executive committee

Mr Pierre Graff, 60, is a graduate of the Ecole Polytechnique and General Engineer of the Ecole des Ponts et Chaussées. After occupying a number of posts in French Departmental Infrastructure Divisions, Mr. Graff was, in 1986, a Technical Advisor for highway policy, road safety and transport to the Office of the Ministry of Infrastructure, Housing, Territorial Development and Transport (1986-1987), head of safety and roads, Interministerial Delegate for road safety (1987-1990), and subsequently Departmental Infrastructure Director in Essonne (1990-1993) before becoming Deputy Chief of Staff to the Minister of Infrastructure, Transport and Tourism (1993-1995), director general of the French Civil Aviation Authority (1995-2002), subsequently Chief of Staff to the Minister of Infrastructure, Transport, Housing, Tourism and Maritime Affairs (June 2002-September 2003). He was appointed President of the public entity Aéroports de Paris in September 2003, and

subsequently Chief Executive Officer of the *Société Anonyme Aéroports de Paris* in July 2005. Mr. Graff is also a member of the Economic and Social Council, associate president of the European affairs section on the National Tourism Council, member of the national committee for sectors of activity of vital importance, director of the RATP, director of Gaz de France, director of SOGEPA and SOGEADE, trustee of the French employers' federation, MEDEF, an Officer of the Legion of Honor and Officer of the National Order of Merit.

Mr François Rubichon, 44, is a graduate of the *Institut d'Etudes Politiques de Paris* and of the *Ecole Nationale Supérieure des Postes et Télécommunications*. In June 1993, he was appointed as a Technical Advisor to the Office of the Ministry of Infrastructure, Transport and Tourism after having served as Head of the Management Control Section in the Finance division of La Poste. In May 1995, he was appointed Managing Director of Sofipost (a holding company for La Poste subsidiaries), and then was entrusted with the Chairmanship of the Board of Publi-Trans (La Poste group) in September 1998. After having served as Chief Executive Officer of GeoPost Logistics starting in September 2000, Mr. Rubichon was appointed Deputy Chief of Staff to the Minister of Infrastructure, Transport, Housing and Maritime Affairs in July 2002. In April 2005, he was granted the position of social advisor to the French Prime Minister, Jean-Pierre Raffarin, before being appointed special advisor for social affairs to the Office of Dominique Perben, Minister of Infrastructure, Transport, Housing, Tourism and Maritime Affairs in June 2005. Since October 2005, Mr. Rubichon has acted as Deputy CEO of Aéroports de Paris. He is a knight of the National Order of Merit

Mr Laurent Galzy, 50, is a graduate of HEC School of Management and of the IEP (Institute of Political Studies) of Paris, and holds a Masters' Degree in Economics. He also attended the *Ecole Nationale d'Administration*. Since 1984, he has held several positions at the Budget Directorate of the Ministry of Economy and Finance relating to infrastructure, transport, and territorial or local authority development. In 1999, Mr. Galzy was named head of the "Industry, transport, research" subdivision of the budget management department (Ministry of Economy and Finance). Hired by Aéroports de Paris in January 2002 as Director of Management Control and Financial and Legal Affairs, Mr. Galzy currently serves as Executive Director, Finance and Administration.

Bernard Cathelain, 46, is a graduate of the *Ecole Polytechnique* and the *Ecole Nationale de l'Aviation Civile*. He held various positions at the Val d'Oise Departmental Infrastructure Divisions between 1986 and 1992, when he became technical advisor to the Ile-de-France regional council. In 1993, he joined the highway company, SANEF as a Director for Construction, in charge of project management for all highway constructions. In 1998, he was appointed director of engineering, development and the environment. He joined Aéroports de Paris in 2001 as head of department, and went on to become director of delegated project management. Since January 1, 2008, Mr. Cathelain has held the position of Executive Director, Planning and Development.

Mr René Brun, 61, is a graduate of the *Ecole Polytechnique* and of the *Ecole Nationale de l'Aviation Civile*. He held various positions at the French Civil Aviation Authority, DGAC, from 1971 to 1979 before joining Aéroports de Paris where he was in charge of the Development Department (coordination of strategic policy), then the General Services Department (services and supplies to the Paris airports) while managing several projects overseas. From 1991 to 1996, he was Chief Executive Officer of Saresco, and then Chairman and Chief Executive Officer of Alyzia Airport Services, two subsidiaries of Aéroports de Paris, one specialising in duty-free sales and catering and the other in airport services. René Brun became chief operating officer of Aéroports de Paris on January 1, 1997, before being appointed Chief Executive Officer of Paris-Charles de Gaulle airport in July 2003. Mr. Brun is an officer of the French Legion of Honor, knight of the national order of Merit and a holder of the Aeronautics medal.

Mr Patrice Hardel, 61, is a graduate of the *Ecole Polytechnique* and the *Ecole Nationale de l'Aviation Civile*. After four years working at the French Civil Aviation Authority from 1969 to 1973, Mr. Hardel joined Aéroports de Paris where he acted as the Head of the Planning Department, Head of the Production-Maintenance Department and the Head of the General Operations Department. In 1989, he became Chief Engineer at the Engineering and Architecture Division before taking charge, in 1997, of the Airlines Relations Department, where his main duties included

development of the hub and the CDG 2 facilities. Mr. Hardel became head of the Beijing project in March 2000, before being appointed managing director of Paris-Orly airport in July 2003. Mr. Hardel is a Knight of the National Order of Merit and has been awarded the Aeronautics medal.

Mr François Cangardel, 56, is a Civil Engineer of the Ecole des Ponts et Chaussées and has an MBA from the HEC-ISA business school. In 1977, he was appointed Director of new projects at SCOGIM, a real estate development company. In 1983, he was head of real estate and financial packages at Bouygues Construction. During his tenure, he created SODEARIF, a land and building engineering, planning and development subsidiary, and became its COO. In 1993, he was appointed Planning and Construction Director for SEM 92, before moving on to become a Executive Director in charge of planning, construction and development. While there, he supervised several urban planning projects for economic and many projects in in areas of economic and commercial activities, in areas of economic and commercial activities, residential and mixed-use neighbourhoods and in downtown areas. He also managed public construction projects for SEM 92. In May 2007, Mr Cangardel joined Aéroports de Paris as real estate Director.

Mr Pascal Bourgue, 57, is a graduate of the Institut d'Etudes Politiques in Bordeaux and has a PhD in corporate management from the university of Paris-Dauphine. He began his career in 1977 as head of strategy and market studies at Automobiles Peugeot. He joined the SNCF in 1987 as deputy manager of marketing, and later became head of Main-Line communication. In 1998, he was appointed director of communication of the 9 Télécom Group, which is a subsidiary of Bouygues. He then moved on to the insurance company AGF in 2001, as director of communication. In 2003, Mr. Bourgue joined Aéroports de Paris as director of marketing, retail and communication.

Mr Gonzalve de Cordoue, 60, is an engineer and graduate of the Ecole Nationale de l'Aviation Civile. He began his career in 1970 at the French Civil Aviation Authority where he became head of department and then manager of the Orly Control Tower. He joined Aéroports de Paris in 1989 as head of department to carry out assignments in the airport operation sector. In 1996, he started working in the ground handling segment as head of the Orly department. His responsibilities were then extended to the entire segment (Paris-Orly and Paris-Charles de Gaulle), and in 1998, he was appointed ground handling director for Aéroports de Paris. In 2002, he added the post of Chairman and CEO of Alyzia Airport Services, a holding of Aéroports de Paris subsidiaries, dedicated to ground handling and airport security. Mr. de Cordoue has been the group's human resources director since November 2005.

16.2. No services agreements

To the best of the Company's knowledge, there is no services agreement binding the members of the Board of Directors or the Deputy CEO to the Company or any of its subsidiaries providing for the granting of benefits under such an agreement.

16.3. Functioning of corporate governance bodies

The by-laws of Aéroports de Paris allow the Board of Directors to create specialized advisory committees inside the board. The composition and functions of these committees are set by the Board, and they report on their missions to the Board. The committees' mission is to contribute to the preparation of the Board of Directors' decisions by issuing opinions that are then submitted to the Board. The aim of such committees is, by improving the quality of the information made available to the Board, to favor the quality of board meeting discussions. They can in no way replace the Board of Directors. The term of the mission of members of each committee is identical to their term of office as director.

Therefore, on September 9, 2005, the Company created, as part of the adoption of the Internal Rules of Procedure, an audit committee, a strategy and investment committee and a compensation committee. Their composition, functions and duties and methods of operation are described below.

The chairmen of the committees report the discussions and recommendations of the committees to the Board of Directors. The members of the committees and all persons invited to committee meetings are bound to a confidentiality obligation concerning all the information that is made known to them or to which they may have access in the course of their duties.

To carry out their work, the committees may hear the members of departments of the Company and its subsidiaries or also resort to external experts if necessary. No committee may deal, on its own initiative, of issues that would exceed the specific context of its mission. The committees have no decision-making power.

16.3.1. The audit committee

Composition and functioning

Pursuant to the Internal Rules of procedure, the audit committee has five members with a right to participate in discussions and to vote. On the date of registration of this document, the members of the audit committee were Françoise Malrieu, Brigitte Recrosio, Bernard Irion, Rémy Rioux and Marc Véron. The audit committee is chaired by Bernard Irion. It holds at least three meetings a year. In 2007, the audit committee met three times (last meeting to-date: 4 mars 2008) with an attendance rate of 93.3% in 2006. During these meetings, the committee examined the individual and consolidated financial statements for fiscal 2006, the half-year financial statements, the 2008 budget, off-balance sheet commitments, the report of the chairman of the board of directors on the conditions for the preparation and organization of the Board's work, and internal control procedures, a review of audits for 2007 and the audit program for 2008, management of the Company's debt and cash and endorsements and guarantees.

Duties

- *Financial statements:* The mission of the audit committee is to:
 - review the relevance and consistency of the accounting methods adopted for the preparation of the accounts. To do this, it pays specific attention to the consolidation scope and methods,
 - ensure the proper accounting transcription of non-recurrent transactions or events that have significant impact on the Group,
 - review, at the closing of the annual and half-year financial statements, the individual and consolidated accounts, and their notes, as well as the management reports before presentation to the Board of Directors,
 - review, once a year, the financial position of the Group's main subsidiaries and interests of the.
- *Risks:* The mission of the audit committee is to:
 - regularly review, with the executive management, the main risks incurred by the Group, in particular through a risk mapping,
 - review significant off-balance sheet commitments,
 - review the risk management policy in all fields (insurance policy, financial management, intervention on forward markets).
- *Control, Internal Audit, Statutory Auditors.* The mission of the audit committee is to:
 - check that the internal procedures for collection and control of information having been set up in order to ensure the reliability thereof,
 - assess the internal control systems, review the program and results from the audit department's work and the recommendations and follow-up to these,
 - issue a recommendation to the Board of Directors on the choice of statutory auditors, through a competitive bidding process and to give an opinion on their remuneration,

- obtain details of fees paid by the Company and the Group to the audit firm and network of statutory auditors and make sure that this amount does not represent a proportion of the auditors' revenues large enough to undermine their independence,
 - review the work program of statutory auditors, their findings and recommendations.
- *Financial Policy:* The mission of the audit committee is to:
 - to review the corporate budget,
 - to review the financial, accounting and general tax policy of the Company and its implementation. This includes in particular, the review of the Company's policy relating to the management of its debt (objectives, risk coverage, financial instruments used, etc.),
 - review the information, including forecasts, to be provided as part of the Company's financial communication.

16.3.2. Strategy and investment committee

Composition and functioning

Pursuant to the Internal Rules of Procedure, the strategy and investment committee has six members with a right to participate in discussions and to vote. On the date of registration of this document, the members of this committee were Pierre Graff, Dominique Bureau, Bernard Irion, Nicolas Golias, Rémy Rioux and Jean-Luc Dauje. Pierre Graff is chairman of this committee.

The strategy and investment committee meets at least three times a year. It met four times in 2007 (last meeting to-date: 8 avril 2008) with an attendance rate of 83.3% in 2007. During these meetings the committee discussed investments for 2008-2012, the Group's 2006-2010 strategic plan, the strategic orientations on the reorganization of the ground handling business at Group level, the "Cœur d'Orly" project, projects concerning satellite S4 and extension of facilities occupied by Fedex and the concession of the Alia-Amman international airport in Jordan in which Aéroports de Paris Management is involved.

Duties

The duties of the strategy and investment committee are to:

- provide the Board of Directors with opinions regarding the definition and implementation of the strategic orientations of the Group (in particular in view of the air traffic and air transport industry development prospects, the development of airport services and related activities, the development of the Group's competitive environment),
- provide the Board of Directors with opinions regarding the orientations of the Group regarding diversification (in particular: airport international management, real estate, etc.), and regularly audit the results obtained in this respect,
- study and express opinions to the Board of Directors on issues relating to the transactions falling within the scope of the Board of Directors regarding internal or external growth transactions, carried out by the Company or its subsidiaries, either in France or internationally (significant investment and development projects, acquisition, extension or sale of interests or activities of the Group, proposed joint venture or completion of contributions); express an opinion on the economic and financial conditions of such projects (by studying, in particular, the conditions of profitability of projects and the financial exposure of the Group during the project); develop an exhaustive analysis of risks inherent to projects and their influence on the conditions of their profitability; and assess the way such risks are covered and propose any measures necessary to manage them,
- review the economic doctrine of the Company (analysis of the economic performances of the Company, analysis of the purchase and subcontracting policy, reflections on economic regulation, proposals regarding pricing policy, etc.),

- review all issues relating to the definition and implementation of the Group's strategy that the Board of Directors is willing to submit it or which it will deem necessary to deal with; with the understanding that only the Board of Directors and the Chairman and Chief Executive Officer remain competent to decide to commit the companies of the Group in development projects.

16.3.3. The Compensation Committee

Composition and functioning

Pursuant to the Internal Rules of Procedure, the Compensation Committee has four members with a right to take part in discussions and to vote. At the time of registration of this document, members of this Committee were Olivier Andriès, Rémy Rioux, Marc Véron and Françoise Malrieu, who chairs this committee.

The Compensation Committee meets at least once a year. It met twice in 2007 with an attendance rate of members of 75% in 2007. During its meetings, the committee discussed the amount of attendance fees and the compensation of corporate officers.

The information disclosed to the Compensation committee or to which it will have access under its mission are confidential. Members are therefore bound to strict confidentiality, vis-à-vis all persons not members of the Board of Directors or audit committee and are subject to the same regime as that applicable to the Company's directors.

Duties

The duties of the Compensation Committee are to:

- make proposals on the amount and increases of the total compensation of corporate officers, and on benefits in kind or any other mode of compensation, in particular by proposing the amount of the fixed portion and variable portion of their compensation, and the rules of determination of such variable portion, by ensuring that such rules are consistent with the assessment made each year of the Company's performances, and by controlling the annual application of such rules,
- give an opinion on the compensation policy of the main executive managers of the Company,
- where applicable, propose to the Board of Directors an overall amount for the directors' fees to be proposed to the Company's shareholders' meeting, as well as rules of allocation of directors' fees (taking into account, in particular, the attendance of directors at the Board of Directors and its committees and the missions entrusted to them),
- propose to the Board of Directors a policy for the reimbursement of expenses arising from the exercise of the office of directors,
- approve the information given to shareholders in the annual report on the compensation of corporate officers.

16.4. Corporate governance regime

With a view to transparency and information of the public, and within the limit of the legislative and regulatory provisions applicable to it, in particular due to its belonging to the public sector, the Company has used the proposals from the Viénot reports of July 1995 and July 1999, recommendations of the report of the working group chaired by Mr. Daniel Bouton for the improvement of corporate governance (the findings of which were submitted to the public on September 23, 2002) and the Charter of relations with public corporations that sets forth the governance rules governing the relations between the *Agence de participations de l'Etat* and companies in which the French government holds interests.

In accordance with the special legal and regulatory provisions applicables to Aéroports de Paris, the board of directors is made up of 21 members. Of this number, 14 directors (7 government representative and 7 employee representatives) do not, by definition, meet the criteria of independence defined in the above-mentioned reports. The Company feels, however, that each of the directors appointed by the shareholders at the annual general meeting has skills and professional experience that are useful to the Company, as well as complete freedom and independence of judgment.

Internal control

In due application of the provisions of article L. 225-37 of the French Commercial Code, the Chairman of the Board of Directors must set out in a report attached to the board of directors' management report, the conditions for preparation and organization of the work of the Board of Directors, and the internal control procedures implemented by the Company. The report by the Chief Executive Officer, which will be submitted at the annual general meeting to take decisions on the accounts for the financial year ended on December 31, 2007, called to this meeting on May 28, 2008, is set out in Appendix 6 to this Registration Document. The auditors' report on this report is in Appendix 7.

CHAPTER 17 EMPLOYEES - HUMAN RESOURCES

17.1. Labor policy

Labor policy and human resources management are an integral part of the Company's strategic orientations and are the primary lever for its modernization and progress. They also contribute to improving the internal functioning of the Group, to maintaining the momentum of sustainable development and risk control.

Another aim of human resource policies is to develop the Company's collective and individual efficiency and its social responsibility, all the while maintaining the balanced social relationships that are essential to the development of its projects, in order to focus on performance, while preserving social cohesion of the Company. Thanks to the extensive skills of its employees and the diverse range of careers offered to them, the Company has embarked on a forward management of jobs and skills, both at Group level and for Aéroports de Paris SA.

In 2007, there were several pilot actions to manage executive staff: creation of a support database for all the HR management policies, setting up of a skills benchmark, deployment of career reviews, overhaul of the management training system, consolidation of the performance management process. This includes an increase in the variable salary, as has been the case since 2005 for management executives. The variable part of their salary is calculated from the achievement of negotiated objectives, based on the Company's ambitions and strategic focuses. It takes three points into account: economic performance, service quality, and efficient management.

More generally, four targets have been defined to boost employee motivation and involvement and to meet the requirements of modernization and performance: clarify roles and responsibilities and the expected skills, assess the skills deployed and define avenues for improvement, define salary levels by seeking to match them with the level of responsibility exercised, market practices and by acknowledging performance and individual as well as collective results, manage careers by being clear about possibilities, conditions and career development rates and by promoting professional mobility,

The success of all these processes lies in the acceptance by all players of the Company's corporate life, and that is why, aware of the stakes related to the success of the actions implemented, it endeavors to maintain active and constructive social dialogue with the staff representative bodies. Each year, this is concretized with the signing of several company agreements and the maintenance of a low conflict rate.

Lastly, Aéroports de Paris places its general human resources policy at the heart of Company responsibility and sustainable development. In 2005, Aéroports de Paris thus extended the scope of the rating by BMJ Ratings to human resources, customer and supplier relations and governance in relation to sustainable development. With respect to human resources, the rating has increased since 2005.

After a phase of analysis and assessment of stress, in 2008, the Company will be formalizing a policy to improve the quality of life at work. In 2007, it had already organized seminars on the prevention of psycho-social risks for managers in order to better understand these risks and to have reference points in carrying out preventive actions in their units.

17.2. Labor information

17.2.1. Headcount

In 2007, the average Group headcount (excluding the two corporate officers) was 11,381, the vast majority of which were in France, as against 10,816 in 2006. Among these employees, 7,451, or 65% of the Group's total workforce, work at Aéroports de Paris.

	2005		2006		2007	
	Administered at 31/12	Average	Administered at 31/12	Average	Administered at 31/12	Average
Aéroports de Paris	7,955	7,709	7,799	7,571	7,669	7,451
Subsidiaries	2,733	2,585	3,292	3,245	4,032	3,930
Total Group	10,688	10,294	11,091	10,816	11,701	11,381

The following table shows the change in the average number of Group employees over the past three years by segment:

	2005	2006	2007
Airport segment	4,046	4,241	4,285
Real estate	328	332	316
Ground handling	2,820	3,199	3,593
Other activities	634	770	987
Headquarters and other control functions, including	2,466	2,274	2,200
<i>Development And Engineering</i>	721	731	697
<i>Other</i>	1,745	1,543	1,503
Total ⁽¹⁾	9,652	10,816	11,381

(1) Employees of companies included in the consolidation scope. The "other activities" segment includes 50% of the total number of employees of Société de Distribution Aéroportuaire and all the employees of BGI.

The staff increase at the Alyzia group was a result of the organic growth of the subsidiary and the continuation of the transfer of ground handling activities from Aéroports de Paris SA as well as the development of activities of Alyzia Sûreté because of the full-year effect of the security markets gained (111 employees more).

The staff increase at other subsidiaries (230 staff) was mainly due to increases in Société de Distribution Aéroportuaire staff (145¹¹⁹), in turn mainly following the extension of its scope of activity at CDG1, and by staff increases at ADP Ingénierie (68) caused by an increase in activity in the course of the year. Half of these were staff on local contracts.

Meanwhile, the number of employees of Aéroports de Paris itself fell by 1.6%. The reorganization of the ground handling business resulted in the reduction of Aéroports de Paris employees by 93 agents in 2007.

As at 31 December, 2007, 3,858 employees of Aéroports de Paris worked at the Paris-Charles de Gaulle airport, 3,304 at the Paris-Orly airport, 130 at the Paris- Le Bourget airport and 262 at other locations, including the Company headquarters.

99% of employees had open-ended contracts as at December 31, 2005. Of the 7,554 employees present (excluding suspensions of contracts), 15% are management, 26.3% highly-skilled workers, 38.7% skilled workers, and 20% other workers.

¹¹⁹ Aéroports de Paris' share

17.2.2. Employees' terms of employment

Employment contracts of the personnel of Aéroports de Paris are governed by private law and the French Labor Code. Subject to limited exception, the Company's employees benefit from a special regime implemented on January 1, 1955 by an order issued on July 10, 1955 by the Minister in charge of public works, transports and tourism and the secretary of state in charge of economic affairs, whereas employees of the Group's subsidiaries are exclusively subject to the Labor Code. Provisions set forth by the personnel status replace those of the Labor code, which however apply in the absence of a particular provision set forth by such status.

Aéroports de Paris's human resources policy is governed by Article R. 251-3 of the French Civil Aviation Code. This article provides that while Aéroports de Paris's board of directors is responsible for defining the human resources policy, including the range of benefits, salaries, and indemnities for employees, the policy and any amendments to it must be approved by the Ministry of Civil Aviation and the Ministry of Economy and Finance. Approval is deemed granted if no explicit decision has been rendered within the two-month period following the reception of the board's decision. The current human resources policy also provides that before any amendments to it are made, the union representatives of Aéroports de Paris's employees must be consulted.

In accordance with article L.134-1 of the French Labor Code, the provisions of the by-laws may be completed and the rules governing their implementation may be defined by company-wide agreements, within boundaries set forth by the status.

The status of employees differs from the French Labor Code on the following matters:

- a formal procedure of announcing available positions to all employees to invite applications,
- in addition to their basic salaries, employees are entitled to: (i) increase in salary of 1% for each year of seniority, capped at 21%; (ii) a 13th-month bonus (monthly base salary increased by 10% plus a percentage for seniority); (iii) an additional June bonus equal to 95% of monthly basic salary increased by a percentage for seniority; (iv) attendance bonus for non-management employees or a year-end bonus for management employees; (v) hardship bonuses, if applicable; (vi) employees with at least two dependant children receive a family salary supplement; (vii) retirement or departure bonuses corresponding to a monthly basic salary per year of seniority up to 10 years, half of the monthly basic salary per year between 10 and 20 years in the Company and a quarter of the monthly basic salary after that; (viii) additional benefits in case of sickness, work-related accidents or death,
- employees have the option to work part-time for personal reasons: half-time is paid at 60% and three-quarters' time is paid at 80% of full pay,
- additional time is given for family events (such as marriage, death, moving).

Employees of other companies within the Group are subject to collective bargaining agreements specific to their activities. ADP Ingénierie and Aéroport de Paris Management adhere to the SYNTEC national collective bargaining agreement, Hub telecom is subject to the national collective bargaining agreement for telecommunications and Société de Distribution Aéroportuaire is subject to the collective bargaining agreement for predominantly food-related retail and wholesale business. At the Alyzia group, the following collective bargaining agreements are applicable, depending on the areas of activity: Handling and cleaning in the Paris region, Air transport, Ground staff, Road transport up to November 30, 2007 for Locmafer), Prevention and safety, Training school, Finance company.

17.2.3. Hiring

Aéroports de Paris hired 367 employees in 2007 (including 99 in open-ended contracts, representing 27% of total employees hired as compared with 34.4% in 2006 and 37.7% in 2005).

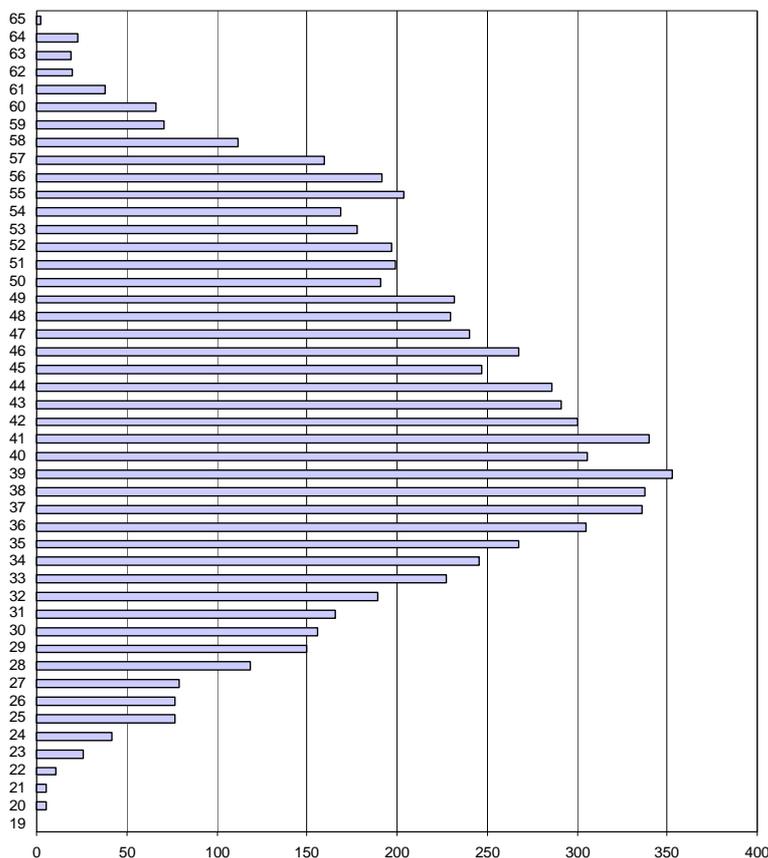
These recruitments represent a staff turnover rate for open-ended contracts of 2.0% in 2007 compared with 2.5% in 2006 and 3.9% in 2005.

Between 2006 and 2007, the number of new hires with open-ended contracts dropped 38.1% (99 compared with 160). The number of new hires with fixed-term contracts dropped 12.1% (208 compared with 305). The total number of new hires over the period dropped by 21% (367 compared with 465).

New employees were as follows at the 4 subsidiaries and Société de Distribution Aéroportuaire:

	Open-ended contracts	Fixed-term contracts	Total
Hub télécom	34	2	36
ADPi (employees in France)	28	36	64
Aéroports de Paris Management	5	0	5
Société de Distribution Aéroportuaire (total)	389	252	641
Alyzia Group	491	893	1,384

The staff age pyramid as at December 31, 2007 was as follows:



17.2.4. Departures, dismissals and early retirement

In 2007, 485 employees left the Company. The main reasons for these departures were as follows: 267 expired fixed-term contracts, 64 retirements and 42 dismissals.

The specific early retirement scheme for employees of the rescue and fire-fighting service department (RFFS, *service du sauvetage et de lutte contre l'incendie des aéronefs sur les aérodromes* (SSLIA)) referred to as "PARDA Pompiers", signed on October 18, 1991 enables this category of employees to benefit from early retirement at 55 under certain conditions. It is applicable without any time limit. 10 employees took advantage of this system in 2007.

Departures were as follows at the 4 subsidiaries and Société de Distribution Aéroportuaire:

	Total departures	Of which contract expiry
Hub télécom	25	2
ADPi (employees in France)	10	3
Aéroports de Paris Management	4	2
Société de Distribution Aéroportuaire (total)	363	208
Alyzia Group	840	522

17.2.5. Overtime

During the modulation year, from April 1, 2006 to March 31, 2007, 18,825 overtime hours were worked at Aéroports de Paris, for an amount of 64,070 euros paid as extra compensation, excluding employer costs.

17.2.6. Staff from outside the Company

In 2007, temporary staff accounted for 2.4% of the average monthly workforce as against 2.9% in 2006. The average duration of temporary employment contracts was 12 days as against 11.5 days in 2006. External employees in Aéroports de Paris work in the following sectors: administrative, studies, ground handling and car and engine driving staff.

17.2.7. Information on downsizing and job protection plans, reclassification efforts, re-hiring and support

The Staff Status provides for procedures for reducing the workforce when their number exceeds the employment charts and cannot be brought down through transfers or promotions.

To restore the balance of the ground handling segment's operational income in 2009, Aéroports de Paris has decided to bring all the segment's activities together into one airport service subsidiary. In this context, it has been planned that Aéroports de Paris SA will phase out its ground handling activity, which is currently performed by the Ground handling division, latest by the first quarter of 2009.

The Company's management is committed to work in concert to define the necessary measures aimed at providing support to employees and at anticipating the social impact of this project. It has undertaken to propose to each employee of the Aéroports de Paris handling division the best solution for their specific situations, that they may choose, as well as measures aimed at securing the career paths of each employee. An agreement concerning this project to reorganize ground handling activities was signed between four trade unions and the management on July 16, 2007 and September 26, 2007, about the information and consultation procedures of the Company's works council. Under the proposed employee support plan set up by the above-mentioned agreement, there will be no forced departure from the Compagny up to December 31, 2008.

The first measures to provide ground handling employees with collective as well as individual information were implemented at the beginning of October 2007. Lastly, transfers will be coordinated with the timetable for reducing the activity of the Ground handling division.

17.2.8. Organization, working time and absenteeism

Thanks to a constructive social dialogue, an agreement on adjustment and reduction of working time (ARTT) was signed with the trade union representatives on January 31, 2000. Two amendments to the ARTT agreement (September 21, 2001 and January 30, 2002) have created a time savings account (*compte épargne temps* (CET)). This account may be supplied with paid vacation days or *RTT*, and with remunerations (13th month, additional allowance in June, executive bonus, profit-sharing) converted into days. Amendments govern the specific situations of certain employees, in particular agents of the rescue and fire fighting department (SSLIA, agreement of April 6, 2001) and those of the Emergency Medical Services (*Services Médicaux d'Urgence* (SMUR, agreement of January 30, 2002). Reduction to 35 hours of weekly working time was made with a salary reduction, over the 2000-2002 period, for all the employees of Aéroports de Paris. An agreement relating to night work was signed on February 21, 2007. It provides for exemptions to the legal limitations applicable to the working hours of night workers.

In 2005, the rate of absenteeism, calculated in days, was 5.21%. In 2006, a new mode of calculation based on hours was devised, raising the rate to 6.75% (the result of the calculation in days would have been 5.1%). In 2007, absenteeism dropped again to 6.40%. The most frequent causes of absence are sickness and maternity leave.

17.2.9. Compensation and social charges

Compensation paid by Aéroports de Paris is determined by the human resources policy, which also defines the criteria for employee promotions¹²⁰.

In 2007, the average net taxable monthly compensation¹²¹ was 2,953 euros, against 2,842 euros in 2006. The distribution by type of employee in 2007 was 4,704 euros for management, 3,175 euros for highly-skilled workers, 2,478 euros for skilled workers and 2,068 euros for other workers. The following table shows the breakdown of employees by compensation level:

<i>Net annual compensation level</i>	Employee breakdown		
	2005	2006	2007
Over 40,000 euros	19.1%	22.4%	25.0%
20,000 to 40,000 euros	76.3%	75.0%	73.1%
Less than 20,000 euros	4.6%	2.6%	1.9%

Salary agreements are negotiated annually between management and the unions. The most recent agreement, which was entered into on June 6, 2007, increased basic salaries by 1.7% as from June 1, 2007. The salary index was readjusted by 0.00655 on October 1, 2007, financed by the abolishment of the right to a part refund of one plane ticket bought during the annual vacation.

The Company's costs for mandatory retirement plans (payment for old age: for ARRCO: ANEP, for AGIRC: Distribution Pension Fund for Engineers, Management and related occupations - CRICA and AGFF) were 26.8 million euros in 2007 million euros against 26.1 million euros in 2006, an increase of 2.7%.

The Company paid in 4.5 million euros contributions for supplemental insurance (AXA life and invalidity) in 2007, compared with 4.4 million euros in 2006.

Supplemental health and pension scheme since October 1, 2007

The plans proposed by the four supplemental health insurances for working and retired employees of Aéroports de Paris no longer entitle them to exemptions of social charges after July 1, 2008.

¹²⁰ See 17.2.2. "Group personnel status"

¹²¹ Net taxable monthly compensation was calculated from the amount of net compensation actually paid during the year for full-time employees employed for the entire year.

These schemes have therefore been scrapped and a collective agreement was negotiated, creating a collective and mandatory scheme that entitles subscribers to exemptions of charges as from October 1, 2007.

Since October 1, 2007, Aéroports de Paris no longer pays for the basic contribution of the supplemental scheme for the Company's retirees. In exchange, an agreement was negotiated that sets up, as from October 1, 2007, two supplemental retirement schemes, one a defined contribution plan (article 83 of the French General Tax Code) and the other a defined benefit plan (article 39 of the French General Tax Code). These collective and mandatory schemes will exempt both the Company and the employee from social charges and replace the previous system.

In accordance with these two agreements, Aéroports de Paris contributions will include financing as follows:

- For current employees: a contribution to cover their health costs, a guarantee of retirement with a defined contribution (article 83 of the French General Tax Code), with, for those leaving in the short term, an additional defined-contribution retirement scheme (article 39 of the French General Tax Code)
- For current retirees, early retirees, layoffs due to inaptitude - a group that has been closed since October 1, 2007, responsibility for basic health cover.

These two schemes are partly financed by the Works Council. In 2007, funding was broken down as follows:

<i>In millions of euros</i>	Works Council contribution	Aéroports de Paris contribution
Retirees - closed group (2007 full-year)	3.24	
Current employees (old scheme from January 1 to September 30, 2007)	1.96	
Current employees (new scheme from October 1 to December 31, 2007)	0.68	0.34
Current employees (new supplemental pension scheme from October 1 to December 31, 2007)		1.02
TOTAL	5.88	1.36

17.2.10. Gender equality

The proportion of women among Aéroports de Paris employees was stable at 38.9% in 2007, against 39.0% in 2006. The difference between the average monthly taxable net salary of men and women shrunk yet again: in 2007, it was 12.1% in favor of men (3,060 euros on the average for a man, 2,730 euros in average for a woman), compared with 13.2% in 2006.

On termination of the agreement of June 30, 2003 concerning professional equality, a new majority agreement was signed on 7 November 2006 between management and unions. The agreement improves the provisions facilitating work life and family balance. It also promotes awareness on the part of all agents of the importance of professional equality, and on female access to the various hierarchical levels of the Company.

A first batch of actions was implemented in 2007 after lengthy consultations with the social partners to ensure the full implementation of the commitments made. These included the setting up of a network of correspondents per division, the creation of communication tools and initiatives to raise awareness among managers, the creation of a dashboard with follow-up indicators to facilitate alerts and corrective actions. With respect to work life balance, Aéroports de Paris played an active role in the opening of inter-company day care centers at the Paris-Charles de Gaulle and Paris-Orly airports; it has signed a contract to reserve 10 additional cradles, bringing the total number of available cradles to 40.

17.2.11. Professional relations and collective agreements

The social dialogue was particularly productive with 12 collective bargaining agreements signed in 2007. These included:

- a co-operation agreement signed on February 5, 2007,
- an agreement establishing two supplemental collective pension schemes, one with defined contributions and the other with defined benefits, on February 12, 2007 (with an amendment on 7 December),
- an agreement establishing a collective scheme of reimbursement of medical expenses on February 12, 2007 (with an amendment on 7 December),
- an NTIC/IRP/OS memorandum of understanding (provision of new information and communication technologies) on February 21, 2007,
- a collective agreement on night work signed on February 21, 2007,
- two amendments to the Company savings plan signed on March 28, 2007,
- a wage settlement signed on June 6, 2007,
- an amendment to the employee profit-sharing agreement signed on June 11, 2007,
- a memorandum of understanding relating to the management of Ground handling jobs signed on July 16, 2007.

In 2007, Aéroports de Paris inaugurated a cycle of information and negotiation meetings on the creation of pension savings plans, which should be continued in 2008. The aim of these meetings is to sign one or more collective agreements by the end of 2008.

Industrial strike incidence (number of strike hours/number of hours worked) was 0.06% in 2007 compared with 0.04% in 2006.

17.2.12. Employee representation and unions

Aéroports de Paris's employees are represented by:

- seven unions within Aéroports de Paris: SICTAM-CGT, SPE-CGT, UNSA-SAPAP, CFE-CGC, FO, SPASAP-CFDT and CFTC,
- a works council,
- eight health, safety, and working conditions committees (CHSCT) and an additional committee to coordinate the CHSCTs.

The most recent professional elections were held between 5 and 14 December 2006, the first round of elections. There was no quorum in the first college (execution college), and so a second round was arranged between January 9 and 18, 2007.

After the first and second rounds, the union organizations obtained the following percentages of votes:

Unions	Percentage of votes	
	Employee Delegates	Works Council
SICTAM/CGT	25.91%	26.41%
CFE-CGC	20.69%	19.86%
UNSA/SAPAP	18.87%	18.92%
FO	14.46%	14.50%
CFDT	10.13%	10.12%
SPE-CGT	7.12%	7.18%
CFTC	2.82%	3.01%

The results of the first round for members of the works council, which will be considered in assessing the representativeness of future agreements, were as follows:

Unions	Percentage of votes
SICTAM/CGT	26.91%
CFE/CGC	19.48%
UNSA/SAPAP	19.12%
FO	13.71%
SPASAP/CFDT	10.28%
SPE/CGT	7.27%
CFTC	3.22%

17.2.13. Hygiene, safety and working conditions

Aéroports de Paris has, for many years, given specific importance to working, safety and health conditions.

In 2007, there were 183 work-related accidents with sick leave, a decrease compared with 212 in 2006. The Company lost 8,052 working days in 2007 (including days lost as a result of work-related accidents that had occurred in previous years), this was a sharp drop compared with 2006 (10,653 working days lost). The frequency rate (number of accidents with sick leave by millions of worked hours) was 16.6, an improvement on the 18.9 recorded in 2006. It was considerably less than the national average (25.7 in 2006¹²²). The accident severity rate (number of lost days by thousands of worked hours) was 0.73. This was a slight improvement on the 0.95 recorded in 2006.

Engaged in a process of modernization and streamlining of the hygiene and safety system, the human resources department has wished to increase the number of hygiene and occupational safety bodies to bring them closer to employees on its various sites. That is why it has created eight health, safety, and working conditions committees

Each of these committees met at least once a quarter as provided by the regulations. There were 44 meetings in 2007. They also organized 17 additional or extraordinary meetings during the year.

Aéroports de Paris also implemented the multidisciplinary requirements of the Occupational Health regulations by creating a medical and technical committee made up of five company physicians, five Professional Risk Prevention officers and the Human Resources Division. In 2007, this committee made recommendations on the following issues :

- prevention of sound nuisances (mapping of noise exposure of certain groups of employees),
- reinforcement of medical supervision decided by the committee for jobs that expose employees to chemical nuisances, radiation, noise and night work,
- traceability of the exposure of employees to hazardous chemical agents (analysis of workstations, determination of exposure, individual monitoring).

17.2.14. Training

Professional training is particularly important in accompanying developments at Aéroports de Paris and in developing its employees' skills. In October 2005, an agreement on training integrating all the provisions of the Law of May 4, 2004 was signed between the management and trade unions.

In 2007, Aéroports de Paris invested 18.5 million euros for professional training compared with 19.1 million euros in 2006. Over and above the tax reference, overall training accounted for 6.0% of the gross taxable payroll in 2007 as against 6.5% in 2006.

¹²² Source: CNAMTS

Each employee received an average of 28 hours of training in the year, compared with 30 hours in 2006.

17.2.15. Hiring and insertion of disabled workers

Aéroports de Paris' particular interest in the professional insertion of disabled workers was demonstrated by the signing of an agreement on this issue. It was in this spirit that management and trade unions signed, on December 6, 2006, a sixth agreement aimed at facilitating the integration of these workers. With this ambitious agreement, Aéroports de Paris undertook, within a context of reduction of the number of new external staff, to double the number of disabled employees to be hired for the duration of the three-year agreement with respect to the previous year, with a target of hiring 33 disabled workers. It hired 11 disabled workers in 2007.

At the end of 2007, Aéroports de Paris had 267 disabled employees, as compared to 251 in 2006 and 223 in 2005.

17.2.16. Social welfare

Aéroports de Paris is bound to pay the works council a subsidy for financing of social, cultural and sport activities. In 2007, it paid 5.6 million euros, corresponding to 1.65% of total payroll, a figure that remained unchanged compared with 2006.

Subsidies for employee meals amounted to 5.3 million euros in 2007 against 5.5 million euros in 2006.

In addition to the above subsidies, Aéroports de Paris paid the following¹²³:

- up till September 30, 2007, Aéroports de Paris' contribution to the supplemental health insurance policies of current employees for an amount of 2 million euros. This was aimed at paying for part of the supplemental health cover of employees,
- contributions intended to pay for part of the supplemental health cover of employees under the "new scheme" and that of retired employees, employees on early retirement or dismissed for physical unfitness for work (a group closed since October 1, 2007). These contributions amounted to 0.7 and 3.2 million euros respectively in 2007.

Aéroports de Paris also bears a part of the costs related to employees' meals taken in inter-company restaurants in the two airports.

17.2.17. Subcontracting

To meet its traditional commitments to quality and performance, Aéroports de Paris resorts to subcontracting in addition to its own resources as the situation may require. For several years now, the Company has been striking a balance between an increasingly competitive economic environment and the requirements of social dialogue.

The portion of subcontracted activities in the field of security has increased significantly in 2002 and 2003 and then again as of August 2006 following terrorist threats and tightening of security measures in accordance with European regulation 1546 of October 4, 2006. The proportion of other missions such as ground handling or airport authority services carried out by subcontractors are also increasing due to the increased demand for services and the reinforcement of corresponding resources (for example for aircraft de-icing).

Aéroports de Paris has established a relationship of dialogue with its subcontractors, and places the satisfaction of the needs of its international clientele at the heart of its strategy.

¹²³ See 17.2.9 - Compensation and social charges

17.3. Stock options

The Company did not grant any stock option plans.

17.4. Employee profit-sharing

17.4.1. Employee profit-sharing and shareholding contracts

Employee profit sharing

Since 1988, all employees of Aéroports de Paris have received a profit-sharing bonus based on gains in productivity, financial results and the achievement of targets by type of activities.

In 2007, this bonus was 12.1 million euros, compared with 12.4 million euros in 2006.

Employee shareholding

Since the decree of December 27, 2005, Aéroports de Paris has set up an employee shareholding system. An initial agreement for 2005 was signed by three trade unions on March 3, 2006. The amount for 2005, prepared in accordance with the legal formula, was 12.2 million euros. A new agreement for the 2006 to 2008 was signed on February 5, 2007.

It is calculated using the legal formula, **and the 2007 Special Shareholding Reserve was 6.9 million euros** as against 5 million euros in 2006.

17.4.2. Employee savings plan and employee share-ownership policy

The employee savings plan (*Plan d'Épargne Entreprise* - PEE) implemented in 1986 allows employees to own a portfolio of securities. In addition to the profit-sharing plan, employees may make supplemental payments to their employee savings plan, which may be completed by an additional contribution by the Company. The maximum amount of the employer's contribution per employee was 1,040 euros in 2007. When the Company was listed on the Stock Exchange in 2006, there were no additional contributions by the Company to the mutual funds of the employee savings plan. In 2007, the additional contribution was 2.2 million euros.

During the privatization and for the purposes of implementation of the two formulae proposed under the offer reserved for current employees and some former employees of Aéroports de Paris and its subsidiaries, Aéroports de Paris set up a Group Savings Plan via a collective agreement¹²⁴, which was opened to Alyzia, ADPi, Aéroport de Paris Management and Hub télécom.

A mutual fund for managing employee savings, FCPE Aéroports, was also created for the custody and management of shares acquired under the group savings plan. The oversight committee is made up of six employees who represent unit holders and are unit holders themselves, as well as six representatives of Aéroports de Paris and subsidiaries who are part of the savings plan. Employee unit holder representatives are elected by their fellow unit holders. The oversight committee exercises the voting right attached to the securities that make up the fund, and in this respect it appoints one or more representatives to represent the funds to the Company's general meetings.

The employer's additional contribution for Company shares bought in 2006 under the offer reserved for employees was 9.2 million euros for Company employees only. In 2007, this contribution was reserved for the FCPE Aéroports Actionnariat fund, and comprised 2.2 million euros (including voluntary payments).

¹²⁴ Pursuant to the provisions of Articles L.443-1 and following of the French Labor Code

As at December 31, 2007, current and former employees of Aéroports de Paris held 2.44% of the Company's capital. The FCPE Aéroports Actionnariat unit thus represented 1.61% of the Company's shareholding structure.

Employees at Hub télécom, ADP Ingénierie and Société de Distribution Aéroportuaire also benefit from the shareholding scheme. Société de Distribution Aéroportuaire as well as four of the eight companies that were constituting the Alyzia group in 2007 also take part in the profit-sharing.

17.5. Shares held by corporate officers and transactions by members of the Board of Directors on the Company's securities

As at January 23, 2008, the members of the Board of Directors held a total of 2,344 Aéroports de Paris shares, representing some 0.0024% of Company share capital at that date.

The table below shows the number of Company shares held by directors and management at January 30, 2008:

Directors and Deputy Chief Executive Officer	Company post	Number of shares held as at January 31 2008
Pierre Graff	Chief Executive Officer and director appointed by the general assembly	129
Olivier Andriès	Director appointed by the general assembly	20
Vincent Capo-Canellas	Director appointed by the general assembly	10
Bernard Irion	Director appointed by the general assembly	159
Françoise Malrieu	Director appointed by the general assembly	140
Marc Véron	Director appointed by the general assembly	10
Gaston Viens	Director appointed by the general assembly	10
Rémy RIOUX	Director representing the State	0
Denis Mercier	Director representing the State	0
Dominique Bureau	Director representing the State	0
Pierre de Montlivault	Director representing the State	0
Eric Le Douaron	Director representing the State	0
Jérôme Fournel	Director representing the State	0
Pascal LELARGE	Director representing the State	0
Jean-Luc Dauje	Director representing employees	436 shares held through Common Company Funds (FCPE)
Nicolas Golias	Director representing employees	0
Jean-Louis Guy	Director representing employees	0
Carole Leroy	Director representing employees	0
Antonio Pinto	Director representing employees	0
Brigitte Recrosio	Director representing employees	0
Paul Vatin	Director representing employees	689 shares held through a mutual fund (FCPE)
François Rubichon	Deputy CEO	20

No directors or managers had any stock options at the date of registration of this Registration Document.

Pursuant to French Monetary and Financial Code and the general regulations of the stock market authorities, management or related parties who carry out transactions on company stock are obliged to notify the AMF of these operations, which makes such information public. These persons must provide Aéroports de Paris with a copy of this notification to the AMF.

CHAPTER 18 MAIN SHAREHOLDERS

18.1. Shareholding of the Company

Aéroports de Paris has a capital of 98,960,602 shares. At the date of registration of this Registration Document, the State held 68.38% of the Company's capital and voting rights. No other individual or legal entity exercises or may exercise, directly or indirectly, jointly or alone, any control over the Company. Article L. 251-1 of the Civil Aviation Code provides that the French government must retain at least a 50% interest in Aéroports de Paris.

Aéroports de Paris identified its shareholders using identifiable bearer securities as at December 31, 2007. Shareholders are broken down in accordance with the following ceilings:

- intermediaries holding at least 20,000 shares,
- shareholders with at least 30 shares.

The percentage of identified capital comes to 94.8% when registered shareholders are added.

On the basis of these identifiable bearer securities, the breakdown of Aéroports de Paris's capital as at December 31, was as follows:

Shareholders	Percentage of share capital and voting rights
French government	68,38%
French institutions	14,75%
Institutionnels non-résidents	5,90%
Actionnaires individuels français et non identifiés	8,49%
Employees	2,44%
Autocontrôle *	0,05%
TOTAL	100%

Aéroports de Paris, as part of the share buyback program

On the date of registration of this Registration Document, and to the best of the knowledge of Aéroports de Paris, the shareholding structure of the Company had not changed significantly since the creation of the identifiable bearer security as described above.

To the best of Aéroports de Paris' knowledge, the Government is the only shareholder that holds more than 5% of capital, whether directly or indirectly.

In a press release published on January 2, 2008, the Vinci Group announced that it was buying Aéroports de Paris shares representing 3.3% of the Company's capital. The Group specified that it did not intend to raise its shareholding above its current level, unless there was a change in the government shareholding in the future.

18.2. Change in the Company's shareholding structure

Aéroports de Paris shares are traded on the Euronext Paris (compartment A) under the code ADP since June 16, 2006.

Aéroports de Paris has a capital of 296,881,806 euros, divided into 98,960,602 fully paid-up shares at 3 euros each, which did not undergo any modification in fiscal 2007. This capital is accompanied by the share premium of 542.7 million euros resulting from the capital increase of 2006.

18.3. Control over the Company

On the date of registration of this document, the State held 68.38% of share capital and voting rights of the Company and consequently controls the Company. The application of corporate governance rules as described in Chapter 16 is in particular aimed at avoiding an abusive exercise of control by the majority shareholder.

18.4. Change of control of the Company

To the Company's knowledge, there is no agreement the implementation of which could, on a subsequent date, result in a change of control of the Company. Article L. 251-1, paragraph 2, of the French Code of Civil Aviation provides that the majority of the Company's share capital is held by the State and, pursuant to Article 7 of the Company's by-laws, "the changes in the capital ownership cannot result in having the State lose the majority of the share capital".

18.5. Relations with the State and the administrative authorities

The public authorities supervise the activities of Aéroports de Paris by virtue of its partially state-owned status, in particular its public service activities. This last feature of the relations existing between Aéroports de Paris and the administrative authorities is described in paragraph 6.6. "Legal and Regulatory Environment".

Economic and financial supervision

Decree no. 53-707 of August 9, 1953 on the State's control over government corporations and certain corporate bodies having an economic and social purpose, which provides in particular for an approval procedure by the State of divestitures, acquisitions or extensions of financial holdings by certain bodies, does not apply to Aéroports de Paris. However, Decree no. 55-733 of May 26, 1955 as amended, relating to economic and financial control of the State, applies to the Company.

Control by the Government Audit Office

In addition to the control exercised by the two statutory auditors, the Company's accounts and management and if applicable, those of its direct majority subsidiaries, fall within the control of the government Audit Office in accordance with Articles L. 133-1 and L. 133-2 of the French Code of Financial Courts. Therefore, after verification of the accounts, the Audit Office may also ask to be given all documents necessary to carry out its audit mission, and hear any person of its choice.

General Inspectorate of Finance

The decree-law of October 30, 1935 organizing the State's control on companies, trade unions and associations or corporations of any nature having resorted to the financial support of the State, enables the Minister in charge of the Economy to submit Aéroports de Paris to verifications of the general inspectorate of finance.

General civil engineering authority (Conseil général des ponts et chaussées)

In accordance with the Decree no. 2005-470 of May 16, 2005 relating to the Conseil général des ponts et chaussées, said authority may carry out the studies and investigations required by the Minister in charge of infrastructure.

CHAPTER 19 TRANSACTIONS WITH RELATED PARTIES

The statutory auditors' report on agreements with related parties for the fiscal year ended December 31, 2007 is attached as Appendix 5 of this document. The statutory auditors' report on agreements with related parties for the fiscal years ended December 31, 2006 and December 31, 2005 are attached as Appendix 3 of this 2006 Registration Document and Appendix 7 of the Document de Base. Given that Aéroports de Paris is a French business corporation (société anonyme) only since July 22, 2005, it is not subject to the provisions of the French commercial code on regulated agreements for prior years.

In addition to the contracts described in the special auditors' reports for the years ended December 31, 2006 and December 31, 2007, over the last three years, Aéroports de Paris has signed the major agreement described below with related parties as per EC Regulation No. 1606/2002.

- an economic regulation agreement (*Contrat de Régulation Economique* - CRE) was drawn up on February 6, 2006 between the French government and Aéroports de Paris in order to set, for the 2006-2010 period, the maximum average rate of increase of the main airport fees, to present the investment program planned by Aéroports de Paris and to determine the service quality targets of Aéroports de Paris¹²⁵,
- four financial agreements were signed between the French government and Aéroports de Paris in 2006 to set the amounts and terms payment of sums owed by the State in connection with the retrocession of properties necessary to its public service missions¹²⁶.
- pursuant to Article 3 of the Law of April 20, 2005 an agreement was entered into on March 30, 2006 between the State and Aéroports de Paris setting forth the terms and conditions of retrocession by Aéroports de Paris to the State of a portion of the real estate capital gain in the event of the shutting down of all or part of an airfield operated by Aéroports de Paris to public air traffic¹²⁷.

For information concerning the parties involved, see note 37 of the appendix to the consolidated accounts in appendix 1 of this Registration Document.

¹²⁵ See 6.3.2.6. "Revenues from the Operation of Airports"

¹²⁶ See 8.1. "Real Estate Properties and Equipment of Aéroports de Paris"

¹²⁷ See 6.6.2.4. "Ownership of Assets, Obligation to Pay a Share of Capital Gains on the Sale of Closed Airport Sites to the French State "

Chapter 20 FINANCIAL INFORMATION ON THE ASSETS, FINANCIAL POSITION AND RESULTS OF THE ISSUER

20.1. Historical financial data

The consolidated accounts of the Group Aéroports de Paris for the fiscal year ended December 31, 2007 are attached as Appendix 1 of this document.

20.2. Pro forma financial data

Not applicable.

20.3. Corporate financial statements

The corporate accounts of Aéroports de Paris for the fiscal year ended December 31, 2007 are attached as Appendix 3 of this document.

20.4. Verification of annual historical financial data

The Auditors' general report on the consolidated accounts of the Group Aéroports de Paris for the fiscal year ended December 31, 2007 is attached as Appendix 2 of this document.

The Auditors' general report on the corporate accounts of Aéroports de Paris for the fiscal year ended December 31, 2007 is attached as Appendix 4 of this document.

20.5. Date of last financial disclosure

On March 13, 2008, the Aéroports de Paris Group published a press release presenting the consolidated accounts for the financial year ended December 31, 2007. This press release is available on the website of the Company: www.aeroportsdeparis.fr.

20.6. Interim financial data

Not applicable.

20.7. Dividend distribution policy

20.7.1. Dividends paid for the last three fiscal years

Remuneration of the State and dividends paid prior to the conversion of Aéroports de Paris into a Société Anonyme

Pursuant to article 79 of the amended Finance Law No. 2001-1276 of December 28, 2001 as amended by Article 88 of the amended Finance Law No. 2003-1312 of December 30, 2003, the State was authorized to receive a dividend based on the results of operations of the public institutions placed under its supervision, including Aéroports de Paris until its conversion into a société anonyme. The Minister of Economy and the Minister of the Budget were therefore empowered to set the amount of the dividend to be deducted each year on the distributable profit of Aéroports de Paris. In this respect, Aéroports de Paris paid the State a dividend of 25.1 million euros for fiscal 2004 (order of July 22, 2005).

Dividends paid after the conversion of Aéroports de Paris into a Société Anonyme

Since the conversion of Aéroports de Paris into a Société Anonyme, dividends are determined and paid in accordance with rules applicable to Sociétés Anonymes. For the fiscal year ended December 31, 2005, the annual shareholders' meeting held on April 18, 2006 decided to grant a dividend of 63.2 million euros.

At its meeting on March 30, 2007, the Board of Directors decided to submit for the approval of the annual general meeting of May 29, 2007, the distribution of a net dividend of 0.94 euro per share for fiscal 2006, a 27% increase on the 2005 dividend. This was in accordance with the orientation decided to distribute 50% of Group share of consolidated net income when the Company shares were listed on the Paris Bourse. In 2006, Aéroports de Paris increased the net income used as a basis for calculation of dividends by adding the 33.3 million euros corresponding to the charge, booked in the Company accounts, but actually borne by the State, of the 20% discount on the share price granted to employees when the Company was listed. In due application of IFRS standards, this charge was offset by an identical amount of shareholders' equity.

20.7.2. Distribution policy

The objective of Aéroports de Paris is to apply a dividend distribution policy representing 50% of its attributable income, with the understanding that future dividends will be assessed for each fiscal year, according to the Company's results, its financial position and any other factor deemed relevant.

20.7.3. Period of limitation

Unclaimed dividends shall lapse to the State at the end of a five-year period as from their date of payment.

20.8. Legal proceedings

Aéroports de Paris is involved in a number of legal proceedings as part of the ordinary conduct of its business. Without prejudice to the section below, neither Aéroports de Paris nor any of its subsidiaries have been in the past or are currently party to any legal action, claim or arbitration procedure that could give rise in future, or has given rise in the recent past, to a material adverse impact on the financial position, assets or results of operations of Aéroports de Paris. Without prejudice to the section below, Aéroports de Paris is not aware of any such case or claim neither against it nor any of its subsidiaries being prepared or planned by a third party.

The total amount claimed against Aéroports de Paris and its subsidiaries in legal actions and arbitrations is less than 100 million euros. The principal cases and claims against Aéroports de Paris are listed below:

Collapse of part of the boarding area of terminal CDG 2E

On May 23, 2004, part of the roof of the boarding area of terminal CDG 2E collapsed, killing four people and wounding four others. This area was then closed for an indefinite period. A criminal and technical investigation was initiated soon after the incident and is still ongoing. At the civil law level, an initial expert report was ordered by the Paris Tribunal de grande instance on June 4, 2004 at the request of Aéroports de Paris, and a second expert report was ordered by the Tribunal Administratif of Cergy Pontoise on June 8, 2005 at the request of the Vinci group. An expert panel, consisting of the same three expert witnesses, all with building expertise, has been appointed by each of these courts. The panel announced that a final report could be available by the summer of 2008. As a result, on the date of registration of this document, no action in tort has been brought in connection with the collapse of terminal CDG 2. The only ongoing procedures are expert appraisals, with the main purpose of the expert report to the civil courts being the determination of the cause of the accident and the division of responsibility between the various parties involved in construction

In terms of civil consultation, (i) Air France claims damages resulting from the closure of terminal CDG 2E of a total of 246 million euros, due to additional operating costs (198.6 million euros), operating losses (43.6 million euros), and damage to its reputation (20 million euros), with 17.4 million euros of cost savings deducted from its claim; (ii) ELIOR and Aelia submitted claims for 3.2 million euros and 27.5 million euros respectively. The panel of experts will pronounce on the actual status and scope of damages. At this stage, since the above companies have not filed any claims against Aéroports de Paris, the right to redress for any damage caused has not been proved and

since the final cost of any compensation that may be awarded will depend on the appreciation determined by the courts when the case is referred to them, Aéroports de Paris has not been able to assess the financial impact of this accident on its accounts.

Aéroports de Paris also submitted a total claim of over 161 million euros to the judicial experts appointed by the Paris *Tribunal de Grande Instance* corresponding to additional costs of 57.2 million euros, operating losses of 89.5 million euros, and exceptional charges of 14.5 million euros. The Company estimates damages at 40 million euros. The claim was submitted by a consultant commissioned by Aéroports de Paris. The cost of repairs and reconstruction of CDG 2E is estimated at 125 million euros¹²⁸ (excluding design costs and supervision of construction), nearly all of which is covered by the Group's insurers. On the advice of its lawyers, Aéroports de Paris has brought a claim before the Tribunal Administratif of Paris against AIG, underwriter of the "Damage to Property" policy covering this incident, contesting its refusal, which Aéroports de Paris believes is groundless, to provide coverage for the indemnification of material damages that are not covered under the Construction Project Policy (around 2 million euros before tax) and the loss of rental income over 24 months (around 7.8 million euros before tax).

Compensation agreements were arranged with the victims' claimants, and all compensation is covered by Aéroports de Paris's insurance policy. The insurers have been party to these transactions. In each case, payment of compensation by our insurance agents was subject to a waiver on any judicial proceedings or appeals against Aéroports de Paris and its insurers.

If compensation is payable to third parties by Aéroports de Paris, the insurance policies it has taken out ought to cover the outlay. Thus, in accordance with IAS37 §IN2 and §14, Aéroports de Paris did not book any provision for this item in the 2007 accounts since there is no current obligation, and no likely future outlay. Moreover, in accordance with IAS 37 §IN4, IAS 37 §IN19, IAS 37§28 and IAS 37§86, no contingent liabilities have been indicated by the Company, since Aéroports de Paris considers it extremely unlikely that any economic resources will be allocated to this claim.

Proceedings in relation to tariffs

On July 11, 2007, the French Council of State, upon a motion by several airlines, cancelled Aéroports de Paris tariff decisions for 2006 (the period between May 15, 2006 and March 31, 2007) applicable only to airport fees on the basis that all the rules of procedure had not been complied with.

These organizations also submitted on April 25, 2007 a motion to the Council of State calling for the cancellation of the 2007 airport fees (for the period between April 1, 2007 and March 31, 2008).

Drawing the conclusions of the above-mentioned ruling of July 11, 2007, Aéroports de Paris instituted a new 2006 tariff procedure and, to be on the safe side, also instituted the 2007 tariff procedure. After it had completed these new procedures, the government approved the 2006 and 2007 tariffs of these fees again. They were set with retroactive effect at the same level as those that had been initially defined.

This is because Aéroports de Paris considers that the above-mentioned Council of State ruling did not call into question the tariff level considered and did not call for the refund of corresponding amounts by Aéroports de Paris. Aéroports de Paris also considers that in this particular case, decisions with retroactive effect are legally justified.

Appeals were nevertheless lodged at the Paris Commercial Court on January 15, 2008 by air transport operators for reimbursement of a portion of invoicing for 2006 and 2007 they felt was unjustifiable in view of the decision by the Council of State. The sum of the appeals was less than 3 million euros at the date of publication of this Registration Document.

¹²⁸ 115.3 million euros were accounted for as fixed assets in progress as of 31 Decembre 2007 and transferred to fixed assets as being put into service. See note 22 of the Notes to the consolidated financial statements.

An airline company association, the union of independent airlines (SCARA) has initiated on January 11, 2008, proceedings for annulment concerning the new 2006 and 2007 tariff decisions taken by Aéroports de Paris. It challenges in particular, the retroactivity of the rulings and the tariff levels.

Air France and SCARA have also referred the decisions relating to the creation and setting of tariffs for passes for access to restricted areas to the Council of State on January, 28 and February, 27 2008.

Lastly, in a decision on April 14, 2008, the Council of State rejected the motions by Ryan Air calling for annulment of the implicit decision by the Minister of Transport rejecting its request to change the regulatory provisions governing airport fees per passenger, and the conditions of the CRE contract concerning these fees. In a decision on the same day the Council of State also rejected the FedEx motion against the stipulations of the CRE contract 2006-2010 concerning landing fees for cargo flights. Subsequent to these two decisions, there are no further appeals against the CRE contract at the date of this Registration Document.

At the present time Aéroports de Paris feels that the conditions for booking provision and recognition of contingent liabilities, particularly the conditions set out in paragraphs 14 and 28 of IAS 37 Standards, have not been fulfilled. Thus no provision has been booked for these legal proceedings, and no reference has been made to contingent liabilities in the appendices.

Aéroport de Paris-Le Bourget - crash on January 20, 1995

On January 20, 1995, birds were sucked into the engine of a Falcon plane, causing it to crash at Paris- Le Bourget airport. The seven passengers and three crew members were killed. The criminal charges brought against the CEO of Aéroports de Paris were definitively rejected by the Court of Cassation on September 11, 2001. Beneficiaries of five of the seven passengers filed six motions for damages with the Paris administratif court against Aéroports de Paris and the French government in 1999 and 2000. On October 15, 2003, this court, in six different judgments, rejected the responsibility of Aéroports de Paris, and at this stage in the case ordered the French government to pay to the beneficiaries, including the Caisse de Retraite du Personnel Naviguant Professionnel de l'Aéronautique Civile ("CRPNAC"), compensatory and actual damages of a total of approximately 800,000 euros. The beneficiaries of the passengers and/or the French government appealed against the rulings of October 15, 2003 in December 2003. In four resolutions on October 4, 2006, the Paris Court of Appeals confirmed the discharge of Aéroports de Paris. These these resolutions have not given rise to any further appeals. One procedure is still pending at the Paris administrative court.

Alpha Flight Services

On May 21, 1992, Aéroports de Paris and Alpha Flight Services signed an agreement for the temporary occupation of the public domain in connection with a plot of land located at Paris-Orly airport for a 25-year period, with retroactive effect to February 1, 1990. On June 22, 1995, Alpha Flight Services filed a complaint with the Commission of the European Union, on which the Commission ruled on June 11, 1998 that there was an abuse of a dominant position leading to discriminatory practices in the setting of fees. The Commission's ruling was confirmed on December 12, 2000 by the Court of First Instance, and then by the European Court of Justice on October 24, 2002. On May 28, 2004, Alpha Flight Services filed a claim against Aéroports de Paris with the Paris Commercial Court on the grounds of loss of revenues, losses relating to excessive fees and excessive structural costs in relation to damages suffered from alleged anti-competitive practices for an amount (to be more precisely assessed afterwards) of 15 million euros. The special court (Tribunal des conflits) to which the conflict was taken on March 25, 2005 produced a resolution on January 15, 2007 confirming the authority of the Paris Commercial Court. The Paris Commercial Court ruled on December 6, 2007 that the breach of competition law noted by the European Community authorities constituted a fault by Aéroports de Paris within the meaning of article 1382 of the French civil code. It therefore appointed an expert to assess the amount of the damage suffered by Alpha Flight.

Beijing Opera

A criminal enquiry was launched by the Finance section of the Tribunal de Grande Instance in Paris in July 2003 concerning the conditions of the award of the contract for the construction of the Beijing Opera to Aéroports de Paris and Mr. Andreu in 1999. The lawyers of Aéroports de Paris have announced that the case has been closed and that no party was held liable.

Air France - heavy snow

On July 26, 2004, Air France submitted a claim for damages to the Administrative Court of Cergy Pontoise claiming that Aéroports de Paris was responsible for failure to adequately maintain runways and other airport facilities at Paris-Charles de Gaulle following substantial snowfalls on January 4 and 5, 2003. Air France claims a total of 6.8 million euros. Aéroports de Paris has impleaded Météo France. In a judgment dated December 28, 2007, the Paris administrative court rejected Air France's claims. The appeal period has expired.

Trabet/Valerian SNC/SRTP/SIORAT and CEGELEC/EI IDF/AMEC (repair of runway 1 at Paris-Charles de Gaulle)

In 2003, two government procurement contracts were awarded to consortia consisting of Trabet/Valerian SNC/SRTP/SIORAT and CEGELEC/EI IDF/AMEC for the civil engineering and signaling beacons on runway 1 at Paris-Charles de Gaulle. In summer 2004, having observed defects on runway 1 at Paris-Charles de Gaulle, Aéroports de Paris asked the Administrative Court in Cergy Pontoise to appoint an expert to produce an urgent report. The report on the nature and development of the defects was submitted on December 31, 2004. On November 4, 2004, Aéroports de Paris also submitted a request to the same court for the appointment of a legal expert. The Court appointed the same expert. The legal expert report is ongoing. The cost of remedial measures to the runway has been estimated by Aéroports de Paris to be 10 million euros. Repair work to a section of the runway was carried out in the summer of 2006, and the first 900 meters of runway were included in repair work in the summer of 2007, which will on each occasion require closure of runway 1 and the distribution of traffic on other runways. Costs related to the construction should be reduced by indemnities to be received from the contractors listed above and/or of their insurers, up to their respective limitations of liability. Repair work to the other part of runway 1 should be carried out in the summer of 2008. Costs related to these repairs should be reduced by indemnities to be received from the contractors listed above and/or of their insurers, up to their respective limitations of liability.

Service Médical d'Urgence

Service Médical d'Urgences d'Aéroports de Paris (or "SMU") provides emergency medical services within the airport site. The situation should evolve in due consideration of Decrees 97-615, 97-616, 97-619 and 97-620 of May 30, 1997, and Decree 2005-840 of July 20, 2005. The situation does not fully conform to these regulations, and Aéroports de Paris could be held civilly liable in the event of victims due to faulty service organization. Works are in progress under the aegis of State Representatives in the *Seine-Saint-Denis and Val-de-Marne French départements*.

Asbestos

Aéroports de Paris is involved in three contentious proceedings, each of them being initiated by a former employee to obtain a decision setting out the Company's criminal negligence following exposure to asbestos dust. These proceedings are intended to obtain an increase in funds from illness insurance and compensation from Aéroports de Paris for non-asset damages. In the judgments of November 21, 2006 and December 20 2006, the Créteil social security tribunal found Aéroports de Paris guilty of criminal negligence in exposing its employees to asbestos. Aéroports de Paris appealed this ruling on November 21, 2006. The third case is pending before the Bobigny social security tribunal. These contentious are not significant regarding Aéroports de Paris' financial situation.

20.9. Material change in the financial or commercial position

No material change in the financial or commercial position of the Company has occurred since the end of the fiscal year 2007.

CHAPTER 21 ADDITIONAL INFORMATION ON THE SHARE CAPITAL AND PROVISIONS OF THE BY-LAWS

21.1. Information on the share capital

21.1.1. Share capital

Pursuant to Article 6 of its by-laws, the Company's capital amounts to 296,881,806 euros divided into 98,960,602 shares of par value three euros each, fully paid up.

21.1.2. Acquisition by the Company of treasury shares

Share buyback program in force on the day of registration of this Registration Document (authorized by the annual general meeting of May 29, 2007)

At the annual general meeting of May 29, 2007 (6th resolution), the Company's shareholders authorized the setting up of a share buyback program of up to 5% of the Company's capital in accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code. This resolution terminated, with immediate effect and for the unused fraction, the authorization granted by the shareholders at the combined general meeting of May 22, 2006 to buy the Company's shares.

The buyback program was authorized by shareholders in view of the following:

- allocation of shares to employees as their share in the fruits of company expansion and implementation of all company savings plans in the conditions laid down in law, particularly articles L.443-1 and following of the French Employment Code, or
- provision of shares in the exercise of rights pertaining to securities giving access to company share capital by means of reimbursement, conversion, exchange, presentation of coupons or in any other way,
- cancellation of all or part of the repurchase stock, within the scope of authorization issued at the mixed general meeting of May 22, 2006 in its sixteenth resolution,
- conservation and provision of shares (by exchange, payment or other methods) within the context of external growth operations,
- action on the secondary market or the liquidity of Aéroports de Paris shares by an investment operator acting independently to a liquidity contract in accordance with the ethical charter accepted by the AMF market authorities.

This program also allows the Company to operate towards any other objective which has already been authorized or would be authorized by the law or regulations currently in force. In this event, the Company would officially inform its shareholders.

Purchase of Company shares may relate to a number of shares, in such a way that:

- The number of shares bought by the Company for the duration of the buyback program does not exceed 5% of the shares making up Company share capital, at any time - this percentage is applied to share capital adjusted in accordance with operations subsequently affecting the general meeting. For the record, this was 4,948,030 shares at December 31, 2007,
- The number of shares held by the Company at any time does not exceed 10% of the shares making up Company share capital on the date considered.

Shares may be purchased, assigned or transferred at any time and by any means, on official markets or over the counter, including purchase or assignment in blocks (with no restrictions on part of the repurchase program which may be carried out in this way), by public offers to purchase, sell

or exchange, by the use of options or other financial future operations negotiated on an official market or over the counter or by provision of shares following the issue of securities giving access to Company share capital by means of conversion, exchange, reimbursement, presentation of coupons or in any other way, directly or indirectly, through an investment services operator.

The combined general meeting of May 29, 2007 set the maximum purchase price per share at 100 euros and the overall amount of the share buyback program at 400 million euros.

The shareholders confers all powers on the Board of Directors, with the possibility to sub-delegate this authority within the scope of the law, to decide and enact implementation of this authorization, in order to, if necessary, stipulate its terms and methods to carry out the purchase program, and in particular to carry out any stock exchange orders, draw up any agreement in relation to registration of purchases and sales of shares, make any declarations to the AMF market authorities and any other substituting authority, make any arrangements and, in general, carry out all the required operations.

Except in the event of authorization by the combined general meeting of May 28, 2008 of a new program, authorization as described above, in force at the date of this Registration Document, will terminate on November 29, 2008 at the latest - a period of eighteen months from authorization by the combined general meeting of May 29, 2007.

Summary of share buybacks in force at March 31, 2008 within the context of the program authorized by the annual general meeting of May 29, 2007

The Company's board of directors implemented the share buyback program authorized by the combined general meeting of May 22, 2006, and then by the annual general meeting of May 29, 2007 under a liquidity contract signed with Crédit Agricole Cheuvreux that took effect on January 1, 2007. 10 million euros have been allocated to the liquidity contract.

As at March 31, 2008, the Company held 46,000 treasury shares with a nominal value of 3 euros each, representing 0.05% of its share capital. The value of these shares at the buying price was 2,957,253 euros.

Under the share buyback program, operations on treasury shares for the period between May 29, 2007 and March 31, 2008 were as follows:

Accumulated gross flows	Purchases	Sales/transfers
Number of securities	313,392	282,482
Average transaction rate	78.02 euros	79.78 euros
Amount	24,451,881 euros	22,537,505 euros

No transaction was conducted by using derivative products under the share buyback program.

The fixed commission specified in the liquidity contract was 35,000 euros for fiscal 2007.

As at March 31, 2008, no call or put position had been opened under the share buyback program.

Resolution relating to the authorization granted to the Board of Directors to act on Company shares, submitted to the combined general meeting to be held on May 28, 2008.

The Board meeting held on March 12, 2008 has submitted for voting at the combined general meeting of May 29, 2008, (sixth resolution) a share buyback program the characteristics of which are similar to the share buyback program authorized by the annual general meeting of May 29, 2007, in particular, with respect to the program targets and the limitation on the number of shares that can be repurchased. The difference with the current programme, is that the new share buyback program provides that the cost of the share will not exceed 110 euros instead of 100 euros.

21.1.3. Authorized and non-issued capital

Summary table of delegations of competence and authority granted by the annual general meeting of May 22, 2006 to the Board of Directors with respect to capital increases.

Securities Concerned	Term of authorization and expiration	Maximum nominal amount of capital increase / Maximum amount to be allocated to the repurchase program	Use of authorizations (in euros)
Issues with pre-emptive subscription rights	26 months	150 million euros	None
Capital increase for all securities	July 2008	(this overall maximum amount is charged to the total maximum amount of 150 million euros)	
Issues without pre-emptive subscription rights	26 months	150 million euros	35 878 836
Capital increase for all securities	July 2008	(this overall maximum amount is charged to the total maximum amount of 150 million euros)	
Capital increase by introduction of premiums, reserves, profits or others	26 months	51.2 million euros	None
	July 2008	(this overall maximum amount is charged to the total maximum amount of 150 million euros)	
Increase of the number of securities in the event of an increase in share capital	26 months	15% of a capital increase with or without pre-emptive subscription rights	None
	July 2008	(this overall maximum amount is charged to the total maximum amount of 150 million euros)	
Issues reserved for staff	26 months	5.2 million euros	None
Members of savings plans	July 2008	(this overall maximum amount is charged to the total maximum amount of 150 million euros)	
Stock warrant issues ⁽¹⁾	18 months	15% of the total number of shares available under the privatization	4 918 470
	November 2007	(this overall maximum amount is charged to the total maximum amount of 150 million euros)	
Share buyback program ⁽²⁾	18 months	400 million euros or 5% of share capital	46,000 shares as at March 31, 2008
	November 2008		

(1) This authorization had been granted during the privatization of Aéroports de Paris. It is no longer valid.

(2) The current share buyback program authorized by the annual general meeting of May 29, 2006 terminated the one authorized by the combined general meeting of May 22, 2006. The combined general meeting of May 22, 2007 authorized the Board of Directors to reduce Company share capital by canceling all treasury shares (the maximum number of shares which may be cancelled by the Company by virtue of this authorization, over a period of 24 months, is 10% of the shares which make up company capital).

Authorizations submitted to shareholder voting at the mixed general meeting on May 28, 2008

Securities concerned	Term of authorization and expiry	Maximum nominal amount of capital increase / Maximum amount to be allocated to the buyback program
Issues with pre-emptive subscription rights (DPS) Capital increase for all securities ⁽¹⁾	26 months July 2010	150 million euros (this total maximum amount is attributed to the total nominal maximum amount of 150 million euros)
Issues without pre-emptive subscription rights (DPS) Capital increase for all securities	26 months July 2010	150 million euros (this total maximum amount is attributed to the total nominal maximum amount of 150 million euros)
Capital increase by introduction of premiums, reserves, profits or others	26 months July 2010	150 million euros
Increase in the number of securities in the event of an increase in share capital	26 months July 2010	15% of a capital increase with or without pre-emptive subscription rights (this total maximum amount is attributed to the total nominal maximum amount of 150 million euros)
Issues reserved for staff Members of savings plans	26 months July 2010	5,2 million euros (this total maximum amount is attributed to the total nominal maximum amount of 150 million euros)
Capital increase in remuneration by a takeover bid initiated by the Company ⁽¹⁾	26 months July 2010	150 million euros (this total maximum amount is attributed to the total nominal maximum amount of 150 million euros)
Capital increase in remuneration by contributions in kind	26 months July 2010	10% of share capital at the time of issue (this total maximum amount is attributed to the total nominal maximum amount of 150 million euros)
Share buyback program ⁽²⁾	18 months November 2009	400 million euros or 5% of share capital

(1) A proposal will be made at the mixed general meeting of May 28, 2008 to set a ceiling of 500 million euros for the issue of debt securities, and for the securities to be issued with or without pre-emptive subscription rights.

(2) A proposal will be made at the mixed general meeting of May 28, 2008 to authorize the Board of Directors to reduce Company share capital by canceling all treasury shares (the maximum number of shares that may be cancelled by the Company by virtue of this authorization, over a period of 26 months, is 10% of the shares making up Company capital).

21.1.4. Other securities that grant access to share capital

There are currently no securities that grant access to the Company's capital.

21.1.5. Table of changes in equity

The table below shows trends in the Company's equity since it was initially set by Decree no. 2005-828 of July 20, 2005.

Table of changes in equity on the date of registration of this Registration Document.

Date of decree or meeting of shareholders	Operation	Number of shares issued	Nominal value of shares (in euros)	Nominal amount of share capital increase (in euros)	Share issue premium (in euros)	Accumulated share capital (in euros)	Accumulated number of shares
Decree of 20 July 2005 (effective as of 22 July 2005)	NA	NA	3	NA	NA	256,084,500	85,361,500
May 22, 2006 (as stated by the Chief Executive Officer on June 20, 2006)	Share capital increase with no preferred rights	11,959,612	3	35,878,836	490,344,092	291,963,336	97,321,112
May 22, 2006 (as stated by the Chief Executive Officer on 6/27/2006)	Exercise of stock warrants	1,639,490	3	4,918,470	68,858,602	296,881,806	98,960,602

NA = not applicable

21.1.6. Options on the Company's capital

No stock option plan has been set up by the Company.

For a description of the contractual agreement entered into between Aéroports de Paris and Aelia, a subsidiary of Lagardère Services, see paragraph 6.3.5.4. "Commercial distribution: Société de Distribution Aéroportuaire".

21.1.7. Non-capital securities

Aéroports de Paris regularly uses debt financing. Over the last ten years, whereas it still was a public institution, Aéroports de Paris issued six international bond loans in 1996, 1998, 2000, 2001, 2002 and 2003. These bonds, which were all listed on Euronext Paris, bear annual interest at fixed rate and are fully redeemable at par in fine. The net proceeds from the issuance of each of those loans were used to fund Aéroports de Paris investments.

A private bond for an amount of 200 million euros was issued in December 2005. It had not been listed and was repaid at par in September 2008.

The outstanding bond loan of Aéroports de Paris amounted to 1,674 million euros as at December 31, 2007. The following chart sets out the main features of the bonds issued by Aéroports de Paris and not yet repaid:

Issue	Currency	Coupon rate	Expiry date	Amount issued (in currencies) (in million)	Stock market	ISIN Code
July 6, 1998	Euros*	4.95%	October 25, 2008	1.000 (152.449 €)	Euronext Paris	FR0000583676
February 15, 2000	Euros	5.875%	February 15, 2010	450	Euronext Paris	FR0000498230
March 15, 2001	Euros	5.25%	March 15, 2011	400	Euronext Paris	FR0000485831
March 25, 2002	Euros	5.25%	March 25, 2012	350	Euronext Paris	FR0000488611
March 11, 2003	Euros	4.10%	March 11, 2013	300	Euronext Paris	FR0000472987

* Issue in French Francs

For further information on bond loans issued by Aéroports de Paris, see Appendix 1 "Notes to Consolidated Financial Statements for the year ended December 31, 2006 (note 31)".

Finally, as on the date of registration of this document, Aéroports de Paris does not have any other outstanding non-capital financial instrument.

21.2. Provisions of the by-laws

See also information in paragraph 5.1. "History and development of the Company".

21.2.1. Corporate purpose (Article 2 of the by-laws)

The purpose of the Company, in France and abroad, is to:

- perform the construction, laying-out, operation and development of airport facilities,
- develop any industrial or service activity in the airport area for any category of clients,
- value all the movable and real estate assets it holds or uses,
- take, acquire, operate or sell any processes and patents concerning activities that are related to the aforementioned purposes,
- directly or indirectly take part in any transactions that could relate to any of such purposes, through the incorporation of new companies or corporations, contribution, subscription or purchase of securities or corporate rights, acquisition of interest, merger, association or otherwise,
- generally, carrying out any industrial, commercial, financial, movable or real estate transactions directly or indirectly related to any of the aforementioned purposes.

21.2.2. Provisions relating to administration, management and supervision bodies

The provisions relating to administration, management and supervision bodies are detailed in Chapters 14 and 16.

21.2.3. Modification of the share capital and rights attached to the shares

Any change in the capital or voting rights attached to the securities forming it shall be submitted to general law rules, since the by-laws do not include any specific provisions.

21.2.4. Fiscal year (Article 22 of the by-laws)

The Company's shall have a 12-month fiscal year, starting on January 1 and ending on December 31 of each year.

21.2.5. Shareholders' meetings (Article 20 of the by-laws)

Calling of meetings

The ordinary and extraordinary shareholders' meetings and special meetings, if any, are called, are held and rule under the conditions provided for by the Law. They are held at the registered office or in any other place mentioned in the notice of meeting.

Participation in meetings

All shareholders, regardless of the number of shares they hold, are entitled to take part in shareholders' meetings or in operations by a central depository by account postings of the

securities in the name of the shareholder or the intermediary, if they can justify their right to take part in general meetings on the third working day preceding the meeting at zero hours (Paris time), either in the accounts of registered securities held by the Company or in accounts for bearer securities held by the official intermediary.

Registration or account posting of securities in bearer security accounts held by the official intermediary is recorded by an attestation provided by the intermediary, by electronic means, as an attachment to the form for remote voting or voting by proxy or to the official admission drawn up in the name of the shareholder or to the account of the shareholder represented by the intermediary registered. Shareholders wishing to attend the meeting in person who have not received their official admission on the third working day preceding the meeting at zero hours (Paris time), may also make arrangements to have a certificate issued.

These formalities must be carried out five days at least before the meeting. The Board of Directors may reduce or suppress this time-period in favor of all shareholders.

The Board of Directors may, if it deems it useful, deliver to shareholders the named and personal passes and require the presentation of such passes to have access to the shareholders' meeting.

If the Board of Directors so decides at the time of the calling of the meeting, shareholders may attend the meeting by videoconference or through any telecommunication means enabling their identification under the terms and conditions set by applicable regulation.

Any shareholder may be represented by his/her spouse or by another shareholder in all meetings. He/she may also vote by mail under legal conditions. As from such certification, the shareholder may not choose another method of participation to the shareholders' meeting. To be validly accepted, the vote form must be received by the Company no later than three days before the date of the meeting.

Owners of securities mentioned in the third paragraph of Article L. 228-1 of the French Commercial Code (owners whose domicile is located outside of the French territory, as defined in Article 102 of the French Civil Code) may be represented, under the conditions provided for by the law, by a registered intermediary.

Amendments to by-laws

Provisions of by-laws may be amended only by an extraordinary general meeting. The meeting cannot, however, increase shareholders' commitments subject to operations resulting from a regular consolidation of shares. Subject to the same reservation, the extraordinary meeting, rules with a two-third majority of shareholders present, represented or who have voted by correspondence.

Voting right (Article 11 of the by-laws)

In all shareholders' meetings, each shareholder has as many votes as the number of paid up shares he/she owns or represents, without limitations other than those that could result from legal provisions. There is no clause of the by-laws providing for a double or multiple voting right in favor of shareholders of Aéroports de Paris.

21.2.6. Provisions of the by-laws resulting in delaying, deferring or preventing a change of control

Pursuant to Article 7 of the Company's by-laws, and in accordance with the provisions of Article L. 251-1, paragraph 2 of the French Code of Civil Aviation, "changes in the share capital cannot result in having the State lose the majority of the share capital".

21.2.7. Identification of shareholders (Article 9 of the by-laws and French Commercial Code)

The shares are registered shares or bearer shares, at the shareholder's choice, subject to legal and regulatory provisions.

Shares may be registered in the name of an intermediary under the conditions set forth by Articles L.228-1 *et seq.* of the French Commercial Code. The intermediary is bound to disclose its capacity as intermediary holding securities on behalf of someone else, under legal and regulatory conditions.

The provisions of the above paragraphs shall also apply to other securities issued by the Company.

The Company is entitled, subject to applicable legal and regulatory conditions, to ask from time to time, against remuneration borne by it, the central depository in charge of keeping the security issuance account, as the case may be, to give the name or corporate name, nationality, birth date or year of incorporation, and address of holders of bearer securities granting, immediately or in the future, the right to vote at its own shareholders' meeting, and the quantity of securities held by each of them and restriction, if any, imposed on the securities. The Company, in view of the list forwarded by the aforementioned body, can ask the persons appearing on this list and whom the Company considers that they could be registered on behalf of third parties, the above information regarding the owners of securities.

In case of registered form giving immediate or future access to the capital, the intermediary registered under the conditions provided for in Article L.228-1 of the French Commercial Code is bound, within ten business days as from the request, to disclose the identity of owners of securities, and the quantity of securities held by each of them upon simple request of the Company or its agent, request that can be submitted at any time.

21.2.8. Shareholder disclosure requirements (Article 9 of the by-laws)

The Company's shares may be freely transferred subject to legal and regulatory provisions.

Article 9 of the Company's by-laws provides that any individual or legal entity, acting alone or in concert, who would hold, directly or indirectly, a portion of capital or voting rights of securities granting future access to the Company corresponding to 1%, must inform the Company thereof by registered letter with return receipt requested within five trading days as from the day this 1% threshold is exceeded. This disclosure must indicate the identity of the person concerned and that of persons acting in concert with him/her and the total number of shares, voting rights or securities granting future access to the capital that this person owns. This disclosure obligation also relates to the holding of each additional 1% portion of capital or voting rights or securities granting access to the Company's capital in the future; with the understanding that in the event that any of the thresholds referred to in the seventh paragraph of Article L.233-7 of the French Commercial Code is exceeded (see below), the disclosure must state the intention of the holder(s) to the Company. As soon as the 5% threshold of Article L.233-7 is exceeded, a statement must be made under conditions identical to those mentioned above, each time a new 0.5% threshold is reached or exceeded, upward and downward, for any reason whatsoever.

The intermediary registered as holder of shares in accordance with the third paragraph of Article L. 228-1 of the French Commercial Code is bound, without prejudice to the obligations of owners of shares, to make the above statements for all the shares for which it is registered.

Moreover, pursuant to the provisions of Article L.233-7 of the French Commercial Code, when shares of a company having its registered office on the territory of the Republic are listed on a regulated market, any individual or legal entity, acting alone or in concert, who should own a number of shares representing more than 5%, 10%, 15%, 20%, 25%, 33^{1/3}%, 50%, 66^{2/3}%, 90% or 95% of the capital or voting rights of the Company, must inform the Company within five trading days as soon as the participation threshold is exceeded, of the total number of shares or voting rights it/he/she owns. Such person must also inform the *Autorité des marchés financiers* thereof within five trading days as soon as the equity participation threshold is exceeded. Such information obligations shall apply within the same time-periods in the event that the equity participation falls below the above-mentioned threshold.

Pursuant to the provisions of Article L.233-14 of the French Commercial Code, failing to have been regularly declared, the shares exceeding the portion that should have been declared in accordance with the above-mentioned provisions of the by-laws and/or the law shall be deprived of voting right for all shareholders' meeting to be held until the expiration of a two-year period following the date of regularization of the notification. In case of non-compliance with the provisions of the by-laws, this suspension must be included in a request from one or more shareholders holding a portion at least equal to 3% of the capital or voting rights in the Company and must be entered in the minutes of the shareholders' meeting.

21.2.9. Statutory allocation of profits and payment of dividends (Articles 11, 24 and 25 of the by-laws)

Each share shall entitle to profits and corporate assets in proportion to the portion of capital it represents.

5% at least shall be withdrawn from the profit of the fiscal year, less previous losses, if any, to form the legal reserve. Such withdrawal shall no longer be required in the event that the reserve reaches one-tenth of the share capital; it is required once again when, for any reason whatsoever, the legal reserve is below one-tenth.

The distributable profit is formed by the profit for the fiscal year, less previous losses, and amounts to constitute the reserves pursuant to the law or the by-laws, and increased by the beneficiary carry-forward. On such profit, the shareholders' meeting may withdraw all amounts it deems appropriate to allocate to any facultative reserves or to carry forward.

The shareholders' meeting may decide to distribute sums withdrawn from the reserves, by expressly indicating the reserve items on which withdrawals are made. However, dividends are withdrawn in priority on the distributable profit for the fiscal year.

The terms and conditions of payment of dividends voted by the shareholders' meeting are set by it or, failing which, by the Board of Directors.

The shareholders' meeting shall have the possibility to grant shareholders, for all or part of the distributed dividend, an option between payment in cash, in new shares of the Company or payment in kind, under legal conditions. When a balance sheet, prepared during or at the end of the fiscal year and certified by a statutory auditor, shows that the Company, since the end of the previous fiscal year, after constitution of necessary amortization and reserves, and after deduction of previous losses, if any, and reserved sums pursuant to the law or the by-laws, and considering the carry forward, has made a profit, interim dividends may be distributed before the approval of the accounts for the fiscal year. The amounts of such interim dividends cannot exceed the amount of the profit so defined.

21.2.10. Absence of certain agreements liable to have an impact in the event of a public offering

As at the date of registration of this Registration Document, there exists, to the best of the Company's knowledge:

- no agreement that is liable to have an impact in the event of a public offering, the implementation of which could lead to a change in control of the Company in the future.
- no shareholder's agreement that is liable to have an impact in the event of a public offering and that could lead to restrictions on the transfer of shares and the exercise of voting rights.
- no agreement entered into by the Company that is liable to have an impact in the event of a public offering, that would be changed or terminated in the event of a change in control of the Company.

CHAPTER 22 MATERIAL CONTRACTS

Material contracts other than those entered into in the ordinary course of business to which Aéroports de Paris or any other member of the Group is a party are the following:

- the Economic Regulation Agreement entered into on February 6, 2006 between the State and Aéroports de Paris, the purpose of which is to set, for the 2006-2010 period, the maximum average rate of evolution of the main fees for services, to present the investment program planned by Aéroports de Paris and to determine the service quality targets of Aéroports de Paris¹²⁹;
- Pursuant to Article 3 of the Law of April 20, 2005, an agreement was entered into on March 30, 2006 between the State and Aéroports de Paris setting forth the terms and conditions of retrocession by Aéroports de Paris to the State of a portion of the real estate gain in case of shutting-down to public air traffic of all or part of an airfield operated by Aéroports de Paris¹³⁰.

The agreement signed on July 27, 2007 between the French government and Aéroports de Paris, in accordance with Article 36 of the specifications, setting the conditions under which Aéroports de Paris places at the disposal of the Government and its services (DGAC, DSNA) the land and buildings as well as the various types of services (supplies, services, intellectual services, administrative assistance) necessary to carry out its public service missions. This agreement is described in section 1.3 of the special auditors' report on regulatory undertakings and agreements during the year ended December 31, 2007, in appendix 5 of this Registration Document.

¹²⁹ See 6.3.2.6. "Revenues from the Operation of Airports"

¹³⁰ See 6.6.2.4. "Ownership of Assets, Obligation to Pay a Share of Capital Gains on the Sale of Closed Airport Sites to the French Government "

CHAPTER 23
INFORMATION FROM THIRD PARTIES, EXPERTS' STATEMENTS AND STATEMENTS OF
INTEREST

Not applicable.

CHAPTER 24 DOCUMENTS AVAILABLE FOR THE PUBLIC

The Company's press releases and annual reports including, in particular, historical financial data on the Company are available on the Company website at the following address: www.aeroportsdeparis.fr, and a copy may be obtained thereof at the Company's registered office, 291 boulevard Raspail, 75014 Paris¹³¹.

The Company's by-laws and the minutes of the shareholders' meetings, the unconsolidated and consolidated accounts, the statutory auditors' reports and all other corporate documents are available, in hard copy, at the Company's registered office.

Investor contact

Charlotte Guyot

Head of Investor Relation

Phone: +33 (0)1 43 35 70 58

Address: 291 boulevard Raspail, 75014 Paris (registered office).

¹³¹ See appendix 10 of this document

CHAPTER 25 INFORMATION ON EQUITY PARTICIPATIONS

Information regarding companies in which the Company holds a portion of the capital that might have a significant impact on the assessment of its assets, financial position or results appears in chapter 6¹³².

¹³² See 6.3. "Activities of Aéroports de Paris"

APPENDIX 1
CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2007

Consolidated income statement

<i>(in thousands of euros)</i>	<i>Notes</i>	Full-year 2007	Full-year 2006
Revenue from ordinary activities	<i>9</i>	2,292,415	2,076,835
Other ordinary operating income.....	<i>10</i>	19,801	28,682
Own work capitalized	<i>11</i>	41,068	43,301
Changes in finished goods inventory		(58)	(163)
Raw materials and consumables used	<i>12</i>	(147,320)	(121,554)
Staff costs	<i>13</i>	(652,177)	(648,068)
Other ordinary operating expenses.....	<i>14</i>	(795,869)	(701,083)
Depreciation and amortization.....	<i>15</i>	(312,414)	(273,853)
Impairment of assets, net	<i>15</i>	1,340	25,287
Net allowances to provisions.....	<i>15</i>	(4,697)	(38,469)
Operating income from ordinary activities		442,089	390,916
Other operating income and expenses	<i>16</i>	(38,747)	(57,024)
Operating income		403,342	333,892
Finance income.....		274,582	71,372
Finance expenses		(250,382)	(155,859)
Net finance costs	<i>17</i>	24,200	(84,488)
Share in earnings of associates.....	<i>18</i>	1,904	3,573
Income before tax		429,446	252,977
Income tax expense.....	<i>19</i>	(107,610)	(100,841)
Net income for the period		321,836	152,136
<i>Net income attributable to minority interests</i>		-	-
<i>Net income attributable to equity holders of the parent</i>		<i>321,836</i>	<i>152,136</i>
Earnings per share (EPS) attributable to holders of ordinary shares of the parent:			
Basic EPS (in euros)	<i>20</i>	3.25	1.64
Diluted EPS (in euros)	<i>20</i>	3.25	1.64

Consolidated balance sheet

ASSETS	<i>Notes</i>	At	At
<i>(in thousands of euros)</i>		31.12.2007	31.12.2006
Intangible assets	21	48,807	36,714
Property, plant and equipment	22	5,232,125	4,838,942
Investment property	23	274,252	284,233
Investments in associates	18	30,359	20,186
Other non-current financial assets	24	58,358	242,045
Deferred tax assets	19	2,025	1,417
Non-current assets		5,645,926	5,423,537
Inventories	25	9,997	7,462
Trade receivables	26	478,166	401,089
Other accounts receivable and prepaid expenses	27	104,815	115,164
Other current financial assets	24	72,925	84,267
Current tax assets	19	213	654
Cash and cash equivalents	28	524,071	509,188
Current assets		1,190,186	1,117,824
TOTAL ASSETS		6,836,112	6,541,361

SHAREHOLDERS' FUNDS AND LIABILITIES	<i>Notes</i>	At	At
<i>(in thousands of euros)</i>		31.12.2007	31.12.2006
Capital	29	296,882	296,882
Share premium	29	542,747	542,747
Treasury shares	29	(3,704)	-
Translation reserve	29	(1,270)	(200)
Fair value reserve	29	-	70,728
Retained earnings	29	1,795,543	1,724,496
Net income for the period		321,836	152,136
Equity		2,952,034	2,786,789
Non-current debt	31	2,030,454	2,270,411
Provisions for employee benefit obligations (more than one year)	30	386,009	388,354
Other non-current provisions	30	155	357
Deferred tax liabilities	19	86,323	74,044
Other non-current liabilities	33	32,390	33,123
Non-current liabilities		2,535,331	2,766,289
Trade payables	34	507,309	411,178
Other prepayments and deferred revenue	35	387,845	309,133
Current debt	31	323,031	158,286
Provisions for employee benefit obligations (more than one year)	30	25,644	29,933
Other current provisions	30	83,097	71,475
Current tax payables	19	21,822	8,278
Current liabilities		1,348,747	988,283
TOTAL EQUITY AND LIABILITIES		6,836,112	6,541,361

Consolidated cash flow statement

<i>(in thousands of euros)</i>	<i>Notes</i>	Full-year August 2007	Full-year June 2006
Operating income		403,342	333,892
Elimination of income and expense with no impact on net cash:			
- Depreciation, amortization, impairment and net allowances to provisions ..		335,377	328,774
- Capital losses (gains) on disposals		1,630	(1,464)
- Cost of employee benefits as part of the employee profit-sharing offer		-	33,331
- Other		1,808	381
Time lag in receipt of insurance payments for Terminal 2E		-	41,411
Interest expense other than cost of net debt		(2,200)	(414)
Operating cash flow before changes in working capital and tax		739,958	735,910
Decrease (increase) in inventories.....		(2,061)	(1,481)
Increase in trade and other receivables		(64,061)	(6,862)
Increase in trade and other payables.....		113,689	(65,254)
Change in working capital		47,568	(73,597)
Income taxes paid		(87,117)	(110,559)
Cash flows from operating activities		700,409	551,754
Acquisitions of subsidiaries (net of cash acquired)		(3,350)	(20)
Purchase of property, plant & equipment and intangible assets	36	(732,133)	(712,461)
Acquisition of non-consolidated equity interests.....		(1,220)	(10,001)
Change in other financial assets		18,116	2,761
Proceeds from sale of property, plant & equipment	36	5,992	147,678
Proceeds from sale of non-consolidated investments	36	189,873	270
Dividends received		1,542	3,153
Change in debt and advances on asset acquisitions		78,410	13,080
Cash flow from investment activities		(442,770)	(555,540)
Capital grants received (repaid) in the period.....		1,089	1,473
Proceeds from issue of shares or other equity instruments.....		(0)	583,543
Purchase of treasury shares (net of disposals)		(3,654)	-
Dividends paid to shareholders of the parent company		(93,006)	(63,168)
Proceeds on issuance of long-term debt.....		3,826	6,610
Repayment of long-term debt		(78,208)	(316,248)
Interest paid		(160,598)	(151,069)
Interest received		77,613	64,480
Cash flows from financing activities		(252,938)	125,621
Change in cash and cash equivalents		4,699	121,774
Net cash and cash equivalents at beginning of period	36	503,102	381,328
Net cash and equivalents at end of period	36	507,802	503,102

In 2006, financing from free cash flow was restated to include the impact of the lag between the accounting of expected insurance payments following the terminal 2E accident and actual receipt of the funds.

Statement of changes in equity

<i>(in thousands of euros)</i>	Share capital	Share premium account	Treasury shares	Translation reserve	Fair value reserve	Retained earnings	Group share	Minority interests	Total
At 1 January 2006	256,085	-	-	1,008	19,302	1,754,333	2,030,727	-	2,030,727
Translation adjustments				(1,207)			(1,207)		(1,207)
Cost of employee benefits as part of the reserved share offer.....						33,331	33,331		33,331
Change in fair value of available-for-sale investments, net of tax					51,426		51,426		51,426
Net income booked directly to shareholders' equity	-	-	-	(1,207)	51,426	33,331	83,550	-	83,550
Consolidated income for 2006						152,136	152,136	-	152,136
Total of revenues and charges booked for the period	-	-	-	(1,207)	51,426	185,467	235,686	-	235,686
New share issue.....	40,797	542,747				-	583,544		583,544
Dividend payout						(63,168)	(63,168)		(63,168)
At 31 December 2006	296,882	542,747	-	(200)	70,728	1,876,632	2,786,789	-	2,786,789

<i>(in thousands of euros)</i>	Share capital	Share premium account	Treasury shares	Translation reserve	Fair value reserve	Retained earnings	Group share	Minority interests	Total
At 31 December 01/01/2007	296,882	542,747	-	(200)	70,728	1,876,632	2,786,789	-	2,786,789
Translation adjustments				(1,070)			(1,070)		(1,070)
Change in fair value of available-for-sale investments, net of tax					(70,728)		(70,728)		(70,728)
Profit on disposal of treasury shares.....						51	51		51
Net income booked directly to shareholders' equity	-	-	-	(1,070)	(70,728)	51	(71,747)	-	(71,747)
Consolidated income for 2007						321,836	321,836	-	321,836
Total of revenues and charges booked for the period	-	-	-	(1,070)	(70,728)	321,887	250,089	-	250,089
Treasury share movements			(3,704)				(3,704)		(3,704)
Dividend payout						(93,007)	(93,007)		(93,007)
Other changes						11,867	11,867		11,867
At 31 December 31/12/2007	296,882	542,747	(3,704)	(1,270)	-	2,117,379	2,952,034	-	2,952,034

See note 29.

Notes to the consolidated financial statements

Note 1 - Statement of compliance

Pursuant to EU regulation 1606 / 2002 dated 19 July 2002, the Group's consolidated financial statements for 2007 have been drawn up in compliance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Note 2 - Preliminaries

The financial statements of the Aéroports de Paris Group at 31 December 2007 were approved by the Board of Directors on 12 March 2008. These financial statements will not be definitive until they have been approved by the Annual General Meeting of Shareholders on 28 May 2008.

Aéroports de Paris ("the Company") is a company domiciled in France.

Parent company: Aéroports de Paris

Registered office: 291, boulevard Raspail – 75014 Paris, France

Legal form: A French "Société Anonyme" (public limited company) with share capital of 296,881,806 euros

SIREN: 552 016 628 RCS Paris

The consolidated financial statements are presented in euros.

All companies consolidated within the Group prepared their annual individual financial statements at 31 December 2007.

Note 3 - Comparability of financial years

3.1. Significant events

3.1.1. Reorganisation of ground handling services

To re-establish the economic position of this activity, Aéroports de Paris is bringing all ground handling operations under the roof of a single subsidiary to enable it to perform its activities on a price- and cost-competitive basis over the long term.

Given its emphasis on good labour-management relations, management initiated negotiations to define the measures offered as part of the employee support package.

Following a number of meetings with all social partners, the process of notification and consultation of the Works Council took place on 26 September 2007. The Board of Directors approved the implementation of this reorganisation at its meeting of 27 September 2007.

In October 2007, information meetings were held to present the employee support package to employees, organised jointly by the Human Resources Division and the Ground Handling Division.

Employees were then invited to confidential individual meetings with an external professional adviser, held during October and November 2007, in order to help them consider the options available under the support package:

- transfer through redeployment within Aéroports de Paris SA,
- a move to the airport services unit,
- early termination of employment,
- early retirement,
- voluntary departure for salaried employment outside the Aéroports de Paris Group or to set up or take over a business, or to pursue a personal project.

At 31 December 2007, an initial review of intended choices by ground handling staff was carried out.

Using the assumptions adopted, the cost of the planned measures was estimated at 48.5 million euros on a provisional basis. In accordance with the accounting rules, given the existence of an obligation at the end of the period, as defined in IAS 19 and IAS 37, a provision of 35.1 million euros was set aside net of reversals of provisions for retirement obligations related to employees affected by the plan to reorganise the ground handling services business. This included 23.9 million euros relating to early retirement, with a further 4.3 million euros set aside for additional social security payments.

In accordance with the accounting rules and methods, the underlying estimates and assumptions were prepared based on past experience and other factors considered as reasonable based on the circumstances. Actual values may differ from the estimates.

The difference between the estimated total cost and the provision set aside represents the expense for the period, which will be recognised in the financial statements under non-recurring expenses as they occur.

3.1.2. Airport fees

In a ruling of 11 July 2007, the Conseil d'État agreed to the request by several groups of airlines to cancel Aéroports de Paris' 2006 pricing decisions relating solely to airport fees for services rendered, on the basis that not all the procedural rules had been followed correctly.

In addition, various bodies applied to the Conseil d'État for the cancellation of the 2007 fee structure. Moreover, Ryanair appealed against the implicit decision by the Transport Minister to reject its demand for changes to the regulated structure of per-passenger fees, and FedEx made a similar demand relating to the regulated aspects of cargo flight fees.

In response to the above mentioned ruling of the Conseil d'État on 11 July 2007, Aéroports de Paris reviewed the procedure by which 2006 fee levels had been determined, and also, for reasons of prudence, repeated the fee setting procedure for 2007 fees. On completion of these new procedures, the government once again approved 2006 and 2007 fee levels, set with retroactive effect at levels identical to those initially set.

Aéroports de Paris believes that the above-mentioned ruling by the Conseil d'État does not call into question the fee structures concerned, nor does it imply that Aéroports de Paris should make any reimbursement of fees received. Aéroports de Paris also believes that in cases of this nature, there is a good basis in law for decisions with retroactive effect.

Even so, claims have been lodged by air carriers seeking reimbursement of part of the fees charged for 2006 and 2007 which they believe were not due in light of the Conseil d'État ruling. An association of air operators (SCARA, Syndicat des Compagnies Aériennes Autonomes) has also challenged the retroactive application of the new pricing decisions for 2006 and 2007 as well as the level of fees before

the Conseil d'État. On 21 February 2008, the FNAM (Fédération Nationale de l'Aviation Marchande -- a body representing French cargo operators) submitted an appeal against the pricing decisions to the Conseil d'État.

Aéroports de Paris notes lastly that on 25 April 2007, the Conseil d'État confirmed the validity of the Economic Regulation Contract (CRE) signed on 6 February 2006 between the French government and Aéroports de Paris covering the 2006-2010 period.

3.1.3. East baggage handling system

In September 2007, Aéroports de Paris received the East baggage handling system (Trieur Bagage Est - TBE) at the Paris-CDG platform at Roissy.

This system was built by main contractor Cegelec, in cooperation with subcontractors Siemens SAS and FKI Logistex. It was made available to Air France, which is responsible for its operation, in October 2007. Aéroports de Paris retains responsibility for maintenance.

Beginning in October 2007 a gradual run-up process was undertaken, involving all parties connected to the project, in order to bring the system up to full capacity.

This process resulted in some delays in increasing capacity and in the implementation of certain functionality.

Technical and mechanical adjustments are under way to improve the operational level of the system.

Alterations and adjustments are now in hand and should be completed over the course of 2008.

3.1.4. Mutuals

Following consultation of employees' representatives, Aéroports de Paris entered into an agreement on 12 February 2007 introducing a collective and mandatory framework for complementary reimbursements of healthcare costs.

As part of these negotiations, it was agreed in view of the legal and regulatory environment that the obligation to maintain the financing of the basic guarantee vis-à-vis future pensioners would come to an end.

Pursuant to this agreement, a collective funded pension agreement has been entered into with an insurance organisation, supplemented by implementation of a complementary defined benefit pension plan.

The accounting impact of this measure has been determined based on the specific terms of the group contract underwritten with the insurance company. The terms of this agreement did not change the valuation of the cost of past services recorded in the accounts at 31 December 2007.

The change in the obligation between the previous mutual-based regime and the new framework has been characterised as a past service cost to be deferred over the period to the vesting date of rights (retirement date of employees) and has resulted in a reversal of 5.6 million euros in provisions in the financial statements at 31 December 2007.

3.1.5. Disposal of BCIA shares

On 26 February 2007, the Aéroports de Paris Group sold all of its 6.27% stake in Beijing Capital International Airport Company Limited (BCIA) for a net sum of 188.9 million euros.

This transaction marked the completion of a fruitful partnership lasting for over 7 years between Aéroports de Paris Management and BCIA.

This transaction is part of the Group's international strategy of focusing on airports with substantial development potential, where the Group's expertise as an airport operator is most useful and adds significant value.

3.1.6. Consequences of the Terminal 2E accident in 2004

As part of the civil enquiry, Air France-KLM, Aelia, Elixor and Aéroports de Paris have submitted claims for the purpose of having the size of the damages incurred assessed by the legal experts.

Financial damages consist of additional costs and of operating losses relating to the unavailability of the building.

The real nature of these damages, their precise scope, their suitability for compensation and the details of any compensation payments remain to be established.

Aéroports de Paris believes that at the current stage of proceedings there is no requirement to record any negative impact in the accounts.

3.1.7. Tax audit

The audit of Aéroports de Paris' accounts covering 2003 and 2004, begun in 2006, was completed in July 2007.

Uncontested claims were settled during the course of the audit. Provision has been made for contested items in Aéroports de Paris' accounts under tax provisions.

3.2. Changes in accounting policies

The accounting policies used by the Group in its consolidated financial statements are comparable to those used at 31 December 2006 with the exception of the following standards or interpretations, which took effect on 1 January 2007:

- IFRS 7 – Financial instruments: disclosures,
- IAS 1 – Amendments on information about capital (resulting from IFRS7),
- IFRIC 7 – Guidance on restating financial statements under IAS 29 - financial reporting in hyperinflationary economies,
- IFRIC 8 - Scope of IFRS 2,
- IFRIC 9 - Reassessment of Embedded Derivatives,
- IFRIC 10 - Interim Financial Reporting and Impairment.

Implementation of IFRS 7 and the amended version of IAS 1 resulted in the provision of additional information, most notably in notes 5, 6 and 32.

However, the introduction of the new interpretations had no impact on the Group's accounts at 31 December 2007.

Previously, the Group did not opt for the full recognition of actuarial gains and losses as part of defined benefit plans, as allowed under an amendment to IAS 19. The Group continues to use the corridor approach to recognise actuarial differences on the income statement over the average residual period of the beneficiary's expected term of employment.

Furthermore, an accounting change was introduced in 2006 concerning the presentation of finance income recognized by the Group as lessor in respect of finance leases in compliance with IAS 17. These proceeds, which were previously reported as Finance income, are now recognized under a specific heading of Revenue. The Group takes the view that this is the only accounting method that provides an accurate image of the financial performance of the real estate segment where this income occurs.

In accordance with IAS 8.30, Aéroports de Paris has opted not to apply certain standards and interpretations approved by the European Union but not made mandatory in 2007, notably:

- IFRIC 11 - IFRS 2 - Treasury shares and intra-group transactions,
- IFRS 8 - Operating segments.

Aéroports de Paris does not anticipate that any material impacts will result from application of these standards and interpretations.

3.3. Changes in the scope of consolidation

The following companies were included in the scope of consolidation in 2007:

- Cires Telecom (Morocco), following the acquisition of a 49% stake in this company by the Hub Télécom subsidiary at the end of 2006. This company has been treated as an associate since 1 January 2007,
- Bolloré Télécom, shares in which were acquired in 2006 by Hub Télécom and initially recorded as assets available for sale. Their reclassification as shares in an associate undertaking on 1 January 2007 was necessary despite the fact that the holding of 10.52% is below the theoretical 20% threshold for such treatment, particularly since Hub Télécom has 25% of the seats on the Council of Directors of this company and thus has notable influence over it,
- BGI Technologie, following the acquisition of the entirety of the capital of this company by Hub Télécom in July. This company has therefore been consolidated with effect from 1 July 2007,
- Jordan Airport Management, the operator of the Queen Alia International Airport at Amman, Jordan, created by the Aéroports de Paris Management subsidiary in November 2007. This company has been fully consolidated since that date.

In addition, as part of the reorganisation of ground handling services, the Alyzia sub-group made the following internal legal changes:

- Sapsler Handling has changed its company name and is now called Alyzia,
- Alyzia Airport Services carried out the internal sale to Alyzia of shares it held in Locmafer, Alyzia Handling, Aviance France, Alyzia Ramp Assistance, Sapsler, Alyzia Sureté and Alyzia Training,
- Locmafer, Alyzia Handling, Aviance France and Alyzia Ramp Assistance were then dissolved without liquidation and concomitantly absorbed into Alyzia by the total transfer of their assets with effect from 1 December 2007.

However, these transactions had no impact on the presentation of consolidated accounts for 2007.

Lastly, the company name of SAB (Belgium), in which Aéroports de Paris Management holds a 25.6% stake, has been changed to Liège Airport.

Note 4 - Accounting policies

4.1. Basis of preparation of the financial statements

The financial statements are mainly prepared on a historical cost basis, except for derivative financial instruments, assets held for trading and assets qualified as available-for-sale which are accounted for at fair value.

The preparation of the financial statements in conformity with IFRS requires management to make judgment, estimates and assumptions which affect the application of accounting policies and the amounts of assets and liabilities, income and expenses. The underlying estimates and assumptions are based on historical experience, and various other factors considered as reasonable under the circumstances. They therefore serve as the basis for the exercise of the judgment required in determining the carrying values of assets and liabilities which cannot be obtained directly from other sources. Actual values may differ from the estimates. The estimates and the underlying assumptions are continuously reviewed. The impact of the changes in accounting estimates is recognized in the period in which the change is made if it affects only that period, or in the period of the change and in future periods if both are affected by the change. Such estimates concern essentially IAS 36, IAS 40 (notes 4.6 and 23), IAS 19 (notes 4.19 and 13), IAS 17 (note 4.21), and provisions (note 4.20).

The accounting policies set out below have been applied on a consistent basis for all financial periods presented in the consolidated financial statements.

4.2. Consolidation policies

4.2.1. Consolidation methods

The consolidated financial statements include those of Aéroports de Paris and its subsidiaries, associates and joint ventures:

- subsidiaries under the sole control of the Group, notably those in which the parent company holds more than 50% of the voting rights, directly or indirectly, are included in the consolidated financial statements by aggregating, line by line, assets, liabilities, revenues and expenses. The share attributable to minority interests is recorded separately in the income statement and in equity in the balance sheet. Subsidiaries are consolidated as from their date of acquisition, namely the date at which the Group obtained control, up to the date at which such control ceases to be exercised,
- joint ventures under contractual joint control with other entities are consolidated according to the proportionate method. This method involves recognizing the Group's share of assets, liabilities, revenues and expenses in proportion to its share in the joint venture's equity. The joint venture is consolidated up to the date when the Group ceases to have joint control of the entity,
- associates, being companies over which the Group has significant influence without having either sole or joint control, are accounted for according to the equity method. Significant influence is assumed where the Group holds at least 20% of the voting rights. Under the equity method, the book value of the shares held is replaced by the share they represent in the associate's equity, including net income or loss for the period. Goodwill in connection with an associate is included in the book value of the investment and is not amortized. After applying the equity method, the Group decides whether it is necessary to recognize any additional impairment in respect of the Group's net investment in the associate. The income

statement reflects the Group's share of income of the associate. Where a change is recorded directly in the equity of associates, the Group accounts for its share of such change and discloses it in the statement of changes in equity, when applicable. If the Group's share of an associate's losses is greater than its investment in the entity, the book value of the investment in the associate is recognized at nil and the Group ceases to record its share of future losses, unless it is under a legal or implicit obligation to share the losses or make payments on behalf of the associate.

All intercompany accounts and transactions among consolidated companies are eliminated pro rata to the Group's equity interest in associates and joint ventures, as are all intercompany profits and losses (dividends, capital gains on disposals, provisions against investments and receivables, etc.), except in the case of unrealized losses which reflect impaired asset values.

4.2.2. Business combinations

All business combinations are accounted for by applying the purchase method. Goodwill on acquisitions of shares in subsidiaries, associates and joint ventures represents the difference, at acquisition date, between the cost of acquisition and the share of assets, liabilities and contingent liabilities acquired, measured at fair value. Where such goodwill is positive it is recorded in the balance sheet, under intangibles in the case of subsidiaries and joint ventures and under "Investments in associates" for associates. Negative goodwill is posted directly to the consolidated income statement under "Other operating income".

The results of companies acquired or sold in the year are included in the consolidated income statement for the period subsequent to the date at which the Group obtains control, or comes to exercise joint control or significant influence, up until the date at which such control, joint control or significant influence ceases.

4.3. Effects of fluctuations in foreign currencies

4.3.1. Translation of financial statements of foreign subsidiaries, joint ventures or associates

The financial statements of foreign companies whose functional currency is not the euro are translated into euros as set out below:

- Assets and liabilities of each balance sheet are translated at foreign exchange rates ruling at balance sheet date;
- Income and expenses in the income statement, and cash flows, are translated at rates approximating to the exchange rates ruling at the dates of the transactions;
- The resulting gains and losses on currency translation are recognized in the balance sheet as translation reserve in equity.

No company consolidated by the Group is located in a country experiencing hyperinflation.

4.3.2. Translation of transactions in foreign currencies

Transactions in foreign currencies are accounted for as follows:

- On initial recognition, foreign currency transactions are recognized at the exchange rate at the date of the transaction;
- At each balance sheet date, monetary items are translated at the rate ruling at that date, while non-monetary items measured at historical cost remain translated at the initial rate and those measured at fair value are translated at the exchange rate ruling at the dates the fair value was determined;

- Differences arising on settlement, or on translation of monetary items, are recognized in the income statement under net finance costs.

4.4. Intangible assets

Intangible assets include:

- Goodwill arising on acquisition of shares of subsidiaries and joint ventures, determined according to the method set out in note 4.2.2 above, less any accumulated impairment losses. On an annual basis, or whenever any indicator of possible impairment is observed, goodwill is subject to an impairment test. Impairment is recognized if the recoverable amount of the goodwill falls below its carrying amount. Recoverable amount is the higher of fair value less selling costs and value in use. Value in use is determined on the basis of projected future cash flows discounted to present value, based on the business plans of the companies concerned. Fair value corresponds to the sale price for the Company, net of selling costs, that the Group could obtain in a transaction carried out under normal market conditions.
- Software recognized at acquisition cost or production cost and amortized on a straight-line basis over its normal useful life, between one and seven years on a case-by-case basis.
- Rights of use, amortized on a straight-line basis over 15 years.

4.5. Property, plant and equipment

Property, plant and equipment is recognized at cost, excluding the cost of normal maintenance, less accumulated depreciation and impairment losses. Where applicable, such cost takes account of revaluations made in 1959 and 1976, which were considered to represent deemed cost in accordance with the option available under IFRS 1.17. The cost of self-constructed assets includes, in particular, the cost of raw materials and direct labour.

Property under construction or development for future use as investment property is classified as property, plant and equipment and recognized at cost until completion of construction or development, at which time it is reclassified as investment property.

Interest on borrowings taken out to finance property, plant and equipment is excluded from the acquisition cost of such assets.

The Group recognizes, within the carrying amount of an item of property, plant and equipment, the replacement cost of components of the asset at the time that this cost is incurred, if it is probable that the future economic benefits related to the asset will flow to the Group and its cost can be measured reliably. All maintenance and repair costs are recognized as expenses at the time they are incurred.

Items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives:

- | | |
|---|----------------|
| • Improvements to land | 20 years |
| • Terminals | 50 years |
| • Other buildings | 40 to 50 years |
| • Refurbishments of terminals and other buildings | 10 to 20 years |
| • Safety equipment | 10 to 20 years |
| • Airport equipment: | |

- Baggage handling	10 years
- Telescopic airbridges	20 years
- Stairs, elevators and escalators	25 years
• Tunnels and bridges	45 years
• Landing strips	10 to 50 years
• Roadways and signalling	10 to 50 years
• Technical facilities	5 to 50 years
• Parking facilities	50 years
• Railways	10 to 50 years
• Vehicles	5 years
• Office furniture	7 years
• IT hardware	5 to 7 years
• Transport equipment	7 to 10 years

For calculating depreciation, items of property, plant and equipment are grouped by components which have identical depreciation methods and useful lives.

Land is not depreciated.

The carrying amount of property, plant and equipment is reviewed for impairment whenever events or new circumstances indicate that the carrying amount may not be recoverable, in accordance with the policy described in note 4.7. below.

Property, plant and equipment does not include investment property, which is recorded on a separate line in the balance sheet (see note 4.6 below).

Property, plant and equipment is derecognized when it is disposed of or when no future economic benefits are anticipated from its use or disposal. Any gain or loss resulting from derecognition (calculated as the difference between the net sale proceeds and the carrying amount of the asset) is recognized in the income statement in the year of derecognition.

4.6. Investment property

Investment properties are properties (land or buildings – or part of a building) held (under full ownership or under a finance lease) to earn rental income and/or for capital appreciation.

Conversely, buildings occupied by Aéroports de Paris for its own use (headquarters, administrative buildings or operating buildings) are not investment property but rather are operating properties which are recognized in the balance sheet under “Property, plant and equipment”.

Vacant buildings not intended for its own use by Aéroports de Paris are deemed to be investment property.

Buildings subject to mixed use, in which over 50 percent of the surface area corresponds to the definition of an investment property, are recognized as an investment property for their entire amount.

Investment property is thus recognized on a separate line in the balance sheet and is valued, in accordance with the option provided under IAS 40, at historical cost, i.e., at cost less accumulated depreciation and impairment.

Buildings classified as investment property are amortized on a straight-line basis over useful lives from 20 to 50 years.

The fair value of such buildings, whose amount is shown in note 23, is based on a combined approach using market data and the discounted cash flow generated by the assets.

Rented investment property buildings and lands are valued by discounting their future cash flows to present value, determined on the basis of the current operating conditions of Aéroports de Paris.

Land reserves are valued based on an estimated selling price in the light of current market conditions. A discount is applied to this valuation to reflect market capacity, over the effective valuation period applicable to such land reserves.

The discount rate applied to the cash flows corresponds to the cost of capital observed for a highly diversified real estate activity. In parallel, a discount for the specific nature of the assets and their geographical concentration is applied to the results.

The various factors used for this approach were estimated according to current market practices. The Group did not deem it necessary to retain an independent expert to perform the valuations.

4.7. Asset impairment

Excepting inventories and deferred tax assets, the carrying amounts of the Group's assets are reviewed at each balance sheet date for potential impairment. If there is any indication of such impairment, the recoverable amount of the asset is estimated.

With regard to goodwill, intangibles with indefinite useful lives or intangibles which are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit is greater than its recoverable amount. Impairment losses are recognized in the income statement.

Impairment losses recognized in respect of cash-generating units are first allocated as a reduction in the carrying amount of any goodwill related to the cash-generating units. Any remaining amount reduces the carrying amounts of the cash-generating unit's other assets on a pro rata basis.

Each cash-generating unit is reviewed for impairment. Such units are aligned with the segments defined in the section on segment information (*see note 4.24*), i.e.:

- Airport services
- Ground handling and related services
- Real estate
- Other activities

Goodwill and intangible assets with indefinite useful lives were tested for impairment at 31 December 2007, the date of transition to IFRS 2007. In the light of this test, no cash-generating unit's assets were identified as being impaired.

4.7.1. Calculation of recoverable amount

The recoverable amount of the Group's investments in held-to-maturity securities and receivables recognized at amortized cost is equal to the present value of the related estimated future cash flows, discounted at the effective interest rate at the date of origination of the financial assets (being the effective interest rate calculated on initial recognition). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their fair value less selling costs and their value in use. To determine value in use, estimated future cash flows are discounted at a pre-tax rate which reflects the current market perception of the time value of money and the specific risks related to the

asset. For assets which do not generate cash independently of other assets, the recoverable amount is calculated for the cash generating unit to which the asset belongs.

4.7.2. Reversals of impairment

An impairment loss on loans and receivables or investments in held-to-maturity securities at amortized cost is reversed if the subsequent increase in recoverable amount can be objectively linked to an event occurring after the recognition of such impairment. Impairment on equity instruments classified as available-for-sale is not written back through the income statement. If the fair value of a debt instrument classified as available for sale increases, and the increase can objectively be linked to an event occurring after recognition of the impairment, such impairment is reversed through the income statement.

Impairment recognized in respect of goodwill cannot be reversed. Impairment recognized in respect of other assets is reversed if there is a change in the estimates used to calculate their recoverable amount.

The carrying amount of an asset, increased as a result of reversal of impairment, cannot be greater than the carrying amount which the asset would have had, net of depreciation and amortization, had impairment not been recognized in the first place.

4.8. Investments in associates

In accordance with the policy set out in note 4.2.1, this caption corresponds to the Group's share in the restated equity of associates, as increased by any goodwill on such investments.

4.9. Current and non-current financial assets

Financial assets are recognized at transaction date at their fair value plus directly attributable acquisition costs (except for financial assets that are recognized at fair value through the income statement).

Financial assets are removed from the balance sheet upon expiration of rights to future cash flows or when these rights are transferred to a third party, where the Group has transferred most of the risk and rewards and no longer controls such assets.

On initial recognition, the Group determines how to classify the financial assets, based on the purpose of the acquisition, in one of the four following categories provided for by IAS 39:

4.9.1. Financial assets recognized at fair value through the income statement

As concerns the Group this includes:

- cash and cash equivalents made up of cash, short-term investments and other liquid or readily convertible instruments with negligible risk of change in value and with maximum maturities of three months at date of acquisition. Investments with maturities of more than three months, as well as frozen or pledged bank accounts, are not included in cash. Bank overdrafts are recognized as debt in liabilities,
- derivative financial instruments not qualified for hedge accounting and with positive fair values.

Such financial assets are recognized at fair value through the income statement.

4.9.2. Loans and receivables

For the Group, these are other non-current financial assets including mainly long-term receivables in connection with non-consolidated investments, loans to associates, long-term loans to employees and security deposits.

Such loans and receivables are recognized at amortized cost using the effective rate method. An impairment loss is recognized where their estimated recoverable amount falls below their carrying amount.

4.9.3. Held-to-maturity investments

Such investments are non-derivative financial assets with fixed-rate or determinable payments and maturities set at issue, which the Group intends and is able to hold to maturity. After initial recognition at fair value, they are recognized at amortized cost under the effective interest rate method. Investments held to maturity are monitored objectively for impairment. A financial asset is written down for impairment if its carrying amount is greater than its estimated recoverable amount when an impairment test is performed. The resulting impairment is recognized in the income statement.

At this time, the Group holds no financial instrument corresponding to this definition.

4.9.4. Available-for-sale financial assets

These are, for the Group's purposes, non-consolidated investments. At each balance sheet date, they are reassessed at fair value and changes in fair value are recognized in equity. When such investments are derecognized, the cumulative gains and losses previously recognized directly in equity are taken to the income statement.

Fair value for listed shares corresponds to quoted bid price, while unlisted shares are valued by reference to recent transactions or on the basis of a technical valuation using reliable and objective criteria consistent with estimates used by other market players. However, where it is not possible to reasonably estimate the fair value of an investment, it is maintained at historical cost.

4.10. Treasury shares

Treasury shares are recognized as a deduction from equity at acquisition cost including related direct costs net of tax. Gains or losses on disposal of such shares are recognized directly through equity without affecting net income.

The positive or negative balance on the transaction is transferred to an increase or decrease in retained earnings.

4.11. Debt

Bond issues and other interest-bearing liabilities are initially recognized at fair value, which corresponds to the amount received, less attributable transaction costs, such as issue premiums and expenses. Subsequently, the debt is recognized at amortized cost using the effective interest rate of the instrument.

The effective rate corresponds to the rate which, when used to discount future cash flows related to the instrument, will enable the initial carrying amount of the instrument to be obtained.

Debt maturities due after more than one year are recognized as non-current debt. Debt due for repayment within less than one year is recognized as current debt.

4.12. Derivative financial instruments

In managing interest rate risk on its mid to long-term liabilities, the Group uses derivative financial instruments. These consist of interest rate swaps and cross-currency swaps matched with bond issues and bank loans.

Interest rate swaps are initially and subsequently valued in the balance sheet at fair value through the income statement. Changes in the fair value of derivative instruments are recognized through the income statement, with the exception of particular cases in respect of hedge accounting set out below.

Where a financial instrument can be qualified for hedge accounting, it is valued and accounted for in accordance with hedge accounting criteria contained in IAS 39:

- if the derivative is designated as a cash flow hedge, changes in the value of the effective part of the derivative are recorded in equity. They are taken to the income statement when the hedged item is itself recognized in the income statement. Conversely, the ineffective part of the derivative is recognized directly in the income statement. Where the hedged transaction is a future debt issue, the reclassification to the income statement is carried out over the term of the debt issue, once the issue has taken place. When the forecasted transaction leads to the recognition of a non-financial asset or liability, the cumulative changes in the fair value of a hedging instrument formerly recognized through shareholders' equity are included in the initial valuation of the asset or liability in question.
At this time, the Group holds no financial instrument corresponding to this definition,
- if the derivative instrument is designated as a fair value hedge, changes in the value of the instrument and of the hedged item are recognized in the income statement in the same period.
- a hedge of a net investment in a foreign entity receives the same accounting treatment as a cash flow hedge. Changes in the fair value of the hedging instrument are recognized in equity, for the effective part of the hedging relationship, whereas changes in connection with the ineffective part of the hedge are recognized in net finance costs. When the investment in the foreign entity is sold, all changes in the fair value of the hedging instrument previously recognized through equity are transferred to the income statement.
At this time, the Group holds no financial instrument corresponding to this definition.

Hedge accounting is applicable if the hedging relationship is clearly defined and documented when it is set up, and if the effectiveness of the hedging relationship is demonstrated prospectively and retrospectively at the date of origination and at each subsequent balance sheet date.

Derivatives are entered on the assets side of the balance sheet under "Other current financial assets" or on the liabilities side under "Current debt". Such derivatives can be cancelled at any time by paying or receiving a cash amount corresponding to their fair value.

4.13. Measuring the fair value of financial instruments

The best criterion for measuring the fair value of a contract is the price agreed upon between a buyer and seller operating on a free market under market conditions. At the date of the agreement, this is generally the transaction price. Subsequently, the value of the contract must be based on observable market data which constitute the most reliable indication of fair value for financial instruments:

- discounted future cash flows for bonds and bank loans,
- quoted prices on an organized market for listed bonds and non-consolidated investments,
- market value for interest rate and foreign exchange instruments, valued using discounting of differential future cash flows or on the basis of quoted prices issued by third party financial institutions.

4.14. Income taxes

Income tax expense includes current tax expense or income and deferred tax expense or income. Income tax is recognized in the income statement unless it concerns items recognized directly in equity; in such cases it is recognized directly in equity.

Deferred tax is determined using the balance sheet liability method, at the most recent tax rates applicable, for all temporary differences between the carrying amounts of assets and liabilities and their tax bases.

The following items do not give rise to deferred taxes:

- taxable temporary differences related to initial recognition of goodwill,
- taxable or deductible temporary differences in connection with initial recognition of an asset or liability in a transaction which does not qualify as a business combination and which affects neither accounting income nor taxable income,
- taxable temporary differences in connection with investments in subsidiaries, where it is probable that they will not be reversed in the foreseeable future, and deductible temporary differences linked to investments in subsidiaries, joint ventures or associates if it is not probable that such differences will be reversed in the foreseeable future or that they can be deducted from any taxable income in the future.

However, restatements of finance leases give rise to deferred tax, even though they affect neither accounting income nor taxable income when initially recognized.

Deferred tax assets and liabilities are measured on the basis of the tax rate anticipated for the periods when the assets will be realized or the liabilities paid, on the basis of tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized, as applicable, in respect of tax loss carryforwards and unused tax credits. Generally speaking, deferred tax assets are not recognized except when it is probable that the taxable entity in question will have sufficient future taxable income against which the deductible temporary differences, tax loss carryforwards or tax credits can be offset.

Deferred taxes are not discounted to present value.

The tax consolidation group encompassing the parent company Aéroports de Paris and six French subsidiaries held, directly or indirectly, at over 95% – Alyzia Airport Services, Alyzia, Sapsar, Alyzia Sureté, Alyzia Training and Airport Handling Partner (not consolidated) – constitutes a single fiscal entity for the purposes of the above policies.

Current tax is the amount of income tax due to or receivable from the tax authorities with regard to taxable income or tax loss from a given financial year. Such amounts are recognized respectively in current liabilities or current assets in the balance sheet.

4.15. Capital grants

Capital grants are recognized under the “Other non-current liabilities” caption.

Amortization of grants through the income statement is over the same period as the depreciation period of the assets in respect of which the grants were received. This amortization is recognized in the income statement under the “Other ordinary operating income” caption.

4.16. Inventories

The initial cost of goods and supplies includes their purchase price and related expenses. Internal and external financing expenses are not included, nor are distribution expenses and warehousing costs. Inventories are valued on disposal on the basis of the weighted average cost method.

An impairment loss is recognized when the net realizable value of inventory is less than its initial cost. Net realizable value is the estimated selling price in the normal course of operations, less estimated costs necessary for the sale.

4.17. Trade receivables

Trade receivables are classified under loans and receivables and are recognized at fair value on initial recognition and, subsequently, at amortized cost. Fair value is the nominal value when the period to maturity/settlement is not of material length.

Trade receivables which have not been recovered for more than six months at the balance sheet date (12 months for public sector entities) are transferred to doubtful receivables. The same applies for any receivables remaining unpaid at the date a customer enters receivership or court-ordered liquidation procedures. Impairment is recognized in respect of the non-recoverable portion of such receivables.

Receivables outstanding for less than six months are also taken into account in calculating impairment of trade receivables where the risk of not recovering them is substantial (foreseeable liquidation, foreign customers going out of business, etc.)

Since 1 July 2004, Aéroports de Paris no longer enjoys public-sector prerogatives and therefore no longer has access to government enforcement procedures. As a consequence, the only recourse possible is recovery on an amicable basis or court litigation.

4.18. Trade payables

Trade payables are recognized at fair value on initial recognition. They are subsequently recognized at amortized cost.

4.19. Employee benefits

4.19.1. Defined benefit plans

The following post-service employee benefits give rise to provisions for employee benefit commitments recognized in liabilities:

- end-of-career bonuses paid at the time of retirement or redundancy for reasons of disability,
- pre-retirement benefits as provided by the early retirement plan (PARDA) set up in 1977 and specific age-related measures taken in 2006,
- additional pension annuities paid to firefighters under an agreement providing for their retirement at 55,
- contributions paid by Aéroports de Paris for health insurance for current and future retirees and their heirs and assigns,
- the supplementary defined retirement benefit plan introduced in 2007 (*note 3.1.4*).

The Group's net obligation with respect to defined benefit plans is measured separately for each plan by estimating the amount of future benefits acquired by staff in exchange for services rendered in the current and prior periods. This amount is discounted to present value and reduced by the fair value of plan's assets and the unrecognized cost of past services. The discount rate used at the balance sheet date is based on first-class bonds the maturity date of which is close to that of the Group's commitments. These calculations are made by a qualified actuary based on the Projected Unit Credit Method.

All actuarial gains and losses as at 1 January 2004, the date of transition to IFRS, have been recognized. As for actuarial gains and losses arising since that date, in order to determine the Group's obligation under a plan, the fraction of cumulative unrecognized actuarial gains and losses in excess of 10% of the greater of: 1) the present value of the obligation under the defined benefit plan and 2) the fair value of the plan's assets, is amortized through the income statement over the expected average remaining working lives of employees entitled to the plan's benefits.

Actuarial assumptions used are set out in note 13.

4.19.2. Defined contribution plans

A defined contribution plan is a plan providing post-service benefits under which an entity makes defined contributions to a separate entity and has no legal or implied obligation to make any additional payments into the plan. The contributions to a defined contribution plan are recognized as expenses relating to employee benefits as they fall due. Contributions paid in advance are recognized as assets to the extent that they will result in a repayment of cash or a reduction in future payments.

4.19.3. Other long-term benefits

The Group's net obligation with respect to long-term benefits other than retirement benefit plans, is equal to the value of future benefits acquired by staff in exchange for services rendered in the current and prior periods. These benefits are discounted to present value and reduced, where appropriate, by the fair value of related assets. The discount rate used is based on the interest rate at the balance sheet date on first-class bonds the maturity date of which is close to that of the Group's commitments. The value of the obligation is calculated using the Projected Unit Credit Method. Actuarial gains and losses are recognized in income for the period in which they arise.

This category of benefit relates solely to aeronautics industry long-service awards payable to employees of Aéroports de Paris, and the corresponding distinguished service bonuses. It results in provisions for employment obligations being recorded as liabilities in the balance sheet.

4.20. Provisions

A provision is recognized where the Aéroports de Paris Group has a present legal or constructive obligation resulting from a past event, when it is probable that an outflow of resources embodying financial benefits will be necessary to extinguish the obligation and the amount of the obligation can be reliably estimated.

Provisions are estimated on the basis of the most probable assumptions at the balance sheet date. When the time value of money is a significant factor, the provision is determined by discounting future cash flows at a pre-tax rate reflecting the market's perception of the time value of money, and where appropriate by factoring in the specific risk relating to the liability.

4.21. Lease agreements

The existence of a lease within an agreement is evidenced on the basis of the substance of the agreement. It must be determined whether the performance of the agreement depends on the use of one or several specific assets and whether the agreement grants the right to use such assets.

4.21.1. Lease agreements in the financial statements where the Group is lessee

Finance lease agreements, which transfer to the Group substantially all the risks and rewards inherent to ownership of the leased asset, are recognized in the balance sheet at the beginning of the lease period at the fair value of the leased asset or, if less, at the discounted value of minimum lease payments. Lease payments are apportioned between financial expenses and the reduction of the outstanding liability to obtain a constant periodic interest rate on the outstanding balance. Financial expenses are recorded directly in the income statement. Assets under finance lease agreements are depreciated over the shorter of two periods: their useful life, or the length of the lease agreement if the Group is not reasonably certain to obtain full ownership of the asset at the end of the lease. Payments for operating leases are recognized as expenses on a straight-line basis until their termination dates.

4.21.2. Lease agreements in the financial statements where the Group is lessor

In accordance with IAS 17, an asset made available to a third party under a finance lease (unlike an operating lease) is not recognized in the balance sheet as property, plant and equipment. It is recognized as a receivable and valued by discounting the future cash flows generated by the asset.

An asset is recognized as being held under a finance lease where the lease transfers to the lessee substantially all the risks and rewards inherent to ownership. The following criteria enter into this definition:

- the leased assets are of such a specialised nature that only the lessee can use them without major modifications,
- the lease term is for the major part of the economic life of the asset,
- at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset (classed as gross book value),
- the lessee has an implicit obligation to renew the lease at the end of the lease period.

Other lease agreements under which the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Indirect costs initially disbursed when negotiating the operating leases are added to the book value of the leased asset and accounted for over the lease period on the same basis as lease income.

4.22. Revenue recognition

4.22.1. Sales of goods and services rendered

Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards related to ownership of the assets are transferred to the buyer.

Revenue from services rendered is recognized in the income statement on the basis of the percentage of completion of the service at the balance sheet date. The percentage of completion is assessed by reference to the work performed.

No revenue is recognized where there is significant uncertainty as to the following:

- recovery of the consideration due,
- costs incurred or to be incurred in respect of the service, or

- the possibility of returned goods if the buyer has the right to cancel the order, and where the Group remains involved in managing the goods.

4.22.2. *Airport fees*

Airport fees encompass landing fees, lighting fees, aircraft parking fees, passenger fees and fees for the use of aviation fuelling facilities.

Changes in airport fees are determined by multi-year contracts with a duration of up to five years between the Group and the French State, or in the absence of such a contract, on a yearly basis in accordance with the law. As part of the consultation process preceding any changes in airport fees, the airlines are asked to provide comments and recommendations on these changes.

Under the multi-annual contracts with the French State, the parameters governing changes in fees paid by the airlines can include not only revenues for aviation activities, but also revenues from other activities.

4.22.3. *Leasing revenues*

Rental income from investment property is recognized on a straight-line basis over the entire duration of the lease.

4.22.4. *Airport security taxes*

The conditions for determining the tax base and collection of airport security taxes are laid down in the 1999 Finance Act in sections 51 and 136 (General Tax Code, sections 302 bis K and 1609 quatervicies). Section 1609 states in particular (free translation from French original text) "the proceeds of the tax are allocated to each airport for financing security-firefighting-rescue services, bird hazard prevention, safety and environmental control measures".

Sections L251-2 and L282-8 of the Civil Aviation Code defines the role of Aéroports de Paris as regards safety and security, and the corresponding operating expenses are recorded as they arise, while the proceeds are recognized as revenues.

When the cumulative amount of the tax received is greater than the cumulative amount of expenses recognized, the surplus amount received is recognized as deferred income. In the opposite case, the amount is recognised as accrued income.

4.22.5. *Financial income from operations*

Financial income generated as the lessor on financial leases is recognized as revenue to provide an accurate image of the financial performance, notably in the real estate segment, where these proceeds are recognised.

4.22.6. *Tax on airport noise (TNSA)*

As part of the preventive measures against airport noise pollution, the Civil Aviation Authorities collect this tax from airline companies and pass it on to Aéroports de Paris.

Since 1 January 2004, Aéroports de Paris has been in charge of managing these subsidies and, on behalf of the French State, pays the allocated financial assistance to the citizens of the outlying areas. For this service, Aéroports de Paris is compensated for the expenses incurred in managing this tax. This compensation is reported as revenue under "Other ordinary operating income".

The amounts collected and paid out are reported as "Other receivables" and "Other liabilities".

4.22.7. BAAC transfers

Payments are made to cover the cost of technical and administrative support services provided by Aéroports de Paris to the French air navigation services department (DSNA).

The framework agreement covering services provided was signed on 27 July 2007 for the period from 1 January to 31 December 2007. Under this agreement, operational costs were invoiced in their entirety during the year.

This payment is reported as revenue under "Other ordinary operating income".

4.23. Net finance cost

Net financial costs include interest payable on borrowings, calculated using the effective interest rate method, interest receivable on investments, other dividend income, and gains and losses on foreign exchange and on hedging instruments which are recognized in the income statement.

Interest income is recognized in the income statement, when earned, using the effective interest rate method.

Dividend income is recognized in the income statement when the Group acquires the right to receive such payments. For listed shares, this corresponds to the coupon date.

Interest expense included in payments made under a finance lease is recognized using the effective interest rate method.

4.24. Segment reporting

The AÉROPORTS DE PARIS Group has defined its primary segment information by activity. Each segment is a distinct part of the Group operating either in the supply of goods and related services (business segment), or the supply of goods and services in a specific economic environment (geographical segment), where the margins and risk exposure are different from other sectors.

The reporting business segments are the following:

- **Airport services:** this segment includes all goods and services provided by the Group that are necessary or related to handling aircraft or flows of passengers (and people accompanying them) in the Group's operating areas. Airport services encompasses airport fees, rental revenues related to aircraft and passengers, commercial revenues and airport security taxes.
- **Ground handling and related services:** this segment includes all goods and services provided to airline companies in the context of on-the-ground assistance, as listed in the appendix to EU directive 96/67CE relating to ground handling services in airports within the European Union, which provisions are reiterated in sections R 216-1 et seq of the Civil Aviation Code, and certain other services.
- **Real estate:** this segment includes all the Group's goods and services related to property leasing, with the exclusion of operating leases within airport terminals, which are related to aircraft and passenger handling, and therefore part of the "Airport Services" segment.

- **Other activities:** these are all goods and services provided mainly by subsidiaries of the Aéroports de Paris Group and which are not part of the above segments, as well as certain diversified activities.

The performance of each of these segments is assessed with regard to their operating income, their assets and their investments. Segment operating income is calculated before headquarters expenses, as stipulated in paragraph 16 of IAS 14.

When reporting segment information, the Aéroports de Paris Group does not present secondary segment reporting in respect of geographical segments because the Group's business is concentrated in the greater Paris region. It does however provide additional information concerning operating income, assets and investments relating to the Paris airports, Orly and Paris-Charles de Gaulle, where the group's operations are carried out.

The prices applied for transfers among different business segments reflect the prices in a normal competitive operating environment, as for transactions among third parties. Each segment's revenues, expenses and operating income include transfers among business segments, and such transfers are eliminated on consolidation.

4.25. Earnings per share

The Group reports basic and diluted figures for earnings per ordinary share. The basic figure is calculated by dividing the earnings attributable to holders of common shares in the parent company by the weighted average number of common shares in issue over the course of the year.

The diluted figure is calculated by dividing the earnings attributable to holders of common shares in the parent company by the weighted average number of common shares in issue over the course of the year, increased by the weighted average number of common shares that would have been issued on conversion into common shares of all securities giving access to common shares.

Note 5 - Management of financial risk

5.1. Introduction

In addition to derivative instruments, the Group's main financial liabilities consist of bank loans and overdrafts, bonds, finance leasing debts, trade debts and leasing debts. The main purpose of these financial liabilities is to finance the Group's operating activities. The group has financial assets, such as trade receivables, cash and short-term deposits which are generated directly by its business activities.

The Group also uses derivative instruments, primarily interest rate swaps. The purpose of these instruments is the management of exchange rate risk arising on the financing of the Group.

The main risks relating to the Group's financial instruments are:

- credit risk
- liquidity risk
- market risk

This note provides information on the Group's exposure to each of the risks listed above, and on its objectives, policy and procedures regarding the assessment and management of risk and the management of capital. Quantitative information is included elsewhere in the consolidated accounts.

It is the duty of the Board of Directors to define and monitor the Group's risk management framework. The objective of the Group's risk management policy is to identify and analyse the risks

faced by the Group, to define limits within which risks are to remain and the control systems to be operated, to manage risk and to ensure that the limits defined are respected. Risk management policy and systems are regularly reviewed in order to take account of changes in market conditions and the Group's business activities. Through its training and management rules and procedures, the Group aims to develop an environment of strict and constructive control in which all employees have a good understanding of their roles and duties.

The Group Audit Committee is responsible for carrying out, in cooperation with the senior management team, an assessment of the main risks faced by the Group and a review of the risk control policies in all areas. In addition, the Internal Audit team reviews control and risk management procedures and communicates its findings to the Audit Committee.

5.2. Credit risk

Credit risk is the risk of a financial loss for the Group in the event that a client or counterparty to a financial instrument should default on its contractual obligations. This risk arises mainly on trade receivables and investment securities.

5.2.1. Trade receivables and other debtors

The Group's policy is to check the creditworthiness of all clients who wish to obtain credit terms for payment. Except for agreements with the State and wholly-owned subsidiaries, any and all contracts between Aéroports de Paris and its clients contain guarantees (a deposit check, bank endorsement or on demand bank guarantee, etc.). Furthermore, customers' outstanding balances are constantly monitored. As a consequence, the Group's exposure to bad debts is not material.

The Group's exposure to such credit risk is affected by the individual nature of its clients. Some 23% of the Group's revenue relates to services provided to its main client. However, there is no geographical concentration of credit risk of this type.

The Group determines a level of impairment which represents its estimate of the potential losses on trade receivables, other debtors and investment securities. The two main factors of this impairment are specific losses relating to significant individual risks and overall losses, determined on the basis of groups of similar assets, reflecting potential losses which have not yet been identified. The estimated value of the overall loss is based on historical statistical data for payments against similar financial assets.

5.2.2. Financial assets

As regards credit risk on the Group's other financial assets (cash, cash equivalents, available-for-sale financial assets and certain derivative instruments), Aéroports de Paris invests surplus cash in euro-denominated UCITS. The counterparty risk on these investments is considered marginal. On derivatives, the Group's exposure involves the risk of bankruptcy of the third parties in question, which are mainly top-ranked financial institutions. The Group's maximum exposure is the book value of these instruments.

5.2.3. Guarantees

The Group's policy is to issue guarantees only to wholly-owned subsidiaries. At 31 December 2007, there were no guarantees in issue.

5.3. Liquidity risk

Liquidity risk corresponds to the risk that the Group could face difficulties in honouring its debts when they fall due.

Aéroports de Paris is rated AA- with a stable outlook by Standard & Poor's. The rating was lowered from AA to AA- during the initial public offering in June 2006.

The Group's euro-denominated bonds are listed on the Paris Bourse.

For assessing financial and market risks, Aéroports de Paris has a financing and treasury department.

Aéroports de Paris monitors its cash on a daily basis. Monthly reports cover financing transactions, investments and analysis of differences compared to the annual cash budget. It also includes a breakdown of all investments as well as an indication of the level of risk associated with such investments.

For the bonds and bank loans listed above, the Group is under no specific obligation or condition stipulating early repayment of its debt.

At 31 December 2007, Aéroports de Paris did not have any confirmed credit lines, European Medium-Term Notes (EMTN) or commercial paper.

5.4. Market risk

Market risk corresponds to the risk that variations in market prices, such as currency exchange rates, interest rates and the price of equity instruments, could affect the Group's earnings or the value of financial instruments held. The objective of market risk management is to manage and control exposure to market risk within acceptable limits, whilst at the same time optimising the risk/reward balance.

5.4.1. Interest rate risk

To supplement its available cash flow, Aéroports de Paris takes out debt to finance its capital investment program.

Debt at 31 December 2007, excluding accrued interest and derivative financial instruments in a liability position, amounted to 2,275,728 thousand euros consisting mainly of outstanding bonds and bank loans.

The interest rate risk on this debt is managed by modulating the respective portions of fixed rate and variable rate debt depending on market trends.

Managing this risk involves entering into and cancelling interest rate swaps.

Aéroports de Paris' exposure to interest rates risk stems mainly from its debt and, to a lesser extent, from its portfolio of interest rates derivatives.

The Group's policy consists of managing its interest charges through the use of fixed-rate and variable-rate loans. The Group's policy is that between 50% and 100% of its debt should be at fixed rates. To achieve this objective, the Group enters into interest rate swap agreements under which it exchanges, at pre-determined intervals, the difference between fixed-rate and variable-rate interest calculated on a nominal loan value agreed between the parties. These swap contracts are allocated to loan coverage. At

31 December 2007, after taking account of interest rate swaps, approximately 69%(*) of the Group's debt was at fixed interest rates (2006: 58%).

In order to limit the negative effects of the credit crisis that began in August 2007 and that most notably resulted in a sharp rise in the 3-month Euribor interest rate, in late October and early November 2007 Aéroports de Paris entered into cancellable swaps for a total nominal value of 300 million euros.

Under these transactions, Aéroports de Paris pays a fixed annual average interest rate of 3.80% and receives the 3-month Euribor rate. The counterparty has the right to cancel the contracts after each three-month period. For information, the 3-month Euribor rate was 4.60% at 30 October 2007, 4.95% at 15 December and 4.68% at 31 December.

(*) The use of cancellable swaps modified the breakdown between fixed and variable interest rates in the final quarter of 2007. At 31 December 2007, the breakdown was as follows: Fixed rate 80% / variable rate 20%.

5.4.2. *Currency risk*

In general terms, the Group has little exposure to currency risk (see note 32.2.2).

The bulk of transactions are denominated in euros or USD.

Note 6 - Capital management

The Group's policy is to maintain a solid capital base in order to protect the confidence of investors, creditors and the market and to support the future growth of its businesses. The Board of Directors monitors the level of dividends paid to holders of common shares.

Employees currently hold 2.44% of common shares.

The Group manages its capital using a ratio equal to net financial debt divided by total shareholders' equity.

Net debt as defined by Aéroports de Paris corresponds to the amounts reported as liabilities in the balance sheet under the heading non-current debt and current debt, less derivative financial instruments and cash and cash equivalents.

Shareholders' equity includes the Group share in equity together with unrealized gains and losses recorded directly in equity.

The net debt ratio fell from 0.67 in 2006 to 0.60 in 2007.

The Group occasionally buys its own shares in the open market to ensure the liquidity of its shares. The frequency of such purchases depends on market prices. The Group has no defined share repurchase program.

The Group did not alter its capital management policy over the course of the year.

Neither the parent company nor its subsidiaries are subject to any specific requirements under external regulations.

Note 7 - Management accounting statement

<i>(in thousands of euros)</i>	<i>Notes</i>	Full-year 2007	Full-year 2006	Change 2007 / 2006
Revenue	9	2,292,415	2,076,835	+10.4%
Own work capitalized and changes in finished goods inventories.....	11	41,010	43,138	-4.9%
Gross activity for the year		2,333,425	2,119,973	+10.1%
Raw materials and consumables used	12	(147,320)	(121,554)	+21.2%
External services and charges	14	(580,171)	(524,571)	+10.6%
Value added		1,605,933	1,473,848	+9.0%
Employee benefits costs	14	(652,177)	(648,068)	+0.6%
Taxes other than income taxes.....	14	(145,469)	(128,461)	+13.2%
Other operating expenses.....	14	(70,229)	(48,052)	+46.2%
Other ordinary operating income.....	10	19,801	28,682	-31.0%
Impairment of receivables, net	15	1,233	25,185	-95.1%
Net allowance to provisions.....	15	(4,697)	(38,469)	-87.8%
EBITDA		754,396	664,667	+13.5%
Depreciation and amortization.....	15	(312,414)	(273,853)	+14.1%
Impairment of non-current assets, net	15	107	102	+5.0%
Operating income from ordinary activities		442,089	390,916	+13.1%
Other operating income and expenses	16	(38,747)	(57,024)	-32.1%
Operating income		403,342	333,892	+20.8%
Net finance costs	17	24,200	(84,488)	+128.6%
Share in earnings of associates.....	18	1,904	3,573	-46.7%
Income before tax		429,446	252,977	+69.8%
Income tax expense.....	19	(107,610)	(100,841)	+6.7%
Net income for the period		321,836	152,136	+111.5%
<i>Net income attributable to minority interests</i>		-	-	
<i>Net income attributable to equity holders of the parent</i>		<i>321,836</i>	<i>152,136</i>	<i>+111.5%</i>

Note 8 - Segment reporting

8.1. Primary segment

Revenues and income of the Aéroports de Paris Group are as follows:

Full-year 2007						
<i>(in thousands of euros)</i>	Airport services	Ground handling & related services	Real estate	Other activities	Inter-segment eliminations	Total
Income from ordinary activities	1,836,875	195,337	194,184	326,896	(260,877)	2,292,415
- generated with third parties	1,714,411	138,057	143,374	296,573		2,292,415
- inter-segment revenues	122,464	57,280	50,810	30,323	(260,877)	0
Depreciation and amortization	(263,864)	(2,582)	(31,897)	(14,323)	320	(312,346)
Other non-cash income and expenses	993	(85)	(2,692)	(935)		(2,719)
Current operating income (excluding expenses which cannot be allocated by segment)	462,678	(11,885)	49,006	21,471	196	521,466
Operating income (excluding expenses which cannot be allocated by segment)	459,024	(48,008)	49,006	22,501	196	482,719
Share of earnings from associates			1,845	59		1,904
Head office expense						(79,546)
Other income (expenses) which cannot be allocated by segment						169
Net finance costs						24,200
Income tax expense						(107,610)
Net income for the period						321,836

Full-year 2006						
<i>(in thousands of euros)</i>	Airport services	Ground handling & related services	Real estate	Other activities	Inter-segment eliminations	Total
Income from ordinary activities	1,726,361	177,149	175,654	226,339	(228,668)	2,076,835
- generated with third parties	1,627,297	126,242	127,514	195,782		2,076,835
- inter-segment revenues	99,064	50,907	48,140	30,557	(228,668)	0
Depreciation and amortization	(224,252)	(3,163)	(33,540)	(13,109)	321	(273,743)
Other non-cash income and expenses	(14,661)	974	(1,998)	693		(14,992)
Current operating income (excluding expenses which cannot be allocated by segment)	426,196	(17,413)	43,680	17,548	317	470,328
Operating income (excluding expenses which cannot be allocated by segment)	421,988	(17,413)	43,680	17,548	317	466,120
Share of earnings from associates			1,783	1,790		3,573
Head office expense						(82,374)
Other income (expenses) which cannot be allocated by segment						(49,854)
Net finance costs						(84,488)
Income tax expense						(100,841)
Net income for the period						152,136

In 2006, "Other income (expenses) which cannot be allocated by segment" amounted to an expense of 49,854 thousand euros, including notably all IPO-related costs, namely the cost of employee benefits granted as part of the share offer reserved for employees (33,331 thousand euros), the matching bonus in favour of employees (9,578 thousand euros) as well as external expenses relating to the new share issue that were not charged to the issue premium (9,907 thousand euros).

The Group's assets and liabilities, and its capital investment, can be broken down as follows by business segment:

At 31 December 2007						
<i>(in thousands of euros)</i>	Airport services	Ground handling & related services	Real estate	Other activities	Inter-segment eliminations	Total
Assets allocated to segment	5,425,183	57,026	557,952	175,974	(51,588)	6,164,547
<i>o/w associates</i>			7,286	23,073		30,359
Non-allocated assets						671,565
Total assets						6,836,112
Liabilities allocated to segment	1,053,497	140,096	104,335	93,608	(48,883)	1,342,653
<i>o/w associates</i>			155			155
Non-allocated liabilities						2,541,425
Stockholders' equity						2,952,034
Total equity and liabilities						6,836,112
Investments in segment	676,344	2,372	35,630	18,022	(235)	732,133

At 31 December 2006						
<i>(in thousands of euros)</i>	Airport services	Ground handling & related services	Real estate	Other activities	Inter-segment eliminations	Total
Assets allocated to segment	4,985,883	55,882	576,648	145,262	(53,010)	5,710,665
<i>o/w associates</i>			7,013	13,173		20,186
Non-allocated assets						830,696
Total assets						6,541,361
Liabilities allocated to segment	888,687	100,897	113,639	67,417	(50,124)	1,120,516
<i>o/w associates</i>			445			445
Non-allocated liabilities						2,634,056
Stockholders' equity						2,786,789
Total equity and liabilities						6,541,361
Investments in segment	650,598	3,132	42,216	16,515	0	712,461

8.2. Additional information

The table below sets out additional information regarding the results, assets and capital investment in the airport hubs that form an integral part of the Airport services segment:

<i>(in thousands of euros)</i>	Full-year 2007				Full-year 2006			
	CDG	Orly	Other	Total Airport services	CDG	Orly	Other	Total Airport services
Revenue from ordinary activities	1,335,295	468,662	32,918	1,836,875	1,242,473	456,500	27,387	1,726,361
Depreciation and amortization	(206,929)	(54,254)	(2,681)	(263,864)	(162,732)	(58,554)	(2,966)	(224,252)
Other non-cash income (expense).....;	2,486	(2,959)	1,466	993	(28,659)	15,419	(1,421)	(14,661)
Operating income from ordinary activities (excluding expenses which cannot be	348,436	111,888	2,354	462,678	340,458	88,614	(2,876)	426,196
Operating income (excluding expenses which cannot be	344,782	111,888	2,354	459,024	336,250	88,614	(2,876)	421,988
Investments	613,462	50,873	12,009	676,344	553,057	94,592	2,949	650,598

Note 9 - Income from ordinary activities

At 31 December 2007, the breakdown of the Group's revenue was as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Airport fees	731 651	667 062
Ancillary fees	105 912	97 904
Retail income.....	343 170	286 447
Car parks and access income.....	150 304	144 238
Industrial services revenue	68 685	68 679
Airport security tax	366 447	356 322
Rental income	205 513	176 325
Ground-handling.....	138 057	126 242
Other revenue	178 160	147 041
Financial income from operations	4 516	6 575
Total	2 292 415	2 076 835

The breakdown of revenue by company is as follows:

<i>(in thousands of euros)</i>	Company income	Eliminations & restatements	Contribution 2007	Contribution 2006
AÉROPORTS DE PARIS	2,082,344	(89,312)	1,993,032	1,881,346
ADP INGÉNIERIE	64,495	(1,126)	63,369	33,203
AÉROPORTS DE PARIS MANAGEMENT	9,893	(44)	9,849	7,947
JORDAN AIRPORT MANAGEMENT	699	-	699	
HUB TÉLÉCOM.....	79,162	(29,076)	50,086	45,078
BGI TECHNOLOGIE.....	5,570	(43)	5,527	
ALYZIA AIRPORT SERVICES	9,092	(9,083)	9	6
ALYZIA HANDLING	21,934	(20,779)	1,155	4,561
SAPSER	9,072	(7,095)	1,977	2,110
ALYZIA SURETE	46,769	(46,239)	530	125
LOCMAFER	4,882	(4,523)	359	965
AVIANCE FRANCE	21,378	(21,129)	249	10
ALYZIA RAMP ASSISTANCE	11,671	(11,670)	1	34
ALYZIA.....	27,032	(25,910)	1,122	961
ALYZIA TRAINING.....	1,537	(606)	931	673
SOCIÉTÉ DE DISTRIBUTION AÉROPORTUAIRE (1)	163,520	-	163,520	99,816
Total	2,559,050	(266,635)	2,292,415	2,076,835

(1) As Société de Distribution Aéroportuaire (SDA) is consolidated proportionally, the amounts shown on this line only represent 50% of this entity's revenue (49% in 2006).

Note 10 - Other ordinary operating income

Other ordinary operating income is broken down as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Capital grants recognized in the income statement	1,694	2,140
Capital gains on asset disposals	14	1,677
Other income	18,094	24,865
Total	19,801	28,682

In 2006 and 2007, other ordinary operating income concerned mainly penalties for late delivery charged to suppliers, particularly relating to the East baggage handling system.

Gains on disposals in 2006 came mainly from the sale of assets to the Civil Aviation Authorities (DGAC) and to Police and Customs authorities carried out in addition to the sales made in 2005.

Note 11 - Own work capitalized

Own work capitalized is broken down as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Cost of studies and supervision of works (FEST)	39,311	39,760
Other	1,757	3,541
Total	41,068	43,301

FEST, the cost of studies and supervision of works, corresponds to the capitalization of internal charges as part of investment projects. The costs thus capitalized include primarily personnel costs and operating costs that can be directly allocated to these projects.

Note 12 - Raw materials and consumables used

Raw materials and consumables used are broken down as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Cost of goods.....	(66,301)	(37,721)
Gas and other fuels.....	(20,263)	(24,002)
Electricity.....	(18,290)	(18,284)
Other purchases.....	(42,467)	(41,547)
Total	(147,320)	(121,554)

Purchases of raw materials and consumables relate mainly to those made by Société de Distribution Aéroportuaire, whose contribution rose from 37,610 thousand euros in 2006 to 61,847 thousand euros in 2007.

Note 13 - Cost of employee benefits

13.1. Personnel expenses

Personnel expenses are broken down as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Salaries and wages	445,428	428,060
Social security contributions	200,054	186,061
Employee profit sharing	23,404	17,392
Allowances to provisions for employee benefit obligations	26,068	43,745
Reversals of provisions for employee benefit obligations	(42,776)	(27,190)
Total	652,177	648,068

These amounts do not include:

- the allocation of 28,171 thousand euros in provisions in 2007 for the reorganisation of ground handling services,
- the charge of 33,331 thousand euros in 2006, in compliance with IFRS 2, for employee benefits granted as part of the share offer reserved for employees.

These provisions and charges were reported as "Other operating income and expenses" (*see note 16*).

The average number of employees can be broken down as follows:

	Full-year 2007	Full-year 2006
Management	1,536	1,488
Supervisors	5,535	5,204
Other employees.....	4,310	4,126
Average number of employees	11,381	10,818
<i>Of which ADP</i>	<i>7,451</i>	<i>7,573</i>
<i>ADP INGÉNIERIE</i>	<i>268</i>	<i>200</i>
<i>ADP MANAGEMENT</i>	<i>31</i>	<i>27</i>
<i>ALYZIA Group.....</i>	<i>2,957</i>	<i>2,502</i>
<i>HUB TÉLÉCOM Group.....</i>	<i>260</i>	<i>247</i>
<i>SDA (50%).....</i>	<i>414</i>	<i>269</i>

13.2. Long-term employee benefits

13.2.1. Description of benefits

a. End-of-career benefits

In accordance with Article 32 of the by-laws applicable to personnel, a lump sum is paid to employees of Aéroports de Paris upon retirement, and to staff members over 60 made redundant for disability reasons (by decision of the Social Security authorities).

Provisions for such benefits correspond to the cumulative sum of vested employee rights in this respect.

b. Agreement for early retirement (PARDA program) and other age-related measures

A program for early retirement was put in place by Aéroports de Paris on 1 January 1977.

The first agreement was entered into on 7 December 1976 for three years and subsequently renewed four times. The most recent agreement, "PARDA IV" came into force on 1 January 1996 for four years. It was first amended in 1997 and a second time on 18 February 2000, extending the program until 28 February 2005.

The following conditions must be met to benefit from the program:

- to be at least 55 years old at the desired time of departure,
- to have fewer than 20 remaining quarters to complete under French Social Security regulations in order to qualify for full retirement benefits,
- to have minimum seniority of 10 years service with Aéroports de Paris.

Beneficiaries receive a pre-retirement annuity equal to 65% of their remuneration in their last year of service.

Persons wishing to benefit from the PARDA plan in 2005 made this known before the end of 2004, on account of the required notice period.

In addition, specific age-related measures were taken in 2006.

c. Firefighters' retirement plan

A permanent agreement provides for early retirement for firefighters at 55 years of age.

The plan is supplemented by an insurance policy that enables firefighters, after claiming their retirement benefits from the French Social Security system and their additional pension rights, to obtain total annual income equal to their pre-retirement benefits. This additional payment takes the form of a pension paid by an insurance company.

The provision for this plan corresponds to the valuation of the capital sum required to guarantee this pension for employees currently in active service.

d. Health insurance

Employees of Aéroports de Paris can subscribe to four different mutual health insurance companies (two of them cover 90% of subscribing employees). Aéroports de Paris contributes 35% of the premiums for active employees. It also contributes 100% of the basic health insurance plan for retirees and those having opted for pre-retirement.

The provision for this plan corresponds to all charges relating to retired employees.

This plan has been replaced by a defined contribution plan supplemented by a defined benefits plan.

e. Aeronautics industry long-service award ("Médaille d'honneur")

Aéroports de Paris finances long-service awards for its employees. The obligation is calculated, case-by-case, on the basis of the probability that the individual will reach the required seniority level before retirement.

f. Long-term benefits for employees of subsidiaries

Consolidated subsidiaries are concerned only by end-of-career bonuses and long-service awards, which are calculated on the same basis as for the parent company (*see points a and e above*).

13.2.2. Assumptions

The principal actuarial assumptions are set out in the table below:

	Management	High-level supervisors	Other employees	All categories
Discount rate	-	-	-	5.30% (1)
Expected rate of return on plan assets.....	-	-	-	4.00%
Future salary increases	4.80%	4.30%	4.30%	-
Future increase in health care expenses	-	-	-	4.00%
Average retirement age (2)	63	63	60	-

(1) From 4.35% in 2006.

(2) The retirement age is increased as from 2008 to gradually take into account the change in the retirement age to 65 for management and high-level supervisors and 62 for other employees

13.2.3. Change, breakdown and reconciliation of obligations, assets and liabilities recognised in the balance sheet and impact on the income statement

(in thousands of euros)

	End of career bonuses	PARDA and other age-related measures	Firefighters' retirement plan	Defined benefits retirement plan	Health insurance	Long-service awards	Total at 31 December 2007	Total at 31 December 2006
Present value of obligation at beginning of period.....	200,714	59,776	2,581	-	151,961	1,629	416,661	437,004
Changes in scope of consolidation	4	-	-	-	-	(1)	3	-
Actuarial gain/(loss) on period	(24,405)	(7,940)	(1,343)	(1,919)	(7,462)	(177)	(43,246)	(31,190)
Unwinding of discount on obligation	8,962	3,007	108	668	3,804	71	16,620	17,506
Past service cost	76	-	-	14,419	(71,366)	-	(56,871)	8,093
Rights vested during the period	10,685	1,009	46	653	641	87	13,121	18,115
Benefits paid.....	(5,729)	(18,420)	(226)	-	(3,223)	(94)	(27,692)	(32,866)
Impact of ground handling restructuring	(966)	27,833	-	1,602	-	(47)	28,422	-
Reductions in entitlement	(46)	-	-	-	-	(4)	(50)	-
Present value of obligation at end of period	189,295	65,265	1,166	15,423	74,355	1,464	346,968	416,661
Fair value of plan assets at end of period	(10,632)	(242)	(74)	-	-	-	(10,948)	(10,571)
Unrecognised actuarial gains/losses	38,413	(16,331)	307	1,879	43	-	24,311	12,197
Unrecognised cost of past services.....	(75)	-	-	(12,974)	64,371	-	51,322	-
Liabilities recognized in the balance sheet	217,001	48,692	1,399	4,328	138,769	1,464	411,653	418,287
Interest expenses on unwinding of discount on obligation	8,962	3,007	108	668	3,804	71	16,620	17,506
Expected return on plan assets	(286)	(6)	(3)	-	-	-	(295)	(503)
Amortization of actuarial gains/losses	(436)	197	-	-	(15,391)	(175)	(15,805)	537
Past service cost	1	-	-	1,445	(6,995)	-	(5,549)	8,093
Service cost for the period	10,685	1,009	46	653	641	86	13,120	18,115
Appropriations for ground handling restructuring	(1,177)	27,833	-	1,562	-	(47)	28,171	-
Reductions in entitlement	(46)	-	-	-	-	(4)	(50)	-
Net cost for the period	17,703	32,040	151	4,328	(17,941)	(69)	36,212	43,748

The flows that explain the change in the provisions are set out below:

<i>(in thousands of euros)</i>	Present value of employee benefit obligation	Fair value of plan assets	Net employee benefit obligation	Deferred actuarial gains/ losses	Unrecognised cost of past services	Net provision
At 1 January 2006	437,004	(15,597)	421,407	(19,675)		401,732
Impact of unwinding of discount on obligation	17,506	-	17,506	-	-	17,506
Past service cost.....	8,093	-	8,093	-	-	8,093
Rights vested during the period	18,115	-	18,115	-	-	18,115
Financial income	-	(503)	(503)	-	-	(503)
Actuarial gain/loss on period.....	(31,190)	(144)	(31,334)	31,335	-	1
Amortization of actuarial gains/losses	-	-	-	537	-	537
Cash flows:						
- Payments to beneficiaries	(32,866)	-	(32,866)	-	-	(32,866)
- Contributions paid	-	(788)	(788)	-	-	(788)
- Payments received from third parties	-	6,461	6,461	-	-	6,461
At 31 December 2006	416,661	(10,571)	406,090	12,197	-	418,287
Entrants into consolidation scope.....	3	-	3	1	-	4
Impact of unwinding of discount on obligation	16,620	-	16,620	-	-	16,620
Past service cost.....	(56,871)	-	(56,871)	-	56,871	-
Rights vested during the period	13,120	-	13,120	-	-	13,120
Financial income	-	(295)	(295)	-	-	(295)
Actuarial gain/loss on period.....	(43,246)	(3,023)	(46,269)	28,170	-	(18,099)
Amortization of actuarial gains/losses	-	-	-	(15,805)	-	(15,805)
Amortization of past service cost.....	-	-	-	-	(5,549)	(5,549)
Impact of ground handling restructuring	28,422	-	28,422	(251)	-	28,171
Reductions in entitlement	(50)	-	(50)	-	-	(50)
Cash flows:						
- Payments to beneficiaries	(27,692)	-	(27,692)	-	-	(27,692)
- Contributions paid	-	(300)	(300)	-	-	(300)
- Payments received from third parties	-	3,241	3,241	-	-	3,241
At 31 December 2007	346,967	(10,948)	336,019	24,312	51,322	411,653

13.2.4. *Sensitivity to medical costs*

The obligation in respect of health insurance cover for former employees at 31 December 2007 amounted to:

<i>(in thousands of euros)</i>	
- Active employees	0
- Former employees	74,355
- Total	74,355

The obligation in respect of health insurance cover relates only to former employees as the scheme was closed to new members in 2007.

The service cost and interest expense for the year 2007 amounted to:

<i>(in thousands of euros)</i>	
- Service cost	641
- Interest expense	3,804
- Total	4,445

The above figures are based on an assumed 4% increase in medical costs. The table below sets out the impact of a 1% change, upwards or downwards, in these expenses:

<i>(in thousands of euros)</i>	Decrease of one percentage point	Increase of one percentage point
Obligation.....	(8,027)	9,559
Service cost and interest expense.....	(650)	840

13.2.5. *Experience-related adjustments in respect of defined benefit plans*

The tables below illustrate this information for each type of obligation which is separately identified in preparing the financial statements.

Paragraph 120A of IAS 19 prescribes reporting of items for the current period and the four prior periods. In this particular case, information is only available for the period 2004 to 2007.

End-of-career benefits

<i>(in thousands of euros)</i>	2,007	2,006	2,005	2,004
Obligations under defined benefit plans.....	(189,295)	(200,714)	(198,975)	(196,318)
Plan assets.....	10,632	10,087	14,892	26,853
Surplus (Deficit)	(178,663)	(190,627)	(184,083)	(169,465)
Adjustment of plan liabilities related to experience.....	(632)	(3,503)	3,599	693
Adjustment of plan assets related to experience.....	2,668	145	492	1,001

PARDA early retirement & other age-related measures

<i>(in thousands of euros)</i>	2,007	2,006	2,005	2,004
Obligations under defined benefit plans.....	(65,265)	(59,776)	(71,127)	(89,094)
Plan assets.....	242	341	495	398
Surplus (Deficit)	(65,023)	(59,435)	(70,632)	(88,696)
Adjustment of plan liabilities related to experience.....	(605)	537	(1,510)	14,449
Adjustment of plan assets related to experience.....	283	60	58	(22)

Additional firefighters' retirement benefits

<i>(in thousands of euros)</i>	2,007	2,006	2,005	2,004
Obligations under defined benefit plans.....	(1,166)	(2,581)	(2,689)	(2,412)
Plan assets.....	74	143	210	415
Surplus (Deficit)	(1,092)	(2,438)	(2,479)	(1,997)
Adjustment of plan liabilities related to experience.....	89	150	(104)	88
Adjustment of plan assets related to experience.....	72	(61)	(224)	41

Retirees' health insurance

<i>(in thousands of euros)</i>	2,007	2,006	2,005	2,004
Obligations under defined benefit plans.....	(74,355)	(151,961)	(162,630)	(152,656)
Plan assets.....	-	-	-	-
Surplus (Deficit)	(74,355)	(151,961)	(162,630)	(152,656)
Adjustment of plan liabilities related to experience.....	(1,451)	53	(3,202)	3,718
Adjustment of plan assets related to experience.....	-	-	-	-

13.2.6. Best estimate of contributions to be paid

The amount of contributions the Group considers it will have to pay to defined benefit schemes in 2008 is not material.

Note 14 - Other ordinary operating expenses

14.1. Summary table

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
External services and charges	(580,171)	(524,571)
Taxes other than income taxes.....	(145,469)	(128,461)
Other operating expenses	(70,229)	(48,052)
Total	(795,869)	(701,083)

14.2. Breakdown of other external services and expenses

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Sub-contracting:		
- Security	(162,620)	(150,974)
- Cleaning	(56,987)	(52,984)
- Assistance	(3,936)	(3,804)
- Cooperatives	(22,312)	(22,895)
- Transportation	(22,380)	(20,519)
- Other	(73,578)	(56,399)
	(341,813)	(307,575)
Maintenance and repairs	(89,105)	(79,184)
Studies, research and remuneration of intermediaries	(26,284)	(23,301)
External works & services	(23,783)	(22,708)
External personnel	(21,770)	(20,932)
Insurance	(20,074)	(17,491)
Travel and entertainment	(12,956)	(12,142)
Advertising, publications & public relations	(7,978)	(11,779)
Other external expenses & services	(36,411)	(29,460)
Total	(580,171)	(524,571)

14.3. Taxes other than income taxes

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
"Taxe professionnelle"	(55,115)	(49,560)
Property tax	(40,527)	(38,194)
Other taxes other than income taxes	(49,828)	(40,707)
Total	(145,469)	(128,461)

14.4. Breakdown of other external services and expenses

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Losses on bad debts	(6 211)	(22 927)
Fees for concessions, patents, licences, rights and similar items	(4 142)	(3 534)
Subsidies granted	(2 666)	(2 773)
Capital losses on fixed asset disposals	(1 632)	-
Loss on lease granted as lessor	(14 832)	-
Other operating expenses	(40 746)	(18 818)
Total	(70 229)	(48 052)

Losses on bad debts consisted primarily of:

- in 2007, bad debts on Air Horizons (3,080 thousand euros) and Axis Airways (993 thousand euros),
- in 2006, bad debts on Air Lib (21,243 thousand euros),

these losses were fully covered by the reversal of impairment provisions previously recorded (*see note 15*).

The loss in 2007 of 14,832 thousand euros on receivables as lessor resulted in the shortening of the schedule of a lease of a hangar in the Real Estate segment. The loss reflects a reduction in the present value of future minimum payments under this contract.

Other operating expenses in 2007 include notably the impact of the tax audit, entirely covered by the reversal of provisions set aside for this purpose at 31 December 2006 and reported as Net allowances to provisions (note 15).

Note 15 - Depreciation and amortization, impairment and net allowances to provisions

Depreciation, amortization and asset impairment are broken down as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Amortization of intangible assets	(11,162)	(10,054)
Depreciation of tangible assets and investment property.....	(301,252)	(263,799)
Depreciation and amortization	(312,414)	(273,853)

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Impairment of property, plant & equipment and intangible assets	(617)	(378)
Reversals of impairment of property, plant & equipment and intangible assets.....	724	480
Impairment of non-current assets, net	107	102
Impairment of receivables	(7,450)	(5,618)
Reversals of impairment of receivables	8,683	30,803
Impairment of receivables	1,233	25,185
Impairment of assets, net	1,340	25,287

Provisions are reported on the income statement as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Allowances to provisions for litigation, claims and other risks	(39,339)	(48,374)
Reversals in the period	34,643	9,905
Net allowances to provisions	(4,697)	(38,469)

Allowances to provisions and reversals mainly concerned provisions for Client and Supplier claims as well as a provision made in 2006 relating to the tax audit and almost entirely reversed in 2007 (*see note 3.1.7*).

Note 16 - Other operating income and expenses

This heading comprises the following items:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Reorganisation of ground handling businesses:		
- Provisions for employee obligations and support programs (see note 3.1.1).....	(35 087)	-
- Other charges relating to the reorganisation of ground handling.....	(1 037)	-
Additional charges relating to the Terminal 2E accident in 2004	(2 623)	(4 208)
Impact of opening the share capital <i>(1)</i>	-	(52 816)
Total	(38 747)	(57 024)

(1) Cost of benefits to employees under the reserved share issue, bonuses and capital increase costs.

Note 17 - Net finance cost

Net finance costs for 2006 and 2007 can be analysed as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Proceeds, charges, profits and loss on debt at amortized cost:		
- Interest charges on debt at amortized cost.....	(106,584)	(112,272)
- Change in value of fair value hedging instruments.....	(21,078)	(21,528)
- Change in value of hedged items.....	21,430	21,673
- Interest on derivative instruments held as fair value hedges.....	1,950	8,937
Gains and losses on fair value of financial instruments recognized in income:		
- Gains on cash equivalents (fair value option)	18,195	15,134
- Gains on derivative instruments not classified as fair value hedges (trading derivatives)	1,547	841
Cost of net debt	(84,540)	(87,215)
Profits and losses on assets held for sale		
- Dividends received	115	3,091
- Gains (losses) on disposal	109,623	(59)
- Net reversals of impairment.....	1,201	(182)
Other profits and losses on loans, credits and debts and amortized cost:		
- Net foreign exchange gains (losses)	(3,019)	(1,550)
- Other net profit	820	1,428
Total net gains (net losses) recognized as income.....	24,200	(84,488)
Change in fair value (before tax) recognized in equity	(69,766)	52,388
Total net gains (net losses) recognized directly in equity.....	(69,766)	52,388

The capital gain on the disposal of non-consolidated investments amounted to 109,623 thousand euros and was exclusively for the disposal of BCIA shares (*see note 3.1.5*). Changes in fair value recognized in equity in 2006 and 2007 also related to BCIA shares.

Note 18 - Investments in associates

18.1. Share in earnings of associates

Breakdown of the amounts shown in the income statement by entity:

<i>(in thousands of euros)</i>	<i>% stake</i>	Full-year 2007	Full-year 2006
GIE ROISSYPÔLE	90.00%	203	445
SCI ROISSY SOGARIS	40.00%	1,642	1,338
LIÈGE AIRPORT (Belgium)	25.60%	304	41
SETA (Mexico)	25.50%	1,003	1,749
CIRES TELECOM (Morocco).....	49.00%	(376)	-
BOLLORÉ TELECOM.....	10.52%	(872)	-
Total.....		1,904	3,573

18.2. Breakdown of balance sheet amounts

The balance sheet amount of investments in associates can be broken down as follows:

<i>(in thousands of euros)</i>	CIRES TELECOM (Morocco)	BOLLORÉ TÉLÉCOM	GIE ROISSY- PÔLE	SCI ROISSY SOGARIS	LIÈGE AIRPORT (Belgium)	SETA (Mexico)	TOTAL
<i>Controlling interest.....</i>	49.00%	10.52%	49.00%	40.00%	25.60%	25.50%	
<i>Ownership interest.....</i>	49.00%	10.52%	90.00%	40.00%	25.60%	25.50%	
Share of net assets at 31 December 2007.....	580	9,128	(155)	7,286	4,365	9,000	30,204
<i>Balance sheet at 31 December:</i>							
- <i>Assets</i>	580	9,128	0	7,286	4,365	9,000	30,359
- <i>Liabilities (in Provisions)</i>	-	-	(155)	-	-	-	(155)
Share of net assets at 31 December 2006.....	-	-	(357)	7,013	4,119	9,054	19,829
<i>Balance sheet at 31 December:</i>							
- <i>Assets</i>	-	-	0	7,013	4,119	9,054	20,186
- <i>Liabilities (in Provisions)</i>	-	-	(357)	-	-	-	(357)

The Group's controlling interest and ownership interest in GIE Roissypole are limited to 49% and 90% respectively by the entity's bylaws.

18.3. Changes in share of net assets

Changes in the Group's share of the net asset value of associates at the beginning and ending of the period:

<i>(in thousands of euros)</i>	CIRES TELECOM (Morocco)	BOLLORÉ TÉLÉCOM	GIE ROISSY- PÔLE	SCI ROISSY SOGARIS	LIÈGE AIRPORT (Belgium)	SETA (Mexico)	TOTAL
Share of net assets at 1 January 2006	-	-	0	5,674	4,079	9,648	19,401
Group share of net income (loss)			445	1,338	41	1,749	3,573
Translation adjustments.....						(1,147)	(1,147)
Dividend payout						(1,196)	(1,196)
Transfers to provisions			(445)				(445)
Share of net assets at 1 January 2007	-	-	-	7,012	4,120	9,054	20,186
Group share of net income (loss)	(376)	(872)	203	1,642	304	1,003	1,904
Change in consolidation scope		10,000					10,000
Participation in equity issue.....	962						962
Translation adjustments	(6)					(1,057)	(1,063)
Dividend payout				(1,368)	(59)		(1,427)
Transfers to provisions			(203)				(203)
Net amounts at 31 December 2007	580	9,128	0	7,286	4,365	9,000	30,359

18.4. Summarized financial information

The aggregate amounts of assets, liabilities, revenues and net income of associates, as stated in their respective individual financial statements, are presented below for 2007 and 2006:

<i>(in thousands of euros)</i>	CIRES TELECOM (Morocco)	BOLLORÉ TÉLÉCOM	GIE ROISSY- PÔLE	SCI ROISSY SOGARIS	LIÈGE AIRPORT (Belgium)	SETA (Mexico)	At 31.12.2007
BALANCE SHEET:							
Non-current assets	104	78,392	2,998	19,497	45,201	71,966	218,158
Current assets	1,761	15,362	494	9,736	14,425	8,266	50,044
Total Assets	1,865	93,754	3,492	29,233	59,626	80,232	268,202
Equity	1,181	86,762	(2,894)	18,218	17,044	35,296	155,607
Non-current liabilities	0	5,398	1,677	8,951	29,548	31,590	77,164
Current liabilities	683	1,594	4,709	2,064	13,034	13,347	35,431
Total equity and liabilities	1,865	93,754	3,492	29,233	59,626	80,232	268,202
INCOME STATEMENT							
Revenue	49	3	5,282	10,734	13,232	1,778	31,078
Net income.....	(766)	(6,671)	1,595	4,105	907	3,420	2,590

<i>(in thousands of euros)</i>	GIE ROISSY- PÔLE	SCI ROISSY SOGARIS	LIÈGE AIRPORT (Belgium)	SETA (Mexico)	At 31.12.2006
BALANCE SHEET:					
Non-current assets	5,182	21,452	45,671	73,414	145,719
Current assets	455	9,309	11,311	13,248	34,322
Total Assets	5,637	30,761	56,982	86,662	180,041
Equity	(4,489)	17,532	16,268	35,506	64,817
Non-current liabilities	5,893	10,023	29,410	43,529	88,855
Current liabilities	4,232	3,206	11,304	7,626	26,368
Total equity and liabilities	5,637	30,761	56,982	86,662	180,041
INCOME STATEMENT					
Revenue	4,865	10,012	12,512	3,392	30,781
Net income.....	1,203	3,420	(36)	4,848	9,435

Note 19 - Income taxes

19.1. Tax rate

Pursuant to the accounting policy set out in note 4.14, deferred tax assets and liabilities are measured on the basis of the last known tax rate at the balance sheet date, which was 34.433%.

19.2. Breakdown of the income tax expense

On the income statement, the income tax expense is broken down as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Current tax expense.....	(101,195)	(84,258)
Deferred tax expense	(6,415)	(16,582)
Income tax expense	(107,610)	(100,841)

The above figures do not include the tax expense on the share in earnings of associates, since they are reported net of tax on the income statement.

19.3. Tax reconciliation table

The reconciliation between the theoretical income tax expense based on the tax rate applicable in France and the actual tax expense is as follows:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Net income after tax.....	321,836	152,136
Share in earnings of associates	(1,904)	(3,573)
Income tax expense.....	107,610	100,841
Income before tax and share in earnings of associates.....	427,542	249,403
<i>Theoretical tax rate applicable in France.....</i>	<i>34.43%</i>	<i>34.43%</i>
Theoretical tax expense	(147,217)	(85,878)
Impact on theoretical tax of:		
- Reduced tax rates applicable	36,425	741
- Previously unrecognized tax loss carryforwards used in the period	1,032	531
- Tax losses incurred in the period for which no deferred tax asset was recognized.....	(198)	(2,528)
- Changes in unrecognized temporary differences	8	(1,024)
- Non-deductible expenses and non-taxable revenues.....	1,907	(14,286)
- Tax credits	1,470	868
- Adjustments in respect of previous fiscal years	(1,037)	735
Actual tax expense	(107,610)	(100,841)
<i>Effective tax rate</i>	<i>25.17%</i>	<i>40.43%</i>

The positive impact on the theoretical tax of applicable reduced tax rates, which amounted to 36,425 thousand euros in 2007, corresponds almost exclusively to the impact of the reduced tax rate on the capital gain of 110,758 thousand euros on the disposal of BCIA shares, since only 5% of the amount is subject to the common law rate.

The negative impact on the theoretical tax rate of non-deductible expenses and non-taxable revenues, which amounted to 14,286 thousand euros in 2006, is mainly due (for 11,477 thousand euros) to the non-deductible expense of 33,331 thousand euros recognized, in compliance with IFRS 2 on share-based payments, as benefits granted to employees as part of a reserved share offer.

19.4. Deferred tax assets and liabilities broken down by category

Deferred tax assets and liabilities are presented on the balance sheet as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
In respect of deductible temporary differences:		
- Employee benefit obligation.....	140,260	142,501
- Amortization of capitalized costs of studies and supervision of works	47,802	51,362
- Impact of component-based approach spread over five years.....	3,353	5,030
- Provisions and accrued liabilities	13,805	6,272
- Other.....	3,079	3,503
For taxable timing differences:		
- Tax-driven depreciation and other regulated provisions	(261,458)	(241,819)
- Finance leases	(21,934)	(28,203)
- Revaluation reserves	(8,310)	(8,312)
- Other.....	(896)	(2,962)
Net deferred tax assets (liabilities)	(84,298)	(72,627)

Amounts broken down as follows in balance sheet:

- in assets	2,025	1,417
- in liabilities	(86,323)	(74,044)

The amortisation of the costs of studies and supervision of works, which appears above under deductible temporary differences, results from the spreading out of previously capitalised expenses charged to retained earnings at 1 January 2003 following accounting changes effective as of that date in preparation for the transformation of the parent company Aéroports de Paris into a "société anonyme" (public limited company) and the first-time certification of its financial statements for the year 2003.

The charge to retained earnings at 1 January 2003 pertained to a residual un-amortised expense of 180,180 thousand euros at that date. After taking account of the corresponding tax impact of 63,838 thousand euros, the negative impact on retained earnings was 116,342 thousand euros.

In agreement with the tax authorities, starting in fiscal year 2004, this correction resulted in the restatement of these expenses over the initial amortisation period.

In the IFRS-compliant consolidated financial statements, the restatement resulted in the recognition of a deferred tax asset of 63,838 thousand euros in fiscal year 2004. Given the applicable tax deductions reported as part of this restatement since 2004, the residual amount of this deferred tax asset is 47,802 thousand euros at 30 December 2007.

19.5. Unrecognised deferred tax assets and liabilities

Certain deferred tax assets for several subsidiaries were not recognized because of a lack of supporting evidence to justify their recognition. The corresponding tax bases are shown below:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
- Tax losses which can be indefinitely carried forward at standard tax rates	12,204	14,838

19.6. Changes in deferred tax assets and liabilities

Changes in deferred tax assets and liabilities between the beginning and the end of the period are presented in the table below:

<i>(in thousands of euros)</i>	Assets	Liabilities	Net amount
At 1 January 2007	1,620	56,703	(55,083)
Amount recognized directly through equity (1)	0	962	(962)
Amounts recognized through net income for the period	(203)	16,379	(16,582)
At 31 December 2006	1,417	74,044	(72,627)
Amount recognized directly through equity (2)	-	5,271	(5,271)
Change in consolidation scope	15	-	15
Amounts recognized through net income for the period	593	7,008	(6,415)
At 31 December 2007	2,025	86,323	(84,298)

(1) Fair-value reserve for available-for-sale investments (BCIA) sold in 2007.

(2) Including deferred tax relating to the change in valuation of employee obligations and reversal of deferred tax recorded in 2006 relating to the fair value reserve on available-for-sale investments (BCIA) sold in 2007.

19.7. Current tax assets and payables

Current tax assets correspond to the amount of income tax recoverable from the tax authorities. Current tax payables are the amount of taxes that are still payable to the tax authorities.

Current tax assets and payables are shown in the table below:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Current tax assets:		
- Aéroports de Paris and tax-consolidated companies	-	14
- Other consolidated entities	213	640
Total	213	654
Current tax payables:		
- Aéroports de Paris and tax-consolidated companies	16,243	8,084
- Other consolidated entities	5,579	194
Total	21,822	8,278

The Group has no knowledge of any contingent tax assets or liabilities at 31 December 2007.

Note 20 - Earnings per share

Earnings per share (EPS) at the end of the period:

	Full-year 2007	Full-year 2006
Net income attributable to equity holders of the parent company (in thousands of euros).....	321,836	152,136
Weighted average number of shares in circulation (excluding treasury shares).....	98,938,397	92,738,547
Basic earnings per share (EPS) (in euros)	3.25	1.64

Basic earnings per share corresponds to net income attributable to shareholders of the parent company.

To calculate the weighted average number of common shares outstanding, the 13,599,102 new shares issued as part of the capital increase in June 2006 were taken into account on a pro rata temporis basis. In 2007, the average number of treasury shares was 22,205 shares, and this amount was deducted from the weighted average number of common shares for the period.

There are no equity instruments in circulation which would dilute earnings.

Note 21 - Intangible assets

Intangible assets are broken down as follows:

<i>(in thousands of euros)</i>	Goodwill	Software	Fixed assets in progress & related advances & prepayments	Total
At 31 December 2006:				
- Cost.....	97	99,404	14,465	113,966
- Accumulated depreciation		(77,252)		(77,252)
Carrying amount	97	22,152	14,465	36,714
At 31 December 2007:				
- Cost.....	2,223	114,216	20,692	137,131
- Accumulated depreciation	-	(88,324)	-	(88,324)
Carrying amount	2,223	25,892	20,692	48,807

The carrying amount of intangible assets changed as follows:

<i>(in thousands of euros)</i>	Goodwill	Software	Fixed assets in progress & related advances & prepayments	Total Full-year 2007	Total Full-year 2006
Carrying amount at 1 January	97	22,152	14,465	36,714	30,325
- Purchases	-	980	21,899	22,879	14,405
- Disposals and discontinuations	-	(1)	-	(1)	(34)
- Amortization	-	(11,160)	-	(11,160)	(10,053)
- Changes in consolidation scope	2,126	30	-	2,156	-
- Transfers to and from other headings	-	13,891	(15,672)	(1,781)	2,071
Carrying amount at 31 December	2,223	25,892	20,692	48,807	36,714

Additions to goodwill in 2007 concerned mainly that of 1,985 thousand euros arising on the acquisition of BGI Technologie.

The net amount of transfers from (to) other headings mainly concerns the reclassification of fixed assets in progress as tangible and intangible fixed assets.

Note 22 - Property, plant and equipment

Property, plant and equipment are broken down as follows:

<i>(in thousands of euros)</i>	Land and improvements to land	Buildings	Technical equipment	Other	Fixed assets in progress & related advances & prepayments	Total
At 31 December 2006:						
- Cost.....	39,925	5,706,349	153,899	189,303	1,173,932	7,263,408
- Accumulated depreciation	(4,361)	(2,177,719)	(98,671)	(142,806)	-	(2,423,557)
- Accumulated impairment	-	-	(195)	(714)	-	(909)
Carrying amount	35,564	3,528,630	55,033	45,783	1,173,932	4,838,942
At 31 December 2007:						
- Cost.....	40,131	6,981,287	164,987	244,432	465,613	7,896,450
- Accumulated depreciation	(4,785)	(2,396,669)	(111,139)	(150,916)	-	(2,663,509)
- Accumulated impairment	-	-	-	(817)	-	(817)
Carrying amount	35,346	4,584,618	53,848	92,700	465,613	5,232,125

The carrying amount of property, plant and equipment changed as follows:

<i>(in thousands of euros)</i>	Land and and improvements to land	Buildings	Technical equipment	Other	Fixed assets in progress & related advances & prepayments	Total Full-year 2007	Total Full-year 2006
Carrying amount at 1 January.....	35,564	3,528,630	55,033	45,783	1,173,932	4,838,942	4,423,613
- Purchases	-	2,415	6,523	5,769	686,882	701,589	688,485
- Disposals and write-off	(1)	(1,932)	(123)	(425)	-	(2,481)	(34,843)
- Change in advances and prepayments.	-	-	-	-	(20,548)	(20,548)	-
- Depreciation	(424)	(255,884)	(15,173)	(17,553)	-	(289,034)	(251,611)
- Impairment reversals.....	-	-	195	(88)	-	107	102
- Transfers to							
(from) other headings	207	1,311,389	7,335	59,119	(1,374,659)	3,391	13,188
- Addition to consolidation scope.....	-	-	58	96	5	159	8
Carrying amount at 31 December	35,346	4,584,618	53,848	92,700	465,613	5,232,125	4,838,942

The net amount of transfers from (to) other headings mainly concerns the reclassification of fixed assets in progress as tangible and intangible fixed assets together with changes in the scope of investment properties (see note 23).

Fixed assets transferred to the buildings heading in 2007 for 1,311 million euros mainly concerned the commissioning at Paris-Charles de Gaulle Airport of Satellite S3 (664 million euros), the East baggage handling system (218 million euros) and the CDG Val transport system (160 million euros).

The above amounts include assets held under finance leases for the following amounts:

<i>(in thousands of euros)</i>	Land and	Buildings	Technical equipment	Total Full-year 2007
Carrying amount at 1 January (reported).....	7,698	22,527	1,422	31,647
- Restatement for options previously exercised	(7,698)	(16,303)	-	(24,001)
Carrying amount at 1 January (restated).....	-	6,224	1,422	7,646
- Depreciation	-	(1,042)	(426)	(1,468)
Carrying amount at 31 December	-	5,182	996	6,178

Note 23 - Investment property

23.1. Analysis of investment property

The table below presents a breakdown of investment property:

<i>(in thousands of euros)</i>	Land and improvements to land	Buildings	Other	Total
At 31 December 2006:				
- Cost.....	40,744	380,009	181,395	602,148
- Accumulated depreciation	(4,904)	(220,009)	(93,002)	(317,915)
Carrying amount	35,840	160,000	88,393	284,233
At 31 December 2007:				
- Cost.....	41,075	385,053	177,514	603,642
- Accumulated depreciation	(5,270)	(230,441)	(93,679)	(329,390)
Carrying amount	35,805	154,612	83,835	274,252

The carrying value of investment property changed as follows:

<i>(in thousands of euros)</i>	Land and and improvements to land	Buildings	Other	Total Full-year 2007	Total Full-year 2006
Carrying amount at 1 January	35,840	160,000	88,393	284,233	305,648
- Purchases	331	7,334	-	7,665	9,571
- Disposals and write-off	-	(187)	-	(187)	(891)
- Depreciation	(366)	(11,847)	-	(12,213)	(12,187)
- Transfers to and from other headings.....	-	(688)	(4,558)	(5,246)	(17,908)
Carrying amount at 31 December	35,805	154,612	83,835	274,252	284,233

No significant change in the composition of investment property was observed during the period.

The above amounts include assets held under finance leases for the following amounts:

<i>(in thousands of euros)</i>	Land and and improvements to land	Buildings	Other	Total Full-year 2007	Total Full-year 2006
Carrying amount at 1 January	-	23,072	-	23,072	25,609
- Exercise of options	-	(252)	-	(252)	-
- Depreciation	-	(1,781)	-	(1,781)	(1,852)
- Transfers to property, plant and equipment	-	-	-	-	(685)
Carrying amount at 31 December	-	21,039	-	21,039	23,072

23.2. Fair value of investment property

The fair value of investment property is shown below:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Land & buildings	1,063,400	1,076,600

The 13.3 million euro reduction between 2006 and 2007 is due primarily to a change in the discount rate used from 5.02% in 2006 to 5.85% in 2007.

Using an unchanged discount rate would have resulted in an increase in the valuation of investment property of 180.9 million euros (or 16.8%).

The liquidity discount used was 20% in both 2006 and 2007.

23.3. Additional information

The Act dated 20 April 2005 provides that in the event of a partial or total shutdown of air traffic at one of the airports owned by Aéroports de Paris, 70% of the capital gain due to the difference between the market value of the assets and the book value thereof must be paid to the French Government. This provision concerns primarily the General Aviation Aerodromes.

In addition, the amounts recognized in the income statement in respect of rental income on property investment and in respect of direct operating expenses related to such properties (including depreciation) were respectively 134.4 million euros and 75.2 million euros in 2007.

Note 24 - Other financial assets

The amounts shown in the balance sheet at 31 December 2007 and 2006 can be analysed as follows:

<i>(in thousands of euros)</i>	Total at 31.12.2007	Non- current element	Current element
Available-for-sale securities	1,185	1,185	-
Loans and receivables:			
- Receivables from associates	9,351	8,217	1,134
- Other receivables related to investments.....	3,011	3,011	-
- Accrued interest on receivables related to investments	201	-	201
- Loans	17,907	10,156	7,751
- Other current accounts	8,999	-	8,999
- Security deposits	683	631	52
- Receivables, as lessor, in respect of finance leases	42,146	35,158	6,988
- Receivables from asset disposals	1	-	1
- Other financial assets.....	349	-	349
	82,648	57,173	25,475
Derivative financial instruments (interest rates swaps):			
- Hedging swaps	11,375	-	11,375
- Trading swaps	36,075	-	36,075
	47,450	-	47,450
Total	131,283	58,358	72,925

<i>(in thousands of euros)</i>	Total at 31.12.2006	Non-current element	Current element
Available-for-sale securities:			
- BCIA (China)	150,804	150,804	-
- Bolloré Telecom	10,000	10,000	-
- Other securities	1,009	1,009	-
	161,813	161,813	-
Loans and receivables:			
- Receivables from associates	9,236	9,236	-
- Other receivables related to investments.....	130	130	-
- Accrued interest on receivables related to investments	446	-	446
- Loans	24,170	17,669	6,501
- Other current accounts	4,832	-	4,832
- Security deposits	626	593	33
- Receivables, as lessor, in respect of finance leases	60,035	52,604	7,431
- Receivables from asset disposals	4,954	-	4,954
- Other financial assets.....	231	-	231
	104,659	80,232	24,428
Derivative financial instruments (interest rates swaps):			
- Hedging swaps	32,453	-	32,453
- Trading swaps	27,386	-	27,386
	59,839	-	59,839
Total.....	326,311	242,045	84,267

Between 31 December 2006 and 31 December 2007, the amount of shares classified as available-for-sale investments decreased to 1,185 thousand euros from 161,813 thousand euros, following notably the disposal of BCIA shares (see note 3.1.4) and the treatment of Bolloré Télécom, acquired in 2006, as an associate.

Note 25 - Inventories

At the end of the period, inventories stood as follows:

<i>(in thousands of euros)</i>	Gross at 31.12.2007	Impairment at 31.12.2007	Net value at 31.12.2007	Net value at 31.12.2006
Raw materials	4,903	-	4,903	4,490
Work in progress	-	-	-	58
Goods for resale	5,231	(138)	5,094	2,914
Total	10,134	(138)	9,997	7,462

Note 26 - Trade receivables and related accounts

Trade receivables and related accounts are broken down as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Trade receivables.....	472,957	384,451
Doubtful receivables.....	24,374	37,945
Accumulated provisions for impairment	(19,165)	(21,307)
Net amount	478,166	401,089

The Group's exposure to credit risk and to exchange rate risk together with the value impairment relating to trade receivables and other debtors are shown in note 32.

Normal payment terms for client receivables stipulate payment at 30 days from the invoice date, except for commercial fees which are due and payable upon invoice date.

The reduction in doubtful debts is mainly due to:

- cancellation of doubtful debts recorded as losses, notably on Air Horizons (3,080 thousand euros) and Axis Airways (993 thousand euros),
- payments made, notably by Société Air France SA (7,622 thousand euros) and Dufry Paris (1,162 thousand euros),
- cancellation of credits by the issuance of credit notes particularly for Aquaraile Services (1,635 thousand euros).

Changes in impairment were as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Accumulated provisions for impairment at beginning of period.....	21,307	46,416
Increases	6,519	5,619
Decreases	(8,681)	(30,728)
Change in consolidation scope	20	-
Accumulated provisions for impairment at closing	19,165	21,307

In 2007 the main increases in impairment related to Office National Des Aeroports Marocains (ONDA) for 1,157 thousand euros and LSG Gate Gourmet Paris SAS for 1,270 thousand euros.

Reductions in impairment mainly concerned reversals relating to the following irrecoverable losses (*see note 14.4*):

- in 2007, bad debts on Air Horizons (3,080 thousand euros) and Axis Airways (1,033 thousand euros),
- in 2006, Air Lib (21,243 thousand euros).

Note 27 - Other receivables and prepaid expenses

The breakdown of other receivables and prepaid expenses is shown below:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Advances and prepayments paid on orders	5,019	4,952
Receivables from employees (excl. the reserved share offer) and social security bodies	669	1,755
Receivables from tax authorities (excl. income tax).....	51,274	56,577
Other receivables.....	32,449	39,355
Prepaid expenses.....	15,405	12,524
Total.....	104,815	115,164

Other receivables comprise notably the amount of the remaining receivables from Group employees as part of the reserved share offer. This amount decreased to 10,488 thousand euros at 31 December 2007, from 18,437 thousand euros at 31 December 2006.

Furthermore, the portion of other receivables that the Group expects to recover beyond twelve months relates exclusively to receivables from Group employees arising in 2006 as part of the offer reserved for employees. This amount decreased to 214 thousand euros at 31 December 2007, from 10,544 thousand euros at 31 December 2006.

Note 28 - Cash and cash equivalents

The breakdown of cash and cash equivalents is as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Marketable securities	489,121	472,623
Cash	34,950	36,565
Total.....	524,071	509,188

As part of its cash management policies, Aéroports De Paris has invested mainly in euro-denominated money market UCITS with a maximum investment horizon of six months.

Details of the Group's exposure to interest rate risk and an analysis of the sensitivity of its financial assets and liabilities are given in note 32.2.1.

Note 29 - Shareholders' equity

29.1. Share capital

The share capital of Aéroports de Paris is 296,881,806 euros. It is divided into 98,960,602 fully paid up shares with a par value of 3 euros each. No changes were made to share capital over the course of 2007.

The share capital is accompanied by a share premium of 542,747 thousand euros pertaining to the new share issue in 2006.

29.2. Treasury shares

Pursuant to the authorization granted by shareholders at the Mixed General Meeting of 22 May 2006, the Company purchased 316,199 of its own shares and resold 263,275 shares over the period. As a result, the number of treasury shares owned amounted to 52,924 shares at 31 December 2007, and in application of IAS 32, these shares were reduced from equity by the amount of 3,704 thousand euros.

29.3. Translation reserve

The translation reserve is mainly composed of adjustments arising since 1 January 2004 on the translation of the Mexican peso-denominated financial statements of SETA (Mexico) into euros. All cumulative translation adjustments prior to this date were transferred to retained earnings in accordance with the option provided under IFRS 1 for the first-time adoption of IFRS.

29.4. Prior year retained earnings

Retained earnings can be broken down as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Reserves of parent company Aéroports de Paris:		
- Legal reserve	15,982	8,408
- Other reserves	863,048	863,048
- Retained earnings	180,991	112,715
Consolidated reserves	735,522	740,325
Total.....	1,795,543	1,724,496

29.5. Comments on the statement of changes in equity

- Main changes in 2007:
 - reversal of the 70,728 thousand euros previously reported to the fair value reserve for BCIA (China) shares after the disposal of these shares in February 2007 (*see note 3.1.5*),
 - payment of a dividend of 93,007 thousand euros, or 0.94 euros per share, in compliance with Resolution 3 of the 29 May 2007 Ordinary General Meeting of Shareholders,
 - purchase of treasury shares for 3,704 thousand euros (*see note 29.2*).
- Main changes in 2006:
 - the fair value reserve was increased by 52,388 thousand euros, mainly due to shares in BCIA (China), which were classified as available-for-sale financial assets (*see note 21*), and decreased by 962 thousand euros in deferred taxes, bringing the net increase to 51,426 thousand euros,
 - a negative translation adjustment of 1,207 thousand euros was reported due to the translation into euros of the Mexican peso-denominated financial statements of SETA (Mexico) after the peso dropped to 0.069964 euros at 31 December 2006 from 0.079262 euros at 31 December 2005,

- in compliance with IFRS 2, the share capital was credited with 33,331 thousand euros for employee benefits granted as part of the share offer reserved for employees, the contra of an equivalent charge reported under Other operating income and expenses,
- pursuant to the 18 April 2006 decision of the Ordinary General Meeting of Shareholders, in May 2006 a dividend of 63,168 thousand euros was paid to the French State, the sole shareholder at the time.

29.6. Proposed dividend

The proposed dividend, prior to the approval of the financial statements for publication, and which has not been recognized as a payout to equity holders in the 2007 accounts, amounts to 161,306 thousand euros, or 1.63 euros per share.

The size of the dividend payout is due, in part, to the positive non-recurrent impact of the gain on the disposal of BCIA shares.

Note 30 - Provisions

Changes in provisions were as follows:

	Employee benefit obligations	Litigation and claims	Other provisions	Total (excluding employee benefit obligations)
Provisions at 1 January 2006	401,732	21,269	12,828	34,097
Increases:				
- Additions	43,744	16,461	31,913	48,374
Total increases	43,744	16,461	31,913	48,374
Decreases:				
- Provisions used	(27,189)	(3,171)	(3,330)	(6,501)
- Provisions no longer required		(804)	(2,889)	(3,693)
- Other decreases	-	-	(444)	(444)
Total decreases	(27,189)	(3,975)	(6,663)	(10,638)
Provisions at 31 December 2006	418,287	33,755	38,077	71,832
Increases:				
- Additions	49,741	9,626	36,629	46,255
- Change in consolidation scope	5		6	6
Total increases	49,742	9,629	36,635	46,264
Decreases:				
- Provisions used	(24,751)	(11,254)	(14,557)	(25,811)
- Provisions no longer required	(13,526)	(5,523)	(3,308)	(8,831)
- Other decreases	(18,099)		(202)	(202)
Total decreases	(56,376)	(16,777)	(18,067)	(34,844)
Provisions at 31 December 2007	411,653	26,607	56,645	83,252

Long-term employee benefits, which are broken down by category in note 13.2, comprise notably 28,171 thousand euros for the reorganisation of ground handling activities (*see note 3.1.1*).

Provisions for litigation and claims cover various litigation and claims concerning suppliers, employees and trade.

Other provisions include notably provisions for trade risks and a 6,916 thousand euro provision for the reorganisation of ground handling activities (*see note 3.1.1*). They also included a tax provision relating to the tax audit (*see note 3.1.7*).

Provisions are broken down by non-current and current portions in the table below:

	Employee benefit obligations	Litigation and claims	Other provisions	Total (excluding employee benefit obligations)
Provisions at 1 January 2007:				
- Non-current portion.....	388,354		357	357
- Current portion.....	29,933	33,755	37,720	71,475
Total	418,287	33,755	38,077	71,832
Provisions at 31 December 2007 :				
- Non-current portion.....	386,009		155	155
- Current portion.....	25,644	26,607	56,490	83,097
Total	411,653	26,607	56,645	83,252

Note 31 - Debt

31.1. Breakdown of debt

At the end of the period, total debt was as follows:

<i>(in thousands of euros)</i>	Total at 31.12.2007	Non-current element	Current element	Total at 31.12.2006	Non-current element	Current element
Bonds	1,673,885	1,519,917	153,968	1,683,792	1,683,792	-
Bank loans	546,312	480,014	66,298	618,519	549,246	69,273
Debt on finance leases	16,066	9,679	6,387	21,904	16,069	5,835
Security deposits received	18,794	18,785	9	18,658	18,647	11
Other borrowings and assimilated debt	2,748	2,059	689	3,778	2,657	1,121
Accrued interest	66,031	-	66,031	66,450	-	66,450
Current accounts with non-consolidated companies	1,653	-	1,653	273	-	273
Bank overdrafts	16,270	-	16,270	6,085	-	6,085
Debt (excluding derivatives).....	2,341,759	2,030,454	311,305	2,419,459	2,270,411	149,048
Derivative financial instruments in a liability position	11,726	-	11,726	9,238	-	9,238
Total debt	2,353,485	2,030,454	323,031	2,428,697	2,270,411	158,286

31.2. Net debt

Net debt as defined by Aéroports de Paris corresponds to the amounts reported as liabilities in the balance sheet under the heading non-current debt and current debt, less derivative financial instruments and cash and cash equivalents.

At the end of the period, net debt is as follows:

<i>(in thousands of euros)</i>	Total at 31.12.2007	Non-current element	Current element	Total at 31.12.2006	Non-current element	Current element
Debt	2,353,485	2,030,454	323,031	2,428,697	2,270,411	158,286
Derivative financial instruments in an asset position	(47,450)	-	(47,450)	(59,839)	-	(59,839)
Cash and cash equivalents	(524,071)	-	(524,071)	(509,188)	-	(509,188)
Net debt	1,781,963	2,030,454	(248,491)	1,859,671	2,270,411	(410,740)

31.3. Breakdown of bonds and bank loans

The breakdown of bonds and bank loans is as follows:

<i>(in thousands of euros)</i>	Nominal value	Nominal rate	Effective rate before taking account of fair value hedges	Amortized book value	Impact of fair value hedges	Book value at 31.12.2007	Fair value at 31.12.2007
Bond issues:							
- ADP 4.95% 1998-2008	152,449	4.95%	4.37%	152,378	1,590	153,968	152,649
- ADP 5.875% 2000-2010	450,000	5.88%	4.68%	449,406	11,233	460,639	460,395
- ADP 5.25% 2001-2011	400,000	5.25%	4.72%	399,279	6,882	406,161	406,080
- ADP 5.25% 2002-2012	350,000	5.25%	5.40%	348,072	5,651	353,723	357,840
- ADP 4.10% 2003-2013	300,000	4.10%	4.14%	299,394	-	299,394	290,100
Total	1,652,449			1,648,529	25,356	1,673,885	1,667,064
Bank loans:							
- from EIB 1998-2008	38,112	Eur 3M - 0.09%	Eur 3M - 0.09%	38,112	-	38,112	38,112
- from EIB 2003-2018	100,000	Eur 3M + margin	Eur 3M + margin	100,000	-	100,000	100,000
- from EIB 2004-2019	220,000	Eur 3M + margin	Eur 3M + margin	220,000	-	220,000	220,000
- from EIB 2004-2019	30,000	Eur 3M + margin	Eur 3M + margin	30,000	-	30,000	30,000
- from EIB 2005-2020	130,000	Eur 3M + margin	Eur 3M + margin	130,000	-	130,000	130,000
- from EIB 1999-2008 \$41m	28,102	Libor 3M (USD) - 0.11%	Libor 3M (USD) - 0.11%	28,102	-	28,102	28,102
- Other	98			98	-	98	98
Total	546,312			546,312	-	546,312	546,312

Over the course of the year, Aéroports de Paris recorded no significant change in its bond debt and repaid the 1997 Caisse d'Épargne loan for a total of 68.6 million euros.

Note 32 - Derivative financial instruments

32.1. Categories of financial assets and liabilities

<i>(in thousands of euros)</i>	At 31.12.2007	Breakdown by category of financial instrument					Hedging derivatives
		Fair value		Available-for- sale financial assets	Loans and receivables	Debt at amortized cost	
		FV option (1)	Trading (2)				
Other non-current financial assets	58,358	-	-	1,185	57,173	-	-
Trade receivables.....	478,166	-	-	-	478,166	-	-
Other receivables (3).....	37,468	-	-	-	37,468	-	-
Other current financial assets :							
- Derivative instruments.....	47,450	-	36,075	-	-	-	11,375
- Other financial assets.....	25,475	-	-	-	25,475	-	-
Cash and cash equivalents	524,071	524,071	-	-	-	-	-
Total financial assets	1,170,988	524,071	36,075	1,185	598,282	-	11,375
Non-current debt	2,030,454	-	-	-	-	2,030,454	-
Trade payables	507,309	-	-	-	-	507,309	-
Other debt (3).....	109,610	-	-	-	-	109,610	-
Current debt:							
- Derivative instruments.....	11,726	-	11,726	-	-	-	-
- Other borrowings and financial debt	311,305	-	-	-	-	311,305	-
Total financial liabilities	2,970,403	-	11,726	-	-	2,958,677	-

<i>(in thousands of euros)</i>	At 31.12.2006	Breakdown by category of financial instrument					Hedging derivatives
		Fair value		Available-for- sale financial assets	Loans and receivables	Debt at amortized cost	
		FV option (1)	Trading (2)				
Other non-current financial assets	242,045	-	-	161,813	80,232	-	-
Trade receivables.....	401,089	-	-	-	401,089	-	-
Other receivables (3).....	44,308	-	-	-	44,308	-	-
Other current financial assets :							
- Derivative instruments.....	59,839	-	27,386	-	-	-	32,453
- Other financial assets.....	24,428	-	-	-	24,428	-	-
Cash and cash equivalents	509,188	509,188	-	-	-	-	-
Total financial assets	1,280,896	509,188	27,386	161,813	550,056	-	32,453
Non-current debt	2,270,411	-	-	-	-	2,270,411	-
Trade payables	411,178	-	-	-	-	411,178	-
Other debt (3).....	66,051	-	-	-	-	66,051	-
Current debt:							
- Derivative instruments.....	9,238	-	9,238	-	-	-	-
- Other borrowings and financial debt	149,048	-	-	-	-	149,048	-
Total financial liabilities	2,905,926	-	9,238	-	-	2,896,688	-

(1) Identified as such at the outset

(2) Classified as held for trading purposes

(3) Other receivables and other debts exclude all accounts which do not constitute, within the terms of LAS 32, contractual rights and obligations, such as tax and social security debts or receivables.

The fair value of assets and liabilities is generally very close to their value on the balance sheet, with their book values corresponding near-systematically to a reasonable approximation of this fair value.

32.2. Analysis of risks relating to financial instruments.

32.2.1. Interest rate risk.

The breakdown between fixed and variable rate debt instruments is as follows:

<i>(in thousands of euros)</i>	At 31.12.2007		At 31.12.2006	
	before hedging	after hedging	before hedging	after hedging
Fixed rate	1,779,902	1,604,902	1,801,208	1,410,963
Variable rate.....	561,857	736,857	618,251	1,008,496
Debt excluding derivatives.....	2,341,759	2,341,759	2,419,459	2,419,459

Sensitivity analysis of fair value for fixed rate instruments:

Aéroports de Paris is subject to the variability of future interest costs on its variable-rate debt. A change in the interest rate at the balance sheet date would have resulted in an increase (reduction) in shareholders' equity and earnings of the level indicated below. For the purposes of this analysis, all other variables, and in particular exchange rates, are assumed constant.

A change of 1% (100 basis points) in the market interest rate at the end of the year, at constant net debt, would increase the annual finance expense by 7.4 million euros. At 31 December 2006, an identical variation would have increased annual financial charges by 10.1 million euros.

Aéroports de Paris holds only interest rate swaps and cross-currency swaps for a fair value of 47,450 thousand euros recognized as assets in "Other current financial assets", and 11,726 thousand euros recognized as liabilities in "Current debt".

Notional amounts of derivatives classified as fair value hedges are as follows:

<i>(in thousands of euros)</i>	Maturity < 1 year	Maturity between 1 & 2 yrs	Maturity between 2 & 3 yrs	Maturity between 3 & 4 yrs	Maturity between 4 & 5 yrs	Maturity > 5 years	Total at 31.12.2007	Fair value
Swaps paying variable rates & receiving fixed rates	-	-	-	-	175,000	-	175,000	11,375
Total	-	-	-	-	175,000	-	175,000	11,375

In 2007 Aéroports de Paris restructured two swaps in which it paid the variable rate and received the fixed rate for a total nominal value of 200 million euros maturing in 2011, resulting in the creation of two new swaps in which it pays the fixed rate and receives the variable rate for the same nominal value and maturity.

The previous two swaps were unclassified in 2007 after the two new swaps were processed.

Notional amounts of derivatives not classified as fair value hedges are as follows:

<i>(in thousands of euros)</i>	Maturity < 1 year	Maturity between 1 & 2 yrs	Maturity between 2 & 3 yrs	Maturity between 3 & 4 yrs	Maturity between 4 & 5 yrs	Maturity > 5 years	Total at 31.12.2007	Fair value
Swaps paying variable rates & receiving fixed rates	53,357	-	150,000	200,000	-	-	403,357	22,814
Swaps paying variable rates & receiving variable rates	32,251	-	-	-	-	-	32,251	(11,727)
Swaps paying fixed rates & receiving fixed rates	-	-	150,000	-	-	-	150,000	7,716
Swaps paying fixed rates & receiving variable rates	53,357	-	150,000	200,000	300,000	-	703,357	5,546
Total	138,965	-	450,000	400,000	300,000	-	1,288,965	24,349

The portfolio of derivatives not classified as fair value hedges contains two types of swap:

- the first consists mainly of cross currency swaps covering the foreign exchange risk on US dollar-denominated debt. Consequently, the exposure of this derivatives portfolio to interest rate fluctuations is very low. A single-step 1% decrease in interest rates at 31 December 2007 would increase the fair value of derivatives by 590 thousand euros,
- the second group consists of cancellable swaps entered into in the fourth quarter of 2007 to protect against rising interest rates. This type of swap is sensitive to changes in interest rate. A single-step reduction in interest rates of 1% at 31 December 2007 would reduce the fair value of the cancellable swaps by 5.6 million euros.

Derivatives not classified as hedging instruments generated a 1,547 thousand euros gain in 2007.

32.2.2. Foreign exchange risk

The breakdown of financial assets and liabilities by currency is as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	Euro	USD	MXN	Other currencies
Other non-current financial assets	58,358	47,146	7,538	3,617	57
Trade receivables	478,166	468,818	6,059	65	3,223
Other receivables (1)	37,468	37,468	-	-	-
Other current financial assets	72,925	71,587	204	1,134	-
Cash and cash equivalents	524,071	509,479	11,622	294	2,676
Total financial assets	1,170,988	1,134,498	25,423	5,110	5,957
Non-current debt	2,030,454	2,030,454	-	-	-
Trade payables	507,309	500,437	2,434	-	4,438
Other debt (1)	109,610	108,980	103	-	527
Current debt	323,032	322,580	125	-	327
Total financial liabilities	2,970,404	2,962,450	2,662	-	5,292

(1) Other receivables and other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights and obligations, such as tax and social security debts or receivables,

Short-term debt includes a 41 million US dollar loan which has been fully hedged since its inception by a cross currency swap.

Other currencies include primarily the UAE dirham (AED), the Swiss franc (CHF), the Libyan dinar (LYD) and the Moroccan dirham (MAD).

The main exchange rates used for the conversion of assets and liabilities at the balance sheet date were as follows:

	Closing rate at 31/12/07
United States Dollar (USD)	0.67930
Mexican Peso (MXN)	0.06231

Sensitivity analysis:

For the purposes of this analysis, all other variables, and in particular interest rates, are assumed constant.

A 10% increase in the value of the euro relative to all other currencies would have resulted, at 31 December 2007, in a reduction in shareholders' equity of approximately 3 million euros.

A 10% fall in the value of the euro relative to the above currencies would have resulted, at 31 December 2007 in an impact of the same size as above but in the opposite direction, assuming that all other variables remained constant.

32.2.3. Liquidity risks

The breakdown of the residual contractual maturities of financial liabilities at 31 December 2007 is as follows:

<i>(in thousands of euros)</i>	Balance sheet value at 31.12.2007	Total contractual payments at 31.12.2007	0 - 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	Over 5 years
Bonds	1,673,885	1,652,449	152,449	-	450,000	400,000	350,000	300,000
Bank loans	546,312	558,016	78,004	12	-	-	-	480,000
Debt on finance leases	16,066	16,066	6,386	3,983	1,994	1,880	1,407	416
Security deposits received	18,794	18,794	-	-	-	-	-	18,794
Other borrowings and assimilated debt	2,748	2,748	689	693	665	288	292	121
Interest on loans	66,031	599,166	111,071	101,308	101,143	75,228	53,592	156,824
Current accounts	1,653	1,653	1,653	-	-	-	-	-
Bank overdrafts	16,270	16,270	16,270	-	-	-	-	-
Debt excluding derivatives.....	2,341,759	2,865,162	366,522	105,996	553,802	477,396	405,291	956,155
Trade payables	507,309	507,309	507,309	-	-	-	-	-
Other debt <i>(1)</i>	109,610	109,610	109,610	-	-	-	-	-
Debt at amortized cost.....	2,958,677	3,482,080	983,440	105,996	553,802	477,396	405,291	956,155
Hedging swaps:								
- Outgoings.....	-	25,404	6,305	6,305	6,397	6,397	-	-
- Receipts.....	(11,375)	(35,562)	(7,061)	(7,124)	(7,124)	(7,124)	(7,129)	-
Trading swaps:								
- Outgoings.....	11,726	37,077	17,346	12,525	7,206	-	-	-
- Receipts.....	(36,075)	(88,754)	(29,003)	(23,246)	(22,394)	(11,327)	(2,784)	-
Total.....	2,922,953	3,420,245	971,027	94,456	537,887	465,342	395,378	956,155

(1) Other debts exclude all accounts which do not constitute, within the terms of LAS 32, contractual obligations, such as tax and social security debts.

The maturity schedule of loans and receivables at 31 December 2007 was as shown below:

<i>(in thousands of euros)</i>	Total at 31.12.2007	0 - 1 year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	Over 5 years
Receivables from associates.....	9,351	1,134	705	5,674	919	919	-
Other receivables related to investments.....	3,011	-	-	-	-	-	3,011
Accrued interest on receivables related to investments.....	201	201	-	-	-	-	-
Loans	17,907	7,751	6,371	384	190	387	2,824
Other current accounts	8,999	8,999	-	-	-	-	-
Security deposits.....	683	52	42	-	-	-	589
Receivables, as lessor, in respect of finance leases.....	42,146	6,988	6,988	3,354	3,096	2,857	18,863
Receivables from asset disposals	1	1	-	-	-	-	-
Other financial assets.....	349	349	-	-	-	-	-
Trade receivables.....	478,166	477,977	43	36	8	36	66
Other receivables <i>(1)</i>	37,468	37,254	214	-	-	-	-
Loans and receivables	598,282	540,706	14,363	9,448	4,213	4,199	25,353

(1) Other receivables exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights, such as tax and social security receivables.

32.2.4. Credit risks

Exposure to credit risk:

The carrying value of financial assets represents the maximum exposure to credit risk. Maximum exposure to credit risk at the balance sheet date was as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Available-for-sale financial assets	1,185	161,813
Financial assets recognized at fair value through the income statement	36,075	27,386
Loans and receivables	598,282	550,056
Cash and cash equivalents	524,071	509,188
Interest rate swaps held for hedging purposes.....	11,375	32,453
Futures contracts used for hedging purposes	-	-
Total.....	1,170,988	1,280,896

Maximum exposure to credit risk on trade receivables at the balance sheet date, broken down by client type, is as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Airlines	194,658	184,748
Other	283,508	216,341
Total.....	478,166	401,089

The carrying value of trade receivables relating to the Group's largest client, namely the Air France group, was 88,935 thousand euros at 31 December 2007.

The age of outstanding receivables at 31 December 2007 was as follows:

Receivables not yet due.....	394,728
Receivables fallen due and not impaired	
- 1 to 30 days previously	78,826
- 31 to 90 days previously	25,055
- 91 to 180 days previously	8,442
- 181 to 360 days previously	26,845
- more than 360 days previously	6,810
Receivables due in less than one year (detailed in note 32.2.3)	540,706

Changes to impairment on trade receivables are set out in note 26. Associated losses are shown in note 14.4.

On the basis of historical default rates, the Group believes that no additional impairment or loss needs to be recorded against trade receivables that have not matured or have matured within 90 days.

Note 33 - Other non-current liabilities

At the end of the period, other non-current liabilities were as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Capital grants	30,262	30,867
Other	2,128	2,256
Total.....	32,390	33,123

Note 34 - Trade payables and related accounts

Trade payables and related accounts are shown below:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Operating payables.....	217,485	179,216
Capital investment payables.....	289,824	231,962
Total.....	507,309	411,178

These amounts are due within twelve months after the balance sheet date at both 31 December 2007 and 31 December 2006.

The exposure of the Group's trade payables and related accounts to exchange rate and liquidity risks is set out in note 32.

Note 35 - Other liabilities and deferred income

Other liabilities and deferred income are broken down as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Advances and prepayments received	4,590	1,997
Employee-related liabilities.....	157,017	143,483
Tax liabilities (excl. current tax).....	37,533	37,960
Other liabilities.....	105,020	64,054
Deferred income	83,686	61,639
Total.....	387,845	309,133

At 31 December 2006, the portion of other liabilities that the Group was likely to settle after the standard 12-month period was 16,795 thousand euros, comprising solely the deferred income recognised in 2006 as part of the share offer reserved for employees. At 31 December 2007 these sums had been paid in the twelve months following the previous balance sheet date.

Other liabilities also include financial support to citizens of outlying areas, which rose from 25,769 thousand euros at 31 December 2006 to 43,359 thousand euros at 31 December 2007.

Note 36 - Consolidated cash flow

36.1. Definition of net cash

Net cash, whose changes are analysed in the cash flow statement, is broken down as follows:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Cash and cash equivalents	524,071	509,188
Bank overdrafts (1)	(16,270)	(6,085)
Net cash (as shown in the Cash Flow Statement).....	507,802	503,102

(1) included in Current liabilities under Short-term loans and debt (see note 31.1)

36.2. Investment in tangible and intangible assets

The amount of capital investment in tangible and intangible assets is broken down in the table below:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Purchase of intangible assets (note 21)	22,879	14,405
Purchase of property, plant and equipment (note 22)	701,589	688,485
Purchase of investment property (note 23)	7,665	9,571
Purchase of property, plant & equipment and intangible assets (as shown in the Cash Flow Statement).....	732,133	712,461

This investment in 2007 is broken down as follows: (in millions of euros)

Increases in capacity.....	417.3
Restructuring.....	58.7
Renovation and quality.....	140.7
Property development.....	17.3
Security.....	29.0
Cost of studies and supervision of works (FEST)	69.1
Total	732.1

The two major projects carried out by Aéroports de Paris in 2007 were:

- the opening of Satellite S3, requiring an investment in capacity of 196.9 million euros, an investment in studies and supervision of works (FEST) of 14.1 million euros and an investment in security of 4.6 million euros,
- an investment of 80.8 million euros (including 5.1 million euros for FEST) in the rebuilding of the Terminal 2E passenger boarding bridge, which is scheduled to re-open in the first half of 2008.

36.3. Proceeds from disposals

The 189,873 thousand euro proceeds shown in the cash flow statement under the heading of Proceeds from the sale of non-consolidated investments consists solely of the consideration received for the sale of BCIA shares. After taking account of the foreign exchange loss reported in Finance expenses, the net amount of proceeds from this disposal is 188,895 thousand euros (*see note 3.1.5*).

The proceeds of 147,678 thousand euros, shown under Proceeds from the sale of tangible assets in 2006, was due almost exclusively to the receipt of the disposal price of assets sold in 2005 to the Civil Aviation Authorities (DGAC) and to Police and Customs authorities.

Note 37 - Related parties disclosure

The transactions and balances between subsidiaries, which are related parties, were eliminated on consolidation and are not presented in this note to the financial statements.

The principal balances relating to associates and non-consolidated investments are receivables, the breakdown of which is given in note 24. Transactions with these companies over the period are not material.

Likewise, transactions with other companies under State control, with which Aéroports de Paris shares directors, are not material either.

The remuneration of Executive Management of the parent company was as follows for 2007 and 2006:

(in thousands of euros)

Executive Manager	Position	Short-term benefits excl. charges (1)	Short-term benefits less charges (1)	Share-based remuneration (2)	TOTAL 2007
Pierre Graff	Chairman and CEO	424	143	-	567
François Rubichon	Chief Operating Officer	339	130	-	469
Laurent Galzy	Chief Financial Officer	241	94	-	335
Marc Noyelle	Chief Development Officer	545	138	-	683
René Brun	Airports Director Paris - Charles de Gaulle	224	85	-	309
Patrice Hardel	Airports Director Paris - Orly	195	74	-	269
Pascal Bourgue	Marketing, retail and communications Director	190	72	-	262
Gonzalve de Cordoue	Human resources Director	200	75	-	275
François Cangardel	Real estate Director	180	69	-	249
Total		2,538	880	-	3,418

(in thousands of euros)

Executive Manager	Position	Short-term benefits excl. charges (1)	Short-term benefits less charges (1)	Share-based remuneration (2)	TOTAL 2006
Pierre Graff	Chairman and CEO	350	135	-	485
François Rubichon	Chief Operating Officer	277	107	-	384
Laurent Galzy	Chief Financial Officer	210	80	33	323
Marc Noyelle	Chief Development Officer	254	106	29	389
René Brun	Airports Director Paris - Charles de Gaulle	224	87	28	339
Patrice Hardel	Airports Director Paris - Orly	196	77	30	303
Total		1,511	592	120	2,223

(1) Short-term benefits means annual salary, paid vacation, bonuses, contractual profit-sharing, benefits in kind and statutory profit sharing

(2) Recognised as a charge on the income statement as part of the reserved share offer for employees

In addition, provisions were made for retirement bonuses and for a supplementary retirement benefits scheme. At 31 December 2007, the provisions for these persons (excluding company officers) amounted to 433 thousand euros.

The Mixed General Meeting of Shareholders of 29 May 2007 voted in favour of paying directors' fees to non-salaried directors for the year 2007. These directors' fees amount to 110 thousand euros and will be paid in 2008. Directors' fees of 78 thousand euros allocated in 2006 were paid in 2007. Non-salaried directors did not receive any other benefits distributed by Aéroports de Paris.

Salaried directors received only their salaries and other employee benefits in the context of their normal remuneration as stipulated by the by-laws applicable to employees of Aéroports de Paris.

Note 38 - Off-balance sheet commitments

Off-balance sheet commitments are presented below:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
Commitments granted:		
Guarantees	6,621	13,652
Guarantees on first demand.....	29,304	11,247
Assets and liabilities warranties	2,846	2,886
Irrevocable commitments to acquire assets.....	171,987	435,489
Other	9,889	4,086
Total	220,647	467,360
Commitments received:		
Guarantees	29,453	30,228
Guarantees on first demand.....	197,880	219,891
Total	227,333	250,119

Guarantees and endorsements mainly correspond to guarantees given on loans to employees.

First demand guarantees have been given only by the ADP Ingénierie and Aéroports de Paris Management subsidiaries as part of the proper execution of their international contracts. The increase recorded in 2007 reflects the substantial growth by these companies over the course of the year.

Asset and liability warranties were granted in connection with the disposal of France Handling shares in 2005.

The main commitments received were guarantees from the beneficiaries of AOTs ("Autorisation d'Occupation Temporaire du domaine public", a temporary authorization to occupy public property), leases, commercial concessions and suppliers.

In addition, pursuant to article 53 in the operating specifications of Aéroports de Paris, the minister in charge of Civil Aviation has a right of refusal regarding any contribution, disposal or grant of security involving certain parcels of land – and the assets on such land – belonging to Aéroports de Paris. The lands concerned by this provision are listed in those same operating specifications.

The Act of 20 April 2005 provides that in the event of a partial or total shutdown of air traffic at one of the airports owned by Aéroports de Paris, 70% of the capital gain due to the difference between the market value of the assets and the book value thereof must be paid to the French Government. This provision concerns primarily the General Aviation Aerodromes.

Note 39 - Joint venture disclosures

The table below shows the simplified financial statements of Société de Distribution Aéroportuaire (SDA), the sole joint venture consolidated by the proportionate method:

<i>(in thousands of euros)</i>	At 31.12.2007	At 31.12.2006
BALANCE SHEET:		
Non-current assets	14,480	6,831
Current assets	50,812	30,598
Total Assets	65,292	37,429
Equity	16,457	9,008
Non-current liabilities	428	373
Current liabilities	48,407	28,048
Total Liabilities	65,292	37,429

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Revenues	327,040	203,706
Net expenses	(311,683)	(195,798)
Net income	15,357	7,908

In the cash flow statement, cash flows relating to Société de Distribution Aéroportuaire are accounted for only up to the percentage consolidated, i.e. 50%. The overall cash flow for this holding is set out in the table below:

<i>(in thousands of euros)</i>	Full-year 2007	Full-year 2006
Cash flow from operating activities	26,165	14,602
Cash flow from investment activities.....	(18,224)	(7,328)
Cash flows from financing activities	(6,299)	(7,490)
Cash flow related to joint ventures consolidated by the proportionate method ...	1,642	(216)

Note 40 - Companies within the scope of consolidation

Entity	Address	Siren	Country	% Revenues stake	% Revenues control	Subsidiary of
AÉROPORTS DE PARIS	291 Boulevard Raspail 75675 PARIS CEDEX 14	552 016 628	France	Parent	Parent	
Subsidiaries						
ADP INGENIERIE	Aéroport d'Orly Parc central Zone sud - Bâtiment 641 91200 ATHIS-MONS	431 897 081	France	100.0%	100.0%	ADP
AÉROPORTS DE PARIS MANAGEMENT (ADPM)	291 Boulevard Raspail 75014 PARIS	380 309 294	France	100.0%	100.0%	ADP
JORDAN AIRPORT MANAGEMENT	Ali Sharif Zu'bi Law Office PO Box 35267 AMMAN 11180 (Jordan)		Jordan	100.0%	100.0%	ADPM
HUB TÉLÉCOM	Roissypole - Le Dôme - 4 rue de la Haye 93290 TREMBLAY-EN-FRANCE	437 947 666	France	100.0%	100.0%	ADP
BGI TECHNOLOGIE	3 allée des Droits de l'Homme 69500 BRON	387 868 821	France	100.0%	100.0%	HUB T.
ALYZIA AIRPORT SERVICES	Roissypole - Le Dôme - 4 rue de la Haye 93290 TREMBLAY-EN-FRANCE	552 134 975	France	100.0%	100.0%	ADP
ALYZIA	Roissypole - Le Dôme - 4 rue de la Haye 93290 TREMBLAY-EN-FRANCE	484 821 236	France	100.0%	100.0%	A.A.S
ALYZIA SURETÉ	Roissypole - Le Dôme - 4 rue de la Haye 93290 TREMBLAY-EN-FRANCE	411 381 346	France	100.0%	100.0%	ALYZIA
SAPSER	Roissypole - Le Dôme - 4 rue de la Haye 93290 TREMBLAY-EN-FRANCE	320 268 352	France	100.0%	100.0%	ALYZIA
ALYZIA TRAINING	Roissypole - Le Dôme - 4 rue de la Haye 93290 TREMBLAY-EN-FRANCE	449 308 915	France	100.0%	100.0%	ALYZIA
Joint Ventures						
SOCIÉTÉ DE DISTRIBUTION AÉROPORTUAIRE	114 av. Charles de Gaulle 92200 NEUILLY-SUR-SEINE	448 457 978	France	50.0%	50.0%	ADP
Associated companies						
GIE ROISSYPOLE	17 Cours Valmy 92800 PUTEAUX	380,893,438	France	90.0%	49.0%	ADP
SCI ROISSY SOGARIS	Avenue de Versailles RN 186 94654 RUNGIS CEDEX	383 484 987	France	40.0%	40.0%	ADP
SETA	Viaducto Miguel Aléman 81 piso 2, Col. Escandon MEXICO (Federal District - Mexico)		Mexico	25.5%	25.5%	ADPM
LIÈGE AIRPORT	Aéroport de Bierset 4460 GRÂCE-HOLLOGNE (Belgium)		Belgium	25.6%	25.6%	ADPM
CIRES TELECOM	Zone franche de Ksar El majaz, Oued R'Mel 93000 Anjra (Morocco)		Morocco	49.0%	49.0%	HUB T.
BOLLORÉ TELECOM	31-32 quai de Dion Bouton 92800 PUTEAUX	487 529 232	France	10.5%	10.5%	HUB T.

APPENDIX 2
STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED ACCOUNTS FOR THE YEAR
ENDED DECEMBER 31, 2007

Dear Shareholders,

In accordance with our appointment as Statutory Auditors by the French Ministry for the Economy, Finance and the Budget, we have audited the accompanying consolidated financial statements of Aéroports de Paris for the year ended December 31, 2007.

The consolidated financial statements have been prepared by your Board of Directors, and it is our duty to express an opinion on these 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

We certify that the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group and of the results of all the persons and entities in its consolidation scope in accordance with the International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion expressed above, we would like to draw your attention to note 3.1.2 of the notes to the financials, which describes the status of ongoing procedures relating to the Economic regulation contract.

II. Justification of assessments

Pursuant to the provisions of article L. 823-9 of the French Commercial Code on the justification of our assessments, we draw your attention to the following:

- Notes 4.5, 4.7 and 22 to the consolidated financial statements describe specifically the accounting policies used to measure Property, plant and equipment. Notes 4.6 and 23 describe the valuation method used for investment property. Investment properties are presented on a separate line in the consolidated balance sheet, and are measured at historical cost, as provided for in IAS 40. The fair value of such buildings, whose amount is shown in note 23, is based on a combined approach using market data and the discounted cash flow generated by the assets. We have noted the methods used by the group for these evaluations, and have verified the reasonableness of their implementation on the basis of the information available.
- Note 4.22.4 to the consolidated financial statements sets out the accounting principles and methods used to account for airport security tax as revenue in the consolidated income statement. When we assessed the accounting principles used by the Group, we verified that the principles and the information provided in the notes were appropriate and had been applied correctly.

These assessments were made in the context 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 verifications

In accordance with professional standards applicable in France, we have also verified the information provided in the group's management report. We have no matters to report as to its fair presentation and consistency with the consolidated financial statements

Paris-La Défense, 17 March 2008

The Statutory Auditors

SALUSTRO REYDEL
Member of KPMG International
Philippe Arnaud

ERNST & YOUNG Audit
Alain Perroux

APPENDIX 3
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2007

BALANCE SHEET ASSETS (in €)

ASSETS	Full-year 2007		Full-year 2006	
	AMOUNT GROSS	Amortization or depreciation	AMOUNT NET	
I - FIXED ASSETS				
INTANGIBLE ASSETS	99,034,150	78,726,027	20,308,123	17,169,302
PLANT, PROPERTY AND EQUIPMENT				
- Land	52,608,302	-	52,608,302	52,609,291
- Land installations and improvements	20,714,314	9,973,243	10,741,071	10,985,748
- Buildings	7,417,948,169	2,648,006,310	4,769,941,859	3,718,932,962
- Buildings on land owned by a third party	5,863,786	2,651,251	3,212,535	3,276,262
- Technical, facilities, equipment and machines	87,620,621	57,070,338	30,550,283	32,275,877
- Other long-term plant, property and equipment	225,356,928	143,737,007	81,619,921	38,292,315
CONCESSION FIXED ASSETS	5,107,639	3,207,290	1,900,349	2,082,130
FIXED ASSETS IN PROGRESS	470,878,676	-	470,878,676	1,156,796,964
AMOUNTS RECEIVED ON ACCOUNT	11,961,996	-	11,961,996	26,920,600
LONG-TERM INVESTMENTS				
- Equity interests	174,163,747	29,767,958	144,395,789	145,137,180
- Other equity interests	607,418	-	607,418	607,403
-Receivables related to investments	73,000	-	73,000	1,103,799
- Loans	9,517,937	-	9,517,937	22,957,243
- Other long-term assets	40,124,682	161,622	39,963,060	33,426,772
TOTAL I	8,621,581,364	2,973,301,045	5,648,280,319	5,262,573,848
II CURRENT ASSETS				
SUPPLIES	4,902,967	-	4,902,967	4,489,843
ADVANCES AND PREPAYMENTS PAID ON ORDERS	4,455,774	-	4,455,774	4,987,403
RECEIVABLES				
- Trade notes and accounts receivable	452,900,762	18,450,569	434,450,192	373,602,166
- Other receivables	102,973,040	3,105,067	99,867,973	117,712,978
MARKETABLE SECURITIES & RELATED RECEIVABLES	488,993,507	-	488,993,507	469,948,160
CASH	9,447,680	-	9,447,680	10,610,138
PREPAID EXPENSES	14,084,000	-	14,084,000	11,936,452
TOTAL II	1,077,757,730	21,555,637	1,056,202,094	993,287,139
III -DEFERRED CHARGES	-	-	-	-
IV - BOND REDEMPTION PREMIUMS	1,531,775	-	1,531,775	1,905,825
V - TRANSLATION - ASSETS	18,388	-	18,388	5,701
GRAND TOTAL	9,700,889,257	2,994,856,681	6,706,032,576	6,257,772,513

BALANCE SHEET LIABILITIES (in €)

LIABILITIES	Full-year 2007	Full-year 2006
I - SHAREHOLDERS EQUITY		
SHARE CAPITAL	296,881,806	296,881,806
ISSUE PREMIUM	542,747,095	542,747,095
REVALUATION RESERVES	24,132,932	24,138,570
RESERVES	854,787,799	847,213,253
RETAINED EARNINGS	180,990,671	112,715,284
NET INCOME FOR THE PERIOD	164,383,991	151,490,919
CAPITAL GRANTS	30,261,720	30,866,921
REGULATED PROVISIONS	759,250,376	702,125,953
CONCESSION FEES	1,254,939	1,382,811
TOTAL I	2,854,691,330	2,709,562,612
II - PROVISIONS FOR RISKS AND CHARGES		
- Provisions for risks	65,441,864	64,626,366
- Provisions for charges	414,496,815	406,431,455
TOTAL II	479,938,679	471,057,821
III - DEBTS		
FINANCIAL DEBTS		
- Debenture bonds	1,726,176,350	1,725,566,722
- Amounts owed to financial institutions	574,687,058	632,411,092
- Sundry debts and liabilities	21,471,833	22,447,991
ADVANCES AND PREPAYMENTS RECEIVED ON ORDERS	4,540,345	1,755,053
TRADE PAYABLES		
- Trade notes and accounts payable	208,836,235	183,929,511
- Tax and social security payables	189,199,479	188,661,143
OTHER DEBTS		
- Payables to fixed asset suppliers	286,913,501	229,453,257
- Tax liabilities (income tax)	-	-
- Other debts	282,680,114	32,214,402
PREPAID INCOME	75,401,120	58,441,266
TOTAL III	3,369,906,035	3,074,880,437
IV - BOND REDEMPTION PREMIUMS	1,487,509	2,247,508
V - TRANSLATION RESERVE - LIABILITIES	9,023	24,134
GRAND TOTAL	6,706,032,576	6,257,772,513

INCOME STATEMENT (in €) Part 1

INCOME STATEMENT (PART ONE)	Full-year 2007	Full-year 2006	Change
SALE OF GOODS	28,099	123,632	-95,532
WORK - STUDIES	11,889,677	16,378,818	-4,489,140
SERVICES PROVIDED	2,051,017,721	1,909,698,655	141,319,066
INCOME FROM RELATED ACTIVITIES	19,410,671	21,056,074	-1,645,403
Net amount of revenue	2,082,346,169	1,947,257,178	135,088,991
- Own work capitalised	39,310,724	39,760,068	-449,344
- Operating subsidies	1,195,033	1,501,792	-306,759
- Reversal of provisions (and amortizations) and expense transfers	65,779,281	65,529,379	249,902
- Other income	13,709,630	19,330,086	-5,620,456
TOTAL I : Operating income	2,202,340,836	2,073,378,503	128,962,333
PURCHASE OF GOODS	2,135,966	1,876,279	259,687
SUPPLIES PURCHASED	5,725,584	6,314,919	-589,335
CHANGE IN SUPPLIES	-713,726	-2,640,184	1,926,458
SUBCONTRACTING PURCHASES	482,417	740,646	-258,229
PURCHASES OF NON-INVENTORIED MATERIALS AND SUPPLIES	58,995,584	64,247,540	-5,251,956
EXTERNAL SERVICES			
- External personnel	8,609,269	9,542,866	-933,597
- Lease payments	6,474,848	6,219,485	255,363
- Other external services	663,019,332	615,327,683	47,691,649
TAXES AND DUTIES	124,517,622	113,359,536	11,158,086
PAYROLL EXPENSES	354,661,473	353,717,045	944,428
SOCIAL SECURITY CHARGES	145,067,397	149,334,973	-4,267,577
DEPRECIATIONS AND AMORTIZATIONS			
- On fixed assets	281,393,837	238,706,586	42,687,251
- On current assets	7,301,458	5,268,204	2,033,254
- For risks and charges	53,222,913	75,027,786	-21,804,873
OTHER EXPENSES	14,782,601	29,238,350	-14,455,749
TOTAL II : Operating expenses	1,725,676,573	1,666,281,713	59,394,861
1 OPERATING INCOME (I - II)	476,664,263	407,096,790	69,567,472

INCOME STATEMENT (in €) Part 2

INCOME STATEMENT (PART TWO)	Full-year	Full-year	Change
	2007	2006	
INCOME FROM HOLDINGS	9,792,893	12,008,833	-2,215,939
INCOME FROM OTHER SECURITIES AND FIXED ASSET RECEIVABLES	62,720,015	50,709,146	12,010,869
INTEREST AND EQUIVALENT INCOME	698,536	482,758	215,778
REVERSALS OF PROVISIONS AND FINANCIAL EXPENSE TRANSFERS	1,168,699	4,883,211	-3,714,512
FOREIGN EXCHANGE GAINS	73,302	37,781	35,522
NET LOSS ON SALES OF SECURITIES	12,191,454	15,084,388	-2,892,935
TOTAL III : Financial income	86,644,900	83,206,117	3,438,784
DEPRECIATIONS AND AMORTIZATION	4,294,060	7,354,272	-3,060,211
INTEREST AND EQUIVALENT EXPENSE	162,891,662	149,107,355	13,784,307
FOREIGN EXCHANGE LOSS	60,385	2,122,308	-2,061,923
OTHER FINANCIAL EXPENSES	46,897	43,912	2,985
NET LOSS ON SALES OF SECURITIES	-	-	-
TOTAL IV : Financial expenses	167,293,004	158,627,847	8,665,157
2. FINANCIAL INCOME (III-V)	-80,648,104	-75,421,730	-5,226,374
3 - CURRENT INCOME BEFORE TAX (I-II+III-IV)	396,016,159	331,675,060	64,341,099
ON MANAGEMENT OPERATIONS	1,746,231	1,050,095	696,135
ON CAPITAL TRANSACTIONS			
- Capital gains or losses on asset sales	1,000,319	59,868,886	-58,868,567
- Investment subsidies reported as income	1,694,322	2,140,045	-445,723
- Other extraordinary income	2,141,861	1,909,590	232,272
REVERSALS OF PROVISIONS AND NON-RECURRING EXPENSE TRANSFERS	52,246,100	41,557,979	10,688,121
TOTAL V : Non-recurring income	58,828,833	106,526,594	-47,697,761
ON MANAGEMENT OPERATIONS	14,680,892	5,839,742	8,841,150
ON CAPITAL TRANSACTIONS			
- Book value of sold assets	2,272,921	57,510,115	-55,237,195
- Other non-recurring expenses	25,507,140	13,342,694	12,164,446
DEPRECIATIONS AND AMORTIZATION	150,654,980	126,651,912	24,003,068
TOTAL VI : Non-recurring expenses	193,115,932	203,344,464	-10,228,532
4. NON-RECURRING INCOME (V - VI)	-134,287,100	-96,817,870	-37,469,230
Employee profit-sharing scheme	6,907,418	4,976,639	1,930,779
Income tax	90,437,650	78,389,633	12,048,017
5. NET INCOME FOR THE PERIOD	164,383,991	151,490,919	12,893,073

MANAGEMENT ACCOUNTING STATEMENT (in €)

MANAGEMENT ACCOUNTING STATEMENT	Full-year 2007	Full-year 2006	Change
Sold production	2,082,346,169	1,947,257,178	135,088,991
Own work capitalised	39,310,724	39,760,068	-449,344
Income or loss for the period	2,121,656,892	1,987,017,246	134,639,646
Consumption for the year from third parties	744,729,273	701,629,233	43,100,040
Added value	1,376,927,619	1,285,388,013	91,539,606
Operating subsidies	1,195,033	1,501,792	-306,759
Taxes and duties	124,517,622	113,359,536	11,158,086
Payroll expenses	499,728,870	503,052,018	-3,323,148
EBITDA	753,876,160	670,478,251	83,397,909
Reversals on calculated expenses	65,779,281	65,529,379	249,902
Other income	13,709,630	19,330,086	-5,620,456
Depreciation and amortization	341,918,208	319,002,576	22,915,632
Other expenses	14,782,601	29,238,350	-14,455,749
Operating income	476,664,263	407,096,790	69,567,472
Financial income	85,476,201	78,322,906	7,153,295
Reversals of amortization and provisions	1,168,699	4,883,211	-3,714,512
Financial expenses	162,998,944	151,273,575	11,725,369
Depreciation and amortization	4,294,060	7,354,272	-3,060,211
Pre-tax income (loss) before exceptionals	396,016,159	331,675,060	64,341,099
Non-recurring income	6,582,733	64,968,616	-58,385,883
Reversals of amortization and provisions	52,246,100	41,557,979	10,688,121
Non-recurring expenses	42,460,952	76,692,551	-34,231,599
Depreciation and amortization	150,654,980	126,651,912	24,003,068
Extraordinary profit or loss	-134,287,100	-96,817,870	-37,469,230
Pre-tax profit	396,016,159	331,675,060	64,341,099
Extraordinary profit or loss	-134,287,100	-96,817,870	-37,469,230
Employee profit-sharing	6,907,418	4,976,639	1,930,779
Income tax	90,437,650	78,389,633	12,048,017
Net profit for the year	164,383,991	151,490,919	12,893,073

CASH FLOW (in €)

CASH FLOW	Full-year	Full-year
	2007	2006
EBITDA	753,876,160	670,478,251
Operating expense transfer	-	-
Other operating income	13,709,630	19,330,086
Other operating expenses	-14,782,601	-29,238,350
Financial income	85,476,201	78,322,906
Financial expenses	-162,998,943	-151,273,576
Non-recurring income	3,887,394	44,327,807
Non-recurring expenses	-40,188,032	-19,182,436
Income tax	-90,437,650	-78,389,633
Employee profit-sharing	-6,907,418	-4,976,639
Free cash flow	541,634,741	529,398,416

CASH FLOW STATEMENT (in €)

CASH FLOW STATEMENT	Full-year	Full-year
	2007	2006
Net income for the year	164,383,991	151,490,919
<i>Elimination of elements without an impact on liquidity or not related to operations</i>		
- Operating expenses	341,918,208	319,002,576
- Business takeover	-65,779,281	-65,529,379
Financial allowances and reversals	3,125,361	2,471,061
- Non-recurrent allowances and reversals	98,408,880	85,093,934
- Gain on sales	1,272,601	-2,358,771
- Time lag in receipt of insurance payments for Terminal 2E		41,410,844
- Subsidies reported as income	-1,694,322	-2,140,045
- Share of legal revaluation reserve 1976	-698	-42,722
Free cash flow	541,634,741	529,398,416
<i>Impact of fluctuations of cashflow imbalances on operating activities</i>		
- Inventory	-413,124	-1,168,430
- Accounts receivable	-59,484,797	-28,242,918
- □ Other receivables (1)	21,164,676	52,363,635
- Advances and payments paid on account.	531,629	3,769,086
- Accounts payable	24,906,724	-34,155,788
- Tax and social security payables	538,336	-74,969,458
- Other debts	70,795,746	4,038,963
- Conditional subsidies	-127,872	-127,872
- Advances and payments received on account.	2,785,292	761,080
Accruals Assets	361,362	1,982,517
Accruals Liabilities	-775,110	-1,200,690
Cash flow due to the change in working capital requirement	60,282,862	-76,949,876
CASH FLOW FROM OPERATING ACTIVITIES (1)	601,917,603	452,448,540
<i>Impact of fluctuations of cashflow imbalances on investment activities</i>		
Acquisition of plant, property and equipment and intangible fixed assets	-687,889,035	-689,233,276
- Proceeds from the sale of property, plant, and equipment and intangible assets	1,000,319	148,495,794
- Cash flow from the change in long-term investments	-6,213,610	1,746,906
- Operating subsidies - Investments and legal revaluation	1,084,181	1,569,484
- Change in debt on fixed assets	57,460,244	13,802,556
CASH FLOW FROM INVESTMENT ACTIVITIES (2)	-634,557,901	-523,618,535
<i>Impact of fluctuations of cashflow imbalances on financing activities</i>		
- Proceeds from the capital increase	-	583,437,280
#NOMP	-93,006,986	-63,167,510
- Cash flow from the change in financial debt	-67,148,454	-302,937,957
- Cash flow from the change in current account	201,620,738	-14,334,796
CASH FLOW FROM FINANCING ACTIVITIES (3)	41,465,299	202,997,017
NET CHANGE IN CASH AND CASH EQUIVALENTS (1)+(2)+(3)	8,825,001	131,827,022
- Net cash and cash equivalents at beginning of period	10,610,138	12,976,759
- Marketable securities	469,948,160	334,206,328
- Bank overdrafts at beginning of period	-4,537,976	-2,989,788
CASH AT BEGINNING OF YEAR (4)	476,020,321	344,193,299
- Cash and cash equivalents at year end	9,447,680	10,610,138
- Marketable securities	488,993,507	469,948,160
- Bank overdrafts at year end	-13,595,864	-4,537,976
CASH AT YEAR END (5)	484,845,323	476,020,321
NET CHANGE IN CASH (4+5)	8,825,001	131,827,022

(1) Impacts related to insurance compensation received on terminal 2E have been restated of the change in working cash requirements and included in the Cash flow statement

Notes to the annual financial statements

Note 1 - Highlights of the year

1.1. Business trend

Aéroports de Paris leads the three main European airports in terms of growth in traffic

In 2007, Aéroports de Paris welcomed a record number of passengers: 86.4 million. Passenger traffic rose sharply, up 4.7% compared with 2006. The increase was particularly sustained in the Paris-Charles airport, up 5.4% with 59.9 million passengers and 3.2% in Paris-Orly with 26.4 million passengers.

Traffic in 2007 peaked in March and the summer season was excellent, with increases in traffic of 6.2% in July, 8% in August and 5.4% in September, which benefitted from the Rugby World Cup. The labour unrest in the air transport sector had an estimated impact of 0.25 points on the increase in traffic for the year. Two-thirds of this was related to events in October and a thirds for events in December. These results position Aéroports de Paris among the growth leaders in the five main European airports and the leader of the first three airports for the fourth year running.

Dynamism of European and international traffic

In 2007, traffic was once again driven by the sharp growth in overall European growth, which at 7%, came to add to the 8.3% growth of 2006. The main reason for this is the boom of low-cost airlines, which increased by 27.5% in Aéroports de Paris airports in 2007 and accounted for 11% of passenger traffic in Paris at the end of 2007. In Europe, traffic from low-cost airlines increased 41.7% in the countries of the Schengen zone where the main cities serviced by these airlines are found (Nice, Milan, Barcelona, etc.).

In all, the sharpest growths recorded in Europe were in Spain with +15.2% and Italy +12.1%.

In France, traffic slipped 1.7%, after the high-speed TGV Est line was opened in June 2007 and as a result of the labor unrest observed in the air transport sector in October and December.

Passenger traffic for the other international destinations, which include future growth engines, grew by 5.9%. The main contributors to this growth in passenger movement in 2007 were Africa (7.8%) as a result of the sharp growth of traffic to North Africa and the Middle East (14.7%), where growth was related to the dynamism of local airlines to Dubai, Bahrain and Qatar. Latin America grew sharply (6.9%) with a significant increase in traffic to Brazil and driven by the Rugby World Cup in Argentina in September. Traffic to the French overseas territories increased by 6.1%, a recovery after a sluggish 2006, while growth in Asia-Pacific traffic was more modest at 1.6%: India and Singapore were weak, although China was very buoyant with a 6.2% growth. Growth in passenger traffic to and from North America, which is a mature market, was satisfactory at 2.9%.

The number of aircraft movements rose slightly by 1.9% to 776,801 movements. This consisted in a 2% increase for Paris-Charles de Gaulle and 1.6% for Paris-Orly. These figures showed the improvement in aircraft load factor (66.3% in 2007 compared with 66.1% in 2006) and carrying capacity (117 passengers/flight in 2007 against 114 in 2006).

Business aviation traffic continued to be buoyant with a 9.4% in 2007 at 70,775 movements. Paris- Le Bourget, has been the largest business airport in Europe since 1981.

The cargo business (freight and mail) continued to be very dynamic and grew 7.5% with 2.41 million tons transported, 2.3 million of which was at Paris-Charles de Gaulle, which posted a 7.8% increase. Aéroports de Paris is number one in Europe this activity.

1.2. Significant events

Reorganization of ground handling activities

To restore the economic position of this activity, Aéroports de Paris has brought together all its ground handling activities into a single subsidiary to enable it to perform its activities on a price- and cost-competitive basis over the long term.

The Management is committed to promoting social dialogue and therefore initiated negotiations to define the measures proposed as part of the employee support package.

After several meetings of the management and labor representatives, the Works Council was notified and consulted on September 26, 2007. At the board meeting of September 27, 2007, the implementation of this reorganization was voted.

As from October 2007, the Human Resources Department and the ground handling division organized collective information meetings to present the support plan to employees.

Employees were then invited to a personal and confidential orientation interview conducted by an external professional counselor in October and November 2007 to help them choose one of the mobility solutions listed below:

- transfer by redeployment within Aéroports de Paris SA,
- a move towards the airport services unit,
- early termination of employment,
- possibility of early retirement,
- resignation for a salaried employment outside the Aéroports de Paris Group or to create or takeover and business, or to pursue a personal project.

An initial review of the intentions of employees with respect to the above choices had been made as at December 31, 2007.

Based on the assumptions used, the cost of the planned measures has been provisionally estimated at €48.5 million. In accordance with accounting rules, given the existing of a commitment that he the end as defined by IAS 19 and IAS 37, a net provision of €35.1 million was set aside net of reversals of provisions for end-of-career benefits for employees affected by the reorganization of ground handling was created. Of this amount, €23.9 million was to be used for early termination of activities and €4.3 million was earmarked for the increase in social contributions.

In accordance with accounting rules and methods, the underlying estimates and assumptions are based on historical experience and various other factors considered as reasonable under the circumstances. Actual values may differ from these estimates.

The difference between the estimated total cost and the provision set aside represents expenses for the period which will be recognized in the financial statements as non-recurring expenses as and when they occur.

Airport fees scale

On July 11, 2007, the French Council of State, agreed to the request by several groups of airlines to cancel Aéroports de Paris' 2006 pricing decisions relating solely to airport fees for services provided, on the basis that not all the procedural rules had been followed correctly.

Various organizations also submitted a motion to the Council of State calling for the cancellation of the 2007 airport fee structure. Furthermore Ryan Air had appealed against the implicit decision of the Minister for Transport throwing out its request for changes to the regulatory structure of airport fees per passenger. FedEx also made a similar demand proceeding against the regulatory provisions concerning cargo flights.

In response to the above-mentioned ruling of the Council of State on July 11, 2007, Aéroports de Paris reviewed the 2006 fee-setting procedure and, to be on the safe side, also reviewed the 2007 fee procedure. After it had completed these new procedures, the government approved the 2006 and 2007 fees again. They were set with retroactive effect at the same level as those that had been initially defined.

This is because Aéroports de Paris considers that the above-mentioned Council of State ruling did not call into question the fee levels concerned and did not call for the refund of corresponding amounts by Aéroports de Paris. Aéroports de Paris also believes that in this particular case, decisions with retroactive effect are legally justified.

Nevertheless, airline carriers have also lodged claims to obtain a partial refund of invoices paid in 2006 and 2007, which they deem to be unwarranted in view of the Council of State ruling. The union of Independent airlines (SCARA) has also taken the case before the Council of State, challenging in particular, the retroactivity of the new 2006 and 2007 pricing decisions taken by Aéroports de Paris as well as the pricing level. The national federation of commercial aviation (FNAM) also submitted a motion to the Council of State (Fédération nationale de l'Aviation marchande) on February 21, 2008 against the pricing decisions.

Aéroports de Paris would also like to point out that on April 25, 2007, the Council of State confirmed the validity of the economic regulation contract (CRE) signed on February 6, 2006 between the French government and Aéroports de Paris for the period between 2006 and 2010.

Supplemental health insurance

On February 12, 2007, after consulting with employee representatives, Aéroports de Paris has signed an agreement to set up a mandatory, supplementary group health insurance plan.

As part of this negotiation, and in the light of legal and fiscal considerations, it was decided to terminate the obligation to maintain the financing of basic coverage on behalf of future retirees.

Pursuant to this agreement, Aéroports de Paris set up a funded group pension plan with an insurance company, completed with a top-up supplementary defined-benefit pension plan.

The accounting impact of this mechanism was determined on the basis of the specific conditions in the collective contract drawn up with the insurance company. The terms and conditions of this agreement did not change the evaluation of the past service cost entered in the financial statements as at December 31, 2007.

Variation of engagement between the former supplemental insurance scheme and the new system is classified as a prior services cost to be spread until the vesting date (the date of departure for retirement). It is expressed as reversal of provision of €5.6 million in the financial statements closed on December 31, 2007.

Follow-up to the accident in 2004 at Terminal 2E

For the purposes of the civil law appraisal, Air France – KLM, Aélia, Elixor and Aéroports de Paris have submitted their claims in order to have the legal experts assess the amount of the damage.

Their financial losses are made up either of additional costs or operating costs incurred by the unavailability of the structure.

The actual nature of these losses, their exact extent, compensable nature as well as all the conditions required to pay them have not yet been defined.

According to Aéroports de Paris, to date, there has been no unnecessary impact of this case on its financial statements.

Tax audit

The audits of Aéroports de Paris for fiscal 2003 and fiscal 2004 began in 2006 and were completed in July 2007.

Reminders that were not challenged were settled during the audit. Items being challenged are in the financial statements of Aéroports de Paris as tax provisions.

East baggage handling system

In September 2007, Aéroports de Paris received the East Baggage East (TBE) at the Paris-CDG airport.

This system was built by main contractor Cegelec, in cooperation with subcontractors Siemens SAS and FKI Logistex. It was made available to Air France, which is responsible for its operation, in October 2007 while Aéroports de Paris retained responsibility for maintenance.

The system was gradually ramped up as from October 2007, with the involvement of all parties connected to the project, in order to bring the system up to full capacity.

This process resulted in some delays in increasing capacity and in the implementation of certain functionalities.

Technical and mechanical adjustments are under way to improve the operational level of the system.

Alterations and adjustments are currently being made and should be completed over the course of 2008.

1.3. Events after the balance sheet date

There have been no significant events since the accounts were closed on December 31, 2007.

Note 2 - Accounting policies

2.1. Accounting methods

The financial statements of Aéroports de Paris are prepared in accordance with the provisions of French law, accounting practices and generally accepted accounting practices in France.

Furthermore, in accordance with the French Commercial Code and the Chart of Accounts, the general principles have been complied with, in particular the prudence concept, consistency principle, the principle of independence of accounting periods, the materiality concept, the going concern concept and the concept of good disclosure.

2.2. Change of method and comparability of fiscal years

There was no change of method in 2007. Consequently, the fiscal years are comparable and require no restatement.

2.3. Intangible assets and property, plant and equipment

Fixed assets are recognized at cost, taking into account the legal revaluations of 1959 and 1976. This cost includes costs of studies and supervisions of works (FEST), mainly comprising the capitalization of internal charges.

Nature of fixed assets	Duration	Method
Intangible assets		
Licences beverage turnover	Non-amortizable	
User's rights	15	Straight-line
Program software, software	1 and 5	Straight-line
Land		
Land	Non-amortizable	
Land development	15 - 20	Straight-line
Buildings		
Industrial property		
- Hangars & Workshops	20 - 50	Straight-line
- Plants	20 - 50	Straight-line
- Other property	20 - 40	Straight-line
Administrative and commercial property		
- Administrative and commercial buildings	20 - 50	Straight-line
- External parks (wearing course / deep course)	10 and 50	Straight-line
- Underground parks	50	Straight-line
Terminal facilities		
- Terminals	50	Straight-line
- Bridges & tunnels	45	Straight-line
- Underground parks	50	Straight-line
Other property		
- Provisional structures	40	Straight-line
- Other buildings	20 - 50	Straight-line
- External parks (wearing course / deep course)	10 and 50	Straight-line
- Underground parks	50	Straight-line

Nature of fixed assets	Duration	Method	
Installations, layout and building developments			
Building layout and development work			
- Industrial property	1 to 20	Straight-line	
- Terminal facilities	20	Straight-line	
- Other property	15 and 20	Straight-line	
Construction equipment			
- Industrial property	15 and 20	Straight-line or degressive	
- Terminal facilities	15 and 20	Straight-line or degressive	
	Terminals	10 and 15	Straight-line or degressive
	Telescopic gangways	10 and 20	Straight-line
- Other property	10 and 20	Straight-line or degressive	
General network facilities			
- Heating	15 and 20	Straight-line or degressive	
- Water	10 and 30	Straight-line	
- Electricity, telephone	10 and 25	Straight-line or degressive	
- Feasibility	15 and 30	Straight-line	
- Sectors	1 and 20	Straight-line	
- Building networks	1 to 20	Straight-line	
- Runways	20	Straight-line	
- Collectors (wastewater / rainwater)	15 and 50	Straight-line	
- Roads and roadways	10	Straight-line	
- Other facilities	15 and 20	Straight-line or degressive	
Infrastructure			
Sectors	25 and 50	Straight-line	
Other structures	1 to 50	Straight-line	
Collectors (wastewater / rainwater)	15 and 50	Straight-line	
Technical galleries	60	Straight-line	
External parks (wearing course / deep course)	10 and 50	Straight-line	
Underground parks	50	Straight-line	
Runways	10 and 50	Straight-line	
Bridges and tunnels	50	Straight-line	
Roads and roadways	10 and 50	Straight-line	
Railway lines	25 and 40	Straight-line	
Tools and property			
Operating equipment	5 and 10	Straight-line or degressive	
Industrial toolings	10	Degrressive	
Transportation equipment	1 to 7	Straight-line or degressive	
Office and computer equipment	5 and 7	Degrressive	
Furnishings and other equipment	1 to 10	Straight-line	
Structures	Non-amortizable		
Construction on other sites			
Buildings	20	Straight-line	
Building layouts	15 and 20	Straight-line	
General facilities	15 and 20	Straight-line	
Concessions			
Buildings	15 and 40	Straight-line	
Installations, layout and building developments	10 to 50	Straight-line or degressive	
Infrastructure	25 and 50	Straight-line	
Equipment, toolings and property	5 to 10	Straight-line or degressive	

The accelerated depreciation method mentioned in the above table is ultimately maintained through additional tax allowable depreciation reserves in addition to the economic amortisation.

2.4. Long-term investments

Affiliates are posted to the balance sheet at their net acquisition cost, less any provisions for impairment.

An impairment provision is created when the value in use of the asset falls below the book value. The value in use is determined with reference to the share of equity represented by the securities, at the closing exchange rate for non-French companies, adjusted if necessary to take the intrinsic value of companies into account. The methods used to assess this value take cash forecasts and comparable multiples into account.

The other long-term assets are accounted for at cost. A provision for impairment is recognised if the evaluation gives a value lower than historic cost.

2.5. Inventories

Inventories are made up only of consumable supplies, recognized at acquisition cost at entry. They comprise the purchase price and incidental expenses, on disposal at the weighted average cost.

2.6. Receivables

Receivables are valued at their nominal value. Those denominated in foreign currency are converted at the prevailing year-end exchange rate for the healthy part of the receivable, since there has been no provision for impairment for them.

These receivables can be impaired by creating provisions to take into account any recovery difficulties that are likely to arise in accordance with the method below:

- trade receivables which have not been recovered by more than six months at the balance sheet date (12 months for public sector entities) are transferred to doubtful receivables. The same applies for any receivables remaining unpaid at the date a customer enters receivership or court-ordered liquidation procedures,
- receivables outstanding for less than six months are also taken into account in calculating provisions for impairment of trade receivables where the risk of non-collectability is substantial (foreseeable liquidation, foreign customers going out of business, etc.),
- provisions are recorded for doubtful receivables or contested claims depending on the status of each accounting document (receivable prior to liquidation, ongoing claim, dispute, etc.) or the client's solvency for debts due (ongoing lawsuits, foreign client with no assets in France, etc.).

Since 1 July 2004, Aéroports de Paris no longer enjoys public-sector prerogatives and therefore no longer has access to government enforcement procedures. As a consequence, the only recourse possible is recovery on an amicable basis or court litigation.

2.7. Cash assets

Cash assets are recognized at historical purchase cost. When the net asset value of these investment securities is greater than the purchase cost, it cannot be used as a balance sheet value. Otherwise, any unrealised losses will result in the recording of an impairment provision.

Expenditure authorizations and letters of credit denominated in foreign currency are valued at the exchange-rate of the balance sheet date.

2.8. Capital grants

Aéroports de Paris receives capital grants to buy or create capital assets. They are recorded as shareholders' equity referred to assets at the same rate as the amortization of subsidized goods.

2.9. Provisions for risks and charges

Provisions for risks and charges are estimated based on data that is known to the Company on the balance sheet date.

To ensure that it can cover social commitments, Aéroports de Paris creates provisions for all the commitments below:

- end-of-career bonuses paid at the time of retirement or redundancy for reasons of disability,
- pre-retirement benefits as provided by the early retirement plan (PARDA) set up in 1977 and specific age-related measures set up in 2006,
- additional pension annuities paid to fire-fighters under an agreement providing for their retirement at 55,
- contributions paid by Aéroports de Paris for health insurance for current retirees and their heirs and assigns,
- defined benefit supplemental pension set up in 2007.

Defined benefit plans

The Company's net commitment with respect to defined benefit plans is measured separately for each plan by estimating the amount of future benefits acquired by staff in exchange for services provided in the current and prior periods. This amount is discounted to present value and reduced by the fair value of the plan's assets and the cost of private service costs that have not been recorded. The discount rate used at the balance sheet date is based on first-class bonds, the maturity date of which is close to that of the Company's commitments. These calculations are made by a qualified actuary based on the projected unit credit method.

The fraction of cumulative unrecognized actuarial gains and losses in excess of 10% of the greater of: 1) the current value of the commitment under the defined benefit plan or 2) the fair value of the plan's assets, is amortized through the income statement over the expected average remaining working lives of employees entitled to the plan's benefits.

The actuarial assumptions used are set out in section 4.4.

Defined contribution plan

A defined contribution plan is a retirement plan under which an entity pays defined contributions to a separate entity and will have no legal or implicit obligation to make additional payments. The contributions paid to a defined contribution plan are recognized as expenses related to personnel benefits when they are due. Contributions paid in advance are recognized as assets to the extent that they will result in a repayment of cash or a reduction in future payments.

Other long-term benefits:

The Company's net commitment with respect to long-term benefits other than retirement plans is equal to the value of future benefits acquired by staff in exchange for services provided in the current and prior periods. These benefits are discounted and the fair value of dedicated assets are deducted, if applicable. The discount rate used is equal to the interest rate, at the balance sheet date, of high-quality bonds with maturity dates close to that of the

Company's commitments. The amount of the commitment is calculated based on the projected unit credit method. Actuarial gains and losses are recognized in the income statement of the period during which they arise. This category of employee benefits, which only concerns aeronautic industry long-service awards for Aéroports de Paris employees as well as the corresponding distinguished service bonuses, also result in provisions for employee benefit being recorded as liabilities in the balance sheet.

2.10. Financial debt

Bond issue premium and costs

Bond issue expenses are recorded directly as financial expenses on the date of issue. Issue premiums or bond redemption premiums are recognized as financial expenses or income over the duration of the bond in question.

Transactions in foreign currencies

Monetary balances in foreign currency are translated at the exchange rate prevailing on the balance sheet date, with the exception of those hedged by foreign currency exchange contracts. Transactions that are fully hedged, in particular financial debt in foreign currency, are presented at the hedging rate.

On the balance sheet date, when the application of the exchange rate results in a change in the euro amounts that have been previously recognized, translation differences are recognized as liabilities on the balance sheet when the difference corresponds to an unrealized gain. When the difference corresponds to an unrealized loss, it is recognized as an asset. A provision for foreign exchange losses is recorded for unrealized losses.

Derivative financial instruments

Aéroports de Paris manages market risks related to changes in interest and exchange rates, by using derivative financial instruments, in particular interest rate and currency swaps. All these instruments are used as hedges and are strictly backed.

Income and expenses resulting from the use of these hedging derivative instruments are recognized symmetrically in the income statement when the income and expenses of the hedged transactions are recognized. Cash adjustments received or paid when the swaps covering the financial debt are set up are recognized in the income statement over the term of the contracts as an adjustment of the interest expense.

2.11. Tax consolidation

In 2006, four Aéroports de Paris subsidiaries (Alyzia Airport Services, Sapser, Locmafer and Financière Assistance) were included in the tax consolidation scope of the parent company Aéroports de Paris SA.

On January 1, 2007, the consolidation scope changed as follows: Aéroports de Paris, Alyzia Airport Services, Alyzia (formerly Sapser Handling), Sapser, Alyzia Sûreté, Alyzia Training and Airport Handling Partner.

Financière Assistance had been dissolved on January 31, 2007.

On December 1, 2007, Alyzia Handling, Aviance France, Alyzia Ramp Assistance and Locmafer were dissolved and absorbed by Alyzia.

The tax consolidation agreements that bind Alyzia to the subsidiaries are all strictly identical and provide for:

- the payment by the subsidiary of a contribution to the parent that is equal to the tax that it would have paid on any profits,
- the absence of all rights to claims on the subsidiary's profits as a result of the transfer of a tax deficit of the subsidiary to the parent company,
- the absence of any repayments by the subsidiary of the annual flat-rate tax that the parent would have paid on its account.

2.12. Airport taxes

The conditions for determining the tax base and collection of airport taxes are laid down in the 1999 Finance Act in sections 51 and 136 (General Tax Code, sections 302 bis K and 1609 quatervicies). Section 1609 states in particular "the proceeds of the tax are allocated to each airport for financing security, firefighting and rescue services, bird hazard prevention, safety and environmental control measures".

Sections L251-2 and L282-8 of the Civil Aviation Code define the role of Aéroports de Paris as regards safety and security, and the corresponding operating expenses are recorded as they arise, while the proceeds are recognized as revenues.

When the cumulative amount of the tax received is greater than the cumulative amount of expenses recognized, the surplus amount received is recognized as deferred income. In the opposite case, the amount is recognized as accrued income.

Note 3 - Notes to the balance sheet

3.1. Fixed assets

(in thousands of euros)

Description	31-déc-06	Acquisitions	Disposals and retirements	Transfers from line item to line item	31-déc-07
Intangible assets					
. Concessions and similar rights, patents, licenses trademarks, processes, rights and similar items	87,273	-	146	11,907	99,034
Plant, property and equipment					
. Land	52,609	-	1	-	52,608
. Land improvements	20,176	-	-	538	20,714
. Buildings	6,144,906	23	40,056	1,313,075	7,417,948
. Leasehold improvements	5,609	-	38	293	5,864
. Technical installations, equipment and industrial tools	83,734	-	471	4,358	87,621
. Other plant, property and equipment	175,583	2	9,316	59,087	225,357
<i>Sub-total tangible assets</i>	6,482,617	26	49,883	1,377,352	7,810,112
Fixed assets concession	5,108	-	-	-	5,108
Fixed assets in progress	1,156,797	708,478	5,138	- 1,389,259	470,879
Down payments received	26,921	20,547	35,505	-	11,962
Total	7,758,715	729,051	90,672	-	8,397,095

Principal fixed assets commissioned in fiscal 2007

The amount of fixed assets commissioned in fiscal 2007 was €1,389 million. It mainly comprises:

▪ The opening of Satellite S3 at CDG.....	€664.06m
▪ The East baggage handling system.....	€218.50m
▪ The commissioning of the CDGVAL transport system	€159.75m
▪ The second phase of the rehabilitation of CDG terminal 1	€56.98m
▪ The refurbishment of terminal 2E following the opening of Satellite S3 at CDG.....	€26.50m
▪ The renovation of CDG runways to accommodate new aircraft.....	€19.98m
▪ Installation of security equipment at CDG.....	€19.70m
▪ Reconfiguration of international circuits at Orly Sud.....	€18.01m
▪ The opening of the cargo terminal at CDG.....	€14.74m
▪ The partial renovation of the P0 car park in Orly Ouest.....	€11.70m

Main acquisitions on fixed assets in progress

The amount of investments made in fiscal 2007 was €708.48 million. It mainly comprised the following projects:

▪ Satellite S3 at CDG	€215.65m
▪ The reconstruction of terminal 2E at CDG	€80.85m
▪ The building of the regional terminal T2G at CDG	€56.29m
▪ The rehabilitation of terminal 1 at CDG.....	€51.92m
▪ The East baggage handling system at CDG.....	€24.32m
▪ The reconfiguration of international circuits at Orly Sud.....	€17.34m
▪ The building of the Echo 4 track at CDG.....	€16.03m
▪ The setting up of the CDGVAL automatic transport system	€12.54m
▪ The operation of Satellite S4 at CDG.....	€11.60m
▪ The new cargo terminal 2 CDG.....	€6.73m
▪ The bringing into compliance of the P1 car park at CDG.....	€6.22m
▪ Building of a new cargo terminal at Orly.....	€6.08m
▪ Renovation of the P0 car park in Orly Ouest.....	€5.94m

Main disposals and write-offs

In fiscal 2007, the Group disposed of assets amounting to €6.55 million. The main disposals concerned the sale of vehicles for a €3.4 million and the sale of the generator unit company SA GAY for €2.4 million.

The other disposals amounted to €84.12 million and mainly comprised:

▪ The write-off of the second quarter in CDG Terminal 1.....	€24.68m
▪ Computer equipment.....	€5.69m
▪ The demolition of two-thirds of the temporary boarding lounge at Orly Ouest.....	€2.13m
▪ Replacement of the high-pressure hot water system of the Orly heating system.....	€2.04m
▪ LBI of RCI Aménagement	€1.70m

Furthermore, the reclassification of projects as exceptional charges was €3.03m.

Amortization table (in thousands of euros)

Description	31-déc-06	Allowance	Reversal	Transfers from line item to line item	31-déc-07
<u>Intangible assets</u>					
. Concessions and similar rights, patents, licenses trademarks, processes, rights and similar items	70,104	8,768	146	-	78,726
<u>Plant, property and equipment</u>					
. Land improvements	9,190	783	-	-	9,973
. Buildings	2,425,973	252,485	30,452	-	2,648,006
. Leasehold improvements	2,333	349	31	-	2,651
. Technical installations, equipment and industrial tools	51,458	6,061	448	-	57,070
. Other plant, property and equipment	137,291	15,633	9,187	-	143,737
<i>Sub-total of plant, property and equipment</i>	2,626,245	275,311	40,118	-	2,861,438
<u>Fixed assets concession</u>	3,026	182	-	-	3,207
Total	2,699,374	284,261	40,264	-	2,943,371

Concession (in thousands of euros)

Pursuant to Article 9 of the agreement of May 6, 1988, the Minister of State, Minister of Economy, Finance and Privatisation, as well as the Minister responsible for Housing, Territorial Development and Transport granted Aéroports de Paris a public service concession at the Etampes – Mondésir airfield.

Nature	31-déc-07	31-déc-06
. Land installations and improvements	1	1
. Land installations and improvements	185	185
. Buildings	1,999	1,999
. Building installations and improvements	570	570
. Transmission and distribution systems	112	112
. Infrastructure, land routes	2,227	2,227
. Equipment	14	14
Total	5,108	5,108

Table of revaluation of fixed assets (in thousands of euros)

Fixed assets	Restated values:		Restated Amort.			Restated prov.	Amort. margin used on sold assets
	Gross value	Increase in value	Total	Amort. margin used			
				Full-year	YTD		
<u>Non-amortizable fixed assets</u>							
- Land	19,298	22,233	-	-	-	22,233	1
- Civil engineering structures	11	3	-	-	-	3	-
<i>Sub-total</i>	19,309	22,236	-	-	-	22,236	1
<u>Amortizable fixed assets</u>							
- Land improvements	1,098	600	1,698	-	600	-	-
- Buildings	371,584	332,960	605,197	1,150	319,455	13,504	11
- Technical facilities, machinery and equipment	930	253	1,183	-	253	-	-
- Other plant, property and equipment	82	19	102	-	19	-	-
<i>Sub-total</i>	373,695	333,832	608,179	1,150	320,327	13,504	11
Grand total	393,003	356,068	608,179	1,150	320,327	35,740	12

Investments in affiliates and accounts receivable

During the year under review, the “Investments in affiliates and accounts receivable” budget item increased after the sale of "Airportsmart" securities for €0.66 million and "SDA" securities for €0.16 million.

The change in the “Loans” item is mainly due to the a reclassification of loans granted to Aéroports de Paris employees during the IPO as a cash advance.

(in thousands of euros)

Nature	31-déc-06	Increase	Decrease	31-déc-07
<u>Equity interests</u>	173,339	825	-	174,164
<u>Other equity interests</u>	607	-	-	607
<u>Loans to subsidiaries and affiliates</u>	1,506	-	1,433	73
<u>Prêts</u>	22,957	948	14,387	9,518
<u>Other capital assets</u>				
. Security deposits and advances	680	197	-	877
. Interest accrued on swapped loans	32,747	35,382	32,747	35,382
. Liquidity contract (treasury shares)	-	24,353	20,486	3,866
<i>S/ Total</i>	33,427	59,931	53,234	40,125
Total	231,836	61,704	69,054	224,487

With relation to investments in affiliates, the amount of provisions against investments was adjusted to reach a year-end amount of €29.77 million. This was mainly due to an additional allowance of €0.99 million to "Alyzia" securities, thus bringing the provision to €28.91 million.

(in thousands of euros)

Nature	31-déc-06	Increase	Decrease	31-déc-07
<u>Equity interests</u>	28,202	1,567	1	29,768
<u>Loans to subsidiaries and affiliates</u>	402	-	402	-
<u>Other capital assets</u>				
. Liquidity contract (treasury shares)	-	162	-	162
<i>S/ Total</i>	-	162	-	162
Total	28,604	1,729	403	29,930

3.2. Operating receivables

Trade notes and accounts receivable for fiscal 2007 rose 15.12% to €452.90 million as against €393.42 million on December 31, 2006.

At the same time, doubtful receivables dropped sharply again from €36.22 million to €23.54 million. This 35.02% drop is explained by the fact that no major client defaulted during the year.

Provisions for trade notes and accounts receivable are €18.45 million while provisions for other receivables amount to €3.1 million.

(in thousands of euros)

Nature	31-déc-07	31-déc-06
<u>Trade notes and accounts receivable</u>		
. Accounts receivable	207,568	149,738
. Doubtful receivables or disputed claims	23,535	36,217
. Unbilled receivables	221,798	207,461
<i>Sub-total</i>	452,901	393,416
<u>Other receivables</u>		
. Trade payables	21,233	20,423
. Personnel	165	234
. Social security agencies	83	979
. Taxes and duties	45,451	50,767
. Advances to subsidiaries	16,014	21,005
. Other receivables	20,028	24,306
<i>Sub-total</i>	102,973	117,713
Total	555,874	511,129

3.3. Cash assets

Short-term investments made by Aéroports de Paris comprise open-ended funds.

The “Marketable securities” budget item was €488.99 million at the end of 2007 as against €469.95 million on December 31, 2006, representing a €19 million increase.

Table of marketable securities (in thousands of euros)

Nature	Book values	Inventory values	Unrealised capital gains
Money Market Funds	488 994	489 120	126
Total	488 994	489 120	126

Cash (by nature) (in thousands of euros)

Nature	31-déc-07	31-déc-06
Banks	9,175	10,314
Treasury of government and other public and state-managed institutions	272	296
Total	9,448	10,610

3.4. Bond redemption premiums

Redemption premiums are the difference between the redemption value of bonds and their nominal value:

- They are recognized as assets when the bond is issued below par,
- They are recognized as liabilities when the bond is issued above par,

(in thousands of euros)

Nature	Assets	Liabilities
Euro-denominated bond loans	1,532	1,488
Total	1,532	1,488

3.5. Foreign currency translations (assets and liabilities)

Transaction posted under foreign currency translations concern:

- Advances to suppliers in foreign currency recognized as assets,

- Trade receivables,
- Trade payables in foreign currency.

(in thousands of euros)

Nature	Translation Assets	Translation Liabilities	Provisions for Foreign exchange loss
Downpayments to suppliers	7	-	7
Client receivables	12	-	12
Accounts payable	-	9	-
Total	18	9	18

3.6. Accruals (assets and liabilities)

Accruals for the fiscal year 2007 comprised the following budget items:

- Prepaid expenses,
- Deferred income.

Prepaid expenses *(in thousands of euros)*

Nature	31-déc-07	31-déc-06
Insurance	13,363	10,922
Fees	300	354
Finance lease	-	25
Other management expenses	421	635
Total	14,084	11,936

These are mainly made up of items relating to insurance contracts taken out by Aéroports de Paris.

They account for 94.88% of prepaid expenses.

Deferred income *(in thousands of euros)*

Nature	31-déc-07	31-déc-06
Fees relating to land rent	63,846	55,800
Retail fees	-	8
Other services provided	9,761	264
Car park	330	461
Cash balances received	1,464	1,908
Total	75,401	58,441

These are mainly made up of items relating to rents.

They account for 84.68% of deferred income.

Restatement of cash amounts on hedging swaps

Over prior periods, Aéroports de Paris used futures derivative instruments aimed at partially covering interest rate and exchange risks. For some of these transactions, Aéroports de Paris has received or paid cash amounts, which are different from balances, share premium differentials and the issue fees of the loans covered. Cash amounts of swaps received by Aéroports de Paris are recognized as deferred income proportionately to their amount for the balance to be redeemed of the hedged item.

(in thousands of euros)

Nature	Prepaid income	
	31-déc-07	31-déc-06
Cash balances received	1,464	1,908
Total	1,464	1,908

3.7. Shareholders' equity

(in thousands of euros)

Nature	31-déc-06	Increase	Decrease	31-déc-07
<u>Share capital</u>	296,882	-	-	296,882
<u>Share premiums</u>	542,747	-	-	542,747
<u>Revaluation variance</u>	24,139	-	6	24,133
Change in 1959 revaluation reserve		-	5	
Change in 1976 revaluation reserve		-	1	
<u>Reserves</u>	847,213	7,575	-	854,788
<u>Retained earnings</u>	112,715	68,275	-	180,991
Appropriation of 2006 income		50,909	-	
Other changes		17,366	-	
<u>Net income for the year</u>	151,491	164,384	151,491	164,384
Appropriation of 2006 income		-	151,491	
Income for fiscal 2007		164,384	-	
<u>Investment subsidies</u>	30,867	1,089	1,694	30,262
Subsidies granted during fiscal 2007		1,089	-	
Subsidies reported as income		-	1,694	
<u>Regulated provisions</u>	702,126	94,726	37,602	759,250
Allowances for tax-driven depreciation for the period		94,726	-	
Reversals of tax-driven depreciation for the period		-	36,441	
Change in 1976 special revaluation provision		-	1,161	
<u>Concession fees</u>	1,383	-	128	1,255
Change in concession fees		-	128	
	2,709,563	336,049	190,921	2,854,691

Aéroports de Paris has shareholders' equity of €2,854.69.

In accordance with the decision of the Ordinary General Meeting of May 2007, the Group paid out a dividend of €93.01 million in June 2007.

3.8. Provisions

(in thousands of euros)

Nature	31-déc-06	Allowance	Reversal	Use	31-déc-07
<u>Provisions for disputes</u>					
. Provisions for supplier disputes	6,976	-	1,288	947	4,741
. Provisions for labor disputes	3,722	5,500	2,254	206	6,762
. Provisions for commercial disputes	23,069	4,106	1,981	10,101	15,093
<u>Unrealised foreign currency losses</u>					
. on accounts receivable	-	12	-	-	12
. on advances to suppliers and employees	-	7	-	-	7
. on suppliers	6	-	6	-	-
<u>Other provisions for risk</u>					
. Provision relating to GIE ROISSY POLE	4,040	-	1,367	-	2,673
- Provisions for fixed assets	470	11,170	-	-	11,640
- Other	26,344	12,885	1,933	12,781	24,515
<u>Other provisions for charges</u>					
- Employee benefit commitments	398,073	55,802	17,366	37,799	398,710
- Tax on airport noise (Decree of Dec.. 29, 2006)	5,509	-	-	-	5,509
- Other	2,849	9,462	8	2,025	10,278
<u>Provisions for bad debts</u>	19,814	6,369	7,733	-	18,451
<u>Provisions for accounts receivable</u>	-	932	-	-	932
<u>Provisions for dep. of securities</u>	28,202	1,567	1	-	29,768
<u>Provisions for dep. of loans to subsidiaries</u>	402	-	402	-	-
<u>Provisions for dep. of treasury shares</u>	-	162	-	-	162
<u>Prov. for Group account dep.</u>	-	2,173	-	-	2,173
Total	519,476	110,146	34,339	63,859	531,424

Provisions for litigation concerning employees consist mainly of the provision recorded for the implementation of the 35-hour working week on shifts worked in continuous service. Although it was initially believed that these regulations had to be applied only to limited sectors of the Company, external precedential developments have gradually led to a broadening of their scope.

Some of the provisions of the transactional agreement signed in 1999 were extended during the signing of a second transactional agreement concerning personnel from the fire-fighting and emergency medical services units. Given that the implementation of these transactions is spread over time for technical reasons, provisions have been created to cover the recognized rights of agents.

Following the decree of December 29, 2004, the assets and liabilities of the special account providing assistance to airport-area residents to cut down on sound nuisances were transferred to the Aéroports de Paris balance sheet.

Provisions for litigation and claims mainly cover litigation on construction contracts.

The provision relating to GIE Roissy Pôle corresponds to the share of Aéroports de Paris' net position held in this company.

The other provisions for charges mainly concern employee commitments of up to €398.71 million.

Allowances and write backs (by nature) *(in thousands of euros)*

Nature	Allowance	Reversal
Operating activities	60,524	65,779
Financing activities	3,920	409
Non-recurrent	45,702	14,644
Total	110,146	80,832

The table above does not include expenses and write-backs of depreciation of fixed assets.

3.9. Financial debt

The main change in financial debt concerned the reimbursement of loans from credit institutions for a total of €68.60 million.

Accrued interest on loans amounted to €76.67 million and mainly comprised:

- Accrued interest on bonds €65.18 million
- Accrued interest on branches that have borrowed swaps..... €10.51 million

Change in financial debt (in thousands of euros)

Nature	31-déc-06	Increase	Decrease	31-déc-07
Bond loans	1,652,449	-	-	1,652,449
Amounts owed to financial institutions	626,520	-	68,602	557,918
Other loans	3,776	-	1,121	2,655
Deposits, estimated fees received	18,658	2,369	2,219	18,808
Interest accrued on loans	74,484	76,662	74,484	76,662
Short-term loans	4,538	9,305	-	13,843
Total	2,380,426	88,336	146,426	2,322,335

Situation of loans excluding bank advances (in thousands of euros)

	Initial capital borrowed	Initial capital due	Amortization of capital	Bond subscriptions	Final capital due
. Bond loans	1,652,449	1,652,449	-	-	1,652,449
-Amounts owed to financial institutions	626,520	626,520	68,602	-	557,918
- Other loans	10,432	3,776	1,121	-	2,655
Total	2,289,401	2,282,745	69,723	-	2,213,022

Situation of swaps on bonds (in thousands of euros)

Date of Initial swap	Term	Amount	Repayments made		Repayments obtained	
			Rate	Charges	Rate	Income
20/07/1998	10 years	53,357	3-month Euribor variable loan-0.1225%	2,032	Fixed 4.95%	2,641
27/10/2002	6 years	53,357	Fixed 3.125%	1,667	3-month Euribor variable loan-0.1225%	2,032
15/02/2000	10 years	75,000	Fixed 4.415%	3,311	Fixed 5.875%	4,406
15/02/2000	10 years	75,000	Fixed 3.73%	2,798	Fixed 5.875%	4,406
15/02/2000	10 years	75,000	3-month Euribor variable loan+0.035%	3,063	Fixed 5.875%	4,406
15/11/2002	8 years	75,000	Fixed 4.280 %	3,255	3-month Euribor variable loan + 0.035%	3,063
15/02/2000	10 years	75,000	3-month Euribor variable loan-0.050%	2,999	Fixed 5.875%	4,406
15/05/2003	7 years	75,000	Fixed 3.645%	2,772	3-month Euribor variable loan-0.050%	2,999
15/03/2001	10 years	100,000	3-month Euribor variable loan+0.03%	4,221	Fixed 5.25%	5,250
15/03/2001	10 years	100,000	Quarterly 3-month Euribor variable loan+0.035%	4,226	Fixed 5.25%	5,250
25/03/2002	10 years	87,500	3-month Euribor variable loan+0.0325 %	3,693	Fixed 5.25 %	4,594
25/03/2002	10 years	87,500	3-month Euribor variable loan+0.0325 %	3,693	Fixed 5.25 %	4,594
08/02/2007	4 years	100,000	Fixed 4.0575 %	3,517	3-month Euribor variable loan+0.03 %	3,651
07/03/2007	4 years	100,000	Fixed 3.9425 %	3,121	3-month Euribor variable loan+0.03 %	3,375
Total Swaps on bond loans		1,131,714		44,367		55,074

Situation of swaps on other loans (in thousands of euros)

Date of swap Initial	Term	Amount	Repayments made		Repayments obtained	
			Rate	Charges	Rate	Income
17/09/1997	10 years	53,357	3-month Euribor variable loan-0.16%	1,516	3-month Euribor variable loan+0.15%	1,642
17/09/1997	10 years	7,622	3-month Euribor variable loan-0.15 %	217	Fixed 5.63 %	429
17/09/1997	10 years	7,622	3-month Euribor variable loan-0.15 %	217	Fixed 5.62 %	428
15/06/1999	10 years	39,806	3-month Euribor variable loan-0.12 %	1,619	3-month US Libor variable loan -0.11%	1,601
Total swaps on other loans		108,407		3,570		4,100

3.10. Trade payables

At year-end 2007, "Trade notes and accounts payable" had increased by €24.91 million from €183,93 million to €208.84 million. This was a 13.54% increase.

(in thousands of euros)

Nature	31-déc-07	31-déc-06
<u>Trade notes and accounts payable</u>		
. Trade payables	81,623	79,847
. Suppliers - Invoices not received	127,214	104,083
<i>Sub-total</i>	208,836	183,930
<u>Tax and social security payables</u>		
. Personnel	74,036	69,053
. Social security agencies	55,735	54,852
. Taxes and duties	59,428	64,756
<i>Sub-total</i>	189,199	188,661
TOTAL	398,036	372,591

3.11. Other liabilities

(in thousands of euros)

Nature	31-déc-07	31-déc-06
<u>Payables to fixed asset suppliers</u>		
. Payables to fixed asset suppliers	98,833	110,944
. Fixed asset suppliers - Invoices not received	188,081	118,509
<i>S/ Total</i>	286,914	229,453
<u>Other payables</u>		
. Advance payments from clients	36,442	4,078
. Other receivables	246,238	28,137
<i>Sub-total</i>	282,680	32,214
TOTAL	569,594	229,453

Note 4 - Notes to the income statement

4.1. Breakdown of net revenue

The Company's revenue for fiscal 2007 was €2,082.35 million, representing a 6.94% increase, which was mainly due to the 9.68% increase in airport fees and the 15.11% increase in rental income.

(in thousands of euros)

Nature	31-déc-07	31-déc-06
Principal airport fees	731,651	667,063
Ancillary airport fees	112,706	104,091
Commercial revenues	237,571	222,459
Parks and access	152,226	145,508
Energy supply and logistics services	71,179	71,280
Airport tax	366,447	356,322
Rental revenues	221,509	192,436
Ground handling assistance	131,818	117,047
Other revenues	57,239	71,053
CHIFFRE D'AFFAIRES	2,082,346	1,947,257

4.2. Own work capitalized

In fiscal 2007, "own work capitalized" amounted to €39.31 million, corresponding to costs of studies and supervision of works (FEST) compared with €39.76 million in fiscal 2006.

(in thousands of euros)

Nature	31-déc-07	31-déc-06
Own work capitalised	39 311	39 760
OWN WORK CAPITALIZED	39 311	39 760

4.3. Other external services

(in thousands of euros)

Nature	31-déc-07	31-déc-06
. General subcontracting	456,461	409,481
. Rentals	8,249	9,195
. Rental and co-ownership charges	1,217	1,464
. Maintenance and repairs	82,508	73,693
. Insurance premiums	16,905	15,842
. Research and development	4,611	5,956
. Documentation	996	813
. Cost of symposiums, seminars, conferences	1,100	1,053
. Payment of intermediaries and fees	13,938	18,165
. Advertising, publications, public relations	10,869	13,732
. Transportation of goods and mass transport of staff	5,032	4,808
. Travel and entertainment	8,772	8,931
. Postal and communications expenses	24,711	24,103
. Banking and related services	1,586	3,149
. Examinations	1,633	1,521
. Staff recruitment costs	139	150
. ADpargne operating costs	273	352
. Other work and services	24,019	22,919
TOTAL	663,019	615,328

Other external purchases and charges amounted to €663.02 million as against €615.33 million in fiscal 2006. This was a €47.69 million increase, namely a result of the following:

- subcontracting purchased + €46.98 million
- maintenance and repair expenses + €8.82 million
- remuneration of intermediaries and fees and -€4.23 million
- advertising, publications and public relations expenses -€2.86 million

4.4. Personnel Expenses

Current expenses

In fiscal 2007, personnel expenses rose to €499.73 million.

The main changes concerned the following:

- payroll measures + 1,80%
- increases resulting from the seniority rule + 2,10%

- change in month agents - 1,60%

The social commitments made by Aéroports de Paris are as follows:

PARDA (Early retirement agreement)

Aéroports de Paris put a program for early retirement in place on January 1, 1977. The first agreement was entered into on December 7, and 1976 for three years and subsequently renewed four times. The most recent agreement, "PARDA IV" came into force on January 1, 1996 for four years. It was first amended in 1997 and a second time on February 18, 2000, extending the program until February 28, 2005. The following conditions had to be met to benefit from the program:

- to be at least 55 years old at the desired time of departure,
- to have less than 20 remaining quarters to complete under French Social Security regulations in order to qualify for full retirement benefits,
- to have worked for at least ten years with Aéroports de Paris.

Beneficiaries receive a pre-retirement annuity equal to 65% of their remuneration in their last year of service.

End-of-career benefits

In accordance with Article 32 of the staff regulations, a lump sum is paid to employees upon retirement, and to staff members made redundant because of their unfitness for work (by decision of the Social Security authorities). In this connection, provisions are made for vested employee rights and are externalized with a retirement benefits trust fund.

Fire-fighters' retirement expenses

A permanent agreement provides for early retirement for fire-fighters at 55 years of age. The plan is supplemented by an insurance policy that enables fire-fighters, after claiming their retirement benefits from the French Social Security system and their additional pension rights, to obtain total annual income equal to their early retirement benefits. This additional payment takes the form of a pension paid by an insurance company. The provision for this plan corresponds to the valuation of the capital sum required to guarantee this pension for employees currently in active service (230 fire-fighters).

Supplemental health insurance

Employees of Aéroports de Paris could subscribe to four different supplemental health insurance companies (two of them cover 90% of subscribing employees). Aéroports de Paris contributes 35% of the premiums for active employees. It also contributes 100% of the basic health insurance plan for retirees and those having opted for early retirement.

The provision created represents all expenses relating to retired employees.

This scheme has been replaced a defined contribution scheme completed with a defined benefit scheme.

Breakdown of the actuarial calculation

The commitment represented by the payment by the Company of €342.16 million of benefits is valued in accordance with Recommendation No. 2003-R.01 of April 1, 2003 of the National Accounting Council (CNC) relating to the rules used in accounting for and valuing pension commitments and similar benefits.

The main actuarial assumptions used in calculating personnel commitments are:

- a 5.3% discount rate,
- an annual increase of 4.8% in salaries for executive staff and 4.3% for the other categories, including inflation,
- taking into account of the rate of departures from the Company in order to reflect the probability that employees do not complete their careers with in the Company,
- mortality assumptions used in reference to prospective tables of annuities by génération TPRV,
- retirement age up to 2010: 60 years for employee and supervisor categories and 63 years for management and high-level supervisors,
- retirement age (as from 2011): increased by 2 years.

Specific assumptions have also been use in calculating commitments for the following:

- retirement commitments: 38.2% social charges,
- health coverage: 4% increase in expenses.

The Company amortizes its actuarial differences using the corridor method. It books actuarial differences recorded during the year as income or expenses.

The table below sums up all personnel commitments by presenting:

- The change in actuarial value,
- Liabilities recognized in the balance sheet,
- The breakdown of charges for the year.

(in thousands of euros)

Description	EOC benefits	PARDA	Additional firefighters' retirement benefit	Defined benefit pension schemes	Health coverage	Aeronautics industry long-service award	Total
Present value of commitment at beginning of period	196,512	59,776	2,581	-	151,961	1,325	412,155
Actuarial gain/loss for the period	- 24,357	- 7,940	- 1,343	- 1,919	- 7,462	- 187	- 43,208
Unwinding of discount on commitment	8,796	3,007	108	668	3,804	59	16,442
Rights vested during the period	10,115	1,009	46	653	641	63	12,527
Benefits paid	- 5,318	- 18,420	- 226	-	- 3,223	- 48	- 27,235
Ground handling impact	- 966	27,833	-	1,602	-	- 47	28,422
Past service cost	-	-	-	14,419	- 71,366	-	- 56,947
Actuarial value of obligation at end of period	184,782	65,265	1,166	15,423	74,355	1,165	342,156
Deferred actuarial gain/loss on balance sheet	34,172	- 20,510	519	1,879	43	-	16,103
Fair value of assets at end of period	- 10,632	- 242	- 74	-	-	-	- 10,948
Past service cost	-	-	-	- 12,974	64,371	-	51,397
Liabilities recognized in the balance sheet	208,322	44,513	1,611	4,328	138,769	1,165	398,708
Breakdown of charges for the year							
Discounting expense	8,796	3,007	108	668	3,804	59	16,442
Return on plan assets	- 286	- 6	- 3	-	-	-	- 295
Amortization of actuarial gain/loss	- 512	1,431	- 65	- 40	- 9,692	- 187	- 9,065
Rights vested during the period	10,115	1,009	46	653	641	63	12,527
Ground handling impact	- 1,153	27,833	-	1,602	-	- 47	28,235
Past service cost	-	-	-	1,445	- 6,995	-	- 5,550
Expense/Reversals in the period	16,960	33,274	86	4,328	- 12,242	- 112	42,294

4.5. Depreciation and amortisation, and independent impairment and net allowances to provisions

The amount of the provision for risks and charges was €53.22 million. It mainly comprises a provision for the national unemployment insurance scheme (Unédic) of €2.54 million and provisions for commitments relating to the following:

- end-of-career benefits..... €18.11 million
- the early retirement agreement (Parda)..... €5.44 million
- defined benefit pension schemes €2.77 million

Reversals for depreciation of doubtful receivables and litigation amounted to €7.73 million.

Doubtful receivables were also written off as losses to the tune of €5.1 million.

(in thousands of euros)

Nature	Allowance	Reversal
<u>Depreciation of fixed assets</u>		
. Intangible assets and property, plant and equipment	281,212	-
. Fixed assets concession	182	-
<i>Sub-total</i>	281,394	-
<u>Provisions for risks and charges</u>		
. Litigation	9,606	15,830
. Other provisions for charges	33,220	38,632
. Other provisions for risk	14,664	3,584
<i>Sub-total</i>	57,490	58,047
<u>Provisions for depreciation</u>		
- Doubtful debts and disputes	6,369	7,733
. Other	932	
<i>Sub-total</i>	7,301	7,733
TOTAL	346,185	65,779

4.6. Net financial income (loss)

There was a net loss of €80.65 million in fiscal 2007, mainly comprising:

- income from swaps and current accounts €62.72 million
- net income from the sale of marketable securities..... €12.19 million
- income from equity interests..... €9.79 million
- reversals on provisions..... €1.17 million
- amortization expense and provisions (€4.29 million)

- interests and related expenses (€162.89 million)

(in thousands of euros)

Nature	Allowance	Reversal
<u>Amortization</u>		
. Bond discounts	374	760
<i>Sub-total</i>	374	760
<u>Provisions</u>		
. Foreign exchange loss	18	6
. Depreciation of equity interests	1,567	403
. Depreciation of Group accounts	2,173	-
. Liquidity contract (treasury shares)	162	-
<i>Sub-total</i>	3,920	409
Total	4,294	1,169

Provisions on equity affiliates are set out in the section on equity affiliates interests.

Financial expenses were €167.29 million, mainly comprised of interests and related expenses of €162.89 million, which accounted for 97.37% of financial expenses.

Financial income was €86.64 million, mainly comprised of income from swaps and current accounts and income from equity interests, which amounted to €67.72 million and €9.79 million respectively.

4.7. Exceptional items

There was an exceptional loss of €134.29 million, mainly comprised of amortisation expenses and provisions of €150.66 million and reversals amounting to €52.25 million.

(in thousands of euros)

Nature	31-déc-07	31-déc-06
<u>Charges</u>		
. Contract penalties	10,175	2,240
. Tax and criminal penalties and fines	881	71
. Donations and gifts	832	430
. Subsidies granted	2,666	2,773
. Net book value of fixed assets sold	2,273	57,510
. Divers	25,634	13,668
. Depreciation and amortisation	150,655	126,652
<i>Sub-total</i>	193,116	203,344
<u>Income</u>		
. Proceeds from amortized receivables	15	53
. Proceeds from the sale of fixed assets	1,000	59,869
. Subsidies reported as income	1,694	2,140
. Other	3,873	2,907
. Reversals of amortization and provisions	52,246	41,558
<i>Sub-total</i>	58,829	106,527
RESULTAT EXCEPTIONNEL	- 134,287	- 96,818

4.8. Profit sharing

Aéroports de Paris recognized employee profit-sharing amounting to €6.91 million.

4.9. Income taxes

The table below sets out the reduction or increase in future income-tax based on the terms accounted for at the balance sheet date.

Breakdown of future income-tax expense (in thousands of euros)

Nature	Tax base	Deferred tax	
		Assets	Liabilities
<u>Certain or possible differences</u>			
- Tax-related depreciation	745,746		256,783
- Special revaluation reserve	13,504		4,650
- Revaluation reserve	24,133		8,310
. Averaging over five years of the CRC 2002-10 impact	9,739	3,353	
- Amortization of design and supervision of works	138,828	47,803	
<u>Investment subsidies</u>			
- Capital grants	30,262		10,420
<u>Temporarily non-deductible expenses</u>			
- Provisions for employee commitments	397,544	136,886	
. Provisions GIE Roissy-Paris	2,673	920	
- Other provisions for risks and charges	28,401	9,779	
- Allowances for depreciation of securities and advances to sub	31,941	10,998	
Organic	2,798	963	
Employee profit-sharing	6,908	2,379	
<u>Taxable income not yet accounted</u>			
- UCITS	126	43	
- Translation reserve - Liability	9	3	
Total		213,128	280,162

Nature	Pre-tax income	Taxes	Net income
Pre-tax income before extraordinary iter	396,017	- 127,603	268,414
Extraordinary profit or loss	- 134,287	37,621	- 96,666
Tax consolidation income		505	505
Prior year tax		- 961	- 961
	261,730	- 90,438	171,292

Note 5 - Other information

5.1. Schedule of payment of debts and receivables

The table below sets out the payment schedule of receivables recognized at the balance sheet date. In particular, it distinguishes receivables related to fixed assets from receivables related to current assets, which make up nearly all the receivables due.

Schedule of receivables (in thousands of euros)

Nature	Gross amount	Maturity		
		less than one year	One to five years	more than five years
<u>Fixed asset debts</u>				
. Loans to subsidiaries and affiliates	73	-	-	73
. Loans	9,518	2,447	3,291	3,779
. Other capitalised accounts receivable	40,125	39,676	-	449
<i>Sub-total</i>	49,716	42,124	3,291	4,301
<u>Current asset receivables</u>				
- Trade notes and accounts receivable	452,901	452,901	-	-
- Other receivables	102,973	100,064	2,909	-
<i>Sub-total</i>	555,874	552,965	2,909	-
<u>Prepaid expenses</u>				
- Insurance	13,363	5,200	5,885	2,278
- Other	721	521	42	158
<i>Sub-total</i>	14,084	5,720	5,927	2,437
Total receivables	619,673	600,808	12,127	6,738

Receivables are made up of 89.70% of current asset receivables most of which are short term (less than one year).

Schedule of debts (in thousands of euros)

Nature	Gross amount	Maturity		
		less than one year	One to five years	more than five years
<u>Financial liabilities</u>				
Bond loans	1,726,176	226,176	1,200,000	300,000
Amounts owed to financial institutions	574,687	94,687	-	480,000
Sundry debts and liabilities	21,472	698	1,844	18,930
<i>Sub-total</i>	2,322,335	321,561	1,201,844	798,930
<u>Trade payables</u>				
Trade accounts payable and related payables	208,836	208,836	-	-
Tax and social security payables	189,199	189,199	-	-
<i>Sub-total</i>	398,036	398,036	-	-
<u>Other liabilities</u>				
Payables to fixed asset suppliers	286,914	286,914	-	-
Other payables	282,680	282,680	-	-
<i>Sub-total</i>	569,594	569,594	-	-
<u>Prepaid income</u>				
- Fees relating to land rent	63,846	63,846	-	-
- Other	11,555	10,535	578	442
<i>Sub-total</i>	75,401	74,381	578	442
Total Debts	3,365,366	1,363,572	1,202,422	799,372

The table below sets out the payment schedule of debts recognized at the balance sheet date. There are three types: financial debts, trade payables and other debts.

Financial debts account for 69.01% of the Company's entire debt. Most of them mature in less than five years.

Trade payables and other debts all mature in less than one year.

5.2. Breakdown of accrued expenses and revenue by balance sheet item

(in thousands of euros)

Assets		Liabilities	
<u>Fixed assets</u>		<u>Financial liabilities</u>	
- Loans to subsidiaries and affiliates	-	- Bond loans	73,727
- Loans	-	- Amounts owed to financial institutions	2,926
- Other capital assets	35,382	- Sundry debts and liabilities	9
<i>Sub-total</i>	35,382	<i>Sub-total</i>	76,662
<u>Current assets</u>		<u>Trade payables</u>	
- Trade notes and accounts receivable	221,798	- Trade notes and accounts payable	127,214
- Other receivables	23,428	- Tax and social security payables	109,813
<i>Sub-total</i>	245,226	<i>Sub-total</i>	237,026
		<u>Other liabilities</u>	
		- Payables to fixed asset suppliers	188,081
		- Other debts	42,191
		<i>Sub-total</i>	230,272
Total assets	280,608	Total liabilities	543,961

5.3. Off-balance sheet commitments

(in thousands of euros)

Nature	Total	Company Officer	Subsidiaries et participations	Other
<u>Commitments given</u>				
- Guarantees	6,409	-	1,579	4,830
- Assets and liabilities warranties	2,846	-	-	2,846
<i>Sub-total</i>	9,254	-	1,579	7,676
<u>Commitments received</u>				
- Guarantees	29,453	-	-	29,453
- First request guarantee	197,880	-	13,282	184,598
<i>Sub-total</i>	227,333	-	13,282	214,051
TOTAL	236,588	-	14,861	221,727

Finance lease commitments *(in thousands of euros)*

Balance sheet items	Cost of entry	Expenses for depreciation and amortisation		Net value
		for the period	YTD	
Buildings	71,575	2,926	44,930	26,645
Total	71,575	2,926	44,930	26,645

Balance sheet items	Payments made		Payments remaining			Total payable	Residual purchase price
	for the period	YTD	less than a year	+1 - 5 years	+5 years		
Constructions	6,271	94,639	6,498	7,386	-	13,884	1,220
Total	6,271	94,639	6,498	7,386	-	13,884	1,220

5.4. Employee breakdown

The following table breaks down the workforce managed (present, leave without pay and secondments) as at December 31, 2006 and December 31, 2007.

(in thousands of euros)

Category	31-déc-07	31-déc-06	Change	Percentage
. Managers	1,121	1,138	-17	-1.47%
- Supervisors and technicians	4,806	4,701	105	2.24%
- Main implementation officers	1,455	1,605	-150	-9.34%
- Simple implementation officers	69	130	-61	-46.82%
Total	7,451	7,573	-122	

5.5. Consolidation

Aéroports de Paris consolidates its direct subsidiaries.

(in thousands of euros)

Situation	Share capital	Shareholders' equity other than share capital	% Share of capital held by ADP in %	Book value of holdings	
				Gross	Net
<u>Subsidiaries and holdings in which the parent has an interest of between 10% and 100%</u>					
. Aéroports de Paris Management	107,835	123,046	100.00	107,961	107,961
. Roissy Sogaris - SCI	5,624	12,594	40.00	2,256	2,256
. Gie Roissypôle	-	-2,894	49.00	-	-
. Alyzia Airport Services	13,950	-16,346	100.00	29,047	134
. Hub Télécom	28,348	28,514	100.00	28,348	28,348
. ADP Ingénierie	4,573	4,350	100.00	4,573	4,573
. Société de Distribution Aéroportuaire	1,000	16,457	50.00	654	654
. Centre de Formation des Pompiers d'Aéroport	470	-102	21.28	100	78
. Airportmart Limited	2,132	213	45.65	973	143
<i>Sub-total</i>				173,912	144,147
				252	249
TOTAL				174,164	144,396

5.6. Subsidiaries and affiliates

(in thousands of euros)

SITUATION	Loans and advances granted by ADP and not yet reimbursed	Endorsements and guarantees given by ADP	Revenue excl. VAT	Income for the year	Dividends received by ADP
<u>Subsidiaries and holdings in which the parent has an interest of between 10% and 100%</u>					
. Aéroports de Paris Management	-	-	9,893	113,246	2,404
. Roissy Sogaris - SCI	-	-	10,734	4,105	1,368
. Gie Roissypôle	-	-	5,282	1,595	-
. Alyzia Airport Services	5,066	-	9,092	-3,357	-
. Hub Télécom	11,044	-	79,162	4,361	2,589
. ADP Ingénierie	-	-	64,495	2,383	1,378
. Société de Distribution Aéroportuaire	-	-	327,040	15,357	3,019
. Centre de Formation des Pompiers d'Aéroport	-	1,579	-	-69	-
. Airportmart Limited	-	-	490	-283	-

5.7. Related party disclosures

The table below shows all line items of the Aéroports de Paris balance sheet and income statement concerning related parties.

(in thousands of euros)

Items	Related parties	
- Equity interests	Gross value	169,929
	Impairment	-28,913
	Net value	141,016
- Advances and payments paid on account.		20
- Trade notes and accounts receivable	Gross value	9,975
	Impairment	-2,173
	Net value	7,802
- Other receivables		16,736
- Trade accounts payable and related payables		26,974
- Other debts		196,990
- Other liabilities (deferred income)		1,787
- Income from holdings		5,406
- Other financial revenue		878
- Financial expenses		1,428

APPENDIX 4
STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS FOR THE
YEAR ENDED DECEMBER 31, 2007

Dear Shareholders,

In accordance with our appointment as Statutory Auditors by the French Ministry for the Economy, Finance and the Budget, we present our report for the year ended December 31, 2007 concerning:

- the audit of the annual financial statements of Aéroports de Paris, as appended to this report,
- the justification of our assessment,
- the specific verifications and the information provided for by law.

The annual financial statements were prepared by to the Board of Directors and it is our duty to express an opinion thereon based on our audit.

I. Opinion on the annual financial statements

We conducted our audit according to professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual financial statements are free of material misstatements. An audit entails examining, on a test basis, evidence supporting the amounts and disclosures of these financial statements. An audit also entails assessing the accounting principles used and significant estimates made in preparing the financial statements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the opinion expressed hereafter.

We certify that the financial statements are, in accordance with accounting rules and principles generally accepted in France, honest and sincere and give a true view of the results of the operations of the year then ended as well as of the financial position and assets of the Company at the end of the financial year.

Without qualifying our opinion expressed above, we would like to draw your attention to note 1.2 of the notes to the financial statements, which describes the progress of the economic regulation contract (CRE).

II. Justification of assessments

Pursuant to the provisions of article L. 823-9 of the French Commercial Code on the justification of our assessments, we draw your attention to the following:

- Notes 2.3 and 3.1 of the notes to the financial statements describe the principles and procedures used in valuing tangible fixed assets. We assessed the methods used by the Company for these valuations and, based on the information available to us, we verified the reasonableness of their implementation,
- Note 2.12 of the Appendix 2 sets out the accounting rules and methods used in accounting for airport tax income. As part of our assessment of the accounting rules and principles followed by your company, we also verified whether the accounting methods and information mentioned in the notes were appropriate and ensured that they were correctly applied.

Our assessments therefore fall within the scope of our audit approach for annual financial statements, taken as a whole, and therefore contributed to the creation of the opinion stated in the first part of our report.

III. Specific verification and information

We also conducted, in accordance with the standards of the profession applied in France, special audits prescribed by law.

We have no observation to make on the:

- the sincerity of this information and their consistency with the annual financial statements, information provided in the annual report of the board of directors and the documents sent to shareholders concerning the financial situation and the annual accounts,
- the sincerity of the information provided in the management report concerning the remuneration and benefits paid to the executive directors concerned, as well as commitments granted to them when or after they take up their duties, change functions or terminate their employment.

Pursuant to the law, we ascertained that the different items of information regarding acquisitions and takeovers, as well as the identity of the holders of capital and voting rights, were submitted to you in the management report.

Paris-La-Défense, 17 March 2008

The Statutory Auditors

SALUSTRO REYDEL
Member of KPMG International
Philippe Arnaud

ERNST & YOUNG Audit
Alain Perroux

APPENDIX 5
SPECIAL REPORT OF THE AUDITORS ON REGULATED AGREEMENTS FOR THE YEAR
ENDED DECEMBER 31, 2007

Dear Shareholders,

In our capacity as Auditors for your company, we are presenting our report on regulated agreements and commitments.

A. Agreements and commitments approved in fiscal 2007 and certain approved commitments implemented at the beginning of 2008

In application of article L 225-40 of the French Commercial code, we have been advised of the agreements and commitments that received the prior authorisation of your Board of Directors in 2007 and up to March 12, 2008.

Our duties do not include the searching of the existence, if any, of such agreements and commitments, but to inform you, on the basis of the information at our disposal, of the characteristics and essential terms of the agreements and commitments of which we have been informed, without expressing an opinion concerning their usefulness and validity. It is your duty, according to the provisions of article R.225-31 of the French Commercial Code, to assess the advantages of concluding these agreements and commitments in view of their approval.

We carried out our audit in accordance with professional standards applicable in France. These standards require that we conduct proceedings with due care intended to verify that the information given to us is consistent with the basic documents from which they were created.

1. AGREEMENT ENTERED INTO WITH THE GOVERNMENT

1.1. Trademark licence agreement signed between Aéroports de Paris and the government

Person concerned:

The French government, represented by the Ministry of Transport, Infrastructure, Tourism and Maritime Affairs – Rail and mass transport division

Nature and purpose

Granting into the State of a free and non-exclusive licence to use the “CDG Express” trademark

Terms

At its meeting on January 24, 2007, your Board of Directors authorized the signing of a trademark user agreement in favor of the French Government. This agreement was signed on January 31, 2007 and will expire on the first of the two dates below:

- six months after the date of publication of the decree approving the public service delegation relating to the CDG Express project,
- December 31, 2010.

1.2. Contract to disclose and user license for studies carried out by or for GIE CDG Express

Entity concerned

The French government represented by the Ministry of Infrastructure, Transportation, Housing, Tourism And Maritime Affairs – Rail transport and mass transit division

Nature and purpose

Granting of a free and non-exclusive to the Government to use studies carried out by or for GIE CDG Express, jointly owned by RFF, SNCF and Aéroports de Paris.

Terms

At its meeting on March 14, 2007, your Board of Directors authorized the signing of a contract between the French Government, the French Railway Company ("SNCF"), Réseau Ferré de France ("RFF") and your Company with respect to studies carried out for and by GIE CDG Express. This agreement was signed on April 6, 2007, for a three-year term, automatically renewable for three-year terms until the effective date of the public service delegation relating to the project.

- 1.3. Framework agreement signed in accordance with Article 36 of the Aéroports de Paris specifications and the financial agreement for 2007

Entity concerned

The French government, represented by the Ministry of Environment, Sustainable Development and Planning – Division of air navigation services

Nature and purpose

Definition of the various types of services that Aéroports de Paris will temporarily provide, in accordance with article 36 of its specifications, to the Division of air navigation services as well as the technical, operational, legal and financial terms under which these services will be provided.

Terms

To ensure the continuity and proper management of the mission of air navigation service provider to the airport and airfields managed by your company, and in accordance with article 36 of your company's specifications, the French government has decided to temporarily entrust Aéroports de Paris with certain services of general economic interest defined in article 36 of said specifications.

At its meeting on January 28, 2007 your Board of Directors authorized the signing of an agreement with the French Government. This agreement was signed on 27 July 2007, with retroactive effect as from January 1, 2007. It defines the types of services as well as the technical, operational, legal and financial conditions under which these services will be provided. This consists in making available real estate, supply of utilities (electricity, heating, water), provision of services (telecommunications, material, administrative and intellectual assistance) and general training services.

The agreement was signed for a 15-year period, automatically renewable once for another 15 years. It may not go beyond July 21, 2035.

Aéroports de Paris is remunerated on the basis of the costs incurred for the various services. In accordance with the financial agreement signed on July 27, 2007, your company billed the French government an amount of €24,648,300 exclusive of VAT for services provided in fiscal 2007.

- 1.4. Framework agreement signed in accordance with Article 43 of the Aéroports de Paris specifications

Entity concerned

The French government, represented by the Ministry of Environment, Sustainable Development and Planning – Civil Aviation Authority

Nature and purpose

Definition of the framework and main conditions under which Aéroports de Paris, pursuant to article 43 of its specifications, places some property at the State's (DGAC) disposal.

Terms

At its meeting on September 27, 2007 your Board of Directors authorized the signing of a framework agreement with the French Government. This agreement defines and specifies the conditions under which Aéroports de Paris makes available, in accordance with Article 43 of the specifications, property used by the air traffic police (Gendarmerie des transports aériens), the Customs and Excise or air and border police in carrying out their public service duties relating to airport activities.

For example, it provides for:

- the making available, at no cost, of land on which the buildings transferred to the French government in accordance with Law No. 2005-357 of April 20, 2005 are situated,
- the rental of land, buildings, premises and parking areas with a 20% reduction on premises outside the terminals, 40% for premises located in terminal 2E, 10% car parks and 10% on land,
- the making available, at no charge, of two plots of land located at Paris- Orly and three plots of land Paris-Charles de Gaulle, on condition that they are given back before December 31, 2009 and December 31, 2012 respectively,
- the reimbursement by the Civil Aviation Authority to Aéroports de Paris of rents paid for land, premises and car parks occupied until December 31, 2007.

As at December 31, 2007, the sums due to your company under this agreement amounted to €2,833,193 inclusive of VAT.

1.5. Civil leases drawn up with the State

Entity concerned

The French government, represented by the Ministry of the Economy, Finance and Industry - Department of Customs and Excise), the regional Department of air transport labor (Labor Inspection).

Nature and purpose

Civil leases

Terms:

Date of board meeting	Ministry concerned	Premises concerned	Financial terms
January 24, 2007	Ministry of the Economy, Finance and Industry - Customs and excise department	Building 3417 – Paris – Charles de Gaulle	<ul style="list-style-type: none"> • Reduction in rents in accordance with the agreement of July 18, 2005
August 30, 2007		Building 3416 – Paris – Charles de Gaulle	<ul style="list-style-type: none"> • Reduction in rents in accordance with the agreement of July 18 and July 20, 2005
May 24, 2007	Ministry of Interior, Overseas and Local Territories	Premises in building 820 and land used for parking – Paris-Orly	<ul style="list-style-type: none"> • Reduction in rents in accordance with the agreement of July 20, 2005 • Additional reduction of €14,000 exclusive of VAT to make up for the works to be done on the land

The details and financial conditions of agreements concluded in accordance with the agreement of July 18 and July 20, 2005 are set out in the Appendix.

Date of board meeting	Third party concerned	Premises concerned	Financial terms
June 28, 2007	Regional Department of air transport labor	Premises and spaces in building 6030 ("Aéronef") at Paris-Charles de Gaulle	<ul style="list-style-type: none"> • Term of lease: 8 years, with effect from July 6, 2007 • Fixed payment of €48,173 exclusive of VAT in consideration of rents and rental expenses • Amount charged in 2007: €21,432

2. AGREEMENT CONCLUDED WITH FRANÇOIS RUBICHON

2.1. Allowances for termination of term as Deputy CEO

Entity concerned

Mr François Rubichon

Nature and purpose

Allocation of severance pay to François Rubichon, based on performance criteria.

Terms:

at its meeting of March 12, 2008, your board of directors authorized the signing of an agreement between François Rubichon and Aéroports de Paris, providing for the payment of an allowance in the event of the termination of his term as Deputy CEO to François Rubichon, either by dismissal or by the non-renewal of his term when it expires.

The allowance corresponds to the compensation received during the last 12 full months. The variable portion of the compensation is calculated using the average rate of achievement of annual objectives set by the board of directors. This average rate is based on the last three fiscal years the accounts of which were closed by the Board.

If the cause of the compensation were to occur before the closing of the 2008 accounts, only the two years preceding this fiscal year would be used.

B. Agreements and commitments approved in prior years that continued to be implemented during the year under review

Furthermore, pursuant to the French Commercial Code, we have been informed that the implementation of the agreements and commitments below, approved in prior years, continued in 2007.

1. AGREEMENTS DRAWN UP WITH THE FRENCH GOVERNMENT

1.1. Tripartite contract concerning the implementation of the employees offering drawn up between Aéroports de Paris, the French government and the financial institution in charge of bank centralization of the offering under the stock market listing of your Company

Nature and purpose

Memorandum of understanding.

Terms:

Within the scope of the stock market listing of your Company, on May 30, 2006 your Board of Directors authorized a tripartite *contract concerning the implementation of the employee offering drawn up between Aéroports de Paris, the State and the financial institution in charge of bank centralization of the ORS (CACEIS Corporate Trust)*. The purpose of the agreement was to set out the procedure for implementing employee offering, carried through by Aéroports de Paris and presented in the Operations Note approved by the AMF market authorities on May 30, 2006. The agreement mainly deals with collection of purchase orders, settlement-delivery of shares and allocation of free shares.

1.2. Agreements drawn up with the French government within the scope of transfer of assets in due application of Article 2 of Law No. 2005-357 of April 20, 2005

Nature and purpose

Agreements authorizing the transfer of assets from your Company to the State.

Terms:

On 19 September 2006 your Board of Directors authorized the signature of three agreements with the French government, represented by the Department of Customs and Excise, the National Police and the Civil Aviation Authority. These agreements were the result of Law No 2005-357 of April 20, 2005 concerning airports, which stipulates that, as of July 22, 2005, the State becomes the full owner of certain areas of land and buildings required for it to carry out its public service missions in relation to airport activity. As a consideration for this property transfer, the law provides for agreements determining the sums owed by the State to your Company in relation to the investment carried out.

For example, the agreement signed on December 12, 2006 with the Department of Customs and Excise provided for the sum of €1,365,000 to be paid over to your Company. This amount was paid for fiscal 2007.

The agreement signed on December 13, 2006 with the National Police provided for the sum of 2,710,954 euros to be paid over to your Company. This amount was paid for fiscal 2007.

The agreement signed on November 3, 2006 with the Civil Aviation Authority provided for the sum of 873,260 euros to be paid over to your Company. This amount was paid for fiscal 2007.

1.3. Civil leases drawn up with the French government

Nature and purpose

Civil leases

Terms:

At its meetings on September 19, 2006, December 21, 2006 and August 30, 2007, your Board of Directors authorized the signature by the Chief Executive Officer of civil leases with the French government, represented by the Ministry of Economy, Finance and Industry (Department of Customs and Excise) and the Ministry of the Interior and Territorial Development (National Police) pursuant to the agreements of July 18 and July 20, 2005.

These protocols apply until December 31, 2009, and provide for the leasing of premises in exchange for payment of rents set on the basis of multi-year agreements. The rents arising from the agreements of July 18 and July 20, 2005 provided for financial terms in derogation of the Aéroports de Paris general prices, with rent reductions. The reductions are 60% for rental of premises, and 20% to 50% for rental of parking facilities (depending on their location).

The details and financial terms of these agreements are set out in the Appendix.

Paris-La Défense, 17 March 2008

The Statutory Auditors

SALUSTRO REYDEL
Member of KPMG International
Philippe Arnaud

ERNST & YOUNG Audit
Alain Perroux

Leases already drawn up and continued in the course of the year						
Aerodrome	Building	Contract N°	Rent booked in 2007 (€)	Rebiling of charges and taxes in 2007 (€)	Financial conditions	
Ministry of Finance, Treasury and Industry Department of Customs and Indirect Taxes	Paris - Orly	288	21CI0259	136,480.16	155,475.52	60% and 22% rent rebates
						20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris - Orly	351	21CI0260	3,534.48	6,288.40	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris - Orly	517	21CI0261	194,896.16	81,690.84	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris - Orly	402	21CI0232	43,918.36	33,200.96	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris - Orly	400	21CI0241	158,270.26	88,366.23	20% rebate on charges to December 31, 2006
						60% rent rebate
	Toussus	11	54CI0005	2,813.44	1,966.00	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	3609	31CI0297	80,612.68	56,184.80	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	3700	31CI0295	76,819.32	57,655.40	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	3520	31CI0296	21,106.32	23,678.17	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	7595	31CI0302	20,655.44	8,563.80	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	7610	31CI0301	64,323.20	44,496.87	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	1100	31CI0290	86,537.56	68,014.44	20% rebate on charges to December 31, 2006
					60% rent rebate	
Paris- Roissy	1400 et 1401	31CI0291	56,181.08	51,461.46	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris- Roissy	1192P	31CI0292	3,085.72	2,609.96	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris- Roissy	1200 ABCD	31CI0157	296,121.77	187,477.25	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris- Roissy	1200 E	31CI0172	142,303.80	78,448.42	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris- Roissy	1200 F	31CI0171	73,791.45	45,287.47	20% rebate on charges to December 31, 2006	
					60% and 20% rent rebates	
Paris- Roissy	1261P	31CI0175	37,108.53	27,880.03	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris - Le Bourget	48	41CI0019			20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris - Le Bourget	402	41CI0020	2,319.28	112.32	No charges rebilled	

(1) Amendments authorised by the Board of Directors on August 30, 2007

(2) Application of the agreement as of March 30, 2007, authorised by the Board of Directors on January 24

(3) Amendment with effect as of March 19, 2007, authorised by the Board of Directors on August 30, 2007

(4) Application of the agreement as of November 5, 2007, authorised by the Board of Directors on May 24, 2007

(5) Amendment with effect as of April 18, 2007, authorised by the Board of Directors on August 30, 2007

(6) Application as of September 10, 2007, authorised by the Board of Directors on August 30, 2007

	Aerodrome	Building	Contract N°	Rent booked in 2007 (€)	Rebilling of charges and taxes in 2007 (€)	Financial conditions
Ministry of the Interior, Overseas and Territorial Areas	Paris - Orly	400	21CI0240	321,044.09	193,838.16	60% rent rebate 20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris - Orly	400	21CI0242	7,837.32	4,399.84	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris - Orly	402	21CI0233	31,864.68	23,854.42	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	5720	31CI0299	26,304.48	35,610.62	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	5740	31CI0300	15,092.16	13,594.79	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	6197	31CI0304	61,514.88	1,413.81	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	1100	31CI0293	50,560.24	45,693.52	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	1400 et 1401	31CI0294	10,561.44	10,421.88	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	1200 ABCD	31CI0156	119,096.11	90,847.18	20% rebate on charges to December 31, 2006
						60% rent rebate
	Paris- Roissy	1200 E	31CI0174	112,850.28	45,713.76	20% rebate on charges to December 31, 2006
						60% rent rebate
Paris- Roissy	1200 F	31CI0173	77,737.44	43,930.24	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris - Le Bourget	54	41CI0021	2,058.32	1,646.27	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris - Le Bourget	58	41CI0022	13,002.72	9,081.40	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris - Le Bourget	120	41CI0023	8,986.52	7,187.60	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris- Roissy	3457C	31CI0226	15,632.76	7,339.16	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris- Roissy	3421	31CI0298	9,797.24	9,890.64	20% rebate on charges to December 31, 2006	
					60% rent rebate	
Paris- Roissy	3312	31CI0347	23,534.04	13,795.39	20% rebate on charges to December 31, 2006	
					60% rent rebate	
	Sub-total			2,408,353.73	1,577,117.02	

(1) Amendments authorised by the Board of Directors on August 30, 2007

(2) Application of the agreement as of March 30, 2007, authorised by the Board of Directors on January 24

(3) Amendment with effect as of March 19, 2007, authorised by the Board of Directors on August 30, 2007

(4) Application of the agreement as of November 5, 2007, authorised by the Board of Directors on May 24, 2007

(5) Amendment with effect as of April 18, 2007, authorised by the Board of Directors on August 30, 2007

(6) Application as of September 10, 2007, authorised by the Board of Directors on August 30, 2007

New leases drawn up during the year						
	Aerodrome	Building	Contract N°	Rent booked in 2007 (€)	Rebilling of charges and taxes in 2007 (€)	Financial conditions
Ministry of Finance, Treasury and Industry	Paris- Roissy	3417	31CI0395	7,052.68	7,118.18	60% rent rebate
Department of Customs and Indirect Taxes	Paris- Roissy	3416	31CI0515	17,447.62	14,185.33	60% rent rebate
Ministry of the Interior, Overseas and Territorial Areas	Paris - Orly	820	21CI0381	402.68	168.21	60% rent rebate
	Sub-total			24,902.98	21,471.72	Additional rebate of €14,000 excluding taxes per year
Total				2,433,256.71	1,598,588.74	

- (1) Amendments authorised by the Board of Directors on August 30, 2007
- (2) Application of the agreement as of March 30, 2007, authorised by the Board of Directors on January 24
- (3) Amendment with effect as of March 19, 2007, authorised by the Board of Directors on August 30, 2007
- (4) Application of the agreement as of November 5, 2007, authorised by the Board of Directors on May 24, 2007
- (5) Amendment with effect as of April 18, 2007, authorised by the Board of Directors on August 30, 2007
- (6) Application as of September 10, 2007, authorised by the Board of Directors on August 30, 2007

APPENDIX 6
REPORT BY THE CHAIRMAN OF THE BOARD OF DIRECTORS ON THE WORKING
CONDITIONS OF THE BOARD AND THE INTERNAL CONTROL PROCEDURES
IMPLEMENTED BY AÉROPORTS DE PARIS DURING THE YEAR ENDED DECEMBER 31, 2007
(Article L.225-37 of the French Commercial Code)

INTRODUCTION

In accordance with Article L. 225-37 of the French Commercial Code, this report sets out the conditions of preparation and organization of the work of the Board of Directors, and the internal control procedures implemented by the Company (the Company falls within the scope of Article L.225-37 because its shares are listed on Euronext Paris -compartment A).

After it had been examined at the meeting of the Audit Committee on March 4, 2008, this report was then presented by the Chief Executive Officer of Aéroports de Paris to the Board of Directors on March 12, 2008.

The statutory auditors were asked to set out their observations on the internal control procedures in relation to the preparation and treatment of accounting and financial information, in accordance with the provisions of article L. 225-235 of the French Commercial Code.

The document is divided into three parts:

- presentation of Company and Group Governance,
- description of the internal control system relating to the various operational and functional aspects,
- presentation of the procedures relating to the preparation and treatment of accounting and financial information.

The Group concept remains a constant of our approach. This means that subsidiaries have been associated with this, mainly in terms of analysis of internal control in relation to the preparation and treatment of accounting and financial information. The following were therefore taken into account:

- the four main subsidiaries in which Aéroports de Paris holds at least 50% of share capital: Aéroports de Paris Management, Alyzia Airport Services, Hub télécom, ADP Ingénierie,
- a joint-venture, Société de Distribution Aéroportuaire, owned in equal proportions by Aéroports de Paris and Aelia (a subsidiary of Lagardère Services).

1. CORPORATE GOVERNANCE (COMPANY AND GROUP)

Corporate governance covers policies and processes relating to the functioning of the Board of Directors and its special committees, the organization of the executive management and the structures on which it depends as well as Group organization, the system of delegations and lastly, the rules governing the compensation and benefits granted to company.

1.1 - The Board of Directors

1.1.1. Functioning and responsibilities of the Board of Directors

The Board of Directors is the collective corporate body that guides, decides upon and controls the Group's management.

The Board of Directors met 11 times in 2007 (with an average attendance rate of 79.2%) to deal with the following subjects:

- strategic and investment: presentation of Aéroports de Paris' sustainable development policy, approval of strategic orientations concerning the reorganization of ground handling activities within the Group, update of the Group's 2006-2010 strategic plan, examination of the Group's international strategy, modification of the principles used in assigning air carriers to terminals, progress review of "Galerie Parisienne" (S3), approval of the Cœur d'Orly project, approval of targets and profitability of S4 investment projects and the extension of facilities occupied by FedEx, etc.
- management:
 - financial: closing of annual and half-year individual and consolidated financial statements for 2006 and 2007, approval of the Group 2008 budget, setting of 2007 airport fees, adoption of the 2008-2012 investment program, authorization to grant endorsements and guarantees for fiscal 2008, authorization to resort to borrowing in 2008, implementation of the share buyback program under the continuation of the liquidity contract, etc.
 - convening of the Annual General Meeting of shareholders,
 - remuneration of corporate officers (Chairman and Chief Executive Officer, Deputy Chief Executive Officer, distribution of directors fees, etc.),
 - prior authorizations for signing various regulated agreements,
 - functioning of the Board of Directors: in 2007, the board of directors decided to carry out an assessment of the way it functions, under the management of a director. The assessment report, which was based on an anonymous questionnaire, completed with a personal interview at the director's choosing, was debated at the Board Meeting of January 24, 2008. It noted that the Board had been very busy, since the transformation of the Company into a *société anonyme*. It had been called upon for many structural decisions (setting up of the appropriate corporate governance for a *société anonyme*, adoption of the economic regulation contract and the Aéroports de Paris 2006 – 2010 strategic plan, floating of shares, etc.). It also emphasized the high level of satisfaction of directors in particular, with respect to the rights and obligations relating to the function, availability of information, the relationship with the management and the general organization of meetings. The directors insisted on the reinforcement of a structured approach to risk management and increased control of the major Group structural projects. In accordance with the internal rules of procedure of the board of directors that provides for the possibility of assessing the functioning of the board every three years by an external service provider, directors may decide to implement this procedure later on.

Up to July 14, 2009, the Board of Directors is composed of twenty-one members - seven directors elected by shareholders at the general meeting, seven representatives of the State, and seven directors elected by employees. After this date, the number of directors may be reduced to 18 in accordance with the French Commercial Code.

The Board of Directors is assisted, in an advisory capacity, by a Government Commissioner or Assistant Government Commissioner, appointed through an official order by the minister in charge of civil aviation (Article R 251-1 of the civil aviation code), and the secretary to the Works Council. A Controller General also attends meetings of the Board of Directors.

As Chairman of the Board of Directors, Pierre Graff organizes and directs the work of the Board, and represents it in his dealings with shareholders and third parties.

The internal rules of procedure of the Board of Directors adopted at its meetings of September 9, 2005 and September 19, 2006 were not modified in 2007. They set out the procedures of the functioning of the Board, in addition to the provisions laid down in the French Commercial Code and Company by-laws. They have established:

- special committees (Audit Committee, Strategy and Investment Committee and the Compensation Committee - see 1.1.3),
- a directors' charter setting out the rights and obligations of directors under nine categories: knowledge of the obligations of directors and their powers; duty of loyalty and conflict of

interests; duty of diligence; duty of assiduity; duty of information; independence; professional secret and confidentiality; privileged information and share operations; civil liabilities of executives,

- and a code of ethics relating to share operations in observance of French regulations governing insider trading, insider trading infringements and manipulation of markets.

1.1.2. Information to directors on the Board

The Chairman sends an to the directors concerned, to allow them to fully perform their duties, all information which could prove useful to the meeting, at least five days before the meeting, except in cases where circumstances require this, or when this is materially impossible.

At each Board meeting, the Chairman of the Board and Chief Executive Officer apprises its members of the main significant events and activities at the Company since the previous meeting. The directors may receive on a regular basis all information concerning the Company, including any press releases or articles and financial analysis reports.

Every three months, the Chairman of the Board and Chief Executive Officer provides the directors with a Company indicator chart with all significant features, particularly its activity and income, and a summary of contracts turning over sums in excess of 15 million euros excluding VAT for the Company.

All directors may benefit, on appointment or throughout their term, from training in the specific characteristics of the Company, its subsidiaries, its core businesses and its sector of activity. For example, Aéroports de Paris has proposed to all its directors to enroll in the French Institute of Directors (IFA).

1.1.3. Missions and functioning of the special committees

The Audit Committee, the Compensation Committee and the Strategy and Investments Committee contribute to preparing the decisions of the Board of Directors. They meet systematically before each meeting of the Board of Directors where the agenda includes a draft deliberation on matters that fall within their remit. These committees issue opinions which are then passed on to the Board of Directors. Their objective is, by improving the quality of the information provided for the Board of Directors, to help enhance the quality of its debates.

The members of each committee are appointed, following a proposal by the Chairman of the Board and Chief Executive Officer, by the Board of Directors among the members, in accordance with the missions of the Board, their experience, and their interest in the subjects discussed, and their availability.

Each committee elects its Chairman from among its members with a majority of votes.

The Audit Committee is composed of five members with the right to vote - a director representing the State, a director representing employees, and three directors elected at the general meeting of shareholders. The members of the committee must have the required financial and accounting skills. The chairman of the Audit Committee is Bernard Irion.

The committee concerns itself with the following in particular:

- accounts, examining the relevance and the permanence of the accounting methods used to draw them up; examining the Company and consolidated accounts, their notes and the management report; proceeding once a year to examine the financial position of the main Group subsidiaries and equity interests; ensuring proper accounting of exceptional events or operations with significant impact on the Group,

- risks, proceeding to examine with general management the main Group risks; examining off-balance sheet commitments and risk control policy in all areas,
- internal and external controls, verifying that the internal procedures for collation and control of information have been implemented in order to ensure their reliability; evaluating internal control systems; examining the program and results of work by the Audit Management team and related recommendations and consequences; issuing recommendations to the Board of Directors in relation to choice of statutory auditors and examining their work schedule, their conclusions and their recommendations,
- financial policy, examining the Company budget and its financial, accounting and general taxation policies and implementation of these; examining information, including forecasts, which will be supplied within the scope of the Company's financial communications.

The Audit Committee met on 3 occasions in 2007, with an attendance rate of 93.3%. During its meetings the committee discussed the following matters:

- financial statements: the individual and consolidated financial statements for fiscal 2006 in the first half of 2007, the 2008 budget (including the authorization to resort to borrowing for fiscal 2008),
- internal audit and controls: the report by the Chairman of the Board of Directors pursuant to the provisions of article L.225-37 of the French Commercial Code (fiscal 2006); presentation of the audit report on off-balance sheet commitments and audits conducted in the real estate sector in 2006 and 2007, presentation of the 2007 balance sheet by the audit management team; approval of the audit program for 2008,
- finances: examination of debt and cash management, authorization of endorsements and guarantees for 2008.

The strategy and investment committee is composed of six members with voting rights. At least two members must be directors representing employees, and the others may be representatives of the State or directors appointed at the general meeting of shareholders. This committee is chaired by Pierre Graff.

The duties of the strategy and investment committee include:

- providing the Board of Directors with its opinions in relation to the definition and implementation of the strategic orientations of the Aéroports de Paris Group or orientations concerning diversification operations by regular audit of the specific results obtained,
- studying and providing opinions on matters concerning operations in relation to the position of the Board of Directors concerning internal or external growth operations carried out by the Company or its subsidiaries, in France or abroad,
- examining the Company's economic doctrine.

The strategy and investment committee met four times in 2007, with an attendance rating of 83.3%. During its meetings, the Committee discussed all structural issues that had been debated at the Board Meeting (see 1.1.1)

The Compensation Committee is composed of four members with the right to vote, most of whom are elected from among directors elected at the general meeting of shareholders. It is chaired by Françoise Malrieu.

The Compensation Committee deals specifically with the following:

- make proposals about the total compensation of corporate officers,
- express an opinion on the compensation policy for the Company's main executives and on the overall figure of directors' fees to be submitted to the Company's general meeting and the rules for distribution.

The Compensation committee met twice in 2007, with an attendance rate of 75%. During these meetings, it deliberated on the amount of directors' fees and the compensation of corporate officers for 2007 and any changes for 2008.

1.2. Executive Management

Article 5 of Law No. 2005-357 of April 20, 2005 on airports and Article 14 of the by-laws of Aéroports de Paris rule that general management of the Company is to be carried out by the Chairman of the Board of Directors, known as the Chief Executive Officer.

At its meetings on September 9, 2005 and September 20, 2006, the Aéroports de Paris Board of Directors decided that the Chief Executive Officer had to obtain prior authorization from the Board of Directors for the following:

- strategy and major projects: adoption of the Aéroports de Paris Group's investment and financing plan over five years; definition of the objectives and profitability of investment projects carried out directly by Aéroports de Paris of a value in excess of 60 million euros; assignments of assets or external development investment in excess of 30 million euros, for airport operations or amenities in France, and in excess of 10 million euros for all other activities; principles affecting air transporters between airports or terminals; approval of contracts envisaged in articles 2 and 3 of law n°2 005-357 of April 20, 2005 on airports,
- tariffs: approval of the multi-year economic regulation agreement; setting of fees covered by section 1 of article R. 224-2 of the Civil Aviation Code,
- with regard to finance: approval of transactions of a value in excess of or equal to 15 million euros; approval of any abandonment of a credit when the value is in excess of or equal to 15 million euros excluding taxes. However, in a fully reasoned emergency situation, the Chairman and Chief Executive Officer may approve the actions mentioned in this paragraph: he will inform the Board of Directors at the next Board meeting.

The Chairman and Chief Executive Officer is elected from among the Board members and then by a decree at a cabinet meeting, upon a proposal by the Board. Pierre Graff's term as Chairman and Chief Executive Officer of Aéroports de Paris was renewed by decree on September 22, 2006, after he had been elected as director by the Company's shareholders on September 20, 2006.

At its meeting on September 20, 2006, the Board of Directors of Aéroports de Paris, upon a proposition by the Chairman and Chief Executive Officer, decided to renew the term as Deputy Executive Officer of François Rubichon.

1.2.1. The executive committee and the management committee

On April 10, 2007, the Chairman and CEO of Aéroports de Paris decided to extend the composition of the Executive Committee to the Real estate Director and to adapt the frequency of Executive

Committee meetings to those of Board meetings. The purpose was to provide the Group with a simple management structure that is efficient and in line with Group strategy, as well as best suited to taking the relevant decisions and implementing them.

The procedures adopted by these two bodies are now defined as follows:

- the Executive Committee is in charge of the operational and strategic management of the Company and debates on all issues relating to its proper functioning. It is chaired by the Chairman and Chief Executive Officer, and its permanent members are the Deputy Chief Executive Officer, the Executive Director, Development and Facilities, the Executive Director, Finance and Administration, the Managing Directors of the Paris-Charles de Gaulle and Paris-Orly airports, the Marketing, Retail & Communications Director, the Human Resources Director and the Real Estate Director. It meets once a week and during seminars organized at least twice a year. The secretary to the Executive Committee is provided by the cabinet of the Chairman and the Deputy Chief Executive Officer,
- the Management Committee is the body for information, debate and exchange within Group management. It also deals with cross-departmental issues. It is chaired by the Chairman and Chief Executive Officer and includes all directors. It meets after each Board Meeting and its secretary is provided by the cabinet of the Chairman and the Deputy Chief Executive Officer.

1.2.2. The economic advisory committee

On October 25, 2005, the Chief Executive Officer of Aéroports de Paris decided to create the contract advisory commission (*Commission Consultative des Marches* - "CCM"), and approved its internal rules of procedure.

This commission is composed of twelve members with voting rights: seven members chosen from the Board of Directors, three personalities from outside the Company appointed by the Chief Executive Officer for their skills and their experience in public administration or purchases, a representative of the Executive management and the Controller General. The Legal Affairs and Insurance Director or his representative and a representative of the Department of Consumption, Competition and Fraud Prevention (DGCCRF) attend meetings in an advisory capacity. It is chaired by a person from outside the Company, Michel Guyard.

The CCM's duties include expressing an opinion on projects and on the awarding of contracts of an amount exclusive of VAT that exceeds the threshold set by the Chairman and Chief Executive Officer. Currently, the thresholds are those set out in EU regulation No. 1422/2007 of December 4, 2007.

The contract advisory commission met on eleven occasions in 2007, and average attendance was 70%.

1.2.3. Group organization and management

The Group is organized and managed through the Group Committee, whose permanent members are the Chairman and CEO, the Deputy CEO, the Executive Director for Finance and Administration, the Executive Director for Development and Facilities, the Finance Director and the Corporate Strategy & Quality Director.

Within the context of major strategic orientations defined by the Board of Directors, the objective of the Group Committee is to discuss matters of strategy in relation to subsidiaries, the corporate structure (purchases, mergers, transfers, partnerships), development and financing. It also examines the financial and operational performances of the main subsidiaries and shareholdings. The committee met ten times in 2007.

The corporate management and reporting process was modified at the beginning of 2007. It now consists in:

- monthly reports by the Executive Committee based on a simplified operating report made up of indicators and submitted by the Executive Director for Finance and Administration,
- quarterly reports by subsidiaries, presented to the Group Committee four times a year and completed by two annual performance reviews, one in July to the Executive Director for Finance and Administration and the other in November to the Executive Committee,
- improved coordination between strategic targets and the financial scoping of subsidiaries, defined by the Chairman and Chief Executive Officer.

1.3 - The Delegations System

On April 1, 2006 the Chief Executive Officer delegated powers to various Directors of Aéroports de Paris allowing holders of a given office to carry out certain function actions on behalf of the Company in areas and under conditions that are expressly specified. These delegations are regularly updated, in particular to take into account changes in organization or in the internal rules of procedure.

Moreover, a criminal liability delegation system has been implemented at Aéroports de Paris in relation to occupational health and safety, airport security and safety and environmental standards. The extension of these delegations to other areas is currently being debated.

1.4 - Principles and rules stipulated by the Board of Directors to determine compensation and benefits granted to corporate officers

- Methods used to calculate compensation to be paid to the Chief Executive Officer and the Deputy Chief Executive Officer

On April 19, 2007 the Board of Directors, following the advice of the Compensation Committee meeting of April 6, 2007, decided that Pierre Graff and François Rubichon would receive a fixed gross annual compensation of 300,000 euros and 250,000 euros respectively, prorated for 2007, and a variable compensation.

The variable compensation of the two executives was based on the following:

- Three recurrent performance targets set by the Company for fiscal 2007:
 - the gross margin, weighted at 50%,
 - the CRE quality indicators (estimated at December 31, 2007), weighted at 30%,
 - retail revenues, weighted at 20%.

Achievement of these objectives will result in a proportional increase of 20% of the gross annual salary earned by each of these directors. If these targets are exceeded, the variable rate of compensation may be increased in linear fashion up to 35% of the gross annual compensation received. The sums of these variable remunerations will be stated and attributed in 2008 following the statement of the 2007 accounts by the Board of Directors.

- Two major productive investment commitments, fulfilled according to schedule, that the Company has revealed to the Board of Directors and shareholders:
 - increase in retail space in 2007,
 - the conditions for success of the Cœur d'Orly real estate project:

Moreover, the Chief Executive Officer and the Deputy Chief Executive Officer will each have a Company car, and are covered by the protection contract and the contract for individual accident policies for employees of Aéroports de Paris.

Mr Pierre Graff does not benefit from any specific pension scheme or severance pay. François Rubichon does not benefit from any specific pension scheme but benefits from severance pay of up to 12 months of his compensation as corporate officer. No project to grant bonus shares or stock options to corporate officers was submitted to the board of directors in fiscal 2007.

System of distribution of directors' fees

Shareholders at the annual general meeting of May 29, 2007 set the total amount of directors' fees allocated to the Board of Directors at 110,000 euros for 2007. Only members of the Board of Directors appointed by the general meeting of shareholders are authorized by law to receive directors' fees.

The distribution of directors' fees among directors was decided at the Board meeting of June 28, 2007 for fiscal 2007. The amount of this compensation is allocated to directors per meeting, according to their actual attendance at board meetings and the special committees on which they sit, according to a scale that distinguishes the chairman of the Audit Committee and the chairman of the Compensation Committee.

At the end of fiscal 2007, the total amount of 110,000 euros was distributed in full to the directors concerned.

2 - GENERAL ORGANIZATION OF INTERNAL CONTROL

2.1 - Objectives of internal control: definition and restrictions

The objective of internal control implemented by the Board of Directors, executives and generally, all employees of Aéroports de Paris, is to provide reasonable assurance about the achievement of the following goals:

- execution and optimization of operations with concern for performance, profitability and custody of assets,
- reliability of financial disclosure used both internally and externally,
- compliance with applicable laws and regulations which apply both to the Company and the Group.

The internal control procedures consist of rules, directives and ways of proceeding in force at the organization, as follows:

- to ensure that its activities and the behavior of its members:
 - are in accordance with laws and regulations, standards and applicable internal rules,
 - uphold the values, orientations and objectives defined by the Company organs and delegates, with particular reference to management risk policy,
- check that internal and external disclosures sincerely reflect the Company's position and business.

One of the objectives of the internal control system is to prevent and control risks arising from Company activity and risks of error or fraud, particularly in relation to accounting and finance (see part 3 of this Report). Like any control system, however, it cannot provide an absolute guarantee that such risks will be totally eliminated.

2.2 - Organization of internal control

The public authorities supervise the activities of Aéroports de Paris by virtue of its status as a state-owned enterprise, and in particular in its capacity as an airport operator subject to public service obligations. This is true in particular, in the area of security, where government services (Border Police, Air Traffic Police, Civil Aviation) in airports exercise strict control of compliance with regulatory instructions. It is also true in the area of aeronautic safety where any significant change in infrastructure and operational procedures is systematically controlled and monitored by the Civil Aviation authorities.

In addition to this external control, Aéroports de Paris has implemented:

- internal procedures to verify sound application of regulations and the efficiency of the measures taken in relation to risks likely to affect its assets, its image or its results.
- actions at all levels to improve procedures to ensure better prevention and management of risks.

The operational and functional divisions as well as external and internal structures all work towards internal control. Their contributions are described below.

2.2.1. Operational and certification procedures

Procedures, established in compliance with applicable laws and regulations, some of which are validated by the authorities, govern the reception and circulation of people (passengers, escorts, staff) and property (aircrafts, buses, etc.) inside Aéroports de Paris facilities. The priority objectives of these procedures are security, safety of people and property, operational efficiency and safeguarding of assets.

Their application and control have been entrusted to the managing directors of the Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget airports, who report directly to head office. These airport management entities are organized in operational units with internal control mainly based on external and internal references specific to their activity.

In 2006, Paris-Charles de Gaulle airport began the implementation of an Integrated Management System (IMS) as part of an approach based on continuous improvement, verification of regulatory compliance and the control of risks in terms of airport security, safety, quality, working environment and occupational safety.

The IMS is used to record and analyze events and incidents, assess the risks associated with activities, optimize the use of feedback and implement the relevant corrective and preventive measures.

Paris-Charles de Gaulle is phasing in the rollout of this IMS and is hoping for overall certification in March 2008 for:

- Security Management System (airport security),
- ISO 9001 (safety and quality),
- ISO 14001 (environment),
- OHSAS standard 18001 (occupational safety).

In 2006, the minister in charge of civil aviation awarded the airfield security certificate to Paris-Charles de Gaulle airport. It is planned that this certificate be amended and completed by the Security Management System in March 2008.

With respect to security, Paris-Charles de Gaulle has filed a request for approval of its security program which should be granted in March 2008. In addition, it is planned that the quality assurance plan associated with this program be certified according to the ISO 9001 benchmark as part of the IMS overall approach.

With respect to the environment, an extension audit conducted in December 2007 confirmed and extended the certification of Paris-Charles de Gaulle up to March 2008, the date planned for the total certification of the IMS.

Paris-Orly is following the same continuous improvement and risk control approach and it has obtained three certifications for security (ISO 9001), environment (ISO 14001) airfield safety.

With respect to the environment, an external audit reviewing the end of the second year was conducted in December 2007. It confirmed the attribution of the ISO 14001 certification obtained by Paris-Orly in 2005. A complete audit will be conducted in 2008 to renew the certification.

In 2006, Paris-Orly also received the airfield security certificate from the minister in charge of civil aviation. It is planned that this certificate be amended and completed by the Security Management System in March 2008.

As for Paris-Le Bourget, it implements processes drawn from the principles of the integrated management system. Although it is not obliged to obtain airfield security certification (because it receives less than 350,000 passengers on commercial flights per year, the Paris-Le Bourget airport has set itself the target of attaining the level required by the certificate. In 2007, it devoted additional resources to this action than in 2006.

With respect to the environment, an external audit reviewing the end of the second year was conducted in July 2007. It confirmed the attribution of the ISO 14001 certification obtained by Paris-Le Bourget in 2005. A complete audit will be conducted for the end of the 30 year in July 2008.

Lastly, on October 12, 2007, a prefectorial order was published relating to the police at Paris-Le Bourget which updated the regulations concerning the operation of parking areas. This law, which was submitted to the Direction de l'Aviation Civile Nord (Civil aviation authority – Northern France) at the beginning of 2008, should take effect in 2008.

2.2.2. Crisis management and feedback

On May 31, 2007, Aéroports de Paris updated its management on-call and crisis management system, taking into account changes in the Group's organization and the experience acquired, in particular by studying the feedback received.

The purpose of the management on-call system is to ensure continuity in Group command and the quality of its response when faced with threats, unexpected situations, incidents as well as degraded or crisis situations. It is organized around:

- a central office,
- and the three airports offices, which manage crises on all group activities within their respective geographical scopes.

It works with the operational standby duty provided each entity or operational department.

Any significant event or an incident within the Aéroports de Paris Group is accompanied by a feedback system, which is a study to analyze the management of the events and to propose avenues for progress and changes in procedure to prevent the incident from occurring again or to reduce its impact. This task is systematic for serious events, and is carried out at each department.

2.2.3. Procedures in relation to development of infrastructures

Procedures relating to this area of activity are managed by four separate divisions:

- the Corporate Strategy and Quality Division, which sets out the needs for structural projects, identifies the main options and assesses corresponding performances (costs, lead times, technical and operational performance, etc.),

and under the control of the Executive Director in charge of the Development and Facilities Division:

- the Planning Division, which is in charge of procedures relating to the architectural and environmental insertion of airport platforms, drawing up and managing the master plan, and choosing the major technical options, and lastly, drawing up programs for project managers.

- The Project Management Division, which manages the execution of projects (detailed definition of functionalities, negotiation with companies, management of contracts, supervision of work) for internal clients who are clearly identified and who validate the programs and are accountable to the Chairman and Chief Executive Officer as well as the Executive Committee for the smooth running of projects.

For all new projects, and the client sends the Project Management Director an engagement letter that sets out the requirements in terms of quality, cost, lead times, functionalities and characteristics of the project.

The Project Management Division is organized into smaller projects.

- The Engineering and Architecture Division, which is ISO 9001-certified, carries out project management as defined and set out in the level on public project management. The relationship between the Engineering and Architecture Division and the Project Management Division are set out in an agreement signed in April 2005 and updated in October 2006.

For each project, the delegated project manager defines the project management involved and signs contracts for them, specifying the commitments of the project manager chosen, the level of complexity and appropriateness of resources mobilized, the content and cost of project management assignment, as well as the costs and time objectives.

2.2.4. Procedures managed by functional departments

The Corporate Strategy and Quality Division is responsible for improving the Company's internal control. It does this by:

- monitoring indicators of the implementation of the strategic plan and the corresponding reports,
- checking the consistency between operational plans and strategic targets,
- formalizing processes and setting up a management system,
- providing support to entities engaged in the certification process,
- analyzing Group risks,
- delegation to quality.

The Corporate Strategy and Quality Division is drawing up a mapping of strategic risks for the Group. Operational risks are handled by the Airport Security & Risk Management Division (see below).

In fiscal 2007, the Corporate Strategy and Quality Division worked with the operational entities concerned to formalize operational processes as part of the management system (writing of process manuals and sheets).

For example, it contributed to the writing of the integrated management manual of the Paris–Charles de Gaulle airport's integrated management system under the preparation of total certification. It also designed the security training course for ISO 9001 certification for new Paris-Orly employees.

With respect to internal controls, the Airport Security & Risk Management division is charged with ensuring sound application within of the Company security obligations (where security is understood as prevention of illicit acts against air transport). The actions Airport Security & Risk Management division fall within the scope of regulatory texts setting out the respective roles and responsibilities of each employee at airports or making a contribution to air transport. It plays a central role, particularly in ensuring sound application of regulatory obligations and in performing audits or controls on the operational implementation of security measures.

Following the ISO 9001 certification obtained in 2006 for the security activities of the Airport Security & Risk Management division at Paris-Orly, an external follow-up audit was conducted at the end of the first year in March 2007, which confirmed the attribution of the certification.

The Airport Security & Risk Management Division, charged with identifying operational risks that could affect the Company, its employees and clients, drew up a mapping of operational risks faced by Aéroports de Paris in October 2006 and June 2007, specifying the overall risk mapping established in 2005. The analysis focused in particular on events likely to have a strong impact or even stop a port activity. Each generic risk was assessed in terms of its probability of occurrence and its potential severity. The Executive Committee meeting off June 11, 2007 validated this mapping and its related avenues of improvement and action plans.

In this connection, the emphasis was placed on the improvement of business continuity plans (BCP) aimed at enabling the Company to continue its operations during a crisis.

The Airport Security & Risk Management Division is also in charge of security of the Company's information systems. In this connection, it sees to the coordination of all the technical, organizational, legal and human resources required to establish, maintain and guarantee the security of information and the information system. It contributes to the definition of Aéroports de Paris' policy and strategy in relation to Computer Security, and monitors its strict application. It carries out this task with the Corporate Strategy and Quality Division for aspects relating to business intelligence and technology watch.

In 2007, the Airport Security & Risk Management Division also continued to apply the security system set up for Group expatriates and missionaries in 2004.

The policy adopted by Aéroports de Paris aims at growing the Group's business with a sustainable development perspective. The Company's increased commitment in this direction led it to reorganize the Environment and Territorial Relations Division into an Environment & Sustainability Division in 2007. This new division is structured around two delegations created at Paris-Charles de Gaulle and Paris-Orly.

The Environment & Sustainability Division manages the control of environmental risks occasioned by airport activity and manages communication with residents, companies, territorial communities and the State.

Within this context, Aéroports de Paris has established an environmental management system in accordance with the recommendations of ISO 14001 - version 2004. The system has been certified for Paris-Charles de Gaulle, Paris-Orly and Paris- Le Bourget airports, and covers all Aéroports de Paris' areas of authority and attributions in relation to the design and operation of airports for the exclusive purpose of air navigation.

The horizontal management of the sustainable development policy has been reinforced with the establishment of biannual performance reviews as part of the Company's strategic plan. With respect to the environment, there is an annual management review for each airport to assess the environmental management system. The participants identify areas for improvement before determining whether these management systems are effective, appropriate and relevant. The last management reviews for Paris-Le Bourget, Paris-Orly and Paris-Charles de Gaulle took place in May, November and December 2007 respectively.

Aéroports de Paris' Corporate Social Responsibility (CSR) is structured around the concept of non-financial rating and the development of projects specific to sustainable development. Non-financial rating consists in assessing the Company's environmental and social actions against internally recognized standards.

Since 2005, an independent rating agency, BMJ Ratings, has been rating the Group on its sustainable development performance: governance, purchasing, environment, human resources, marketing function, civil society (the analysis covered odd years on all the various areas and even years for some of them). In 2005, Aéroports de Paris was rated A+ by BMJ Ratings.

In 2007, having renewed its non-financial rating on all the six sustainable development areas, the Company was once again given an overall A+ rating by BMJ Ratings, since general performance had slightly improved since 2005.

At the Group committee meeting of November 19, 2007, Aéroports de Paris decided to extend the non-financial rating process to subsidiaries for the following criteria: environment, human resources, the customer function and purchasing. Hub télécom, ADP Ingénierie and Aéroports de Paris Management will be integrated in 2008 and the Alyzia Group will follow in 2009.

The Legal Affairs and Insurance Division provides legal counselling to Group divisions and companies. In this respect, it is solicited for consultations and its opinions on all matters, or on the relevance and development of actions that contribute to their management, organization and , more generally, all project that fall within their field of competence. It can also initiate investigations into any situation or fact that is liable to adversely affect the Group's interests.

It analyses projects on national and European legislation and regulations and sets out the conditions for their application to the Group.

In 2007, the Legal Affairs and Insurance Division was entrusted with the task of coordinating, running and globally provide an orientation for the legal function at Group level, excluding tax law issues and those concerning labour law with the exception of litigation. In this connection, it coordinates the work of all the group's lawyers, all the while exercising certain jurisdictions that remain centralised. These lawyers act as the interface between the Legal Affairs and Insurance Division and the division to which they are attached or their subsidiary.

The Purchasing Division is responsible for implementing the purchasing policy which is aimed at optimising quality, costs and deadlines in this area, all the while complying with ethical rules and ensuring that its partners are applying environmental and sustainable development standards.

In its role as the guarantor of best practices, the purchasing division draws on principles, procedures, forms and guide compiled in a reference system that was approved by the Executive Committee at the end of 2006.

In 2007, a network of purchasing correspondents trained in purchasing processes and ethics was created, with the Purchasing Division coordinating its actions.

2.3 - Control structures

Control structures can be grouped into three components: Aéroports de Paris' internal bodies and entities, such as the Audit division and the Audit Committee, the statutory auditors of the Company and the Group and government representatives.

2.3.1. Internal control structures

Audit Committee

The duties and responsibilities, the composition to the subjects examined by the Audit Committee in 2007 have been set out in section 1.1.3.

Audit Division

The Audit Division has a staff reporting relationship with the General Management and a line reporting relationship with the audit committee. It can act in all the areas of activity of the Company and its subsidiaries, la except for the operational implementing of security measures. The way it functions is defined by the internal audit charter which was signed by the deputy CEO on March 31, 2006 after it was validated by the audit committee. It has not been changed since then. It implements the annual audit program reviewed by the Audit Committee.

To obtain its provisional certification from the French Internal Audit and Control Institute (IFACI) in 2008, in 2007, it finalised the writing of its methodological benchmark and completed it with an application guide, taking into account the recommendations issued by the IFACI at the end of 2006 during an assessment audit.

Audits conducted in 2007 concerned the main governance themes of the Group and its operational units, relations with the civil aviation authority and the Company's policy, management information, expenditure contracts and commercial concessions, human relations policy and information systems as well as fraud prevention.

For example, the Audit Division completed the first full cycle of the internal control review of all the operational units of the Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget airports that began at the end of 2003, rounding it off with audits to analyse the governance of the three airports. To take into account the Group dimension, it also conducted an audit of the subsidiary and examined the Hub Télécom functioning of the Aéroports de Paris Group. It also continued its audits of stores, public and private contracts and consolidated its fraud prevention system by calling on the services of a specialised consulting firm in order to improve the way it took the risk into consideration during its audits.

The management focused its efforts on studying the conditions under which the economic regulation contract (CRE) and the specifications were applied, environmental and security policies, management disclosure (which has been audited three times) and the occupational safety policy. The Audit Division also followed up on the effective implementation of action plans resulting from audits performed in 2006. The Senior Management had been informed of the results noted for actions intended to reduce operational, financial and legal risks of the Company's reputation.

Lastly, in addition to the audits performed under the annual audit agenda, in 2007, the Audit Division was asked to conduct an audit aimed at reinforcing the Aéroports de Paris internal control and risk control system and to define its organization.

General ethical rules

The Legal Affairs and Insurance Director was appointed as the Company's Head of Ethics in charge of the prevention of insider trading initiated by the chairman and CEO in 2006. He can be consulted by the Company's corporate officers and employees who may have queries on the subject. He is also in charge of keeping insider list within the context of servant of the regulations applicable in the code of ethics concerning share operations and observance of French regulations concerning insider trading, insider trading infringements and manipulation of markets. He reminds the employees concerned of the obligations resulting from their being on the insider list and the rules relating to declarations concerning movements on the Company's shares (acquisitions, disposals, etc.).

It must also be noted that there is an ongoing reflection on the drawing up of a "code of good conduct" and the creation of an Ethics Committee in 2008.

2.3.2. The Statutory Auditors

In accordance with article L. 612-1 of the French Commercial Code, the following were appointed Statutory Auditors to Aéroports de Paris on January 19, 2004:

- Ernst & Young Audit, represented by Alain Perroux
- Salustro Reydel, represented by Philippe Arnaud, which became part of the KPMG network on March 23, 2005.

Their six-year term commenced with examination of the accounts for the financial year 2003..

As part of their audit, they examined all the individual and consolidated accounts of Aéroports de Paris, the ways in which they were drawn up, and internal control procedures, with the assistance of the Audit Committee.

Ernst & Young is the co-auditor of the Alyzia Group. KPMG is the statutory auditor to ADP Ingénierie and Aéroports de Paris Management and co-auditor of Hub télécom.

2.3.3. Other control structures

In its capacity as a Company with a majority State shareholding, Aéroports de Paris is subject to specific controls in relation to finance, management and internal control (French Court of Audit, General Finance Inspectorate, the Economic Affairs Commissions of both houses of the French Parliament, *Contrôle Général Economique et Financier*, and the General Highways Council).

The Company is also subject to operational controls by the DGAC and external bodies in relation to obtaining its certifications.

It is also subject to evaluation by finance rating agencies.

3 - Organization of internal control for preparing and treating accounting and financial information

The internal control procedures for preparing and treating accounting and financial information mainly concern the Departments of Finance, Accounts and Management Control.

They use an information system based on SAP accounting packages (for financial and cost accounting), Magnitude (for consolidation and reporting), BPP (for drawing up budgets), and BRIO (for drawing up operating charts).

3.1 - Procedures concerning finance

On October 1, 2007, the Financial Division was reorganized into six units, based on:

- the creation of a new "central investment management control" unit from the "financial equilibrium" unit,
- the joining of the economic studies and financial engineering to the "financial equilibrium and economic regulation" unit",
- the refocusing of the "Group financial control unit" on subsidiary reporting.

The Tax unit is responsible for tax returns and the assessment of taxes due by the Company (corporate income tax, local taxes, etc.), including for tax consolidated companies of the Group. It also draws up the taxation rules for taxes of all kinds. It ensures the relevance of the Group's tax policy and optimizes its tax burden within the boundaries of the law.

Group Financial Control is responsible for the reliability of Group financial reporting, it directs the drawing up of the consolidated budget, and ensures that it is followed. It is also involved in drawing up and monitoring operational plans and other multi-year financial documents that set out the objectives assigned by the Group to its subsidiaries before reporting to general management on the performance of contracts. It draws up and implements the Group's investment strategy in subsidiaries and its acquisition of interests in France and outside France. It acts as a secretariat for the Group committee.

The Financial Balance unit is in charge of drawing up and monitoring the Aéroports de Paris business plan as well as that of the Group. It also structures the Group's equity transactions. It carries out economic studies and profitability calculations for the Group's larger investment projects. It draws up the information submitted by Aéroports de Paris under the economic regulation contracts (CRE) signed with the government. It draws up proposals for adjusting the airport fees included in the regulation scope and manages the process for fixing the prices of all services proposed by the Company, to support the departments concerned. Lastly, it acts as a secretariat for the economic advisory committee of Paris- Charles de Gaulle and Paris-Orly.

The central investment management control unit draws up the investment plan of Aéroports de Paris and its annual variation in the form of an investment budget of operational units, and ensures that it is implemented. It is in charge of examining the Company's investment choices and organizes

investment reports to the General Management. It acts as a secretariat for the investment approval committee (CAI) and the structural project monitoring committee (CSPS).

The Debt and Cash unit concerns itself with the handling of cash and financing at company as well as group level. It organizes and runs debt and cash reporting to the Board of Directors of Aéroports de Paris and in particular, to its Audit Committee.

The Investor Relations unit handles the process of communication of the information required by stock market regulations, in association with the Department of Legal Affairs and Insurance and the Department of Marketing, Retail and Communication, and also handles the interface with financial analysts.

In terms of procedures, investment projects of over 2 million euros are systematically examined by the Investment Approval Committee (CAI), a body under the aegis of the Chief Executive Officer. Investment projects of between 150,000 thousand euros excluding taxes and 1 million euros excluding taxes are examined by local investment committees attached to management at airports (Paris-Orly, Paris-Charles de Gaulle or Paris- Le Bourget) or the real estate department in accordance with the projects concerned. Monitoring of projects identified by the CAI as being of a structuring or specific nature is carried out by the Structuring Projects Monitoring Committee (CSPS), which also reports to the Chief Executive Officer.

The Investment Central Management Control acts as secretariat to the CAI and CSPS. It ensures that the decisions taken by the CAI are reflected in reports on project progress and authorization for expenditure in the Company's information system. It is also charged with financial control of Company investments, in association with contracting authorities and their management controllers. In this capacity, it administers the corresponding modules in the Company's information system, and ensures the integrity of the financial data entered.

In accordance with article L 228-40 paragraph 1 of the French Commercial Code, the Board of Directors must authorize all issues of bonded debt, while the Chief Executive Officer generally has authority over the other forms of borrowing. The debt policy is presented to the Audit Committee once a year. The Board of Directors is kept informed of the operations carried out. The Debt and Cash unit draws up and proposes financing policy and, following authorization, implements financing procedures before proceeding to ensure these are properly managed and monitored.

Centralized cash management with subsidiaries was set up 2007. Cash at the parent company is monitored on a daily basis by the Debt and Cash unit, which also draws up the annual cash budget and reports monthly to the Chief Executive Officer and the Deputy Chief Executive Officer. Every quarter, a progress report is presented to the Executive Committee on financing and cover for financing, and also on cash. Decisions in relation to cover are taken at these meetings or submitted to the Chief Executive Officer and subsequently implemented by the Finance Department.

Following a decision by the Chief Executive Officer on April 1, 2006, the Executive Director, Finance and Administration was invested with the power to take decisions on all operations relating to management and investment, up to 25 million euros per operation, as follows:

- decisions on any financing operation or loans other than those relating to the issue of bonded debt,
- using any financial instrument which does not increase the number of commitments of Aéroports de Paris, with a view to handling management of its financial commitments, assets or liabilities, present or future,
- decisions on any cash loan operations in the short term, in euros or foreign currency,
- contracts for any framework agreement governing financial instruments,
- deciding a policy of management of financial risks taken by Company activities,
- deciding the general rules of utilization of cash assets and reserves.

The Executive Director, Finance and Administration may subdelegate his powers or signature to other directors reporting to him for the exercise of activities.

In relation to endorsements and guarantees to third parties, the meeting of the Board of Directors of December 21, 2006 authorized the Chief Executive Officer, with the power to delegate, to issue endorsements or guarantees on behalf of Aéroports de Paris to a limit of a total sum of 10 million euros for 2007.

Moreover, in due application of the internal rules of procedure of the Board of Directors, an examination of financial risks for the year ended December 31, 2006, including any off-balance sheet commitments given and received a by Aéroports de Paris was presented to the Audit Committee on March 6, 2007. The examination took account of the Group overall since its subsidiaries and equity interests could have an impact on the Company's financial responsibility.

3.2 - Procedures relating to accounting

The Accounting Department is organized into four units, as follows:

- a general accounts unit in charge of production of Company accounts and posting of entries (particularly in relation to customers, suppliers, cash and assets),
- a consolidation unit establishing the Group's consolidated accounts to IFRS standards, using the Magnitude accounting package,
- an information systems unit that is a centre of competence of its financial information systems,
- a standards and procedures unit in charge of writing up and distributing the accounting standards and procedures applicable to Aéroports de Paris.

In 2007, these four units initiated a continuous improvement process based on feedback collected.

The general accounts unit reinforced its supervision in 2007 to ensure better management and monitoring of year end operations.

In 2007, the consolidation unit, in collaboration with the standards and procedures unit, updated the consolidation manual, which should integrate the change in version of the Magnitude software package at the end of the first quarter of 2008.

In accordance with the French monetary and financial code, the interim financial report was published within two months as from June 30, 2007.

Furthermore, as with the previous year, certification of the Company and consolidated accounts for 2006 was issued without qualification by the Statutory Auditors.

Since the beginning of 2007, an information system unit that reports to the accounts division has been set up to reinforce the coordination of financial information systems and to control IT projects in the Finance and General Administration unit. In 2007, new tools were installed to improve client recovery, among other functions. Lastly, in 2008, there will be a technological change for our ERP tool and a solution to digitize supplier invoices will be implemented.

In 2007, the accounts division continued writing and disseminating accounting standards and procedures with employees at its airports. It will extend it to those in the functional divisions in 2008. To this end, the accounts division has increased the number of employees in the standards and procedures unit.

In 2007, the Accounts division continued to reinforce the separation of functions within accounting department and compliance with internal control rules, in particular in terms of the control of financing and investment operations.

At the same time, the Division's standards and procedures unit continues to watch out for changes in IFRS standards.

3.3 - Procedures in relation to management control

The strategy adopted in 2006 on the management of performance with the assistance of the consultants AT Kearney resulted in the reorganization of the management control division as from August 1, 2007, the restructuring of management control of several divisions to initiate an approach to professionalize the management control system. This resulted in the regular organization of performance reviews during the year and a revision of the Company's reporting system.

The management control division is now structured into four activity sectors:

- the management analysis unit reflects on short and long-term stakes and carries out studies on the improvement of margins (optimization of revenue, control of expenses), profitability of capital and the pricing of commercial services in collaboration with the financial Division. This unit provides support to operational management controllers in their analyses,
- the management benchmark unit defines and manages the rules for setting up the Company's cost accounting. It provides functional administration and develops decision support tools specially dedicated to the needs of management controllers with respect to budgetary and reporting processes. It ensures that the competencies of users are kept up-to-date,
- the performance reporting and analysis unit coordinates and manages the Company's reporting process. It structures the process for analyzing the performance of activities and aims at improving quality, reliability and production lead times of economic information,
- the operational planning/ budget unit is responsible for the Company's strategic planning approach. In this connection, it coordinates and manages the budget process and ensures that the action plans of entities are in line with the Company's targets.

As from August 1, 2007, organizational adjustments were introduced in the four divisions to completely cover certain business processes: Human Resources, Communication, Marketing and Retail, Project Management and Real Estate.

The professionalisation of management control also led to the redefining of the key professions of the chain (management controllers, deputy management controllers and management assistants) around a management control charter. The teams created around these professions are the network management chains. They are functionally managed by the Management Control division and report to operational managers or the heads of the support entities concerned.

With respect to procedure, "performance reviews" were organized in February, April, June and December 2007. These management dialogues are part of the performance management process adopted for Company entities. They oblige operational managers to regularly present progress reports of their operational plan and related targets to the Executive Committee.

The Company's operating report system has also been adjusted to enable the Executive Committee to monitor the objectives of the various operational entities more completely (monthly reports). To complete the Executive Committee's summary operating report, several operating reports have been drawn up, covering the activities of subsidiaries and the following divisions: CDG, ORY, Real Estate, Marketing, Ground Handling, Human Resources, IT-telecommunications and Engineering, etc. The number of indicators used has been increased and restructured to cover the key areas of performance management.

Lastly, these initiatives aimed at reinforcing performance management were rounded off in summer 2007 with the launch of an expense optimization program called "Performance 2010". Its aim is to secure the Company's economic targets by closely managing action plans and by ensuring that there are the necessary margins required to reinforce the quality of service provided to customers.

As part of the approach initiated by the French markets regulatory authority (Autorité des Marchés Financiers), which published an internal control “Reference Framework” at the beginning of 2007, Aéroports de Paris launched a reflection on the reinforcement of its own risk control system.

The purpose of this reflection was to improve and even add to the organization and cohesion of existing internal control elements, to make them more efficient.

By enabling the entities of the Aéroports de Paris Group to better manage their risks, improve their own functioning and exchanges, provide improved quality of service, the reinforcement of the internal control system and risk control should provide reasonable assurance that the Group will be able to:

- meet its strategic and operational targets and improve its overall performance, and protect its assets and image,
- comply with laws and regulations and the reliability requirements of financial and accounting information.

The first phase of analysis and diagnostic was conducted in 2007.

Fiscal 2008 began with the extension of the fundamental principles of internal control and risk control and their application in a restricted number of pilot cross-departmental processes (clarification of the role of each of the players, their responsibilities, activity supervision procedures, control levels and the related management system).

APPENDIX 7
REPORT BY THE AUDITORS , DRAWN UP PURSUANT TO THE PROVISIONS OF ARTICLE
L. 225-235 OF THE FRENCH COMMERCIAL CODE ON THE REPORT OF THE CHAIRMAN OF
THE BOARD OF DIRECTORS OF AÉROPORTS DE PARIS CONCERNING INTERNAL
CONTROL PROCEDURES FOR THE PREPARATION AND TREATMENT OF ACCOUNTING
AND FINANCIAL INFORMATION

Dear Shareholders,

In accordance with our appointment as Statutory Auditors of Aéroports de Paris and in due application of the provisions of article L. 225-235 of the French Commercial Code, we hereby submit our report on the report drawn up by your Company Chairman, in accordance with the provisions of article L. 225-37 of the French Commercial Code for the year ended December 31, 2007.

It is the task of the Chairman to set out in his report the conditions under which the work of the Board of Directors was prepared and organized, and the internal control procedures implemented at the Company.

It is our task to inform you of our observations concerning the information provided in the Chairman's report in relation to the internal control procedures in connection with the preparation and treatment of accounting and financial information.

We have carried out our task in accordance with professional standards applicable in France. This requires the implementation of measures to gauge the sincerity of the information provided in the Chairman's report in relation to the internal control procedures in connection with the preparation and treatment of accounting and financial information. These measures include the following in particular:

- obtain knowledge of internal control procedures for preparing and treating accounting and financial information underlying the information presented in the Chairman's report as well in existing documentation,
- obtain knowledge of the work that made it possible to prepare this information and existing documents,
- determine whether the major shortcomings of internal control relating to the preparation and treatment of accounting and financial information have been mentioned appropriately in the Chairman's report.

On the basis of this work we have no observations to make in relation to the information provided in relation to Company internal control procedures in connection with the preparation and treatment of accounting and financial information as set out in the report by the Chairman of the Board of Directors, drawn up in due application of the provisions of article L. 225-37 of the French Commercial Code.

Paris-La Défense, 17 March 2008,

The Statutory Auditors

SALUSTRO REYDEL
Member of KPMG International
Philippe Arnaud

ERNST & YOUNG Audit

Alain Perroux

**APPENDIX 8
FEES OF THE STATUTORY AUDITORS**

In euros	KPMG				EY			
	<i>Amount (excluding tax)</i>		<i>%</i>		<i>Amount (excluding tax)</i>		<i>%</i>	
	2007	2006	2007	2006	2007	2006	2007	2006
Audit								
Statutory auditors, certification, examination of individual and consolidated accounts	463,400	431,730	77%	56%	478,113	444,290	73%	46%
- issuer	340,500	356,280	56%	46%	362,000	355,040	55%	37%
- fully consolidated subsidiaries	122,900	75,450	21%	10%	116,113	89,250	18%	9%
Other measures and services in direct relation to the mission of the statutory auditors	128,240	335,077	23%	44%	167,757	526,953	27%	54%
- issuer	128,240	335,077	23%	44%	165,257	523,453	27%	54%
- fully consolidated subsidiaries					2,500	3,500	0%	
Sub-total	591,640	766,807	100%	100%	645,870	971,243	100%	100%
Other services rendered by units to fully consolidated subsidiaries	0	-	-	-	0	-	-	-
TOTAL	591,640	766,807	100%	100%	645,870	971,243	100%	100%

APPENDIX 9 STATUTORY AUDITORS' REPORT ON THE PROFITS FORECAST

Dear Chairman and CEO,

In our capacity as statutory auditors and in due application of EC regulation no. 809/2004, we have drawn up this report on the result forecasts for the Aéroports de Paris Group as set out in chapter 13 of the Registration Document dated April 28, 2008.

These significant forecasts and the underlying hypotheses were established under your responsibility, in due application of EC regulation no. 809/2004 and the CESR recommendations relating to the forecasts.

It is our responsibility, on the basis of our work, to express a conclusion, in the terms required by Annex I, item 13.2 of EC regulation no. 809/2004, on the appropriate nature of the establishment of the forecasts.

We have taken all due diligence, as deemed appropriate for this assignment, according to the professional standards of the national society of statutory auditors. This diligence involved an evaluation of the procedures implemented by the Management for the establishment of forecasts and the implementation of due care to guarantee the conformity of the accounting methods that were used with the methods that were applied to establish the historical information concerning the Aéroports de Paris group. It likewise consisted in collating the information and explanations we deemed necessary in order to obtain reasonable assurance that the forecasts are properly established on the basis of the hypotheses that were made.

We wish to remind all shareholders that, since these forecasts are by nature uncertain, events will occasionally differ significantly from the forecasts as presented, and that we do not express any conclusions as to the possibility of realizing the forecasts.

In our opinion:

- The forecasts have been properly drawn up in accordance with the basis indicated,
- The accounting basis that was used to draw up these forecasts complies with the accounting methods that are applied by the Aéroports de Paris group.

This report is issued for the sole purpose of registering the 2007 Registration Document, to be filed with the AMF (French Financial Market Authorities) and, as appropriate, for the offer to be made to the general public in France and in the other member countries of the European Union where a prospectus including the said Registration Document approved by AMF would be notified and may not be used in any other contexts.

Paris-La Défense, April 28, 2008,

The Statutory Auditors

SALUSTRO REYDEL
Member of KPMG International
Philippe Arnaud

ERNST & YOUNG Audit
Alain Perroux

APPENDIX 10

LIST OF DOCUMENTS PUBLISHED BY AÉROPORTS DE PARIS OVER THE LAST 12 MONTHS

1/ Publications in the compulsory legal announcements

Aéroports de Paris published the following documents in the Official Journal of Compulsory Legal Announcements (BALO) (www.balo.journal.official.gouv.fr):

01/19/2007 Voting rights
02/14/2007 Revenue for the 4th quarter 2006
04/04/2007 Notice of the ordinary general meeting
04/20/2007 Provisional accounts for 2006
05/11/2007 Convening of the ordinary general meeting
05/14/2007 Revenue for the 1st quarter 2007
06/06/2007 Final accounts for 2006
06/22/2007 2006 accounts – ADP Ingénierie
06/22/2007 2006 accounts – Hub télécom
06/22/2007 2006 accounts - Alyzia Airport Services
06/27/2007 2006 accounts - Aéroports de Paris Management
08/10/2007 Revenue for the 2nd quarter 2007
10/10/2007 Half-yearly accounts
11/14/2007 Revenue for the 3rd quarter 2007
02/15/2008 Revenue for the 4th quarter 2007
03/24/2008 Notice A of the combined general meeting
03/28/2008 Provisional accounts for 2007

2/ Financial Information

- Traffic in March 2008: April 17, 2008
- Aéroports de Paris launches the new satellite 4 at Paris-Charles de Gaulle airport: March 28, 2008
- February 2008 traffic figures: March 17, 2008
- Annual results for 2007 and dividend submitted to the vote of the General Assembly: March 13, 2008
- January 2008 traffic figures: February 18, 2008
- 2007 revenue: February 14, 2008
- December 2007 traffic figures: January 18, 2008
- Project of the Coeur d'Orly business park: Aéroports de Paris in exclusive negotiations with the Altarea / Foncière des Régions grouping: January 17, 2008
- Provisional investment program 2008-2012: December 20, 2007
- November 2007 traffic figures: December 16, 2007
- Tariff proposal for 2008 aeronautic fees: November 29, 2007
- October 2007 traffic figures: November 16, 2007
- Revenue as at September 30, 2007: November 9, 2007
- September 2007 traffic figures: October 16, 2007
- August 2007 traffic figures: September 17, 2007
- July 2007 traffic figures: August 16, 2007
- Revenue as at March 31, 2007: August 10, 2007
- June 2007 traffic figures: July 16, 2007
- Decision of Council of State on CRE: July 11, 2007
- Traffic for May 2007 traffic figures: June 18, 2007
- April 2007: May 18, 2007

- Revenue as at March 31, 2007: May 14, 2007
- Conditions for making available or consulting information relating to the Annual General Meeting of May 29, 2007: May 2007
- Releasing of the Registration Document: May 2, 2007
- The Council of State confirms the validity of the Economic Regulation Contract April 26, 2007
- March 2007 traffic figures: April 16, 2007
- February 2007 traffic figures: March 6, 2007
- Annual results 2006: March 15, 2007
- Aéroports de Paris sells its entire stake in BCIA: February 26, 2007
- Aéroports de Paris starts selling its entire stake in BCIA: February 16, 2007
- January 2007 traffic figures: February 16, 2007
- Annual 2006 revenue: February 14, 2007
- December 2006 traffic figures: January 18, 2007
- Proposed increase of 2007 airport fees: January 11, 2007

3/ Annual reports available on the corporate web site: www.aeroportsdeparis.fr.

- Report on activity and sustainable development
- Registration Document
- Environment and Citizenship Report
- Activity Report of the Aéroports de Paris Foundation

4/ Controlled Information: Documents published in relation to the new Transparency Directive available at the Aéroports de Paris Internet site (www.aeroportsdeparis.fr)

• **Monthly share repurchase declaration within the context of the liquidity contract:**

07/03/2008	Declaration for February 2008
07/02/2008	Declaration for January 2008
10/01/2008	Half-year review of liquidity contract
07/01/2007	Declaration for December 2007
06/12/2007	Declaration for November 2007
02/11/2007	Declaration for October 2007
03/10/2007	Declaration for September 2007
03/09/2007	Declaration for August 2007
16/08/2007	Declaration for July 2007
06/07/2008	Half-year review of liquidity contract
02/07/2007	Declaration for September 2007
04/06/2007	Declaration for May 2007
03/05/2007	Declaration for April 2007
03/04/2007	Declaration for March 2007
05/03/2007	Declaration for February 2007
05/02/2007	Declaration for January 2007

5/ Press releases associated with the activities of the Aéroports de Paris group (available on the site www.aeroportsdeparis.fr)

Date	Title
28-dec-07	Three shops from the Galerie Parisienne elected best new store 2007 by Duty Free News International
27-dec-07	Success of the launch of the luminothérapie: extended until 6 January in airports
27-dec-07	Guillaume Sauvé is appointed Director of Project Management at Aéroports de Paris

27-dec-07	Bernard Cathelain is appointed Executive Director of the Development of Aéroports de Paris
19-dec-07	Free baby stroller service and baby care rooms: Aéroports offers babies the VIP treatment for Christmas
20-dec-07	Provisional investment program 2008-2012: Three years of stable investments (2008 to 2010) before starting on Satellite S4
18-dec-07	Jeddah Airport, Saudi Arabia: Commissioning of the first renovation phase of the Hajj Terminal
17-dec-07	November 2007 traffic figures
14-dec-07	Papa Charlie Association: signing of a partnership agreement with KIA Motors
12-dec-07	ADPI, a subsidiary of Aéroports de Paris, signs the design of the new French Embassy in Tokyo
11-dec-07	The answer to jet lag and winter blues: Aéroports de Paris boutiques initiate passengers to luminotherapy
28-nov-07	Aéroports de Paris will give the Star Alliance a new First and Business lounge in Spring 2008
21-nov-07	Aéroports de Paris is relying on new technologies for runway snow clearance:
16-nov-07	Aéroports de Paris Management takes over the management of the Queen Alia international airport in Amman (Jordan)
16-nov-07	October 2007 traffic figures
15-nov-07	Aéroports de Paris doubles its aircraft accommodation capacity with La Galerie Parisienne
09-nov-07	Revenues jump 10.6% at end of September 2007
07-nov-07	Innovation: Aéroports de Paris wins the Adefipe 2007 prize
22-oct-07	IATA winter 2007/2008 season - New routes and airline relocations at Paris-Charles de Gaulle and Paris-Orly
19-oct-07	Aéroports de Paris receives second prize of the Fils d'Or for best shareholder service
17-oct-07	Boutique Aéroports de Paris reinforces its Management
16-oct-07	September 2007 traffic figures
11-oct-07	Aéroports de Paris and its partners mobilize for the quality of service at Paris-Charles de Gaulle and Paris-Orly
08-oct-07	Aéroports de Paris tests collective waste sorting with passengers
04-oct-07	New service: Aéroports de Paris launches online lounge reservation on the www.aeroportsdeparis.fr web site
01-oct-07	Aéroports de Paris opts for a single supplemental health insurance scheme: La Mutuelle Familiale
27-sept-07	New service: Boutiques Aéroports de Paris tests last minute shopping in arrivals area
25-sept-07	Xavier Dubrac was appointed director of Engineering and Architecture
17-sept-07	August 2007 traffic figures: + 8%
14-sept-07	European mobility week: 220 Aéroports de Paris employees have already adopted car pooling
13-sept-07	Aéroport Paris-Charles de Gaulle - Aéroports de Paris celebrates La Galerie Parisienne's millionth passenger
13-sept-07	European Heritage Days: Aéroports de Paris organizes the first Rally of Environmental professions
31-Aug-07	Aéroports de Paris first half 2007 results – Net current income jumps 24.6%
31-Aug-07	Rugby: Aéroports de Paris gearing up to receive teams and supporters
24-Aug-07	Summer 2007: top 10 destinations in Paris airports
22-Aug-07	Shooting of Jennifer Devoldère's new film
16-Aug-07	July 2007 traffic figures
10-Aug-07	First-half 2007 revenues up by 9%.
08-Aug-07	Free electric cart service at Paris-Charles de Gaulle airport
02-Aug-07	Aéroports de Paris to offer free collective lessons to be offered to the 816,000 passengers expected this week end

20-July-07	Aéroports de Paris invests 25 million euros for international passengers at Orly-Sud
16-July-07	June 2007 traffic figures
13-July-07	Grand holiday departure for the week end of 13-15 July
12-July-07	ADPI et ADPM win five new contracts in four countries, Saudi Arabia, Pakistan, Tunisia and Libya for a total in excess of 100 million euros
11-July-07	Decision of Council of State of July 11, 2007
06-July-07	Aéroports de Paris offers free lessons to the 827,000 passengers expected this week-end
05-July-07	As the summer tourists start pouring, Aéroports de Paris and the Ile-de-France region unveil the new Tourist Information desks at Paris-Charles de Gaulle
03-July-07	Jean-Pierre Bugeau appointed Cabinet Director of the Chairman and CEO and Deputy CEO of Aéroports de Paris
02-July-07	Aéroports de Paris proposes a new parking package at Paris-Orly: the "Grand week end" package
28-June-07	First summer departures weekend: Aéroports de Paris expecting more than 800,000 passengers
28-June-07	Aéroports de Paris launches the Ecole des vacances as from Friday June 29
27-June-07	New: "PLAYSTATION 3" entertainment areas at Paris-Charles de Gaulle airport
26-June-07	Aéroports de Paris opens the largest boarding satellite in France at Paris-Charles de Gaulle airport
22-June-07	Aéroports de Paris launches its new uniform
18-June-07	May 2007 traffic figures
13-June-07	Aéroports de Paris Management, subsidiary of Aéroports de Paris, takes part in the management of new terminal operations at the Sharm el Sheikh airport in Egypt
11-June-07	VIP lounge at Paris-Charles de Gaulle gets a facelift
05-June-07	Aéroports de Paris launches construction of the new cargo terminal at Paris-Orly
05-June-07	Aéroports de Paris launches "L'Ecole des Vacances" and presents the findings of a study on the new wishes of French vacationers for summer 2007
25-May-07	Aéroports de Paris children and bikers help the Louis Carlesimo association
21-May-07	The Aéroports de Paris consortium signs a contract for the concession of the Queen Alia international airport in Amman (Jordan)
18-May-07	April 2007 traffic figures
15-May-07	Aéroports de Paris: for the summer holidays, mini-products adapted to the new security measures
15-May-07	Nation-wide strike of security companies on May 16: advice to passengers
15-May-07	Memorandum of understanding for increased cooperation between Aéroports de Paris and Air France: quality of service at the heart of a common commitment
14-May-07	Aéroports de Paris revenues up by 8.3% as at March 31.
11-May-07	Aéroports de Paris welcomes a new airline to Paris, Transavia.com France
10-May-07	The new terminals 2E and 2F boarding satellite named "La Galerie Parisienne"
09-May-07	ADPI, a subsidiary of Aéroports de Paris, signs a contract for the design of a new control tower in Abu Dhabi
09-May-07	Aéroports de Paris and the children's channel, Gulli launch a new play area concept in Paris airports
07-May-07	François Cangardel appointed Real Estate Director at Aéroports de Paris
26-Apr-07	The Council of State confirms the validity of the Economic Regulation Contract
23-Apr-07	Flash business meeting at Paris-Charles de Gaulle
19-Apr-07	Exclusive at Paris – Orly: rental of the new three-wheel Piaggio MP3 for passengers in a hurry
18-Apr-07	ADPI, a subsidiary of Aéroports de Paris, signs a contract for the design of a new terminal at the Almaty international airport (Kazakhstan)
17-Apr-07	March 2007 traffic figures:
03-Apr-07	Aéroports de Paris inaugurates the new automated metro of Paris-Charles de Gaulle
30-Mar-07	Aéroports de Paris launches " Parking Premium" service at Paris-Orly:

29-Mar-07	Aéroports de Paris informs its employees and partners on good environmental practices
28-Mar-07	Air traffic controllers on strike - advice to passengers
22-Mar-07	Shopping feat: a Chinese passenger buys a record 23,000 euros worth of goods in Aéroports de Paris boutiques
20-Mar-07	Paris-Charles de Gaulle welcomes the "next generation" airline company Vueling
16-Mar-07	February 2007 traffic figures
15-Mar-07	Aéroports de Paris full-year 2006 results Operational indicators on the rise
12-Mar-07	Paris-Charles de Gaulle Terminal decorated by the artist Petica
8-Mar-07	Ground handlers strike: no impact on traffic at Paris-Orly and Paris-Charles de Gaulle
8-Mar-07	Aéroports de Paris launches a project of a new organization of ground-handling activities based on voluntary participation:
1-Mar-07	Aéroports de Paris begins work on the new Terminal 2G which will handle regional traffic for Air France subsidiaries
26-Feb-07	Aéroports de Paris sells its entire stake in BCIA for 1,970.4 million Hong Kong dollars
21-Feb-07	Aéroports de Paris partners with L'Oreal and Unesco to honor women who have contributed to scientific research
16-Feb-07	January 2007 traffic figures
15-Feb-07	Aéroports de Paris is gearing up to welcome 6.8 million passengers for the winter holidays
14-Feb-07	2006 full-year growth up 8.1%
12-Feb-07	Aéroports de Paris wins the Gold Trophy at the "Top Com Corporate Business 2007" for its IPO advertising campaign
09-Feb-07	Record of direct employment created around Paris-Charles de Gaulle in 2006
07-Feb-07	Florence Lenne appointed Retail Director at Aéroports de Paris
29-Jan-07	Smoking ban in airports: Aéroports de Paris Group implements the new decree
23-Jan-07	Aéroports de Paris launches Parking Premium
18-Jan-07	December 2006 traffic figures
10-janv-07	Aéroports de Paris: proposed increase in airport fees

APPENDIX 11 ANNUAL FINANCIAL REPORT

This Registration Document includes all items in the annual financial report referred to in Article L.451- 1-2 of the Monetary and Financial Code, and Article 222-3 of AMF general regulations.

The documents referred to in Article 222-3 of these regulations and the corresponding headings in this Registration Document are set out below.

1. Corporate financial statements: See appendix 3 of this Registration Document.
2. Aéroports de Paris consolidated financial statements: See appendix 1 of this Registration Document.
3. **Management report:**
 - Analysis of the financial position and income: see chapters 9 and 10 of this Registration Document.
 - Indications as to the utilisation of financial instruments by the Company: see notes 4.11 - 4.13, 5, 31 and 32 of the consolidated accounts, and notes 2.10 and 3 of the Company accounts.
 - Description of main risks and uncertainties: see sections 4.1 and 4.2 of this Registration Document.
 - Items likely to have a significant effect in the event of a takeover bid: see sections 14.1, 15.1, 16.1, 17.4, 18.1, 18.3, 21.1.2, 21.1.3, 21.1.4, 21.2.8 and 21.2.10 of this Registration Document.
4. Declaration of the natural persons responsible for the annual financial report: see chapter 1 of this Registration Document.
5. Auditors' report on individual financial statement See appendix 4 of this Registration Document.
6. Auditors' report on consolidated financial statement See appendix 2 of this Registration Document.

