Paris, 31 August 2010

## Bouygues press release

### First-half 2010

- **Sales: €14.7 billion (-1%)**
- **Net profit: €532 million (-3%)**
- **A satisfactory operating performance in four business areas, A more difficult first half for Colas**

- **2010 sales target revised upward to €30.4 billion**

The Group reported better-than-expected sales of €14.7 billion in the first half of 2010, down 1% on the first half of 2009 and 2% like-for-like and at constant exchange rates. Operating profit amounted to €698 million (-10%) and net profit to €532 million (-3%). The financial structure is very healthy and net debt is in keeping with the improvement seen at end-December 2009.

### Key figures

| (€ million) | First-half 2009 restated | First-half 2010 | Change | First-half 2009 published |
|---|---|---|---|---|
| Sales | 14,790[1] | 14,655 | -1% | 14,929 |
| Operating profit | 772[1] | 698 | -10% | 789 |
| Net profit attributable to the Group | 547 | 532 | -3% | 547 |
| Net debt[2] | 6,259 | 4,205 | -€2,054m | 6,259 |
| Net gearing[2] | 72% | 43% | -29 pts | 72% |

[1]Applying the same accounting policy as in 2010, excluding contributions from Finagestion
[2]End of period

### Business areas

**Bouygues Construction** had a satisfactory first half. Sales were in line with the full-year target and amounted to €4,530 million, a drop of 5% (down 6% in France and 3% on international markets).
The operating margin was virtually stable at 3.2% in the first half of 2010. Low interest rates continued to impact net profit, down 26% at €89 million.
In the first half of 2010, order intakes reached an all-time high of €6.1 billion, a 38% increase on the first half of 2009 (up 12% in France and 73% internationally). The order book rose to a record €13.9 billion, 16% higher than at end-December 2009. It does not as yet include the Singapore Sports Hub project signed in August 2010 for €770 million.

**Bouygues Immobilier** did better than expected in the first half of the year. Sales stood at €1,313 million, down 8% overall (up 5% in the residential segment, down 33% in the commercial segment). The operating margin improved one point to 8.3% compared with the first half of 2009 due to the restoration of margins in the residential property business. Net profit fell 7% to €56 million.
In the first half of 2010, business activity remained buoyant in the residential property segment, with reservations rising 39% to €1,175 million. Commercial property reservations remained low in a market which is at a cyclical low. Overall, reservations totalled €1,243 million, 32% higher than at end-June 2009. The order book was up 3% on 31 March 2010, to €2.2 billion.

First-half 2010 was more difficult for **Colas**. Improved business activity in the second quarter made up for some of the lag accumulated in the first quarter. Sales amounted to €5,002 million, 2% lower than in the first half of a 2009 (down 3% in France and 1% on international markets). A deteriorated economic situation in Central Europe and fierce competitive pressure weighed on profitability, with an operating loss of €47 million (including a loss of €57 million in Central Europe) versus operating profit of €75 million at end-June 2009. In the first half of 2010, net loss was €29 million compared with net profit of €58 million at end-June 2009. In this context, Colas is continuing the measures begun in 2009 and is introducing a tougher action plan in Central Europe and France to return to operating margin growth in 2011.
The order book at end-June 2010 stood at €7,198 million, stable compared with end-June 2009, with an increase of 4% in France and a decline of 4% on international markets.

**TF1** performed well in the first half of 2010 as its strategy is bearing fruit. Sales rose 14% to €1,285 million, driven by a pick-up in advertising spend. Operating profit tripled to €104 million and net profit rose by 51% to €74 million. The acquisition of TMC and NT1 was finalised on 11 June 2010 and the companies will be fully consolidated in TF1's financial statements from 1 July 2010.

As a result of its commercial performance, **Bouygues Telecom** generated strong organic growth. Overall sales rose by 4% to €2,732 million and sales from network by the same figure to €2,506 million. Stripping out the impact of the cut in voice and SMS termination rates, the growth rate of sales from network would have been 13%. EBITDA amounted to €734 million, up 5%, and net profit to €264 million, down 1%.
Commercial performance remained strong. 351,000 new mobile contract customers joined Bouygues Telecom in the first half of 2010, representing 24% of net market growth[1]. Bouygues Telecom had 10,514,000 mobile customers at end-June 2010, 8,277,000 of them on call plans (78.7% of the total customer base, a year-on-year increase of 3.1 points). The fixed-line business continued to grow, with 214,000 net activations in the first half of the year (of which 97,000 in the second quarter) and 525,000 Bbox routers activated[2] at 30 June 2010. These good results confirm the success of Bouygues Telecom's growth strategy.

[1]Arcep (French communications regulator) data
[2]Bbox routers in operation or the number of customers billed

## Alstom

Alstom contributed €216 million to Group first-half 2010 net profit*, an increase of 19%.
Alstom announced an order book of €42 billion at end-June 2010, or 27 months of sales, and an operating margin target of between 7% and 8% for FY2010/2011 and FY2011/2012. In a challenging short-term commercial environment, Alstom still has solid potential in its three businesses.
Reminder: Bouygues received 4.4 million Alstom shares in return for its 50% stake in the Alstom Hydro Holding joint venture. As a result of the transaction, the Group booked financial income included in net profit for €41 million in the first quarter of 2010.

*Contribution calculated on the basis of Alstom's net profit published at 31 March 2010

## Financial position

Group net debt at 30 June 2010 came to €4.2 billion, €2.1 billion less than at 30 June 2009. Shareholders' equity increased €1.2 billion to €9.9 billion. Net gearing stood at 43%, an improvement of 29 points. Free cash flow amounted to €590 million, stable compared with the first half of 2009. In July 2010, Standard & Poor's confirmed its rating of A- with a stable outlook.

## 2010 sales target revised upward to €30.4 billion

The 2010 sales target has been revised upward to €30.4 billion from the €30.1 billion announced in June 2010, as a result of good commercial performance and better-than-expected sales in the first half of the year.

The first half of 2010 confirmed the Group's ability to react and adapt in each of its business areas. With a robust financial structure, Bouygues is well-placed to grasp opportunities for growth in its markets.

| **Sales by business area** (€ million) | **2009** | **2010 target** | | | **% change** |
|---|---|---|---|---|---|
| | | Published in March | Published in June | Published in August | |
| Bouygues Construction | 9,546 | 9,100 | 9,100 | 9,100 | -5% |
| Bouygues Immobilier | 2,989 | 2,100 | 2,150 | 2,300 | -23% |
| Colas | 11,581 | 11,500 | 11,500 | 11,500 | -1% |
| TF1 | 2,365 | 2,410 | 2,460 | 2,530 | +7% |
| Bouygues Telecom | 5,368 | 5,370 | 5,420 | 5,450 | +2% |
| Holding company and other | 134 | 130 | 130 | 130 | ns |
| Intra-Group elimination | (630) | (610) | (660) | (610) | ns |
| **TOTAL** | **31,353** | **30,000** | **30,100** | **30,400** | **-3%** |
| *o/w France* | *21,678* | *20,600* | *20,800* | *21,100* | *-3%* |
| *o/w international* | *9,675* | *9,400* | *9,300* | *9,300* | *-4%* |

You can find the full financial statements and notes to the consolidated financial statements on: *www.bouygues.com*.
These documents have been subject to a limited review by the statutory auditors and the corresponding report has been issued.

The Half-year Review is accessible at: *www.bouygues.com*.

The first-half 2010 results presentation to financial analysts will be webcast live on 1 September 2010 at 11am (CET) on *www.bouygues.com*.

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| **Condensed consolidated income statement** (€ million) | **First-half 2009 restated**[1] | **First-half 2010** | **% change** | **First-half 2009 published** |
|---|---|---|---|---|
| **Sales** | **14,790** | **14,655** | **-1%** | **14,929** |
| **Operating profit** | **772** | **698** | **-10%** | **789** |
| Cost of net debt | (170) | (162) | -5% | (171) |
| Other financial income and expenses | 3 | 36 | ns | 3 |
| Income tax expense | (203) | (204) | = | (208) |
| Share of profits and losses from associates | 206 | 237 | +15% | 206 |
| Net profit from continuing operations | 608 | 605 | = | 619 |
| Net profit from discontinued and held-for-sale operations | 11 | 0 | ns | 0 |
| Net profit | 619 | 605 | -2% | 619 |
| Minority interests | (72) | (73) | +1% | (72) |
| **Net profit attributable to the Group** | **547** | **532** | **-3%** | **547** |

[1]Finagestion group's income and expenses reclassified to net profit from discontinued and held-for-sale operations

| **First-quarter consolidated income statement** (€ million) | **First-quarter 2009 restated** | **First-quarter 2010** | **% change** | **First-quarter 2009 published** |
|---|---|---|---|---|
| Sales | 6,579[1] | 6,443 | -2% | 6,655 |
| Operating profit | 165[1] | 162 | -2% | 174 |
| Net profit attributable to the Group | 159 | 181 | +14% | 159 |

[1]Applying the same accounting policy as in 2010, excluding contributions from Finagestion

| **Second-quarter consolidated income statement** (€ million) | **Second-quarter 2009 restated** | **Second-quarter 2010** | **% change** | **Second-quarter 2009 published** |
|---|---|---|---|---|
| Sales | 8,211[1] | 8,212 | = | 8,274 |
| Operating profit | 607[1] | 536 | -12% | 615 |
| Net profit attributable to the Group | 388 | 351 | -10% | 388 |

[1]Applying the same accounting policy as in 2010, excluding contributions from Finagestion

| **Sales by business area** (€ million) | **First-half** | | **% change** | **Change like-for-like and at constant exchange rates** |
|---|---|---|---|---|
| | **2009** | **2010** | | |
| Bouygues Construction | 4,758 | 4,530 | -5% | -6% |
| Bouygues Immobilier | 1,433 | 1,313 | -8% | -9% |
| Colas | 5,116 | 5,002 | -2% | -3% |
| TF1 | 1,130 | 1,285 | +14% | +13% |
| Bouygues Telecom | 2,625 | 2,732 | +4% | +4% |
| Holding company and other | 73[1] | 70 | ns | ns |
| Intra-Group elimination | (345)[1] | (277) | ns | ns |
| **Total** | **14,790[1]** | **14,655** | **-1%** | **-2%** |
| *o/w France* | *10,496* | *10,369* | *-1%* | *-1%* |
| *o/w international* | *4,294[1]* | *4,286* | = | *-3%* |

[1]Applying the same accounting policy as in 2010, excluding sales from Finagestion (€175 million in Holding company and other, -€36 million in Intra-Group elimination)

| **Contribution of business areas to EBITDA** (€ million) | **First-half** | | **% change** |
|---|---|---|---|
| | **2009** | **2010** | |
| Bouygues Construction | 304 | 307 | +1% |
| Bouygues Immobilier | 132 | 91 | -31% |
| Colas | 286 | 142 | -50% |
| TF1 | 90 | 123 | +37% |
| Bouygues Telecom | 702 | 734 | +5% |
| Holding company and other | (22)[1] | (19) | ns |
| **TOTAL** | **1,492[1]** | **1,378** | **-8%** |

[1]Applying the same accounting policy as in 2010, excluding contribution from Finagestion (€43 million in 2009)

| **Contribution of business areas to Operating profit** (€ million) | **First-half** | | **% change** |
|---|---|---|---|
| | **2009** | **2010** | |
| Bouygues Construction | 164 | 144 | -12% |
| Bouygues Immobilier | 104 | 109 | +5% |
| Colas | 75 | (47) | ns |
| TF1 | 38 | 104 | x2.7 |
| Bouygues Telecom | 415 | 409 | -1% |
| Holding company and other | (24)[1] | (21) | ns |
| **TOTAL** | **772[1]** | **698** | **-10%** |

[1]Applying the same accounting policy as in 2010, excluding contribution from Finagestion (€17 million in 2009)

| **Contribution of business areas to Net profit attributable to the Group** (€ million) | **First-half** | | **% change** |
|---|---|---|---|
| | **2009** | **2010** | |
| Bouygues Construction | 121 | 89 | -26% |
| Bouygues Immobilier | 60 | 56 | -7% |
| Colas | 57 | (28) | ns |
| TF1 | 21 | 32 | +52% |
| Bouygues Telecom | 240 | 237 | -1% |
| Alstom | 182 | 216 | +19% |
| Holding company and other | (134) | (70) | ns |
| **TOTAL** | **547** | **532** | **-3%** |

| **Net cash by business area** (€ million) | **At end-June** | | **Change €m** |
|---|---|---|---|
| | **2009** | **2010** | |
| Bouygues Construction | 2,500 | 2,922 | +€422m |
| Bouygues Immobilier | (138) | 58 | +€196m |
| Colas | (919) | (952) | -€33m |
| TF1 | (820) | (120) | +€700m |
| Bouygues Telecom | (681) | (505) | +€176m |
| Holding company and other | (6,201) | (5,608) | +€593m |
| **TOTAL** | **(6,259)** | **(4,205)** | **+€2,054m** |

| **Contribution of business areas to Cash flow** (€ million) | **First-half** | | **% change** |
|---|---|---|---|
| | **2009** | **2010** | |
| Bouygues Construction | 242 | 245 | +1% |
| Bouygues Immobilier | 89 | 97 | +9% |
| Colas | 289 | 164 | -43% |
| TF1 | 85 | 132 | +55% |
| Bouygues Telecom | 707 | 715 | +1% |
| Holding company and other | 78[1] | 104 | ns |
| **TOTAL** | **1,490[1]** | **1,457** | **-2%** |

[1]Applying the same accounting policy as in 2010, excluding contribution from Finagestion (€26 million in 2009)

| **Contribution of business areas to Net capital expenditure** (€ million) | **First-half** | | **% change** |
|---|---|---|---|
| | **2009** | **2010** | |
| Bouygues Construction | 64 | 114 | +78% |
| Bouygues Immobilier | 2 | 1 | -50% |
| Colas | 136 | 135 | -1% |
| TF1 | 45 | 21 | -53% |
| Bouygues Telecom | 285 | 227 | -20% |
| Holding company and other | 7[1] | 3 | ns |
| **TOTAL** | **539[1]** | **501** | **-7%** |

[1]Applying the same accounting policy as in 2010, excluding contribution from Finagestion (€32 million in 2009)