



Paris, 31 August 2011

Bouygues press release

First half 2011

- **Solid operating performance confirmed by an improvement in Q2 results**
- **Sales: €15.2 billion (+4%)**
- **Current operating profit: €752 million (+6%)**

- **2011 sales target revised upward to €32 billion**

Bouygues turned in a solid operating performance in the first half of 2011, endorsing the full-year roadmap for all the Group's business areas. The Construction businesses returned to growth and improved profitability, TF1 confirmed its turnaround and Bouygues Telecom continued its growth strategy in a highly competitive environment.

The Group reported a 4% increase in consolidated sales in the first half of 2011 (1% like-for-like and at constant exchange rates) to €15.2 billion. Current operating profit rose 6% to €752 million, while net profit was down by €141 million to €391 million. The decline in net profit was due to a lower contribution from Alstom (€122 million less than in the first half of 2010) and non-recurring items of €41 million in the first quarter of 2010.

Results improved in the second quarter of 2011 compared with the second quarter of 2010: sales rose by 4%, current operating profit by 11% and net profit by 2%.

The financial structure remains very sound and net debt is virtually stable in relation to end-June 2010.

Key figures

(€ million)	First half 2010	First half 2011	Change
Sales	14,655	15,214	+4%
Current operating profit	711 ¹	752	+6%
Operating profit	698	752	+8%
Net profit attributable to the Group	532	391	-27%
Net debt ²	4,205	4,341	+€136m
Net gearing ²	43%	42%	-1 pt

¹ The figure reported on 31 August 2010 was €698 million. -€13 million was reclassified to other operating income and expenses at Colas.

² End of period

Business areas

The Construction businesses returned to growth and improved profitability. Commercial activity was strong.

Bouygues Construction reported a satisfactory operating performance in the first half of the year. Sales rose 4% to €4,705 million (up 5% in France and 2% on international markets). The operating margin held up well at 3.5% and net profit rose 6% to €94 million.

Commercial activity was very strong, with order intake of €6.1 billion in the first half of the year, the same as the already high level reported in the year earlier period. The order book stood at a record €15.5 billion, 12% higher than at 30 June 2010. It includes the French Ministry of Defence Balard project, worth €1 billion.

First-half results at **Bouygues Immobilier** were in line with the company's full-year roadmap. Sales declined 16% to €1,098 million. Commercial property sales were down 47% squeezed by a tough comparative with the first half of 2010. Residential property sales dropped 6% overall in the first six months but started to rise again in the second quarter. The current operating margin and net profit remained stable at 8.3% and €56 million respectively.

After a record year in 2010, residential property reservations remained high at €990 million. Commercial property reservations rose sharply to €324 million in a still hesitant market. Overall, reservations were up 6% on the first half of 2010 at €1,314 million.

The order book was 18% higher than at end-June 2010 at €2.5 billion.

At **Colas**, the gradual improvement in profitability was confirmed in the first half of 2011.

Sales were up 8% to €5,400 million (up 15% in France and down 3% on international markets). After benefiting from favourable weather conditions in France in the first quarter, sales remained robust in the second quarter. As expected, current operating profit improved – it was €34 million higher than in the first half of 2010 – as the positive effects of the action plan introduced in 2010 began to show. Net profit amounted to €2 million, €31 million up on the first half of 2010.

Good business activity in the first half of 2011 kept the order book at a high level of €7.2 billion (the same as at end-June 2010), despite sales growth.

TF1 put in a very good first half and confirmed its turnaround.

Sales at **TF1** were virtually stable at €1,278 million. The current operating margin improved substantially to 14.6%, 6.5 points more than in the first half of 2010, and net profit rose 61% to €119 million as TF1 confirmed its capacity to closely manage costs and adapt its business model.

Standard & Poor's raised TF1's credit rating to BBB+ with a stable outlook, reflecting the company's healthy financial structure.

Bouygues Telecom continued its growth strategy in a highly competitive environment and performed in line with its expectations.

Bouygues Telecom reported a 5% increase in first-half sales to €2,866 million and a 3% rise in sales from network to €2,575 million. As anticipated, EBITDA remained stable stripping out the effect of the cut in mobile termination rate differentials, despite fierce competitive pressure. EBITDA amounted to €665 million, down 9%, and net profit to €213 million, down 19%.

In a very brisk mobile phone market, Bouygues Telecom signed up 206,000 new mobile contract customers in the first half of 2011, representing 21% of net market growth¹. Bouygues Telecom had a total customer base of 11,187,000 at 30 June 2011, 80% of them on mobile call plans, a 1.3-point rise over a 12-month period. On 18 July 2011, the operator innovated once again by launching the new B&YOU service, a mobile plan that targets the "internet generation".

215,000 new fixed broadband customers joined Bouygues Telecom in the first half of 2011², giving a total of 1,023,000 fixed broadband customers at 30 June 2011.

¹ Arcep (French communications regulator) data

² Including broadband and very-high-speed subscribers.

Alstom

Alstom contributed €94 million to the Group's first-half net profit, compared with €216 million in the first half of 2010. As announced, after a first quarter severely hit by non-recurring expenses taken by Alstom in the second half of FY2010/2011, Alstom contributed €71 million to Group net profit in the second quarter of 2011 (versus €101 million in the second quarter of 2010).

Carrying on from the second half of FY2010/2011, Alstom recorded strong growth in its order intake in the first quarter of FY2011/2012 and confirmed its operating margin target of between 7% and 8% for FY2011/2012.

Financial position

Cash flow increased slightly to €1,502 million, in line with the rise in operating profit. As anticipated, net capital expenditure rose to €651 million, €150 million more than in the first half of 2010, generating free cash flow¹ of €494 million.

Group net debt was virtually stable in relation to end-June 2010 at €4.3 billion.

¹ Before the change in working capital requirement

Cancellation of shares

The Board of Directors decided to cancel 9,973,287 shares, 5,153,093 of which were acquired in the first half of 2011. Following the cancellation, the number of shares stood at 356,307,709 and voting rights at 479,801,903.

Sales target

Sales by business area (€ million)	2010 actual	2011 target			% change
		Reported in March	Reported in May	Reported in August	
Bouygues Construction	9,235	9,400	9,600	9,600	+4%
Bouygues Immobilier	2,418	2,440	2,440	2,440	+1%
Colas	11,661	11,800	11,800	11,900	+2%
TF1	2,622	2,630	2,630	2,630	=
Bouygues Telecom	5,636	5,730	5,730	5,730	+2%
Holding company and other	132	120	120	120	nm
Intra-Group elimination	(479)	(420)	(420)	(420)	nm
TOTAL	31,225	31,700	31,900	32,000	+2%
o/w France	21,576 ¹	22,000	22,100	22,400	+4%
o/w international	9,649 ¹	9,700	9,800	9,600	-1%

¹ Following the change in status of Mayotte that has become a French department, sales were reclassified to France

Financial calendar:

15 November 2011: nine-month 2011 sales and earnings (5.45pm CET)

Find the full financial statements and notes to the financial statements on www.bouygues.com.
The financial statements 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 2011 results presentation to financial analysts will be webcast live on 31 August 2011 from 11am (CET) on www.bouygues.com.

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**Condensed consolidated
income statement**
(€ million)

First half		% change
2010	2011	

Sales	14,655	15,214	+4%
Current operating profit	711¹	752	+6%
Operating profit	698	752	+8%
Cost of net debt	(162)	(134)	-17%
Other financial income and expenses	36	(2)	nm
Income tax expense	(204)	(223)	+9%
Share of profits and losses from associates	237	91	-62%
Net profit	605	484	-20%
Minority interests	(73)	(93)	+27%
Net profit attributable to the Group	532	391	-27%

¹ The figure reported on 31 August 2010 was €698 million. -€13 million was reclassified to other operating income and expenses at Colas

**First-quarter consolidated
income statement**
(€ million)

First quarter		% change
2010	2011	

Sales	6,443	6,686	+4%
Current operating profit	170 ¹	153	-10%
Operating profit	162	153	-6%
Net profit attributable to the Group	181	34	-81%

¹ The figure reported on 1 June 2010 was €162 million. -€8 million was reclassified to other operating income and expenses at Colas

**Second-quarter consolidated
income statement**
(€ million)

Second quarter		% change
2010	2011	

Sales	8,212	8,528	+4%
Current operating profit	541 ¹	599	+11%
Operating profit	536	599	+12%
Net profit attributable to the Group	351	357	+2%

¹ The figure reported on 31 August 2010 was €536 million. -€5 million was reclassified to other operating income and expenses at Colas

Sales by business area
(€ million)

	First half		% change	Change like-for-like and at constant exchange rates
	2010	2011		
Bouygues Construction	4,530	4,705	+4%	+1%
Bouygues Immobilier	1,313	1,098	-16%	-16%
Colas	5,002	5,400	+8%	+4%
TF1	1,285	1,278	-1%	-4%
Bouygues Telecom	2,732	2,866	+5%	+5%
Holding company and other	70	64	nm	nm
Intra-Group elimination	(277)	(197)	nm	nm
Total	14,655	15,214	+4%	+1%
o/w France	10,401 ¹	11,064	+6%	+4%
o/w international	4,254 ¹	4,150	-2%	-6%

¹ Following the change in status of Mayotte that has become a French department, sales were reclassified to France

Contribution of business areas to EBITDA
(€ million)

	First half		% change
	2010	2011	
Bouygues Construction	307	252	-18%
Bouygues Immobilier	91	86	-5%
Colas	148 ¹	190	+28%
TF1	123	234	+90%
Bouygues Telecom	734	665	-9%
Holding company and other	(19)	(19)	nm
TOTAL	1,384¹	1,408	+2%

¹ The figure reported on 31 August 2010: €1,378 million for the Group and €142 million for Colas. -€6 million was reclassified to other operating income and expenses at Colas

Contribution of business areas to Current operating profit
(€ million)

	First half		% change
	2010	2011	
Bouygues Construction	144	165	+15%
Bouygues Immobilier	109	91	-17%
Colas	(34) ¹	0	nm
TF1	104	187	+80%
Bouygues Telecom	409	331	-19%
Holding company and other	(21)	(22)	nm
TOTAL	711¹	752	+6%

¹ The figure reported on 31 August 2010: €698 million for the Group and -€47 million for Colas. -€13 million was reclassified to other operating income and expenses at Colas

Contribution of business areas to Net profit attributable to the Group
(€ million)

	First half		% change
	2010	2011	
Bouygues Construction	89	94	+6%
Bouygues Immobilier	56	56	=
Colas	(28)	2	nm
TF1	32	51	+59%
Bouygues Telecom	237	191	-19%
Alstom	216	94	-56%
Holding company and other	(70)	(97)	nm
TOTAL	532	391	-27%

Net cash by business area
(€ million)

	At end-June		Change €m
	2010	2011	
Bouygues Construction	2,922	2,236	-€686m
Bouygues Immobilier	58	390	+€332m
Colas	(952)	(1,046)	-€94m
TF1	(120)	11	+€131m
Bouygues Telecom	(505)	(619)	-€114m
Holding company and other	(5,608)	(5,313)	+€295m
TOTAL	(4,205)	(4,341)	-€136m

Contribution of business areas to Cash flow
(€ million)

	First half		% change
	2010	2011	
Bouygues Construction	245	260	+6%
Bouygues Immobilier	97	94	-3%
Colas	164	220	+34%
TF1	132	220	+67%
Bouygues Telecom	715	659	-8%
Holding company and other	104	49	nm
TOTAL	1,457	1,502	+3%

Contribution of business areas to Net capital expenditure
(€ million)

	First half		% change
	2010	2011	
Bouygues Construction	114	121	+6%
Bouygues Immobilier	1	4	x4
Colas	135	159	+18%
TF1	21	18	-14%
Bouygues Telecom	227	348	+53%
Holding company and other	3	1	nm
TOTAL	501	651	+30%