



Paris, 14 November 2012

Bouygues press release

Nine-month 2012 results

- **Sales: €24.6 billion (+4%)**
- **Net profit: €564 million (-29%), impacted by Bouygues Telecom**
- **Construction businesses' order book at a high level, up 10% at €26.9 billion**
- **Alstom's performances validates its roadmap**
- **Sales target revised upwards to €33.2 billion**

The Bouygues group reported a 4% increase in consolidated sales in the first nine months of 2012 to €24.6 billion (up 1% like-for-like and at constant exchange rates).

Current operating profit amounted to €954 million, down 29% on the first nine months of 2011, and operating profit fell 38% to €859 million after the inclusion of non-recurring charges related to adaptation plans at Bouygues Telecom and TF1. Net profit was also down 29% at €564 million. In keeping with the half-year trend, these results are mainly due to the lower profitability at Bouygues Telecom.

The financial structure is sound, with net debt under tight control.

Key figures

| (€ million) | 9-month 2011 | 9-month 2012 | Change |
|--------------------------------------|--------------------|--------------------|----------|
| Sales | 23,719 | 24,597 | +4% |
| Current operating profit | 1,338 | 954 | -29% |
| Operating profit | 1,376 ¹ | 859 ² | -38% |
| Net profit attributable to the Group | 794 | 564 | -29% |
| Net debt ³ | 3,808 | 5,832 ⁴ | +€2,024m |
| Net gearing ³ | 36% | 61% | +25 pts |

¹Including €38 million of non-current income relating to an asset disposal at Bouygues Telecom

²Including €95 million linked to the cost of the adaptation plans at Bouygues Telecom and TF1

³End of period

⁴Net debt of €3,639 million before factoring in two one-off events: the share repurchase tender offer (€1,250 million) and the purchase of 4G frequencies (€943 million)

Business areas

In keeping with the first-half trend, the construction businesses posted good commercial performances. The order book stood at €26.9 billion, 10% higher than at end-September 2011, giving good visibility on future business activity.

Bouygues Construction reported nine-month sales of €7,748 million, up 9% overall (up 6% in France and 13% on international markets) and 4% like-for-like and at constant exchange rates. The current operating margin was a robust 3.4% and net profit amounted to €174 million, up 9%.

Order intake was very high, both in France and in international markets, growing 8% to reach €9 billion. The order book stood at €17 billion, 12% higher than at end-September 2011, with international markets accounting for 45%.

Bouygues Immobilier reported a 5% increase in sales to €1,631 million for the first nine months of 2012 (up 8% in residential property, down 16% in commercial property). The operating margin stood at 7.5%, reflecting early adjustment measures in response to lower residential property reservations in a contracting French market. Net profit amounted to €75 million.

In an unfavourable economic and tax environment, residential property reservations reflected the wait-and-see stance on the property market and a fall in buy-to-let investment. Reservations were 32% lower than in the first nine months of 2011 at €1,040 million. Commercial property reservations stood at a good level, up 6% to €358 million despite a sluggish market.

Sustained by the commercial property segment, the order book rose 9% in comparison with end-September 2011 to €2,879 million, offering good visibility and representing 14 months of sales.

Colas reported sales of €9,670 million, an increase of 5% overall (up 1% in France and 12% on international markets) and 3% like-for-like and at constant exchange rates. Current operating profit fell €38 million to €236 million, affected by delays in contract execution due to poor weather conditions in mainland France in the first half of 2012 and lower profitability on the sale of refined oil products. The cost of raw materials used in the refining activity has risen sharply and could only be partially passed on to customers.

Net profit amounted to €178 million, €31 million less than in the first nine months of 2011.

The order book grew 5% to €7 billion versus end-September 2011.

TF1 has launched the second phase of its optimisation plan

TF1 reported a 1% rise in sales to €1,853 million. The fall in advertising revenue was offset by the growth of diversification activities, up 6% on the first nine months of 2011, but continued to affect current operating profit, which stood at €154 million, down €41 million. TF1 has launched the second phase of its optimisation plan, designed to make its business model more flexible and to continue cutting costs. The plan aims to generate recurring cost savings of €85 million by end-2014. A non-recurring €25-million charge related to this plan was booked in the third quarter of 2012. Nine-month 2012 operating profit amounted to €129 million and net profit to €87 million, €38 million lower than in the first nine months of 2011.

Bouygues Telecom confirms its 2012 targets and is continuing its adaptation plan

Bouygues Telecom reported an 8% drop in nine-month 2012 sales to €3,951 million and sales from network dropped 8% to €3,518 million. As expected, mobile sales from network continued to decline in the third quarter, while sales in the fixed broadband segment showed strong growth.

EBITDA stood at €807 million, €228 million lower than in the first nine months of 2011, in line with the full-year target of €900 million. Current operating profit amounted to €206 million, reflecting the drop in EBITDA as well as the increase in amortisation expense and provisions. Operating profit for the first nine months of 2012, at €136 million, included a €70-million non-recurring charge related to the adaptation plan, booked in the third quarter. Net profit amounted to €76 million.

The €300-million adaptation and savings plan is being gradually rolled out and is expected to have a full impact in 2013. The voluntary redundancy plan concerning 556 employees is currently under way.

In keeping with the trend of the second quarter, Bouygues Telecom improved its commercial performance in the mobile segment. It acquired 178,000 new mobile customers, with a net gain of 11,000 customers, excluding the impact of integrating Darty Telecom and Simyo. 188,000 new plan customers joined Bouygues Telecom in the third quarter of 2012, including 64,000 Darty Telecom customers.

B&YOU continued to grow, with a total of 625,000 customers at end-September 2012.

Finally, Bouygues Telecom continued to expand on the fixed broadband market, with 359,000 net additions in the third quarter and 77,000 new customers excluding the impact of integrating Darty Telecom. This gave a base of 1.8 million customers¹ at 30 September 2012, up 57% compared with 30 September 2011.

¹Includes broadband and very-high-speed broadband subscribers. Customers gained following the acquisition of Darty Telecom, effective as of 24 July 2012, are included in Q3 2012 financial statements.

Alstom's performances validates its roadmap

As announced, Alstom contributed €181 million to the Group's net profit in the first nine months of 2012, compared with €134 million in the first nine months of 2011.

Order intake grew robustly by 19% to €12.1 billion in the first half of FY2012/13. The order book at end-September stood at €52 billion, representing 31 months' sales.

Alstom confirmed that it expects sales to grow by more than 5% per year for the current fiscal year and the next two fiscal years, matched by a steady improvement in the operating margin to around 8% by March 2015. Free cash flow is expected to be positive in each of the next three fiscal years.

Following Alstom's €350-million capital increase, via a private placement, on 4 October 2012, Bouygues' stake in Alstom has fallen to 29.4% from 30.7% on 30 September 2012.

Under IFRS, this event triggers a dilution loss of €53 million, which will be recognised as a non-current operating charge in the fourth quarter of 2012.

Financial position

A €109-million increase in free cash flow¹ in the construction businesses partly offset the €241-million² drop in free cash flow at Bouygues Telecom. Overall, the Group's free cash flow in the first nine months of the year amounted to €713 million², €173 million less than in the same period of 2011.

Net debt amounted to €5.8 billion at end-September 2012. This represents an improvement of €169 million in comparison with end-September 2011, before factoring in the purchase of two blocks of 4G frequencies (€943 million) and the share repurchase tender offer (€1,250 million).

The Group launched a €700-million bond issue in October 2012, redeemable in 2023. The Group has a high level of liquidity (€7.3 billion) and an evenly-spread redemption schedule.

¹Before the change in working capital requirement

²Before investment in 4G frequencies in the first nine months of 2012 (acquisition cost and capitalised interest)

Significant events since 30 June 2012

- 3 July 2012: Bouygues Telecom announces a voluntary redundancy plan concerning 556 jobs.
- 3 July 2012: Bouygues Bâtiment International, a Bouygues Construction subsidiary, takes 100% ownership of Leadbitter.
- 5 July 2012: TF1 signs the agreement for its new HD1 channel with the French broadcasting authority, CSA.
- 28 August 2012: Bouygues Telecom and Darty announce the launch of Bouygues Telecom Edition Darty offers, sold exclusively in Darty's 226 stores.
- 6 September 2012: B&YOU launches the only prepaid card without an expiry date and with the market's lowest prepaid rates for calls, SMS and mobile internet in mainland France.
- 20 September 2012: Launch of the Campus Val de Bièvre project, designed and developed by Bouygues Immobilier under its Rehagreen® initiative.
- 23 October 2012: Colas announces a project to reorganise its roads business in mainland France around seven regional subsidiaries, all under the Colas name.
- 25 October 2012: Colas Rail, in a consortium, wins an €85-million contract to extend Line 1 of the Algiers metro.
- 30 October 2012: Bouygues Construction, in a consortium, wins a €110-million contract to build several sports facilities in Canada.
- 6 November 2012: B&YOU launches new ground-breaking offers on the low-cost mobile market.

2012 sales target and outlook

On the basis of the situation at 30 September, the 2012 sales target has been revised upwards from €32.8 billion to €33.2 billion, 2% higher than in 2011.

| Sales by business area (€ million) | 2011 | 2012 target | | | | % change |
|------------------------------------------|---------------|----------------------|--------------------|-----------------------|-------------------------|-------------|
| | | Reported in March | Reported in May | Reported in August | Reported in November | |
| Bouygues Construction | 9,802 | 10,000 | 10,100 | 10,200 | 10,400 | +6% |
| Bouygues Immobilier | 2,465 | 2,450 | 2,450 | 2,450 | 2,450 | = |
| Colas | 12,412 | 12,500 | 12,700 | 12,700 | 12,900 | +4% |
| TF1 | 2,620 | 2,620 | 2,620 | 2,620 | 2,620 | = |
| Bouygues Telecom | 5,741 | 5,140 | 5,140 | 5,180 | 5,200 | -9% |
| Holding company and other | 120 | 120 | 120 | 120 | 120 | nm |
| Intra-Group elimination | (454) | (480) | (480) | (470) | (490) | nm |
| TOTAL | 32,706 | 32,350 | 32,650 | 32,800 | 33,200 | +2% |
| <i>o/w France</i> | <i>22,601</i> | <i>22,050</i> | <i>21,950</i> | <i>22,050</i> | <i>22,300</i> | <i>-1%</i> |
| <i>o/w international</i> | <i>10,105</i> | <i>10,300</i> | <i>10,700</i> | <i>10,750</i> | <i>10,900</i> | <i>+8%</i> |

The amended 2012 Budget Act and the 2013 Budget Act should result in higher taxes and charges of around €70 million in 2012 and about a further €10 million in 2013.

Financial calendar:

27 February 2013: full-year 2012 results
 7.00 am: press release
 9.00 am: press conference
 11.00 am: analysts' meeting

The financial statements have been subject to a limited review by the statutory auditors and the corresponding report has been issued.
 You will find the full financial statements and notes to the financial statements on www.bouygues.com.

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| Condensed consolidated income statement (€ million) | 9-month | | % change |
|-----------------------------------------------------------|-----------------|-------------------|-------------|
| | 2011 | 2012 | |
| Sales | 23,719 | 24,597 | +4% |
| Current operating profit | 1,338 | 954 | -29% |
| Other operating income and expenses | 38 ¹ | (95) ² | nm |
| Operating profit | 1,376 | 859 | -38% |
| Cost of net debt | (205) | (212) | +3% |
| Other financial income and expenses | (1) | 8 | nm |
| Income tax expense | (395) | (232) | -41% |
| Share of profits and losses from associates | 143 | 210 | +47% |
| Net profit | 918 | 633 | -31% |
| Minority interests | (124) | (69) | -44% |
| Net profit attributable to the Group | 794 | 564 | -29% |

¹ Non-current income relating to an asset disposal at Bouygues Telecom

² Cost of the adaptation plans at Bouygues Telecom (for €70 million) and TF1 (for €25 million)

| Third-quarter consolidated income statement (€ million) | Third-quarter | | % change |
|---------------------------------------------------------------|------------------|------------------|-------------|
| | 2011 | 2012 | |
| Sales | 8,505 | 9,092 | +7% |
| Current operating profit | 586 | 478 | -18% |
| Operating profit | 624 ¹ | 383 ² | -39% |
| Net profit attributable to the Group | 403 | 286 | -29% |

¹ Including €38 million of non-current income relating to an asset disposal at Bouygues Telecom

² Including €95 million linked to the cost of the adaptation plans at Bouygues Telecom and TF1

| Sales by business area (€ million) | 9-month | | % change | Change like-for-like and at constant exchange rates |
|------------------------------------------|---------------------|---------------|-------------|--------------------------------------------------------------------|
| | 2011 | 2012 | | |
| Bouygues Construction | 7,086 | 7,748 | +9% | +4% |
| Bouygues Immobilier | 1,548 | 1,631 | +5% | +5% |
| Colas | 9,168 | 9,670 | +5% | +3% |
| TF1 | 1,839 | 1,853 | +1% | = |
| Bouygues Telecom | 4,285 | 3,951 | -8% | -9% |
| Holding company and other | 90 | 94 | nm | nm |
| Intra-Group elimination | (297) | (350) | nm | nm |
| Total | 23,719 | 24,597 | +4% | +1% |
| o/w France | 16,391 ¹ | 16,367 | = | -1% |
| o/w international | 7,328 ¹ | 8,230 | +12% | +4% |

¹ Export sales of refined oil products were reclassified according to their location

| Contribution of business areas to EBITDA (€ million) | 9-month | | % change |
|----------------------------------------------------------------|----------------|--------------|-----------------|
| | 2011 | 2012 | |
| Bouygues Construction | 370 | 432 | +17% |
| Bouygues Immobilier | 126 | 117 | -7% |
| Colas | 595 | 538 | -10% |
| TF1 | 229 | 201 | -12% |
| Bouygues Telecom | 1,035 | 807 | -22% |
| Holding company and other | (41) | (24) | nm |
| TOTAL | 2,314 | 2,071 | -11% |

| Contribution of business areas to current operating profit (€ million) | 9-month | | % change |
|----------------------------------------------------------------------------------|----------------|-------------|-----------------|
| | 2011 | 2012 | |
| Bouygues Construction | 266 | 260 | -2% |
| Bouygues Immobilier | 127 | 123 | -3% |
| Colas | 274 | 236 | -14% |
| TF1 | 195 | 154 | -21% |
| Bouygues Telecom | 512 | 206 | -60% |
| Holding company and other | (36) | (25) | nm |
| TOTAL | 1,338 | 954 | -29% |

| Contribution of business areas to net profit attributable to the Group (€ million) | 9-month | | % change |
|----------------------------------------------------------------------------------------------|----------------|-------------|-----------------|
| | 2011 | 2012 | |
| Bouygues Construction | 159 | 174 | +9% |
| Bouygues Immobilier | 78 | 75 | -4% |
| Colas | 201 | 172 | -14% |
| TF1 | 55 | 38 | -31% |
| Bouygues Telecom | 316 | 68 | -78% |
| Alstom | 134 | 181 | +35% |
| Holding company and other | (149) | (144) | nm |
| TOTAL | 794 | 564 | -29% |

| Net cash by business area (€ million) | 9-month | | Change (€m) |
|-------------------------------------------------|----------------|----------------|-----------------------|
| | 2011 | 2012 | |
| Bouygues Construction | 2,393 | 2,700 | +€307m |
| Bouygues Immobilier | 275 | 168 | -€107m |
| Colas | (823) | (786) | +€37m |
| TF1 | 87 | (18) | -€105m |
| Bouygues Telecom | (440) | (1,475) | -€1,035m |
| Holding company and other | (5,300) | (6,421) | -€1,121m |
| TOTAL | (3,808) | (5,832) | -€2,024m |

| Contribution of business areas to cash flow (€ million) | 9-month | | Change (€m) |
|------------------------------------------------------------|--------------|--------------|----------------|
| | 2011 | 2012 | |
| Bouygues Construction | 400 | 419 | +€19m |
| Bouygues Immobilier | 129 | 121 | -€8m |
| Colas | 620 | 621 | +€1m |
| TF1 | 242 | 169 | -€73m |
| Bouygues Telecom | 1,052 | 723 | -€329m |
| Holding company and other | 40 | 62 | +€22m |
| TOTAL | 2,483 | 2,115 | -€368m |

| Contribution of business areas to net capital expenditure (€ million) | 9-month | | Change (€m) |
|--------------------------------------------------------------------------|------------|------------------------|----------------|
| | 2011 | 2012 | |
| Bouygues Construction | 177 | 117 | -€60m |
| Bouygues Immobilier | 7 | 10 | +€3m |
| Colas | 252 | 223 | -€29m |
| TF1 | 29 | 18 | -€11m |
| Bouygues Telecom | 536 | 586 | +€50m |
| Holding company and other | (4) | 4 | +€8m |
| Total excl. 4G frequencies (800 MHz band) | 997 | 958 | -€39m |
| 4G frequencies (800 MHz band) | 0 | 715¹ | +€715m |
| TOTAL | 997 | 1,673 | +€676m |

¹Includes acquisition cost and capitalised interest