Half-year review 2008

BOUYGUES

French *société anonyme* with share capital of €341,622,482
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Bouygues is a diversified industrial group with a strong corporate culture. Its business activities focus on two sectors: Construction, with Bouygues Construction (building, civil works and electrical contracting), Bouygues Immobilier (property development) and Colas (roads), and Telecoms/Media with TF1 and Bouygues Telecom. Bouygues also has a 30% stake in Alstom (power and transport).

Operating in about **80 countries**, the Bouygues Group has **137,500 employees**. Sales in 2007 amounted to **€29.6 billion**, of which €8.8 billion were generated outside France. Sales in the first half of 2008 amounted to €15.3 billion, 15% more than in the first half of 2007, of which €4.4 billion were generated outside France.

Bouygues, listed on Euronext's Eurolist (Compartment A), is included in the CAC 40 index. It had a market capitalisation of €19.8 billion at 31 December 2007.

BOARD OF DIRECTORS

MEMBERSHIP

Chairman and Chief Executive Officer

Martin Bouygues

Executive Director

Olivier Bouygues
Deputy CEO and standing representative of SCDM, director

Directors

Pierre Barberis
Former Deputy CEO, Oberthur

Patricia Barbizet
CEO and director, Artémis

François Bertière
Chairman and CEO, Bouygues Immobilier

Mrs Francis Bouygues

Georges Chodron de Courcel
COO, BNP Paribas

Charles de Croisset
International Advisor
to Goldman Sachs International

Lucien Douroux
Former Chairman of the Supervisory Board,
Crédit Agricole - Indosuez

Yves Gabriel
Chairman and CEO, Bouygues Construction

Jean-Michel Gras
Director representing employee shareholders

Thierry Jourdaine
Director representing employee shareholders

Patrick Kron
Chairman and CEO, Alstom

Hervé Le Bouc
Chairman and CEO, Colas

Helman le Pas de Sécheval
Group CFO, Groupama

Nonce Paolini
Chairman and CEO, TF1

Jean Peyrelevade
Vice-Chairman, Leonardo France

François-Henri Pinault
Chairman and CEO, PPR

Non-voting directors
Philippe Montagner
Alain Pouyat

BOARD COMMITTEES

Accounts Committee
Helman le Pas de Sécheval (Chairman)
Patricia Barbizet
Georges Chodron de Courcel
Thierry Jourdaine

Selection Committee
Jean Peyrelevade (Chairman)
François-Henri Pinault

Remuneration Committee
Pierre Barberis (Chairman)
Patricia Barbizet

Ethics and Sponsorship Committee
Lucien Douroux (Chairman)
François-Henri Pinault
Jean-Michel Gras

HALF-YEAR REVIEW OF OPERATIONS

A strong first half

The Bouygues group reported a solid operating performance in terms of both sales and profit in the first half of 2008. Sales climbed by 15%. All the Group's businesses except TF1 saw profits grow. The Group's operating profit rose by 3% and 16% excluding TF1. Net profit attributable to the Group amounted to €701 million, an increase of 6%.

Key figures

(€ million)	H1 2007 [1]	H1 2008	Change
Sales	13,298	15,310	+15%
Current operating profit	1,041	1,099	+6%
Operating profit	1,062	1,099	+3%
Net profit attributable to the Group	659	701	+6%
Net debt [2]	5,115	6,300	+€1,185m

[1] Applying the same accounting policy as in 2008: restatement of provisions for Bouygues Telecom customer loyalty programmes and actuarial gains and losses on employee benefits.
[2] End of period.

Half-year highlights

- Ongoing growth in Group sales and profits.
- Trend sales:
  - still rising strongly at Bouygues Construction, both in France and internationally,
  - continuing to grow at Colas, though at a slower pace,
  - slower at Bouygues Immobilier, though still high.
- TF1:
  - continuing to adapt to the new competitive environment,
  - moving towards full media integration.
- Bouygues Telecom: launch of new unlimited call plans and acquisition of a DSL network.
- Completion of a 1-billion-euro seven-year bond issue.
- Alstom: bright outlook.

Group business areas

Bouygues Construction got off to an excellent start to the year with particularly strong growth in sales and operating profit, up by 20% and 24% respectively. Net profit attributable to the Group grew by 11% to €164 million. Business activity remained brisk; order intakes climbed by 17% over the first half of 2007 and the order book totalled €12.3 billion, a 26% increase on 30 June 2007, thereby bolstering visibility for 2009.

Despite the business climate, **Bouygues Immobilier** reported a sharp increase in sales (+61%) as a result of the high level of reservations in 2006 and 2007. Net profit attributable to the Group advanced

45% to €61 million. After an exceptional 2007, business activity slackened (reservations fell 13% by value in residential property and 15% in commercial property). Bouygues Immobilier outperformed the market thanks to its positioning and strategy.

Colas posted a 14% rise in sales and an 11% rise in net profit to €130 million. The order book came to €7.1 billion, growing more moderately (+4%) than at 30 June 2007 (+10%).

TF1's first half was marked by a difficult environment. Sales were down 5% and net profit attributable to the Group contracted 33% to €125 million. TF1 is adapting to a changing competitive and regulatory context.

Bouygues Telecom turned in a strong performance in the first half of 2008. Sales rose by 7% to €2,465 million and sales from network amounted to €2,295 million, an increase of 5%. Bouygues Telecom thus continued to grow while keeping tight control over profitability in a difficult competitive environment marked by widespread unlimited voice and SMS services and the popularity of more sophisticated handsets. Excluding expenses connected to the development of the fixed-line business, the EBITDA margin was 33.4% of sales from network. Net profit attributable to the Group gained 5% to €308 million. Capital expenditure totalled €375 million, a 74% rise from the first half of 2007 due to faster rollout of the HSPA network and the acquisition on 30 June 2008 of a DSL network.

Financial position

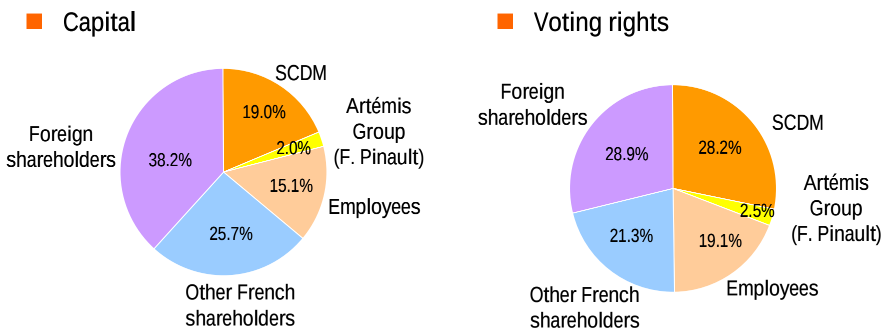
The Group's net debt amounted to €6.3 billion at 30 June 2008, an increase of €1.2 billion compared with 30 June 2007. This was the result of rising capital expenditure and financial investments, including €1 billion worth of Alstom shares. On 3 July 2008, Bouygues successfully completed a €1 billion 7-year bond issue.

Sales target for 2008

Tensions have emerged after several years of economic prosperity. These include the financial crisis, the slowdown in the property market, soaring commodity prices and the euro/dollar exchange rate. To date, the tensions have had only a limited impact on the Group's business performance and have not affected our 2008 sales targets.

CONTRIBUTION OF BUSINESS AREAS TO SALES (€ million)	**Actual 2007**	**2008 target**			**Change 2008/2007**
		in February	in June	in August	
Bouygues Construction	8,088	8,900	9,000	9,100	+13%
Bouygues Immobilier	2,074	2,900	2,900	2,900	+40%
Colas	11,640	12,450	12,550	12,550	+8%
TF1	2,747	2,800	2,670	2,670	-3%
Bouygues Telecom	4,780	4,950	4,950	5,000	+5%
Holding company and other	284	300	330	280	ns
TOTAL	**29,613**	**32,300**	**32,400**	**32,500**	**+10%**
France	*20,810*	*22,300*	*22,400*	*22,500*	*+8%*
International	*8,803*	*10,000*	*10,000*	*10,000*	*+14%*

BOUYGUES: share ownership structure at 30 June 2008



At 30 June 2008:
- 342,219,029 shares
- 451,529,167 voting rights

SCDM is a company controlled by Martin and Olivier Bouygues.
The shareholder agreement between SCDM and Artémis was terminated in 2006.

Change in relation to end-2007

Reduction in the number of shares (cancellation of seven million shares in June 2008).

Increase in SCDM's stake following the acquisition of two million shares on the market in the first half of 2008.

Recent events

Several significant events occurred in July and August 2008. Bouygues SA launched a €1 billion 7-year bond issue bearing interest at a fixed rate of 6.125% per annum. Bouygues Construction signed a contract to build a shopping centre at Aubervilliers, near Paris. In Singapore, Bouygues Construction won two contracts to build a residential complex and a hotel. Colas acquired Gouyer, a company with operations in Martinique and Guadeloupe. Nonce Paolini was appointed Chairman and CEO of TF1. Bouygues Telecom became the owner of its own DSL network. Alstom won a number of major contracts, including a fully automated control system for the São Paulo metro, 26 Coradia regional trains for the German operator BeNEX, the engineering and procurement of the turbine island for China's first EPR nuclear power plant, the construction and maintenance of a combined-cycle power plant in Spain and the construction of a combined-cycle power plant in Indonesia.

Main risks and uncertainties in the second half of 2008

This review contains projections. Expressing targets based on current assessments and estimates, that information may be affected by the risk factors and uncertainties described below.

The main risks which the Group could face in the second half of 2008 are of the same type as those described on pages 27, 39, 51, 56, 62-63, 75, 95 to 101, 168-169 and 196-197 of the 2007 registration document. There was no significant change to these risks in the first half of 2008. The credit crunch, the slowdown in the property market, the rise in raw materials prices and the euro/dollar exchange rate are factors that generate additional uncertainty.

Following the Competition Council's decision in a case involving the construction of high schools in the Paris region, the Ile de France region has sued a number of firms for damages, including some Group subsidiaries. The French government has announced a reform of the audiovisual sector that is expected to come before Parliament in the autumn of 2008. The main measure is likely to be an end to advertising on public TV channels, offset by a 3% levy on private channels' advertising revenue and a 0.9% levy on telecom operators' sales. The measure would therefore affect TF1 and Bouygues Telecom. However, the reform would also allow a second advertising break during films or TV dramas shown on private channels and raise the maximum advertising time in any single hour from six minutes to nine. The quota would no longer be determined on the basis of a rolling 60-minute period but by clock hour. The French telecoms regulatory authority has launched a consultation to pave the way for the allocation of new frequencies for 3G mobile networks. The consultation envisages a number of scenarios, including the allocation of frequencies to a new entrant that would become the fourth operator on the French market.

Main related-party transactions

No related-party transaction liable to have a significant influence on Bouygues' financial situation or results took place in the first half of 2008. Likewise, no change to any related-party transactions liable to have a significant influence on Bouygues' financial situation or results occurred during the same period. In accordance with the terms of agreements approved by the Board of Directors and the Annual General Meeting, Bouygues provided services to its various sub-groups, mainly in the spheres of management, human resources, IT and finance.

Condensed consolidated balance sheet

(€ million)	30 June 2007(*)	30 June 2008
Non-current assets	15,860	18,040
Current assets	16,077	16,055
Held-for-sale assets	33	0
TOTAL ASSETS	**31,970**	**34,095**
Shareholders' equity	7,168	8,033
Non-current liabilities	8,389	8,010
Current liabilities	16,413	18,052
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**31,970**	**34,095**

(*) Applying the same accounting policy as in 2008: restatement of provisions for Bouygues Telecom customer loyalty programmes and actuarial gains and losses on employee benefits.

CONDENSED CONSOLIDATED INCOME STATEMENT (€ million)	**H1**		**Change**
	2007*	**2008**	
Sales	**13,298**	**15,310**	**+15%**
Current operating profit	**1,041**	**1,099**	**+6%**
Operating profit	**1,062**	**1,099**	**+3%**
Cost of net debt	(95)	(132)	+39%
Other financial income and expenses	22	(21)	ns
Income tax expense	(286)	(305)	+7%
Share of profits and losses of associates	103	177	+72%
Net profit from continuing operations	**806**	**818**	**+1%**
Net profit	806	818	+1%
Minority interests	147	117	-20%
Net profit attributable to the Group	**659**	**701**	**+6%**

* Applying the same accounting policy as in 2008: restatement of provisions for Bouygues Telecom customer loyalty programmes and actuarial gains and losses on employee benefits.

Contribution of business areas to SALES (€ million)	**H1 2007**	**H1 2008**	**Change**
Bouygues Construction	3,712	4,448	+20%
Bouygues Immobilier	808	1,299	+61%
Colas	4,914	5,609	+14%
TF1	1,423	1,352	-5%
Bouygues Telecom	2,293	2,457	+7%
Holding company and other	148	145	ns
TOTAL	**13,298**	**15,310**	**+15%**
France	*9,699*	*10,896*	*+12%*
International	*3,599*	*4,414*	*+23%*

Contribution of business areas to EBITDA (€ million)	**H1 2007**	**H1 2008**	**Change**
Bouygues Construction	184	269	+€85m
Bouygues Immobilier	56	135	+€79m
Colas	316	344	+€28m
TF1	330	237	-€93m
Bouygues Telecom	732	755	+€23m
Holding company and other	8	3	-€5m
TOTAL	**1,626**	**1,743**	**+7%**

Contribution of business areas to OPERATING PROFIT (€ million)	**H1 2007***	**H1 2008**	**Change**
Bouygues Construction	150	186	+€36m
Bouygues Immobilier	72	122	+€50m
Colas	136	155	+€19m
TF1	264	171	-€93m
Bouygues Telecom	447	469	+€22m
Holding company and other	(7)	(4)	+€3m
TOTAL	**1,062**	**1,099**	**+3%**

* Applying the same accounting policy as in 2008: restatement of provisions for Bouygues Telecom customer loyalty programmes and actuarial gains and losses on employee benefits.

Contribution of business areas to NET PROFIT ATT. TO THE GROUP (€ million)	**H1 2007***	**H1 2008**	**Change**
Bouygues Construction	148	164	+€16m
Bouygues Immobilier	42	61	+€19m
Colas	113	126	+€13m
TF1	80	54	-€26m
Bouygues Telecom	263	275	+€12m
Alstom	64	151	+€87m
Holding company and other	(51)	(130)	-€79m
TOTAL	**659**	**701**	**+6%**

* Applying the same accounting policy as in 2008: restatement of provisions for Bouygues Telecom customer loyalty programmes and actuarial gains and losses on employee benefits.

NET CASH BY BUSINESS AREA (€ million)	**30 June 2007**	**30 June 2008**	**Change**
Bouygues Construction	1,918	2,178	+€260m
Bouygues Immobilier	(121)	(313)	-€192m
Colas	(535)	(702)	-€167m
TF1	(572)	(706)	-€134m
Bouygues Telecom	(33)	(344)	-€311m
Holding company and other	(5,772)	(6,413)	-€641m
TOTAL	**(5,115)**	**(6,300)**	**-€1,185m**

Bouygues Construction

Bouygues Construction is one of the world's leading construction firms. Operating in building, civil engineering and electrical and HVAC engineering, its know-how covers the entire project life-span from design to maintenance.

Key figures

(€ million)	H1		Change
	2007	**2008**	
Sales	3,818	4,594	+20%
France	*2,345*	*2,653*	*+13%*
International	*1,473*	*1,941*	*+32%*
Operating profit	150	186	+24%
Net profit attributable to the Group	148	164	+11%

Half-year highlights

Bouygues Construction took orders worth €5,844 million in the first six months of 2008, 17% more than at end-June 2007. The high level of order intakes, both on international markets (€2,637 million, up 20%) and in France (€3,207 million, up 15%), was due mainly to sustained sales by building subsidiaries and a number of major contracts.
The order book at end-June 2008 was substantially higher than at end-December 2007 (+9%) at €12.3 billion, representing 17 months' sales. The proportion of long-term activity (more than five years) in the order book increased by €370 million during the preceding 12 months to €1.2 billion.
Bouygues Construction reported strong sales growth in the first half of 2008 (€4,594 million), both on international markets (€1,941 million, up 32%) and in France (€2,653 million, up 13%). Like-on-like and at constant exchange rates, the increase was 18%. External growth contributed €162 million to the sales figure.
The net margin at end-June 2008 was 3.5%, compared with 3.9% at end-June 2007, generating a net profit of €163 million. The operating profit was €186 million and net financial items €46 million.
The cash position net of financial debt stood at €2,178 million after payment of the dividend.

BUILDING AND CIVIL WORKS

The Building and Civil Works activity generated €3,790 million, including €2,075 million in France and €1,715 million on international markets.

- **France**

Bouygues Bâtiment Île-de-France, the leader on its market, performed well in the first half of the year, recording a 10% rise in sales to €836 million. Growth was driven by major projects won in late 2007 and early 2008, including the €123 million Meudon Technical Centre and the €192 million Mozart Tower / Eqwater project at Issy-les-Moulineaux in the Paris region, and by the high level of sales generated by deliveries, including the €97 million T1 Tower in La Défense. Sustained activity in social housing and residential property, both up 12%, also contributed to the increase in sales.

The regional subsidiaries of **Bouygues Entreprises France Europe** operate in both the building and civil works sectors in France. Their sales rose by 24% to €1,011 million at end-June 2008. Over the last three years they have won 14 €20 million-plus contracts to build hospitals, including a public-private partnership for a teaching hospital at Bourgoin-Jallieu (€105 million) and the Pierre-Paul Riquet teaching hospital in Toulouse (€82 million), and nine contracts to build prisons (six are currently under way for a total of €281 million and PPP contracts have recently been concluded for a further three). The network of Cirmad property development subsidiaries also contributed to the division's fine performance, generating €137 million, 32% more than in the first half of 2007.

Bouygues Travaux Publics reported sustained activity, with sales of €147 million in France. Its main projects included the A41 motorway between Annecy and Geneva, worth a total of €512 million, and the Flamanville EPR nuclear power plant, of which Bouygues Construction's share is €345 million. DTP Terrassement continued to expand (+12%) by rolling out regional agencies.

- **Europe (except France)**

Sales in Europe (except France) rose by 41% in the first half of 2008 to €944 million.

Bouygues Construction's sales in the **United Kingdom** at end-June 2008 amounted to €143 million, €81 million more than at end-June 2007. External growth contributed €64 million to this figure, especially the acquisition in late 2007 of Warings, a building and renovation firm that operates in the south of England. Under the Private Finance Initiative (PFI) programme, Bouygues UK has built hospitals (Broomfield Hospital, €205 million), schools (Westminster Schools, €78 million) and, more recently, social housing. Bouygues Travaux Publics has started work on the second tunnel under the Tyne at Newcastle (€375 million).
In **Switzerland**, sales grew by 24% to €317 million. Already the market leaders in French-speaking Switzerland and in the region around Bern, Losinger Construction and its subsidiary Marazzi are continuing to expand, especially in the property development sector.
In **Cyprus**, construction work is continuing on the new terminals at Larnaka and Paphos airports, a project worth a total of €515 million which generated €86 million in sales in the first half of 2008.
In **Poland**, Karmar is continuing to grow strongly and concluded four housing construction contracts worth almost €80 million.
In **Russia**, at Ekaterinburg, Bouygues Bâtiment International will build the €123 million Iset Tower, the region's first skyscraper.
In **Hungary**, Bouygues Travaux Publics disposed of its stake in AKA, the company which holds the M5 motorway concession, after the Hungarian government decided to exercise its call option.

- **International (except Europe)**

In the **Asia-Pacific** zone (€340 million, up 48%), Bouygues Construction has strong local operations in Hong Kong, Singapore (where it took orders for three residential property projects worth over €250 million in all), Thailand and Turkmenistan (where it took €270 million in orders for the Palace Hotel). In Vietnam, Bouygues Bâtiment International is building the €102 million M&C Tower in Ho Chi Minh City. In South Korea, Bouygues Travaux Publics has started construction work on the port of Pusan (€217 million), which will be operated by the Concessions Division.

Africa (€264 million, up 30%) accounts for 15% of Bouygues Construction's international sales. Bouygues Travaux Publics is continuing construction work on the €625 million Gautrain rapid rail link between Pretoria, Johannesburg and Johannesburg International Airport. Bouygues Travaux Publics and Bymaro recently completed the caissons for the breakwater of the new roll-on/roll-off port at Tangiers in Morocco (Bouygues Construction's share of the project is worth €100 million).

In the **Middle East**, a fast-growing zone (€99 million, up 74%), Bouygues Construction mainly operates in Dubai, where it is building the Ritz Carlton hotel, the elevated light railway and the first phase of the Theme Park (€48 million).

The **Americas/Caribbean** (€68 million, down 24%) continues to grow rapidly despite a relative drop in sales in the first half of 2008, mainly due to the delivery on 1 January 2008 of the Hyatt Hotel, part of the €220 million International Waterfront Project in Trinidad and Tobago. Construction work on the two office blocks is nearing completion. In Trinidad, Bouygues Travaux Publics, in partnership with Alstom, will carry out studies for the design, construction, operation and maintenance of two express railway lines. This year, Bouygues Bâtiment International celebrated ten years in Cuba by signing a contract to build its 14th hotel on the island.

ELECTRICAL CONTRACTING AND MAINTENANCE

ETDE contributed €804 million to Bouygues Construction's consolidated sales, a 5% increase on the first half of 2007.

Sales in **France** rose by 7% to €578 million. Like-on-like and at constant exchange rates, the rate was 4%. This growth is the result of ETDE's strategy of strengthening its technical expertise and extending its geographical coverage to become a full-service provider of hard and soft facilities management services. Exprimm, its facilities management subsidiary, has won a €91 million contract to provide maintenance for the Bourgoin-Jallieu teaching hospital currently being built by GFC Construction.

International sales remained stable in relation to the first half of 2007 at €226 million. Internationally, ETDE operates through well-established local subsidiaries. Over the last three years it has considerably extended its business in Europe, mainly through external growth in the United Kingdom (€126 million) and Switzerland (€40 million). ETDE also provides hard Facilities Management services in major projects like the Dubai Ritz-Carlton Hotel, where it is a sub-contractor for Bouygues Bâtiment International.

Outlook for 2008

Sales target

(€ million)	**2007**	**2008 target**	**Change**
Sales	8,340	9,300	+12%
France	*4,941*	*5,300*	+7%
International	*3,399*	*4,000*	+18%

Bouygues Construction continues to pursue growth in four complementary areas: public-private partnerships and concessions, property development, electrical contracting and maintenance, and expansion in Europe. The order book at end-June 2008 stood at €12.3 billion, representing a 12-month increase of €2.5 billion, suggesting that sales in 2008 will be almost 12% higher than in 2007. The sales target has thus risen to €9.3 billion.

Bouygues Immobilier

Bouygues Immobilier leads the French market for both residential property (apartments and detached housing developments) and commercial property (offices, shops and hotels).

Key figures

(€ million)	H1		Change	
	2007	**2008**		**2007**
Sales	809	1,300	+61%	2,075
Residential	*662*	*838*	*+27%*	*1,561*
Commercial	*147*	*461*	*x 3.1*	*514*
Current operating profit	72	122	+69%	210
Current operating margin	8.9%	9.4%	+0.5 pt	10.1%
Net profit attributable to the Group	42	61	+45%	124
Net cash at end of period(*)	- 121	-313	x 2.6	-2

(*) Net cash minus current and non-current financial debt and corresponding financial instruments.

Half-year highlights

Against the background of a slowing market, Bouygues Immobilier reported record sales in the first half of 2008, up 61% on the same period in 2007, resulting from the high level of reservations in 2006 and 2007. The order intake has slowed by 14%, less than the fall in the market, and remains substantially higher than in the first half of 2006.

Commercial performance

Despite a significant fall in the French residential property market, in the first six months of the year Bouygues Immobilier took reservations worth €756 million for 4,237 housing units. Although this represents a drop of 13% in relation to the first half of 2007, in volume terms it represents only about half the fall of the market (-15% compared with -30% for new housing units in France over the period, according to a study published by the Ecology Ministry on 25 August 2008).

In a commercial property market that has seen a marked drop in investment, reservations in the first half of 2008 amounted to 116,000 sq. metres, generating €410 million, equivalent to the first half of 2007. Reservations in the Paris region amounted to 51,000 sq. metres, driven by office buildings in Issy-les-Moulineaux, Massy and Paris. Reservations in the rest of France amounted to 37,000 sq. metres and in Europe excluding France to 28,000 sq. metres, mainly under the effect of retail parks in Spain and Portugal.

In Europe, business is continuing to expand in Poland and Belgium. There has been a marked slowdown in the residential property market in Spain, though the effect on Bouygues Immobilier as a whole is minimal.

Reservations

	H1		Change	
	2007	2008		2007
Residential				
Units	5,009	4,237	-15%	11,465
Amount (€ m)	870	756	-13%	1,948
Commercial				
Surface area (sq. metres)	116,000	116,000	=	343,000
Amount (€ m)	480	410	-15%	1,694

Order book

Bouygues Immobilier continues to benefit from a robust order book, giving the company good visibility for sales to 2010.

(€ million)	End-June 2006	End-June 2007	End-June 2008
Order book	1,957	2,998	3,930
Residential	1,602	2,162	2,426
Commercial	355	836	1,504
Months' activity	18 months	21 months	18 months

Outlook

Bouygues Immobilier expects the downturn on the residential and commercial property markets to continue in the second half of 2008.

Under the circumstances, the company intends to continue its strategy of controlling risks while maintaining a level of sales that outperforms the market.

Book sales for the year are likely to amount to €2,900 million, 40% more than in 2007.

Bouygues Immobilier is also maintaining its objectives of:

– increasing construction starts on current programmes, linked to the high level of orders,
– controlling debt.

Sales target

(€ million)	**2007**	**2008**	**Change**
Sales	2,075	2,900	+40%
Residential	*1,561*	*1,800*	*+15%*
Commercial	*514*	*1,100*	*+114%*

Colas

With an international network of 1,400 profit centres in over 40 countries, Colas is a leading player in the roadbuilding and maintenance sectors. Operating in all transport infrastructure markets, the firm offers complementary services including the manufacture and installation of safety and signalling equipment, civil engineering, pipe laying, the manufacture and installation of waterproofing membranes, building, and the laying and maintenance of railway lines. Colas also operates infrastructure concessions, especially for motorways.

Key figures

(€ million)	H1		Change
	2007	**2008**	
Sales	4,925	5,631	+14%
France	*3,149*	*3,537*	*+12%*
International	*1,776*	*2,094*	*+18%*
Operating profit	136	155	+14%
Net profit attributable to the Group	117	130	+11%

Colas performed well in the first half of 2008, reporting robust sales growth across almost all lines of business. Consolidated sales at 30 June 2008 amounted to €5.6 billion compared with €4.9 billion at end-June 2007, an increase of 14.3% (10.3% like-on-like and at constant exchange rates).

Net profit attributable to the Group at 30 June 2008 amounted to €130 million compared with €117 million at 30 June 2007, an increase of €13 million that reflects the fine performance of Colas' subsidiaries.

The order book at end-June 2008 had been substantially renewed and stood at €7.1 billion, 4% more than at end-June 2007.

Half-year highlights

Acquisitions

- In Australia, Colas took a 51% stake in SAMI, a bitumen trading company that also makes and sells bituminous binders.

- Colas bought a number of companies and assets in France and elsewhere, especially facilities producing materials, including Southwest Iron Works in Nevada (US).

Other events

The price of oil products, raw materials and energy continued to climb in the first half of 2008.

- **France**

Sales in France at end-June 2008 amounted to €3.5 billion, up 12.3% on end-June 2007.

Sales in **mainland France** at end-June 2008 amounted to €3.3 billion, 12.5% more than at the end of June 2007 (+8.1% like-on-like). The steady rise in the cost of raw materials, especially bitumen and energy, contributed to the trend.

- Regional roads subsidiaries reported a 7% increase in sales compared with the same period last year. Sales remained steady in the first half of the year, with some regional differences, after a quick start with no winter break. A reluctance to embark on certain projects following local elections and clients' fears of the impact of higher raw materials costs on their budgets turned up the competitive heat, compounded by pressure on prices.

- Sales in all non-road sectors were over 30% higher than at end-June 2007, led by Smac, Colas Rail, Somaro and Spac and driven mainly by railway and waterproofing activities.
  - The pipelines, mains, drilling and civil engineering segments were stable, remaining at levels similar to those at end-June 2007.
  - Road safety and signalling performed well, with sales rising by 20%.
  - Waterproofing sales rose by 11% thanks to a full order book at the start of the year, in a context of sharply rising bitumen prices. A promising partnership was concluded with EDF EN in the field of photovoltaic membranes.
  - Sales in the railway segment jumped following the acquisition of Spie Rail.

Sales in **French overseas departments** rose by 10% on the back of building, civil works and civil engineering contracts in Reunion Island. Activity remained stable in French Guiana and Martinique but declined slightly in Guadeloupe.

- **International**

International sales amounted to €2.1 billion at 30 June 2008, almost 18% higher than the figure at the same time in the previous year (14% like-on-like and at constant exchange rates). Seasonal factors mean that half-year figures are less significant for international markets where activity picks up later, especially North America.

Sales in North America amounted to €637 million, an apparent drop of nearly 10% on end-June 2007 due to the fall of the dollar against the euro. Like-on-like and at constant exchange rates, the sales figure was identical.

Sales by US subsidiaries have held up well despite the economic slowdown, the very sharp rise in the price of oil products (higher over a 12-month rolling period than in France) and less favourable weather conditions than in 2007. In Canada, after a rather slow start due to bad weather, sales picked up again, driven by Alberta's flourishing economy.

Sales in **Europe** (excluding France) grew by 27% to €1 billion, driven by a sharp rise in central Europe attributable to the PPP M6 motorway project in Hungary, acquisitions in Croatia in 2007 and a flourishing market in Romania. Sales also held up well in Belgium, Switzerland and Britain, where a new multi-year maintenance contract in the northeast of the country came on stream. Sales in Denmark fell as a knock-on effect of the disposal of the group's Finnish business.

Sales jumped again in **Morocco** as a result of excellent weather and a substantial order book, including the start of work on the Rabat-Salé tramway.

In **West Africa**, work continued on projects in Benin and Gabon.

In the **Indian Ocean**, sales in Madagascar increased substantially due to a major nickel and cobalt mining project at Ambatovy and Toamasina, in the east of the country. In Mauritius, sales were sustained by road maintenance contracts. In Mayotte, the Longoni port extension supplemented recurring building and civil works contracts. In New Caledonia, building activity is growing strongly.

The situation in **Asia** is more patchy. Hincol in India and the group's Indonesian subsidiaries are benefiting from buoyant economic conditions, but sales in Vietnam and Thailand have slowed as the recession starts to bite.

Production of materials

A significant proportion of Colas' activity, both in France and elsewhere, consists in the production of construction materials, especially aggregates, through an international network of 625 quarries, 620 asphalt plants and 160 emulsion plants. 56.6 million tonnes of aggregates (+4%), 20.5 million tonnes of asphalt mixes (+2%) and 690,000 tonnes of binders and emulsions were produced in the six months to 30 June 2008. Reserves of aggregates are estimated at 2.9 billion tonnes.

Outlook

2008 has got off to a good start, with subsidiaries reporting higher sales in all the regions where the group operates. The consequences of the credit crunch and the sharp rise in oil prices are new factors that may weaken some public- and private-sector customers. It remains difficult to assess the precise impact of the new situation in a context where there are still major projects to extend or modernise transport infrastructure. The order book at end-June 2008 remained at a high level, €7.1 billion, but the rate of growth has slowed. Although visibility has deteriorated and the dollar has continued to slide against the euro, in the current state of affairs the sales target of €12.6 billion for 2008 as a whole has been maintained. Developments on the markets in the coming months will be studied closely, mostly to anticipate events and adapt if necessary but also to identify opportunities consistent with Colas' profitable growth strategy.

Sales target

(€ million)	**2007**	**2008 target**	**Change**
Sales	11,673	12,600	+8%
France	*6,976*	*7,400*	*+6%*
International	*4,697*	*5,200*	*+11%*

TF1

France's leading general-interest TV channel, TF1 is also an integrated media group with activities spanning the entire audiovisual industry, including production, the acquisition and sale of audiovisual rights, the production and distribution of videocassettes, DVDs and audio CDs, spin-off products from its programmes and internet activities. TF1 also has a number of pay-TV theme channels which are now major components of the cable and satellite offering in France.

Key figures

(€ million)	H1		Change
	2007	**2008**	
Sales	1,431	1,363	-5%
Core channel advertising	*925*	*891*	*-4%*
Other activities	*506*	*472*	*-7%*
Operating profit	264	171	-35%
Net profit attributable to the Group	186	125	- 33%

Half-year highlights

The TF1 group's consolidated sales in the first half of 2008 fell by 4.7% to €1,363.5 million. In an unfavourable economic environment, net advertising revenue from the TF1 core channel fell by 3.6% to €891.2 million.

Revenue from other activities dropped 6.6% to €472.3 million, though the comparison is skewed by the success of Edith Piaf biopic *La Môme* (*La Vie en Rose*) in the first half of 2007. Stripping out that effect, the fall would have been 2.1%.

The operating profit in the first half of 2008 amounted to €171.4 million, down 35%, giving an operating margin of 12.6%. This amount takes account of reorganisation costs amounting to approx. €21 million.

The cost of programmes on the TF1 core channel rose 9.7% to €514.1 million. Excluding sporting events, especially the Euro 2008 football competition, the cost of programmes fell 1.9%.

The cost of net financial debt increased to €15.2 million, mainly due to a rise in medium-term debt (€586 million at end-June 2008 compared with €392 million at end-June 2007) following the acquisition of a 33.5% stake in the AB Group in April 2007.

Other net financial items at 30 June 2008 amounted to €13.9 million, mainly due to an adjustment of the fair value of the put option on the TF1 group's 9.9% stake in Canal+ France and one-off provisions for the depreciation of financial assets.

Net profit from continuing operations fell 32.7% to €125.0 million as a result of the fall in revenue.

Shareholders' equity at 30 June 2008 amounted to €1,337.4 million for a balance sheet total of €3,820.3 million. The debt-to-equity ratio is 52.8%.

- **French TV channels**

French TV channels generated sales of €1,135.2 million, down 3.2% on the same period last year.

- **TF1 core channel** *(Source: Médiamétrie)*

In the first six months of the year, the TF1 channel had a 27.6% share of the audience of individuals aged four years and over and a 31.0% share of the audience of women under 50. Despite the proliferation of TV channels, TF1 confirmed its position as leader with 48 of the top 50 audiences in the six months to the end of June. 55 of the channel's programmes attracted more than 8 million viewers.

- **Advertising**

The TF1 channel reported a 3.6% decline in net advertising revenue in the first half of 2008 to €891.2 million. The fall in revenue was mainly caused by lower spending on advertising by mass retailers in a difficult economic environment. The advertising market was also affected by the announcement on 8 January 2008 of the end of advertising on public service channels and the new price structure introduced by France Télévision at the start of the year.

In the first half of 2008, TF1 took 58.7% of the TV advertising market.[1]

Over the same period, internet advertising sales by the TF1 group as a whole increased by 15.6%.

- **French theme channels**

French theme channels reported a 1.2% rise in sales in the first half of 2008 to €96.2 million. Advertising revenue increased by 8.8%, mainly due to the success of TMC. Eurosport France continues to be the leading theme channel, with 6.7 million viewers a week and an average audience share of 1.6% in the first six months of 2008 (Source: Médiamétrie MediaCabSat survey, theme channel viewing figures from 31 December 2007 to 15 June 2008).

- **Other activities**

The **Téléshopping** group contributed €77.9 million to consolidated sales, 1.8% less than in the first half of 2007, mainly due to the economic downturn. However, online business grew by 7% in comparison with the same period last year and sales of infomercials (programmes made by product manufacturers or distributors themselves) rose by 12%.

TF1 Entreprises reported an 8.3% drop in sales to €12.1 million, mainly due to weaker sales of music and games.

E-TF1 reported a 10.3% drop in sales in the first half of 2008 to €24.3 million, the fall in core channel viewing figures inevitably having a knock-on effect on interactive operations.

- **Audiovisual rights**

The audiovisual rights division generated sales of €77.7 million in the first half of 2008, a fall of 37.9%. Operating profit fell by €1.8 million. TF1 Vidéo, including CIC, contributed €49.5 million, down 29.6% in a falling market compounded by the absence of any major DVD releases. **Catalogue** sales fell 48.5% to €28.2 million as a result of tepid box office success and an unflattering basis for comparison (hit film *La Môme* in 2007).

[1] TNS Media Intelligence: national TV market

- **International TV channels**

Eurosport International reported higher subscription and advertising revenues, mainly from the continuing expansion of the chain on all media (satellite, ADSL and DTT) and a wealth of sporting events.

At end-June 2008, Eurosport International was received by 106.9 million households in 59 countries, an increase of 2.4%. Growth was mainly driven by the ongoing development of satellite, ADSL and DTT. Internationally, Eurosport had 63.8 million paying subscribers at 30 June 2008, an increase of 8.7%, 80% of them in central and eastern Europe. Eurosport is also consolidating its position in the Asia/Pacific zone, where 2.3 million households receive the channel. The group has extended its offering with the launch of Eurosport High Definition in 14 countries in May 2008. The complementary channel Eurosport 2, launched in January 2005, is now broadcast to 32 million households in 43 countries, an increase of 29.1% in a year. EurosportNews, a sports information channel with a long-term base outside Europe, is distributed to 5.3 million households, almost all of them paying subscribers.

Sales rose by 11.4% to €148 million, driven by higher subscription sales (up 12.7%) and advertising sales (up 9.1%), demonstrating the brand's strength.

Outlook

The TF1 group confirmed its annual consolidated sales target for 2008 at about -3% and aims to keep the annual rise in the cost of programmes (including sporting events) to under 3%.

Sales target

(€ million)	**2007**	**2008 target**	**Change**
Sales	2 764	2 680	-3%

Bouygues Telecom

Bouygues Telecom is France's third mobile phone operator.

Key figures

(€ million)	H1		Change
	2007[(*)]	**2008**	
Sales Sales from network	2,300 2,176	2,465 2,295	7% 5%
EBITDA *EBITDA / sales from network*	732 *33.6%*	*755* *32.9%*	*3%* -0.7 pt
Operating profit *Operating margin*	447 19.4%	469 19.0%	5 % -0.4 pt
Net profit attributable to the Group	294	308	5%

(*) Applying the same accounting policy as in 2008: restatement of provisions for Bouygues Telecom customer loyalty programmes and actuarial gains and losses on employee benefits.

The strong growth achieved in 2007, attributable to the success of the Neo call plan, continued in the first half of 2008. Overall sales rose by 7.2% to €2,465 million and sales from network rose by 5.5%.

Business activity was slower than in the first half of 2007: over the six months to end-June the number of customers rose by 11,400 to 9,318,293.

Half-year highlights

Commercial policy

To meet its customers' expectations, on 3 March Bouygues Telecom launched a new Neo range in which unlimited calling is the key factor for choosing a call plan. The customer chooses the time slot when unlimited calls start (between 6.00 pm and 9.30 pm). From that time, unlimited calls to all operators are free every day until midnight. Another highly successful call plan offers unlimited calling every evening from 6.00 pm and all weekend.

In June, a call plan with unlimited calls from 7.00 pm and all weekend was added to the range.

By 30 June 2008, over 1.5 million customers had subscribed to a Neo call plan.

In contrast to what happened when Neo was launched in 2006, the other two mobile phone operators reacted with rival offerings to the new range: SFR, on 12 March, with its new Illimythics range, and Orange, on 24 April, with its Origami range, to which SFR responded on 28 May.

In June, Bouygues Telecom launched a new Universal Mobile restricted plan which offers unlimited messaging at certain times and lawful unlimited downloading of all new Universal Music singles. By 30 June 2008, almost 1.2 million customers had signed up to a Universal Mobile call plan.

Bouygues Telecom's corporate business is continuing to grow rapidly. Business sales were 13.3% higher than in the first half of 2007, driven by the success of the Neo Pro range. 12 months after its launch in June 2007, the Business Synchro offering is continuing to win new customers.

Networks

Bouygues Telecom has stepped up the rollout of its 3G HSPA network with the aim of covering 70% of the population in the second half of 2009. The number of base stations equipped with an HSPA transmitter rose from 1,850 at end-2007 to 3,570 at 30 June 2008.

The agreement with Neuf Cegetel concluded in October 2007 was finalised on 30 June 2008. Bouygues Telecom has now acquired a DSL network comprising Digital Subscriber Line Access Multiplexers (DSLAM) integrated in 622 subscriber connection nodes, a nationwide optical fibre network and service platforms. Bouygues Telecom also has access to a further 545 Neuf Cegetel subscriber connection nodes at wholesale prices. The convergence services offered to business customers under Business Synchro plans will be gradually transferred from a third-party network to the network acquired by Bouygues Telecom.

Regulatory context

Legislation introduced in 2008 to increase competition in certain parts of the economy (Act 2008-3 of 3 January 2008 promoting competition for the benefit of consumers) contained a number of measures specifically targeting the telecom sector. In particular:

- the notice period for terminating a call plan may not be more than 10 days (it used to be 30 days),
- a call plan with a commitment of more than 12 months can be terminated early from the 13th month for a compensatory fee that may not be more than a quarter of the outstanding amount.

The measures came into effect on 1 June 2008.

After the only bid for the fourth UMTS licence, from Iliad, was rejected, the government asked ARCEP, the telecoms regulatory authority, to conduct a public consultation before launching a fresh call for tenders. ARCEP is due to report the conclusions of the consultation to the government before 30 September. The government will set the financial terms of the licence after a debate in parliament, after which the new call for tenders can be launched.

Financial structure

(€ million)	H1		Change
	2007(*)	**2008**	
Shareholders' equity	2,170	2,180	=
Net debt	33	344	+€311m
Debt-to-equity ratio	*2%*	*16%*	*+14 pts*
Cash flow	727	757	4%
- Cost of net debt	1	1	ns
- Income tax	-154	-162	+5%
- Net operating investment	-215	-375	+74%
Free cash flow	358	220	-39%

(*) Applying the same accounting policy as in 2008: restatement of provisions for Bouygues Telecom customer loyalty programmes and actuarial gains and losses on employee benefits.

The change in net debt is due to:
- normal advance payments of income tax (the amounts paid in the first half of 2007 were small because of prior period loss carry-forwards),
- higher investment due to accelerated rollout of the 3G HSPA network and acquisition of the DSL network on 30 June,
- payment of a €500 million dividend on 2 May 2008.

Outlook

Stiffer competition from the other two main mobile phone operators, which have launched unlimited offerings comparable to Neo, is likely to slow mobile sales growth in the second half of the year.

As of 1 July, the DSL network will generate fixed revenue from the provision of access to Neuf Cegetel at wholesale prices in accordance with the agreement concluded in October 2007. Retail sales will not be significant in 2008.

Over 2008 as a whole, sales are expected to increase by 4.6%.

Sales target

(€ million)	**2007**	**2008 target**	**Change**
Sales from network	4,464	4,640	+4%
Total sales	4,796	5,015	+5%

Alstom

Alstom, in which Bouygues has a 30% stake, is a global leader in equipment and services for power generation and rail transport. Alstom builds the world's fastest trains and most efficient automated metro systems and supplies turnkey integrated power plants with the associated services, whatever the energy source (hydro, gas, coal, wind). About a quarter of the world's power is generated with equipment that uses Alstom technology.

Excellent sales and operating performance

Alstom published its full-year financial statements for the year to 31 March 2008 on 7 May 2008. Alstom booked orders worth €23.5 billion in 2007/08, a 23% increase on the previous period's already high level, increasing its backlog of orders to €39.2 billion (+21%). All sectors contributed to the growth in orders: Power Systems (+21%), Power Service (+8%) and Transport (+39%).

Sales in 2007/08 amounted to €16.9 billion, a 19% increase on both an actual and organic basis[1] in relation to the 2006/07 figure of €14.2 billion. All sectors contributed to the increase: Power Systems (+37%), Power Service (+13%) and Transport (+4%).

Operating profit for the period amounted to €1,295 million, 35% up on the 2006/07 figure of €957 million. The operating margin also improved from 6.7% in 2006/07 to 7.7%. Net profit attributable to the Group amounted to €852 million, compared with €547 million in 2006/07 (restated for the effects of a change in accounting methods for retirement benefits), a rise of 56%. The increase was due to improved operational performance and lower restructuring and financial costs.

Free cash flow reached a record level of €1,635 million, achieved through a combination of better profitability and a very significant improvement in the working capital requirement, partly related to the high level of orders.

Alstom had net cash of €904 million at 31 March 2008, compared with net debt of €64 million at 31 March 2007. The change stemmed mainly from the free cash flow generated over the year, after deduction of a €117 million dividend payment and €635 million for acquisitions over the period (including the net debt of acquired entities).

The Annual General Meeting on 24 June 2008 decided to pay a dividend of €1.60 per share.

Recent events

During the first quarter of 2008/09, ended 30 June 2008, the level of orders booked by Alstom remained very healthy at €6.6 billion. Sales continued to grow, rising by 11% to €4.5 billion.

In the first quarter of 2008/09, Power Systems booked orders for a number of gas power plant projects, including eight gas turbines in Algeria, Indonesia, France and Australia, and for coal power plants in Germany. Power Service took orders for a number of small and medium-sized projects in Europe, North Africa and Australia, and won a long-term operation and maintenance contract in the United Arab Emirates. In Transport, the main orders were for very high-speed trains (AGV) in Italy, Pendolino tilting trains in the UK, tramways in Dubai and regional trains in Germany.

The total order book at 30 June 2008 stood at €42 billion, representing about 29 months' sales.

[1] Like-on-like (restated for disposals and acquisitions) and at constant exchange rates

Alstom has announced further major orders since then, including contracts for the procurement of the conventional island for China's first EPR nuclear power plant, the construction of gas power plants in Spain, the Netherlands and Tunisia and a steam power plant in Saudi Arabia, the construction of a metro line in Mexico and the procurement of a fully automated control system for the São Paulo metro.

Outlook

Alstom continues to benefit from its favourable positioning on the growing power generation and rail transport markets. The order intake in the first quarter of 2008/09 was high and the outlook remains bright, since a number of contracts are due to be booked and new opportunities are emerging.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2008

Millions of euros

ASSETS	Note	30/06/2008 Net	31/12/2007 Net	30/06/2007 Net (1)
Property, plant and equipment	3.1 & 13	5,712	5,564	5,151
Intangible assets	3.2 & 13	1,152	1,073	1,014
Goodwill	3.3 & 13	5,142	5,123	5,059
Investments in associates	3.4 & 13	4,556	4,393	3,291
Other non-current financial assets	3.5	1,259	1,223	1,134
Deferred tax assets and long-term tax receivable	3.5 & 6.1	219	225	211
NON-CURRENT ASSETS		18,040	17,601	15,860
Inventories / Programmes / Broadcasting rights		3,008	2,763	2,746
Advances and down-payments on orders		407	363	387
Trade receivables	13	7,962	6,911	7,165
Tax asset (receivable)		67	81	188
Other receivables and prepaid expenses		2,560	2,285	2,394
Cash and equivalents	8 & 13	1,975	3,386	3,166
Financial instruments (2)		5	9	4
Other current financial assets		71	29	27
CURRENT ASSETS		16,055	15,827	16,077
Assets held for sale and discontinued operations				33
TOTAL ASSETS		34,095	33,428	31,970

LIABILITIES AND SHAREHOLDERS' EQUITY	Note	30/06/2008	31/12/2007	30/06/2007 (1)
Shareholders' equity				
- Share capital		342	348	343
- Share premium and reserves		5,905	5,317	5,150
- Translation reserve		(69)	(28)	12
- Treasury shares			(22)	(140)
- Consolidated net profit for the period		701	1,376	659
Shareholders' equity attributable to the Group		6,879	6,991	6,024
Minority interests		1,154	1,214	1,144
SHAREHOLDERS' EQUITY	4	8,033	8,205	7,168
Non-current debt	7.1 & 13	6,403	7,067	6,895
Non-current provisions	5.1 & 13	1,523	1,493	1,418
Deferred tax liabilities and non-current tax liabilities	6.2	84	84	76
NON-CURRENT LIABILITIES		8,010	8,644	8,389
Advances and down-payments received		1,323	1,419	1,151
Current debt	7.1 & 13	1,356	328	1,001
Current taxes payable		174	223	327
Trade payables	13	7,542	7,442	7,132
Current provisions	5.2	566	597	529
Other current liabilities		6,551	6,268	5,879
Overdrafts and short-term bank borrowings		513	276	381
Financial instruments (2)		8	12	8
Other current financial liabilities		19	14	5
CURRENT LIABILITIES		18,052	16,579	16,413
Liabilities on held-for-sale assets and discontinued operations				
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		34,095	33,428	31,970

NET DEBT	8	(6,300)	(4,288)	(5,115)

(1) Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits and the retail customer loyalty programme provision

(2) Hedging of financial liabilities at fair value

CONSOLIDATED INCOME STATEMENT

Millions of euros

	Note	First half 2008	First half 2007 (1)	Second quarter 2008	Second quarter 2007 (1)	Full year 2007 (1)
SALES [2]	9 & 13	15,310	13,298	8,495	7,377	29,613
Other revenues from operations		60	84	28	47	137
Purchases used in production		(6,850)	(5,763)	(3,914)	(3,272)	(13,230)
Personnel costs [1]		(3,243)	(2,883)	(1,667)	(1,493)	(5,968)
External charges		(3,500)	(3,310)	(1,879)	(1,771)	(7,084)
Taxes other than income tax		(344)	(315)	(177)	(161)	(600)
Net depreciation and amortisation expense		(635)	(584)	(335)	(310)	(1,245)
Net charges to provisions and impairment losses [1]		(115)	(91)	(70)	(54)	(419)
Changes in production and property development inventories		58	313	34	184	379
Other income and expenses from operations [3]		358	292	197	155	580
CURRENT OPERATING PROFIT	10	1,099	1,041	712	702	2,163
Other operating income and expenses		0	21	0	21	18
OPERATING PROFIT	10 & 13	1,099	1,062	712	723	2,181
Financial income		68	99	29	53	146
Financial expenses		(200)	(194)	(103)	(102)	(381)
COST OF NET DEBT	11 & 13	(132)	(95)	(74)	(49)	(235)
Other financial income and expenses		(21)	22	19	15	23
Income tax expense [1]	12 & 13	(305)	(286)	(207)	(190)	(633)
Share of profits and losses of associates	13	177	103	86	51	257
NET PROFIT FROM CONTINUING OPERATIONS		818	806	536	550	1,593
Net profit of discontinued and held-for-sale operations		0	0	0	0	0
NET PROFIT		818	806	536	550	1,593
Net profit attributable to the Group	13	701	659	477	468	1,376
Net profit attributable to minority interests		117	147	59	82	217
BASIC EARNINGS PER SHARE (in euros)		2.05	1.96	1.40	1.38	4.06
DILUTED EARNINGS PER SHARE (in euros)		2.02	1.90	1.38	1.34	3.94

[1] Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits and the retail customer loyalty programme provision

	First half 2008	First half 2007	Second quarter 2008	Second quarter 2007	Full year 2007
[2] Of which sales generated abroad	4,414	3,599	2,652	2,182	8,803
[3] Of which reversals of provisions and impairment no longer required	106	90	70	49	226

CONSOLIDATED CASH FLOW STATEMENT

Millions of euros

I - CASH FLOW FROM CONTINUING OPERATIONS	Note	First half 2008	First half 2007 (1)	Full year 2007
A - NET CASH GENERATED BY OPERATING ACTIVITIES				
Cash flow:				
Net profit from continuing operations		818	806	1,593
Share of profit or loss from associates (2)		(102)	(60)	(184)
Elimination of dividends from non-consolidated companies		(7)	(7)	(12)
Charges to/(write-backs of) depreciation, amortisation, impairment, non-current provisions		685	551	1,284
Gains and losses on asset disposals		(105)	(37)	(53)
Miscellaneous non-cash items		(16)	(48)	23
sub-total		1,273	1,205	2,651
Cost of net debt		132	95	235
Income tax expense for the period		305	286	633
Cash flow		1,710	1,586	3,519
Changes in working capital related to operating activities (3) (incl. current taxes)		(1,505)	(843)	74
NET CASH GENERATED BY OPERATING ACTIVITIES		205	743	3,593
B - NET CASH USED IN INVESTING ACTIVITIES				
Purchase price of property, plant and equipment and intangible assets	13	(890)	(651)	(1,787)
Proceeds from disposals of property, plant and equipment and intangible assets		57	38	108
Net liabilities related to property, plant and equipment and intangible assets		(74)	(216)	30
Purchase price of non-consolidated companies and other investments	13	(18)	(20)	(25)
Proceeds from disposals of non-consolidated companies and other investments		3	9	44
Net liabilities related to non-consolidated companies and other investments		(1)		5
Effects of changes in scope of consolidation				
Purchase price of investments in consolidated companies	13	(176)	(638)	(2,170)
Proceeds from disposals of investments in consolidated companies		85	51	56
Net liabilities related to investments in consolidated companies and other cash effects of changes in scope of consolidation		(52)	225	169
Other cash flows related to investing activities (changes in loans, dividends received from non-consolidated companies)		(16)	(20)	(49)
NET CASH USED IN INVESTING ACTIVITIES		(1,082)	(1,222)	(3,619)
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES				
Capital increases/reductions and acquisitions of treasury shares		(274)	249	465
Dividends paid during the period				
Dividends paid to shareholders of the parent company		(510)	(400)	(400)
Dividends paid to minority shareholders of consolidated companies		(176)	(168)	(168)
Change in debt (4)		331	155	22
Cost of net debt		(132)	(95)	(235)
Other cash flows related to financing activities		33	9	(28)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES		(728)	(250)	(344)
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS		(41)	(16)	(49)
CHANGE IN NET CASH (A + B + C + D)		(1,646)	(745)	(419)
Net cash position at 1 January	8	3,110	3,529	3,529
Net cash flows during the period		(1,646)	(745)	(419)
Other non-monetary flows		(2)	1	
Net cash position at 30 June	8	1,462	2,785	3,110
II - CASH FLOWS FROM DISCONTINUED AND HELD-FOR-SALE OPERATIONS				

(1) H1 2007: Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits and the retail customer loyalty programme provision (see note 2)

(2) Elimination of share of profits/losses and inclusion of dividends paid in respect of associates

(3) **Definition of change in working capital**: Current assets minus current liabilities

(4) **Definition of debt**: Non-current debt plus current debt

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY - PERIOD ENDED 30 JUNE 2008

Millions of euros

ATTRIBUTABLE TO THE GROUP	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	2,077	1,040	2,387	8	(69)	(4)	5,439
MOVEMENTS DURING THE FIRST HALF OF 2007							
Capital and reserves transactions, net	313	204	(220)			17	314
Acquisitions of treasury shares					(81)		(81)
Dividend paid			(400)				(400)
Other transactions with shareholders			19				19
Net profit for the period (attributable to the Group)			659				659
Income and expense recognised directly in equity			14	4		56	74
POSITION AT 30 JUNE 2007	2,390	1,244	2,459	12	(150)	69	6,024
MOVEMENTS DURING THE SECOND HALF OF 2007							
Capital and reserves transactions, net	98	(1)			272		369
Acquisitions of treasury shares					(144)	(22)	(166)
Dividend paid							0
Other transactions with shareholders			49			0	49
Net profit for the period (attributable to the Group)			717				717
Income and expense recognised directly in equity			(12)	(40)		50	(2)
POSITION AT 31 DECEMBER 2007	2,488	1,243	3,213	(28)	(22)	97	6,991
MOVEMENTS DURING THE FIRST HALF OF 2008							
Capital and reserves transactions, net	(299)	241	(228)		350	(2)	62
Acquisitions of treasury shares					(328)	9	(319)
Dividend paid			(510)				(510)
Other transactions with shareholders	(1)	1	10				10
Net profit for the period (attributable to the Group)			701				701
Income and expense recognised directly in equity				(41)		(15)	(56)
POSITION AT 30 JUNE 2008	2,188	1,485	3,186	(69)	0	89	6,879

MINORITY INTERESTS	Consolidated reserves and profit for the period	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	1,155	1	1,156
MOVEMENTS DURING THE FIRST HALF OF 2007			
Capital and reserves transactions, net	6		6
Dividend paid	(168)		(168)
Other transactions with shareholders	2		2
Net profit for the period (attributable to minority interests)	147		147
Translation adjustments		1	1
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 30 JUNE 2007	1,142	2	1,144
MOVEMENTS DURING THE SECOND HALF OF 2007			
Capital and reserves transactions, net	1		1
Dividend paid			0
Other transactions with shareholders	1		1
Net profit for the period (attributable to minority interests)	70		70
Translation adjustments		(3)	(3)
Changes in scope of consolidation	2		2
Income and expense recognised directly in equity		(1)	(1)
POSITION AT 31 DECEMBER 2007	1,216	(2)	1,214
MOVEMENTS DURING THE FIRST HALF OF 2008			
Capital and reserves transactions, net	3		3
Dividend paid	(176)		(176)
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)	117		117
Translation adjustments		(2)	(2)
Changes in scope of consolidation	(4)		(4)
Income and expense recognised directly in equity		2	2
POSITION AT 30 JUNE 2008	1,156	(2)	1,154

	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
TOTAL SHAREHOLDERS' EQUITY	2,188	1,485	4,342	(69)	0	87	8,033

See the statement of recognised income and expense:

	H1 2008	H1 2007	FY 2007
Attributable to the Group	(56)	74	72
Attributable to minority interests	0	1	(3)
	(56)	**75**	**69**

STATEMENT OF RECOGNISED INCOME AND EXPENSE

Millions of euros

	First half 2008	First half 2007	Full year 2007
Net profit for the period	**818**	**806**	**1,593**
Change in cumulative translation adjustment	(43)	5	(38)
Changes in fair value of financial instruments designated as hedges and other financial assets	28	39	28
Actuarial gains/(losses) on employee benefits (amendment to IAS 19)	(40)	35	66
Taxes on transactions recognised directly in equity	(1)	(6)	11
Other movements, net		2	2
Income and expense recognised directly in equity	**(56)**	**75**	**69**
Total recognised income and expense	**762**	**881**	**1,662**
Attributable to the Group	**645**	**733**	**1,448**
Attributable to minority interests	**117**	**148**	**214**

BOUYGUES SA PARENT COMPANY FINANCIAL STATEMENTS *(French GAAP)*

BALANCE SHEET AT 30 JUNE 2008

Millions of euros

ASSETS	30/06/2008 Net	31/12/2007 Net	30/06/2007 Net
Intangible assets	1	1	
Property, plant and equipment			
Long-term investments [(a)]			
- Holdings in subsidiaries and affiliates	10,970	10,828	9,471
- Other	250	227	362
	11,220	11,055	9,833
NON-CURRENT ASSETS	11,221	11,056	9,833
Inventories			
Advances and down-payments on orders			
Trade receivables [(b)]	33	29	30
Other receivables [(b)]	93	308	209
Short-term investments	970	2,258	2,291
Cash	11	9	7
CURRENT ASSETS	1,107	2,604	2,537
TOTAL ASSETS	**12,328**	**13,660**	**12,370**
[(a)] *due within less than one year*	69	1	29
[(b)] *due after more than one year*	40	43	45

LIABILITIES AND SHAREHOLDERS' EQUITY	30/06/2008	31/12/2007	30/06/2007
Share capital	342	348	343
Share premium, reserves, and retained earnings [(c)]	4,367	4,135	4,133
SHAREHOLDERS' EQUITY	4,709	4,483	4,476
PROVISIONS FOR LIABILITIES AND CHARGES	74	82	74
DEBT [(d)]	6,245	6,244	6,214
ADVANCES AND DOWN-PAYMENTS RECEIVED			
Trade payables	29	32	28
Other non-financial liabilities	101	69	72
NON-FINANCIAL LIABILITIES [(e)]	130	101	100
Overdrafts and short-term bank borrowings [(f)]	1,170	2,750	1,506
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**12,328**	**13,660**	**12,370**
[(c)] *of which net profit for the period*	1,034	751	841
[(d)] *due within less than one year*	1,119	149	119
[(e)] *due after more than one year*	46	27	30
[(f)] *of which BY Relais and Uniservice current accounts*	1,164	2,750	1,506

INCOME STATEMENT

Millions of euros

	First half 2008	First half 2007	Full year 2007
SALES	43	37	68
Other operating revenues		1	2
Purchases and changes in inventory			
Taxes other than income tax	(1)	(1)	(2)
Personnel costs	(41)	(28)	(44)
Other operating expenses	(23)	(24)	(44)
Depreciation, amortisation and provisions, net	3	(1)	(10)
Share of profit/loss of joint venture operations			
OPERATING LOSS	(19)	(16)	(30)
Financial income and expenses	981	769	623
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	962	753	593
Exceptional items	2	1	(7)
Income taxes and profit-sharing	70	87	165
NET PROFIT	1,034	841	751

CASH FLOW STATEMENT

Millions of euros

	First half 2008	First half 2007	Full year 2007
A - OPERATING ACTIVITIES			
Cash flow from operations before changes in working capital			
Net profit for the period		841	751
Amortisation, depreciation and provisions against non-current assets, net		2	6
Charges to/reversals of non-current provisions for liabilities & charges, net	(8)	(2)	8
Deferred income and expenses		(2)	(5)
Gains/losses on asset disposals and other items			
		839	760
Change in working capital			
* Current assets, prepaid expenses		(46)	(150)
* Net advances and down-payments received, non-financial liabilities and other items		1	(18)
		(45)	(168)
NET CASH GENERATED BY OPERATING ACTIVITIES	1,265	794	592
B - INVESTING ACTIVITIES			
Increases in non-current assets:			
Acquisitions of intangible assets and property, plant & equipment			
Acquisitions of holdings in subsidiaries and affiliates	(142)	(147)	(1,389)
	(142)	(147)	(1,389)
Disposals of non-current assets:			
Disposals of intangible assets and property, plant & equipment			
Disposals of holdings in subsidiaries and affiliates			3
Cancellation of treasury shares held at end 2007			
			3
Investment, net:	(100)	(147)	(1,386)
Other long-term financial investments	(43)	(18)	(2)
Amounts receivable/payable in respect of non-current assets, net	(21)	1	25
Cash effect of changes in scope of consolidation			
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	(164)	(164)	(1,363)
C - FINANCING ACTIVITIES			
Increase in shareholders' equity	(298)	314	411
Dividends paid during the period	(510)	(400)	(400)
Change in debt		(30)	
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	(807)	(116)	11
D - NET EFFECT OF EXCHANGE RATE FLUCTUATIONS			
CHANGE IN NET CASH POSITION (A + B + C + D)	294	514	(760)
Net cash position at 1 January (1)	(483)	277	277
Net cash flows during the period	294	514	(760)
Other non-monetary flows (2)			
Net cash position at 30 June (1)	(189)	791	(483)

(1) Cash + short-term investments - overdrafts and short-term bank borrowings

(2) Inter-account transfers

BOUYGUES CONSTRUCTION GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2008

Millions of euros

ASSETS	30/06/2008 Net	31/12/2007 Net	30/06/2007 Net (1)
Property, plant and equipment	530	495	429
Intangible assets	81	67	43
Goodwill	402	395	374
Investments in associates	83	83	79
Other non-current financial assets	153	154	99
Deferred tax assets and long-term tax receivable	79	78	69
NON-CURRENT ASSETS	1,328	1,272	1,093
Inventories	226	196	201
Advances and down-payments on orders	100	85	92
Trade receivables	2,516	2,277	2,255
Tax asset (receivable)	25	8	11
Other receivables and prepaid expenses	681	606	622
Cash and equivalents	2,749	2,926	2,394
Financial instruments (2)			
Other current financial assets	33	18	7
CURRENT ASSETS	6,330	6,116	5,582
Assets held for sale and discontinued operations			
TOTAL ASSETS	7,658	7,388	6,675

LIABILITIES AND SHAREHOLDERS' EQUITY	30/06/2008	31/12/2007	30/06/2007 (1)
Shareholders' equity			
- Share capital	128	128	128
- Share premium and reserves	376	283	268
- Translation reserve		(1)	2
- Treasury shares			
- Consolidated net profit for the period	164	286	148
Shareholders' equity attributable to the Group	668	696	546
Minority interests	7	11	5
SHAREHOLDERS' EQUITY	675	707	551
Non-current debt	364	356	315
Non-current provisions	602	566	535
Deferred tax liabilities and non-current tax liabilities	1	2	2
NON-CURRENT LIABILITIES	967	924	852
Advances and down-payments received	694	630	557
Current debt	10	6	8
Current taxes payable	73	73	63
Trade payables	2,419	2,363	2,126
Current provisions	237	242	238
Other current liabilities	2,380	2,327	2,125
Overdrafts and short-term bank borrowings	197	114	153
Financial instruments (2)			
Other current financial liabilities	6	2	2
CURRENT LIABILITIES	6,016	5,757	5,272
Liabilities on held-for-sale assets and discontinued operations			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	7,658	7,388	6,675
NET SURPLUS CASH	2,178	2,450	1,918

(1) *Restated following retrospective application of the change in accounting policy relating to defined-benefit post-employment benefits*

(2) *Hedging of financial liabilities at fair value*

BOUYGUES CONSTRUCTION GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Millions of euros

	First half 2008	First half 2007	Second quarter 2008	Second quarter 2007	Full year 2007
SALES [1]	4,594	3,818	2,384	2,000	8,340
Other revenues from operations	60	81	28	45	132
Purchases used in production	(2,507)	(2,014)	(1,313)	(1,049)	(4,572)
Personnel costs	(1,139)	(990)	(569)	(499)	(2,002)
External charges	(731)	(684)	(381)	(362)	(1,371)
Taxes other than income tax	(62)	(49)	(30)	(25)	(100)
Net depreciation and amortisation expense	(72)	(60)	(36)	(31)	(127)
Net charges to provisions and impairment losses	(59)	(47)	(35)	(31)	(142)
Changes in production and property development inventories	(13)	6	(8)	2	(4)
Other income and expenses from operations [2]	115	68	71	28	139
CURRENT OPERATING PROFIT	186	129	111	78	293
Other operating income and expenses		21		21	21
OPERATING PROFIT	186	150	111	99	314
Financial income	58	48	27	24	102
Financial expenses	(13)	(11)	(6)	(5)	(23)
INCOME FROM NET SURPLUS CASH	45	37	21	19	79
Other financial income and expenses	1	10	2	9	11
Income tax expense	(70)	(54)	(40)	(33)	(122)
Share of profits and losses of associates	1	5		2	7
NET PROFIT FROM CONTINUING OPERATIONS	163	148	94	96	289
Net profit of discontinued and held-for-sale operations					
NET PROFIT	163	148	94	96	289
Net profit attributable to the Group	164	148	94	95	286
Net profit attributable to minority interests	(1)			1	3
BASIC EARNINGS PER SHARE (in euros)	96.12	86.74	55.09	55.68	167.62
DILUTED EARNINGS PER SHARE (in euros)	96.12	86.74	55.09	55.68	167.62

[1] *Of which sales generated abroad*	1,941	1,473	1,026	791	3,399
[2] *Of which reversals of provisions and impairment no longer required*	48	52	33	26	99

CONSOLIDATED CASH FLOW STATEMENT

Millions of euros

I - CASH FLOW FROM CONTINUING OPERATIONS	First half 2008	First half 2007	Full year 2007
A - NET CASH GENERATED BY OPERATING ACTIVITIES			
Cash flow:			
Net profit from continuing operations	163	148	289
Share of profit or loss from associates [1]	1	2	4
Elimination of dividends from non-consolidated companies	(3)	(2)	(3)
Charges to/(write-backs of) depreciation, amortisation, impairment, non-current provisions	103	10	105
Gains and losses on asset disposals	(72)	(11)	(25)
Miscellaneous non-cash items	(4)	(2)	(3)
sub-total	188	145	367
Income from net cash surplus	(45)	(37)	(79)
Income tax expense for the period	70	54	122
Cash flow	213	162	410
Changes in working capital related to operating activities [2] (incl. current taxes)	(179)	61	518
NET CASH GENERATED BY OPERATING ACTIVITIES	34	223	928
B - NET CASH USED IN INVESTING ACTIVITIES			
Purchase price of property, plant and equipment and intangible assets [3]	(146)	(148)	(330)
Proceeds from disposals of property, plant and equipment and intangible assets	23	18	34
Net liabilities related to property, plant and equipment and intangible assets	(21)		13
Purchase price of non-consolidated companies and other investments	(9)	(3)	(5)
Proceeds from disposals of non-consolidated companies and other investments		6	6
Net liabilities related to non-consolidated companies and other investments			
Effects of changes in scope of consolidation			
Purchase price of investments in consolidated activities	(7)	(52)	(78)
Proceeds from disposals of investments in consolidated activities	61		7
Net liabilities related to investments in consolidated activities and other cash effects of changes in scope of consolidation	(13)	(13)	
Other cash flows related to investing activities (changes in loans, dividends received from non-consolidated companies)	(3)	(21)	(29)
NET CASH USED IN INVESTING ACTIVITIES	(115)	(213)	(382)
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES			
Capital increases during the period contributed by shareholders and minority interests	3		1
Dividends paid during the period			
Dividends paid to shareholders of the parent company	(200)	(140)	(140)
Dividends paid to minority shareholders of consolidated companies	(1)	(1)	(1)
Change in debt [4]	18	51	76
Income from net surplus cash	45	37	79
Other cash flows related to financing activities	(2)		
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	(137)	(53)	15
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	(40)	(9)	(42)
CHANGE IN NET CASH (A + B + C + D)	(258)	(52)	519
Net cash position at 1 January	2,812	2,293	2,293
Net cash flows during the period	(258)	(52)	519
Other non-monetary flows	(2)		
Net cash position at 30 June	2,552	2,241	2,812
II - CASH FLOWS FROM DISCONTINUED AND HELD-FOR-SALE OPERATIONS			
Net cash position at 1 January			
Net cash flows during the period			
Net cash position at 30 June			

[1] Elimination of share of profits/losses and inclusion of dividends paid in respect of associates

[2] Definition of change in working capital: Current assets minus current liabilities

[3] Net of investment grants received

[4] Definition of debt: Non-current debt plus current debt

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY - PERIOD ENDED 30 JUNE 2008

Millions of euros

ATTRIBUTABLE TO THE GROUP	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	**143**	**234**	**136**	**2**		**13**	**528**
MOVEMENTS DURING THE FIRST HALF OF 2007							
Capital and reserves transactions, net		24	(24)				
Acquisitions of treasury shares							
Dividend paid			(140)				(140)
Other transactions with shareholders							
Net profit for the period (attributable to the Group)			148				148
Income and expense recognised directly in equity						10	10
POSITION AT 30 JUNE 2007	**143**	**258**	**120**	**2**		**23**	**546**
MOVEMENTS DURING THE SECOND HALF OF 2007							
Capital and reserves transactions, net							
Acquisitions of treasury shares							
Dividend paid							
Other transactions with shareholders							
Net profit for the period (attributable to the Group)			138				138
Income and expense recognised directly in equity				(3)		14	12
POSITION AT 31 DECEMBER 2007	**143**	**258**	**259**	**(1)**		**37**	**696**
MOVEMENTS DURING THE FIRST HALF OF 2008							
Capital and reserves transactions, net		13	(13)				
Acquisitions of treasury shares							
Dividend paid			(200)				(200)
Other transactions with shareholders							
Net profit for the period (attributable to the Group)			164				164
Income and expense recognised directly in equity				1		7	8
POSITION AT 30 JUNE 2008	**143**	**271**	**210**			**44**	**668**

MINORITY INTERESTS	Consolidated reserves and profit for the period	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	**5**		**5**
MOVEMENTS DURING THE FIRST HALF OF 2007			
Capital and reserves transactions, net			
Dividend paid	(1)		(1)
Other transactions with shareholders			
Net profit for the period (attributable to minority interests)			
Translation adjustments			
Changes in scope of consolidation	1		1
Income and expense recognised directly in equity			
POSITION AT 30 JUNE 2007	**5**		**5**
MOVEMENTS DURING THE SECOND HALF OF 2007			
Capital and reserves transactions, net			
Dividend paid			
Other transactions with shareholders			
Net profit for the period (attributable to minority interests)	3		3
Translation adjustments		(1)	(1)
Changes in scope of consolidation	2		2
Income and expense recognised directly in equity		2	2
POSITION AT 31 DECEMBER 2007	**10**	**1**	**11**
MOVEMENTS DURING THE FIRST HALF OF 2008			
Capital and reserves transactions, net	3		3
Dividend paid	(1)		(1)
Other transactions with shareholders			
Net profit for the period (attributable to minority interests)	(1)		(1)
Translation adjustments			
Changes in scope of consolidation	(5)		(5)
Income and expense recognised directly in equity			
POSITION AT 30 JUNE 2008	**6**	**1**	**7**

	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
TOTAL SHAREHOLDERS' EQUITY	**143**	**271**	**216**			**45**	**675**

See the statement of recognised income and expense:

	H1 2008	H1 2007	FY 2007
Attributable to the Group	8	10	21
Attributable to minority interests			1
	8	**10**	**22**

STATEMENT OF RECOGNISED INCOME AND EXPENSE

Millions of euros

	First half 2008	First half 2007	Full year 2007
Net profit for the period	**163**	**148**	**289**
Change in cumulative translation adjustment	1		(4)
Changes in fair value of financial instruments designated as hedges and other financial assets	12	17	30
Actuarial gains/(losses) on employee benefits (amendment to IAS 19)	(5)	(5)	(1)
Taxes on transactions recognised directly in equity		(2)	(3)
Other movements, net			
Income and expense recognised directly in equity	**8**	**10**	**22**
Total recognised income and expense	**171**	**158**	**311**
Attributable to the Group	**172**	**158**	**307**
Attributable to minority interests	**(1)**		**4**

BOUYGUES IMMOBILIER GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2008

Millions of euros

ASSETS	30/06/2008 Net	31/12/2007 Net	30/06/2007 Net (1)
Property, plant and equipment	13	12	11
Intangible assets	3	3	3
Goodwill			
Investments in associates			
Other non-current financial assets	33	18	17
Deferred tax assets and long-term tax receivable	24	34	30
NON-CURRENT ASSETS	73	67	61
Inventories	1,619	1,554	1,450
Advances and down-payments on orders	22	19	14
Trade receivables	200	144	56
Tax asset (receivable)	3	3	2
Other receivables and prepaid expenses	332	328	278
Cash and equivalents	118	233	101
Financial instruments (2)			
Other current financial assets			
CURRENT ASSETS	2,294	2,281	1,901
Assets held for sale and discontinued operations			
TOTAL ASSETS	2,367	2,348	1,962

LIABILITIES AND SHAREHOLDERS' EQUITY	30/06/2008	31/12/2007	30/06/2007 (1)
Shareholders' equity			
- Share capital	69	69	69
- Share premium and reserves	226	188	188
- Translation reserve			
- Treasury shares			
- Consolidated net profit for the period	61	124	42
Shareholders' equity attributable to the Group	356	381	299
Minority interests	3	3	
SHAREHOLDERS' EQUITY	359	384	299
Non-current debt	103	116	53
Non-current provisions	86	86	85
Deferred tax liabilities and non-current tax liabilities	3	3	2
NON-CURRENT LIABILITIES	192	205	140
Advances and down-payments received	377	535	380
Current debt	322	117	165
Current taxes payable	11	8	9
Trade payables	887	865	757
Current provisions	48	47	34
Other current liabilities	165	185	174
Overdrafts and short-term bank borrowings	6	2	4
Financial instruments (2)			
Other current financial liabilities			
CURRENT LIABILITIES	1,816	1,759	1,523
Liabilities on held-for-sale assets and discontinued operations			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,367	2,348	1,962
NET DEBT	(313)	(2)	(121)

(1) *Restated following retrospective application of the change in accounting policy relating to defined-benefit post-employment benefits*

(2) *Hedging of financial liabilities at fair value*

CONSOLIDATED INCOME STATEMENT

Millions of euros

	First half 2008	First half 2007 (1)	Second quarter 2008	Second quarter 2007 (1)	Full year 2007
SALES [2]	1,300	809	736	449	2,075
Other revenues from operations			0	0	
Purchases used in production	(922)	(779)	(528)	(448)	(1,676)
Personnel costs [1]	(77)	(66)	(35)	(31)	(128)
External charges	(191)	(184)	(101)	(96)	(387)
Taxes other than income tax	(35)	(25)	(23)	(15)	(42)
Net depreciation and amortisation expense	(3)	(2)	(2)	(1)	(4)
Net charges to provisions and impairment losses [1]	(17)	2	(16)	(3)	(38)
Changes in production and property development inventories	60	299	39	181	379
Other income and expenses from operations [3]	7	18	2	13	31
CURRENT OPERATING PROFIT	122	72	72	49	210
Other operating income and expenses		0	0	0	0
OPERATING PROFIT	122	72	72	49	210
Financial income	3	5	1	3	5
Financial expenses	(10)	(9)	(6)	(6)	(15)
COST OF NET DEBT	(7)	(4)	(5)	(3)	(10)
Other financial income and expenses	(14)	(3)	(7)	(1)	(12)
Income tax expense [1]	(37)	(22)	(21)	(15)	(60)
Share of profits and losses of associates			0	0	
NET PROFIT FROM CONTINUING OPERATIONS	64	43	39	30	128
Net profit of discontinued and held-for-sale operations			0	0	
NET PROFIT	64	43	39	30	128
Net profit attributable to the Group	61	42	37	30	124
Net profit attributable to minority interests	3	1	2	0	4
BASIC EARNINGS PER SHARE (in euros)	1,354.53	950.80	825.75	683.60	2,748.76
DILUTED EARNINGS PER SHARE (in euros)	1,354.53	950.80	825.75	683.60	2,748.76

[1] *Restated following retrospective application of the change in accounting policy relating to defined-benefit post-employment benefits*

	First half 2008	First half 2007	Second quarter 2008	Second quarter 2007	Full year 2007
[2] *Of which sales generated abroad*	68	67	27	30	134
[3] *Of which reversals of provisions and impairment no longer required*	7	16	3	11	25

CONSOLIDATED CASH FLOW STATEMENT

Millions of euros

I - CASH FLOW FROM CONTINUING OPERATIONS	First half 2008	First half 2007 [1]	Full year 2007
A - NET CASH GENERATED BY OPERATING ACTIVITIES			
Cash flow:			
Net profit from continuing operations	64	43	128
Share of profit or loss from associates [2]			
Elimination of dividends from non-consolidated companies		(1)	(2)
Charges to/(write-backs of) depreciation, amortisation, impairment, non-current provisions	5	2	5
Gains and losses on asset disposals			
Miscellaneous non-cash items	2	1	1
sub-total	71	45	132
Cost of net debt	7	4	10
Income tax expense for the period	37	22	60
Cash flow	115	71	202
Changes in working capital related to operating activities [3] (incl. current taxes)	(292)	(133)	(114)
NET CASH GENERATED BY OPERATING ACTIVITIES	(177)	(62)	88
B - NET CASH USED IN INVESTING ACTIVITIES			
Purchase price of property, plant and equipment and intangible assets	(4)	(4)	(7)
Proceeds from disposals of property, plant and equipment and intangible assets			
Net liabilities related to property, plant and equipment and intangible assets	(5)	(1)	(3)
Purchase price of non-consolidated companies and other investments			
Proceeds from disposals of non-consolidated companies and other investments			
Net liabilities related to non-consolidated companies and other investments			
Effects of changes in scope of consolidation			
Purchase price of investments in consolidated companies	(9)		(32)
Proceeds from disposals of investments in consolidated companies			
Net liabilities related to investments in consolidated companies and other cash effects of changes in scope of consolidation	(6)		9
Other cash flows related to investing activities (changes in loans, dividends received from non-consolidated companies)	(12)	2	9
NET CASH USED IN INVESTING ACTIVITIES	(36)	(3)	(24)
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES			
Capital increases during the period contributed by shareholders and minority interests	2	(1)	
Dividends paid during the period			
Dividends paid to shareholders of the parent company	(87)	(75)	(75)
Dividends paid to minority shareholders of consolidated companies	(1)	(2)	(2)
Change in debt [4]	187	102	113
Cost of net debt	(7)	(4)	(10)
Other cash flows related to financing activities			(1)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	94	20	25
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS			
CHANGE IN NET CASH (A + B + C + D)	(119)	(45)	89
Net cash position at 1 January	231	142	142
Net cash flows during the period	(119)	(45)	89
Other non-monetary flows			
Net cash position at 30 June	112	97	231
II - CASH FLOWS FROM DISCONTINUED AND HELD-FOR-SALE OPERATIONS			
Net cash position at 1 January			
Net cash flows during the period			
Net cash position at 30 June			

[1] H1 2007: Restated following retrospective application of the change in accounting policy relating to defined-benefit post-employment benefits (see note 2)

[2] Elimination of share of profits/losses and inclusion of dividends paid in respect of associates

[3] Definition of change in working capital: Current assets minus current liabilities

[4] Definition of debt: Non-current debt plus current debt

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY - PERIOD ENDED 30 JUNE 2008

Millions of euros

ATTRIBUTABLE TO THE GROUP	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	126	74	128			1	329
MOVEMENTS DURING THE FIRST HALF OF 2007							
Capital and reserves transactions, net							0
Acquisitions of treasury shares							0
Dividend paid			(75)				(75)
Other transactions with shareholders		119	(119)				0
Net profit for the period (attributable to the Group)			42				42
Income and expense recognised directly in equity						3	3
POSITION AT 30 JUNE 2007	126	193	(24)	0	0	4	299
MOVEMENTS DURING THE SECOND HALF OF 2007							
Capital and reserves transactions, net							0
Acquisitions of treasury shares							0
Dividend paid							0
Other transactions with shareholders		(60)	60				0
Net profit for the period (attributable to the Group)			82				82
Income and expense recognised directly in equity							0
POSITION AT 31 DECEMBER 2007	126	133	118	0	0	4	381
MOVEMENTS DURING THE FIRST HALF OF 2008							
Capital and reserves transactions, net		41	(39)				2
Acquisitions of treasury shares							0
Dividend paid			(87)				(87)
Other transactions with shareholders							0
Net profit for the period (attributable to the Group)			61				61
Income and expense recognised directly in equity						(1)	(1)
POSITION AT 30 JUNE 2008	126	174	53	0	0	3	356

MINORITY INTERESTS	Consolidated reserves and profit for the period	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	1		1
MOVEMENTS DURING THE FIRST HALF OF 2007			
Capital and reserves transactions, net			0
Dividend paid	(2)		(2)
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)	1		1
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 30 JUNE 2007	0	0	0
MOVEMENTS DURING THE SECOND HALF OF 2007			
Capital and reserves transactions, net			0
Dividend paid			0
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)	3		3
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 31 DECEMBER 2007	3	0	3
MOVEMENTS DURING THE FIRST HALF OF 2008			
Capital and reserves transactions, net			0
Dividend paid	(1)		(1)
Other transactions with shareholders	(2)		(2)
Net profit for the period (attributable to minority interests)	3		3
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 30 JUNE 2008	3	0	3

	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
TOTAL SHAREHOLDERS' EQUITY	126	174	56	0	0	3	359

See the statement of recognised income and expense:

	H1 2008	H1 2007	FY 2008
Attributable to the Group	(1)	3	3
Attributable to minority interests	0	0	0
	(1)	**3**	**3**

STATEMENT OF RECOGNISED INCOME AND EXPENSE

Millions of euros

	First half 2008	First half 2007	Full year 2007
Net profit for the period	**64**	**43**	**128**
Change in cumulative translation adjustment			
Changes in fair value of financial instruments designated as hedges and other financial assets	(1)	1	1
Actuarial gains/(losses) on employee benefits (amendment to IAS 19)		2	2
Taxes on transactions recognised directly in equity			
Other movements, net			
Income and expense recognised directly in equity	**(1)**	**3**	**3**
Total recognised income and expense	**63**	**46**	**131**
Attributable to the Group	**60**	**45**	**127**
Attributable to minority interests	**3**	**1**	**4**

COLAS GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2008

Millions of euros

ASSETS	30/06/2008 Net	31/12/2007 Net	30/06/2007 Net (1)
Property, plant and equipment	2,213	2161	1,914
Intangible assets	85	89	83
Goodwill	448	447	421
Investments in associates	354	339	312
Other non-current financial assets	154	164	153
Deferred tax assets and long-term tax receivable	88	85	81
NON-CURRENT ASSETS	3,342	3,285	2,964
Inventories / Programmes / Broadcasting rights	474	346	403
Advances and down-payments on orders			
Trade receivables	3,834	3,076	3,452
Tax asset (receivable)	40	23	38
Other receivables and prepaid expenses	729	561	719
Cash and equivalents	325	673	229
Financial instruments (2)	3	3	3
Other current financial assets	35	11	19
CURRENT ASSETS	5,440	4,693	4,863
Assets held for sale and discontinued operations			33
TOTAL ASSETS	8,782	7,978	7,860

LIABILITIES AND SHAREHOLDERS' EQUITY	30/06/2008	31/12/2007	30/06/2007 (1)
Shareholders' equity			
- Share capital	49	49	49
- Share premium and reserves	1,691	1,466	1,470
- Translation reserve	(58)	(25)	14
- Treasury shares			
- Consolidated net profit for the period	130	474	117
Shareholders' equity attributable to the Group	1,812	1,964	1,650
Minority interests	44	41	25
SHAREHOLDERS' EQUITY	1,856	2,005	1,675
Non-current debt	306	149	186
Non-current provisions	592	590	552
Deferred tax liabilities and non-current tax liabilities	74	74	62
NON-CURRENT LIABILITIES	972	813	800
Advances and down-payments received	232	237	194
Current debt	48	45	137
Current taxes payable	49	96	47
Trade payables	2,744	2,626	2,563
Current provisions	178	198	159
Other current liabilities	2,023	1,818	1,841
Overdrafts and short-term bank borrowings	672	129	438
Financial instruments (2)	3	6	6
Other current financial liabilities	5	5	
CURRENT LIABILITIES	5,954	5,160	5,385
Liabilities on held-for-sale assets and discontinued operations			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	8,782	7,978	7,860
NET SURPLUS CASH/(NET DEBT)	(701)	347	(535)

(1) *Restated following retrospective application of the change in accounting policy relating to defined-benefit post-employment benefits*

(2) *Hedging of financial liabilities at fair value*

CONSOLIDATED INCOME STATEMENT

Millions of euros

	First half 2008	First half 2007 (1)	Second quarter 2008	Second quarter 2007 (1)	Full year 2007
SALES [2]	5,631	4,925	3,442	3,017	11,673
Other revenues from operations		0	0	0	
Purchases used in production	(2,711)	(2,308)	(1,708)	(1,437)	(5,506)
Personnel costs [1]	(1,433)	(1,267)	(745)	(691)	(2,701)
External charges	(1,268)	(1,119)	(714)	(627)	(2,510)
Taxes other than income tax	(89)	(82)	(45)	(41)	(161)
Net depreciation and amortisation expense	(208)	(180)	(140)	(105)	(412)
Net charges to provisions and impairment losses [1]	(5)	(13)	(5)	(4)	(150)
Changes in production and property development inventories	11	10	3	3	5
Other income and expenses from operations [3]	228	170	135	93	400
CURRENT OPERATING PROFIT	156	136	223	208	638
Other operating income and expenses		0	0	0	(3)
OPERATING PROFIT	156	136	223	208	635
Financial income	12	9	4	3	21
Financial expenses	(21)	(15)	(15)	(9)	(32)
COST OF NET DEBT	(9)	(6)	(11)	(6)	(11)
Other financial income and expenses	3	4	(5)	3	4
Income tax expense [1]	(45)	(43)	(63)	(67)	(209)
Share of profits and losses of associates	27	28	15	15	62
NET PROFIT FROM CONTINUING OPERATIONS	132	119	159	153	481
Net profit of discontinued and held-for-sale operations			0	0	
NET PROFIT	132	119	159	153	481
Net profit attributable to the Group	130	117	157	151	474
Net profit attributable to minority interests	2	2	2	2	7
BASIC EARNINGS PER SHARE (in euros)	4.00	3.60	4.84	4.64	14.56
DILUTED EARNINGS PER SHARE (in euros)	4.00	3.60	4.84	4.64	14.56

[1] *Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits*

[2] *Of which sales generated abroad*	2,126	1,797	1,452	1,227	4,743
[3] *Of which reversals of provisions and impairment no longer required*	25	13	16	8	56

COLAS GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

Millions of euros

I - CASH FLOW FROM CONTINUING OPERATIONS	First half 2008	First half 2007 [1]	Full year 2007
A - NET CASH GENERATED BY OPERATING ACTIVITIES			
Cash flow:			
Net profit from continuing operations	132	119	481
Share of profit or loss from associates [2]	(20)	(20)	(28)
Elimination of dividends from non-consolidated companies	(3)	(4)	(4)
Charges to/(write-backs of) depreciation, amortisation, impairment, non-current provisions	218	191	454
Gains and losses on asset disposals	(37)	(18)	(27)
Miscellaneous non-cash items			
sub-total	290	268	876
Cost of net debt	9	6	11
Income tax expense for the period	45	43	212
Cash flow	344	317	1,099
Changes in working capital related to operating activities [3] (incl. current taxes)	(808)	(628)	(101)
NET CASH GENERATED BY OPERATING ACTIVITIES	(464)	(311)	998
B - NET CASH USED IN INVESTING ACTIVITIES			
Purchase price of property, plant and equipment and intangible assets	(262)	(239)	(696)
Proceeds from disposals of property, plant and equipment and intangible assets	32	20	69
Net liabilities related to property, plant and equipment and intangible assets	(45)	(42)	22
Purchase price of non-consolidated companies and other investments			
Proceeds from disposals of non-consolidated companies and other investments			
Net liabilities related to non-consolidated companies and other investments			
Effects of changes in scope of consolidation			
Purchase price of investments in consolidated companies	(28)	(311)	(383)
Proceeds from disposals of investments in consolidated companies	26	10	45
Net liabilities related to investments in consolidated companies and other cash effects of changes in scope of consolidation	(12)	125	147
Other cash flows related to investing activities (changes in loans, dividends received from non-consolidated companies)		(3)	(37)
NET CASH USED IN INVESTING ACTIVITIES	(289)	(440)	(833)
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES			
Capital increases during the period contributed by shareholders and minority interests	6	41	39
Dividends paid during the period			
Dividends paid to shareholders of the parent company	(276)	(207)	(207)
Dividends paid to minority shareholders of consolidated companies	(4)	(3)	(3)
Change in debt [4]	132	143	(8)
Cost of net debt	(9)	(6)	(11)
Other cash flows related to financing activities	17		(1)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	(134)	(32)	(191)
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	(4)	(4)	(6)
CHANGE IN NET CASH (A + B + C + D)	(891)	(787)	(32)
Net cash position at 1 January	544	578	578
Net cash flows during the period	(891)	(787)	(32)
Other non-monetary flows			(2)
Net cash position at 30 June	(347)	(209)	544
II - CASH FLOWS FROM DISCONTINUED AND HELD-FOR-SALE OPERATIONS			
Net cash position at 1 January			
Net cash flows during the period			
Net cash position at 30 June			

[1] H1 2007: Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits (see note 2)
[2] Elimination of share of profits/losses and inclusion of dividends paid in respect of associates
[3] **Definition of change in working capital :** Current assets minus current liabilities
[4] **Definition of debt :** Non-current debt plus current debt

COLAS GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY - PERIOD ENDED 30 JUNE 2008

Millions of euros

ATTRIBUTABLE TO THE GROUP	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	323		1,357	8		(1)	1,687
MOVEMENTS DURING THE FIRST HALF OF 2007							
Capital and reserves transactions, net	39						39
Acquisitions of treasury shares							0
Dividend paid			(207)				(207)
Other transactions with shareholders							0
Net profit for the period (attributable to the Group)			117				117
Income and expense recognised directly in equity				6		8	14
POSITION AT 30 JUNE 2007	362	0	1,267	14	0	7	1,650
MOVEMENTS DURING THE SECOND HALF OF 2007							
Capital and reserves transactions, net			(2)				(2)
Acquisitions of treasury shares							0
Dividend paid							0
Other transactions with shareholders							0
Net profit for the period (attributable to the Group)			357				357
Income and expense recognised directly in equity				(39)		(2)	(41)
POSITION AT 31 DECEMBER 2007	362	0	1,622	(25)	0	5	1,964
MOVEMENTS DURING THE FIRST HALF OF 2008							
Capital and reserves transactions, net	6						6
Acquisitions of treasury shares							0
Dividend paid			(276)				(276)
Other transactions with shareholders							0
Net profit for the period (attributable to the Group)			130				130
Income and expense recognised directly in equity				(33)		21	(12)
POSITION AT 30 JUNE 2008	368	0	1,476	(58)	0	26	1,812

MINORITY INTERESTS	Consolidated reserves and profit for the period	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	27		27
MOVEMENTS DURING THE FIRST HALF OF 2007			
Capital and reserves transactions, net			0
Dividend paid	(3)		(3)
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)	2		2
Translation adjustments			0
Changes in scope of consolidation	(1)		(1)
Income and expense recognised directly in equity			0
POSITION AT 30 JUNE 2007	25	0	25
MOVEMENTS DURING THE SECOND HALF OF 2007			
Capital and reserves transactions, net			0
Dividend paid			0
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)	5		5
Translation adjustments			0
Changes in scope of consolidation	11		11
Income and expense recognised directly in equity			0
POSITION AT 31 DECEMBER 2007	41	0	41
MOVEMENTS DURING THE FIRST HALF OF 2008			
Capital and reserves transactions, net			0
Dividend paid	(4)		(4)
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)	2		2
Translation adjustments			0
Changes in scope of consolidation	4		4
Income and expense recognised directly in equity		1	1
POSITION AT 30 JUNE 2008	43	1	44

	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
TOTAL SHAREHOLDERS' EQUITY	368	0	1,519	(58)	0	27	1,856

See the statement of recognised income and expense:

	H1 2008	H1 2007	FY 2007
Attributable to the Group	(12)	14	(27)
Attributable to minority interests	1	0	0
	(11)	**14**	**(27)**

STATEMENT OF RECOGNISED INCOME AND EXPENSE

Millions of euros

	First half 2008	First half 2007	Full year 2007
Net profit for the period	**132**	**119**	**481**
Change in cumulative translation adjustment	(33)	6	(33)
Changes in fair value of financial instruments designated as hedges and other financial assets	24	3	(2)
Actuarial gains/(losses) on employee benefits (amendment to IAS 19)	4	9	12
Taxes on transactions recognised directly in equity	(6)	(4)	(4)
Other movements, net			
Income and expense recognised directly in equity	**(11)**	**14**	**(27)**
Total recognised income and expense	**121**	**133**	**454**
Attributable to the Group	**118**	**131**	**447**
Attributable to minority interests	**3**	**2**	**7**

TF1 GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2008

Millions of euros

ASSETS	30/06/2008 Net	31/12/2007 Net	30/06/2007 Net (1)
Property, plant and equipment	170	158	152
Intangible assets	240	210	162
Goodwill	510	510	505
Investments in associates	255	253	245
Other non-current financial assets	711	691	680
Deferred tax assets and long-term tax receivable	20	22	54
NON-CURRENT ASSETS	1,906	1,844	1,798
Inventories / Programmes / Broadcasting rights	530	520	568
Advances and down-payments on orders	228	217	235
Trade receivables	756	708	687
Tax asset (receivable)	6	14	52
Other receivables and prepaid expenses	318	309	270
Cash and equivalents	75	39	93
Financial instruments (2)	2	1	1
Other current financial assets			1
CURRENT ASSETS	1,915	1,808	1,907
Assets held for sale and discontinued operations			
TOTAL ASSETS	3,821	3,652	3,705

LIABILITIES AND SHAREHOLDERS' EQUITY	30/06/2008	31/12/2007	30/06/2007 (1)
Shareholders' equity			
- Share capital	43	43	43
- Share premium and reserves	1,170	1,128	1,149
- Translation reserve			
- Treasury shares		(5)	(5)
- Consolidated net profit for the period	125	228	186
Shareholders' equity attributable to the Group	1,338	1,394	1,373
Minority interests			
SHAREHOLDERS' EQUITY	1,338	1,394	1,373
Non-current debt	732	618	494
Non-current provisions	34	34	35
Deferred tax liabilities and non-current tax liabilities	3	1	39
NON-CURRENT LIABILITIES	769	653	568
Advances and down-payments received	6	9	8
Current debt	15	10	166
Current taxes payable	1	5	85
Trade payables	709	724	679
Current provisions	64	60	64
Other current liabilities	876	781	754
Overdrafts and short-term bank borrowings	32	5	5
Financial instruments (2)	3	4	1
Other current financial liabilities	8	7	2
CURRENT LIABILITIES	1,714	1,605	1,764
Liabilities on held-for-sale assets and discontinued operations			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,821	3,652	3,705
NET SURPLUS CASH/(NET DEBT)	(705)	(597)	(572)

(1) *Restated following retrospective application of the change in accounting policy relating to defined-benefit post-employment benefits*

(2) *Hedging of financial liabilities at fair value*

CONSOLIDATED INCOME STATEMENT

Millions of euros

	First half 2008	First half 2007 (1)	Second quarter 2008	Second quarter 2007 (1)	Full year 2007
SALES [2]	1,363	1,431	705	729	2,764
Other revenues from operations	0		0	0	
Purchases used in production	(585)	(550)	(309)	(278)	(1,190)
Personnel costs [1]	(222)	(209)	(111)	(102)	(438)
External charges	(245)	(260)	(130)	(139)	(547)
Taxes other than income tax	(72)	(75)	(36)	(38)	(141)
Net depreciation and amortisation expense	(48)	(46)	(27)	(22)	(88)
Net charges to provisions and impairment losses [1]	(21)	(21)	(15)	(11)	(41)
Changes in production and property development inventories	0		0	0	
Other income and expenses from operations [3]	1	(6)	(5)	0	(14)
CURRENT OPERATING PROFIT	171	264	72	139	305
Other operating income and expenses	0	0	0	0	0
OPERATING PROFIT	171	264	72	139	305
Financial income	5	11	0	7	10
Financial expenses	(20)	(19)	(11)	(12)	(31)
COST OF NET DEBT	(15)	(8)	(11)	(5)	(21)
Other financial income and expenses	14	17	12	8	29
Income tax expense [1]	(51)	(86)	(22)	(44)	(93)
Share of profits and losses of associates	6	(1)	4	0	8
NET PROFIT FROM CONTINUING OPERATIONS	125	186	55	98	228
Net profit of discontinued and held-for-sale operations			0	0	
NET PROFIT	125	186	55	98	228
Net profit attributable to the Group	125	186	55	98	228
Net profit attributable to minority interests	0	0	0	0	0
BASIC EARNINGS PER SHARE (in euros)	0.59	0.87	0.26	0.46	1.07
DILUTED EARNINGS PER SHARE (in euros)	0.59	0.87	0.26	0.46	1.06

[1] *Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits*

	First half 2008	First half 2007	Second quarter 2008	Second quarter 2007	Full year 2007
[2] *Of which sales generated abroad*	157	144	87	73	302
[3] *Of which reversals of provisions and impairment no longer required*	3	1	3	1	8

CONSOLIDATED CASH FLOW STATEMENT

Millions of euros

I - CASH FLOW FROM CONTINUING OPERATIONS	First half 2008	First half 2007 [(1)]	Full year 2007
A - NET CASH GENERATED BY OPERATING ACTIVITIES			
Cash flow:			
Net profit from continuing operations	125	186	228
Share of profit or loss from associates [(2)]	(1)		(8)
Elimination of dividends from non-consolidated companies			(2)
Charges to/(write-backs of) depreciation, amortisation, impairment, non-current provisions	61	53	96
Gains and losses on asset disposals		(5)	(1)
Miscellaneous non-cash items	(26)	(43)	(39)
sub-total	159	191	274
Cost of net debt	13	9	24
Income tax expense for the period	51	86	93
Cash flow	223	286	391
Changes in working capital related to operating activities [(3)] (incl. current taxes)	(65)	(142)	(66)
NET CASH GENERATED BY OPERATING ACTIVITIES	158	144	325
B - NET CASH USED IN INVESTING ACTIVITIES			
Purchase price of property, plant and equipment and intangible assets	(85)	(37)	(133)
Proceeds from disposals of property, plant and equipment and intangible assets	2	1	3
Net liabilities related to property, plant and equipment and intangible assets	21	(18)	31
Purchase price of non-consolidated companies and other investments		(4)	(1)
Proceeds from disposals of non-consolidated companies and other investments			
Net liabilities related to non-consolidated companies and other investments			
Effects of changes in scope of consolidation			
Purchase price of investments in consolidated companies	(1)		(255)
Proceeds from disposals of investments in consolidated companies		(96)	32
Net liabilities related to investments in consolidated companies and other cash effects of changes in scope of consolidation			(10)
Other cash flows related to investing activities (changes in loans, dividends received from non-consolidated companies)	(2)	(1)	1
NET CASH USED IN INVESTING ACTIVITIES	(65)	(155)	(332)
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES			
Capital increases during the period contributed by shareholders and minority interests		8	(9)
Dividends paid during the period			
Dividends paid to shareholders of the parent company	(181)	(182)	(181)
Dividends paid to minority shareholders of consolidated companies			
Change in debt [(4)]	111	5	(22)
Cost of net debt	(13)	(4)	(23)
Other cash flows related to financing activities			
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	(83)	(173)	(235)
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS			
CHANGE IN NET CASH (A + B + C + D)	10	(184)	(242)
Net cash position at 1 January	30	272	272
Net cash flows during the period	10	(184)	(242)
Other non-monetary flows			
Net cash position at 30 June	40	88	30
II - CASH FLOWS FROM DISCONTINUED AND HELD-FOR-SALE OPERATIONS			
Net cash position at 1 January			
Net cash flows during the period			
Net cash position at 30 June			

[(1)] H1 2007: Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits (see note 2)

[(2)] Elimination of share of profits/losses and inclusion of dividends paid in respect of associates

[(3)] Definition of change in working capital : Current assets minus current liabilities

[(4)] Definition of debt : Non-current debt plus current debt

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY - PERIOD ENDED 30 JUNE 2008

Millions d'euros

ATTRIBUTABLE TO THE GROUP	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	64	93	1,213		(12)		1,358
MOVEMENTS DURING THE FIRST HALF OF 2007							
Capital and reserves transactions, net	8						8
Acquisitions of treasury shares	(7)				7		0
Dividend paid			(182)				(182)
Other transactions with shareholders			3				3
Net profit for the period (attributable to the Group)			186				186
Income and expense recognised directly in equity							0
POSITION AT 30 JUNE 2007	65	93	1,220	0	(5)	0	1,373
MOVEMENTS DURING THE SECOND HALF OF 2007							
Capital and reserves transactions, net	1						1
Acquisitions of treasury shares	(19)						(19)
Dividend paid							0
Other transactions with shareholders	(1)	5	(2)				2
Net profit for the period (attributable to the Group)			42				42
Income and expense recognised directly in equity						(5)	(5)
POSITION AT 31 DECEMBER 2007	46	98	1,260	0	(5)	(5)	1,394
MOVEMENTS DURING THE FIRST HALF OF 2008							
Capital and reserves transactions, net							0
Acquisitions of treasury shares			(5)		5		0
Dividend paid			(181)				(181)
Other transactions with shareholders							0
Net profit for the period (attributable to the Group)			125				125
Income and expense recognised directly in equity							0
POSITION AT 30 JUNE 2008	46	98	1,199	0	0	(5)	1,338

MINORITY INTERESTS	Consolidated reserves and profit for the period	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007			0
MOVEMENTS DURING THE FIRST HALF OF 2007			
Capital and reserves transactions, net			0
Dividend paid			0
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)			0
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 30 JUNE 2007	0	0	0
MOVEMENTS DURING THE SECOND HALF OF 2007			
Capital and reserves transactions, net			0
Dividend paid			0
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)			0
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 31 DECEMBER 2007	0	0	0
MOVEMENTS DURING THE FIRST HALF OF 2008			
Capital and reserves transactions, net			0
Dividend paid			0
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)			0
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 30 JUNE 2008	0	0	0

	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
TOTAL SHAREHOLDERS' EQUITY	46	98	1,199	0	0	(5)	1,338

See the statement of recognised income and expense:

	H1 2008	H1 2007	FY 2007
Attributable to the Group	0	0	(5)
Attributable to minority interests	0	0	0
	0	**0**	**(5)**

TF1 GROUP - CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF RECOGNISED INCOME AND EXPENSE

Millions of euros

	First half 2008	First half 2007	Full year 2007
Net profit for the period	**125**	**186**	**228**
Change in cumulative translation adjustment			
Changes in fair value of financial instruments designated as hedges and other financial assets			(4)
Actuarial gains/(losses) on employee benefits (amendment to IAS 19)			(1)
Taxes on transactions recognised directly in equity			
Other movements, net			
Income and expense recognised directly in equity	**0**	**0**	**(5)**
Total recognised income and expense	**125**	**186**	**223**
Attributable to the Group	**125**	**186**	**223**
Attributable to minority interests	**0**	**0**	**0**

BOUYGUES TELECOM GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AT 30 JUNE 2008

Millions of euros

ASSETS	30/06/2008 Net	31/12/2007 Net	30/06/2007 Net (1)
Property, plant and equipment	2,381	2333	2,236
Intangible assets	766	727	745
Goodwill	8	8	1
Investments in associates			
Other non-current financial assets	5	4	4
Deferred tax assets and long-term tax receivable	11	8	8
NON-CURRENT ASSETS	3,171	3,080	2,994
Inventories / Programmes / Broadcasting rights	112	98	79
Advances and down-payments on orders	6	15	15
Trade receivables	674	670	621
Tax asset (receivable)		2	
Other receivables and prepaid expenses	387	329	338
Cash and equivalents	10	210	15
Financial instruments (2)			
Other current financial assets	2		1
CURRENT ASSETS	1,191	1,324	1,069
Assets held for sale and discontinued operations			
TOTAL ASSETS	4,362	4,404	4,063

LIABILITIES AND SHAREHOLDERS' EQUITY	30/06/2008	31/12/2007	30/06/2007 (1)
Shareholders' equity			
- Share capital	617	617	617
- Share premium and reserves	1,255	1,261	1,259
- Translation reserve			
- Treasury shares			
- Consolidated net profit for the period	308	492	294
Shareholders' equity attributable to the Group	2,180	2,370	2,170
Minority interests			
SHAREHOLDERS' EQUITY	2,180	2,370	2,170
Non-current debt	347	17	42
Non-current provisions	93	96	97
Deferred tax liabilities and non-current tax liabilities			
NON-CURRENT LIABILITIES	440	113	139
Advances and down-payments received	2	1	2
Current debt	7	5	6
Current taxes payable	35	56	127
Trade payables	873	960	938
Current provisions	22	22	15
Other current liabilities	803	877	666
Overdrafts and short-term bank borrowings			
Financial instruments (2)			
Other current financial liabilities			
CURRENT LIABILITIES	1,742	1,921	1,754
Liabilities on held-for-sale assets and discontinued operations			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,362	4,404	4,063
NET SURPLUS CASH/(NET DEBT)	(344)	188	(33)

(1) *Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits and the retail customer loyalty programme provision*

(2) *Hedging of financial liabilities at fair value*

BOUYGUES TELECOM GROUP - CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Millions of euros

	First half 2008	First half 2007 (1)	Second quarter 2008	Second quarter 2007 (1)	Full year 2007
SALES [2]	**2,465**	**2,300**	**1,265**	**1,176**	**4,796**
Other revenues from operations	**0**	**1**	**0**	**1**	**0**
Purchases used in production	**(234)**	**(162)**	**(122)**	**(85)**	**(452)**
Personnel costs [1]	**(271)**	**(256)**	**(141)**	**(131)**	**(506)**
External charges	**(1,119)**	**(1,099)**	**(582)**	**(564)**	**(2,353)**
Taxes other than income tax	**(78)**	**(76)**	**(39)**	**(38)**	**(138)**
Net depreciation and amortisation expense	**(288)**	**(280)**	**(143)**	**(143)**	**(579)**
Net charges to provisions and impairment losses [1]	**(13)**	**(10)**	**(3)**	**(3)**	**(34)**
Changes in production and property development inventories			**0**	**0**	**0**
Other income and expenses from operations [3]	**7**	**29**	**5**	**14**	**12**
CURRENT OPERATING PROFIT	**469**	**447**	**240**	**227**	**746**
Other operating income and expenses	**0**		**0**	**0**	**0**
OPERATING PROFIT	**469**	**447**	**240**	**227**	**746**
Financial income	**3**	**1**	**1**	**0**	**3**
Financial expenses	**(2)**	**0**	**(2)**	**0**	**0**
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)	**1**	**1**	**(1)**	**0**	**3**
Other financial income and expenses		**0**	**0**	**0**	**(1)**
Income tax expense [1]	**(162)**	**(154)**	**(82)**	**(78)**	**(256)**
Share of profits and losses of associates	**0**		**0**	**0**	**0**
NET PROFIT FROM CONTINUING OPERATIONS	**308**	**294**	**157**	**149**	**492**
Net profit of discontinued and held-for-sale operations	**0**		**0**	**0**	**0**
NET PROFIT	**308**	**294**	**157**	**149**	**492**
Net profit attributable to the Group	**308**	**294**	**157**	**149**	**492**
Net profit attributable to minority interests	**0**	**0**	**0**	**0**	**0**
BASIC EARNINGS PER SHARE (in euros)	**7.60**	**7.25**	**3.87**	**3.67**	**12.16**
DILUTED EARNINGS PER SHARE (in euros)	**7.60**	**7.25**	**3.87**	**3.67**	**12.16**

(1) Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits and the retail customer loyalty programme provision

	First half 2008	First half 2007	Second quarter 2008	Second quarter 2007	Full year 2007
(2) Of which sales generated abroad					
(3) Of which reversals of provisions and impairment no longer required	15	5	10	1	27

CONSOLIDATED CASH FLOW STATEMENT

Millions of euros

I - CASH FLOW FROM CONTINUING OPERATIONS	First half 2008	First half 2007 [1]	Full year 2007
A - NET CASH GENERATED BY OPERATING ACTIVITIES			
Cash flow:			
Net profit from continuing operations	308	294	492
Share of profit or loss from associates [2]			
Elimination of dividends from non-consolidated companies			
Charges to/(write-backs of) depreciation, amortisation, impairment, non-current provisions	287	280	581
Gains and losses on asset disposals	1		3
Miscellaneous non-cash items			
sub-total	596	574	1,076
Cost of net debt	(1)	(1)	(3)
Income tax expense for the period	162	154	257
Cash flow	757	727	1,330
Changes in working capital related to operating activities [3] (incl. current taxes)	(390)	(14)	(130)
NET CASH GENERATED BY OPERATING ACTIVITIES	367	713	1,200
B - NET CASH USED IN INVESTING ACTIVITIES			
Purchase price of property, plant and equipment and intangible assets	(375)	(216)	(600)
Proceeds from disposals of property, plant and equipment and intangible assets		1	4
Net liabilities related to property, plant and equipment and intangible assets	(26)	(152)	(30)
Purchase price of non-consolidated companies and other investments			
Proceeds from disposals of non-consolidated companies and other investments			
Net liabilities related to non-consolidated companies and other investments			
Effects of changes in scope of consolidation			
Purchase price of investments in consolidated companies			(15)
Proceeds from disposals of investments in consolidated companies			
Net liabilities related to investments in consolidated companies and other cash effects of changes in scope of consolidation			6
Other cash flows related to investing activities (changes in loans, dividends received from non-consolidated companies)	(1)	4	5
NET CASH USED IN INVESTING ACTIVITIES	(402)	(363)	(630)
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES			
Capital increases during the period contributed by shareholders and minority interests			
Dividends paid during the period			
Dividends paid to shareholders of the parent company	(500)	(450)	(450)
Dividends paid to minority shareholders of consolidated companies			
Change in debt [4]	333	22	(4)
Cost of net debt	1	1	3
Other cash flows related to financing activities	1	1	
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	(165)	(426)	(451)
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS			
CHANGE IN NET CASH (A + B + C + D)	(200)	(76)	119
Net cash position at 1 January	210	91	91
Net cash flows during the period	(200)	(76)	119
Other non-monetary flows			
Net cash position at 30 June	10	15	210
II - CASH FLOWS FROM DISCONTINUED AND HELD-FOR-SALE OPERATIONS			
Net cash position at 1 January			
Net cash flows during the period			
Net cash position at 30 June			

[1] H1 2007: Restated following retrospective application of the changes in accounting policy relating to defined-benefit post-employment benefits and the retail customer loyalty programme provision (see note 2)

[2] Elimination of share of profits/losses and inclusion of dividends paid in respect of associates

[3] **Definition of change in working capital :** Current assets minus current liabilities

[4] **Definition of debt :** Non-current debt plus current debt

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY - PERIOD ENDED 30 JUNE 2008

Millions of euros

ATTRIBUTABLE TO THE GROUP	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007	1,042	537	753			(8)	2,324
MOVEMENTS DURING THE FIRST HALF OF 2007							
Capital and reserves transactions, net							0
Acquisitions of treasury shares							0
Dividend paid			(450)				(450)
Other transactions with shareholders		76	(76)				0
Net profit for the period (attributable to the Group)			294				294
Income and expense recognised directly in equity						2	2
POSITION AT 30 JUNE 2007	1,042	613	521	0	0	(6)	2,170
MOVEMENTS DURING THE SECOND HALF OF 2007							
Capital and reserves transactions, net							0
Acquisitions of treasury shares							0
Dividend paid							0
Other transactions with shareholders		(5)	4				(1)
Net profit for the period (attributable to the Group)			198				198
Income and expense recognised directly in equity						3	3
POSITION AT 31 DECEMBER 2007	1,042	608	723	0	0	(3)	2,370
MOVEMENTS DURING THE FIRST HALF OF 2008							
Capital and reserves transactions, net							0
Acquisitions of treasury shares							0
Dividend paid			(500)				(500)
Other transactions with shareholders		(115)	115				0
Net profit for the period (attributable to the Group)			308				308
Income and expense recognised directly in equity			(6)			8	2
POSITION AT 30 JUNE 2008	1,042	493	640	0	0	5	2,180

MINORITY INTERESTS	Consolidated reserves and profit for the period	Items recognised directly in equity	TOTAL
POSITION AT 1 JANUARY 2007			0
MOVEMENTS DURING THE FIRST HALF OF 2007			
Capital and reserves transactions, net			0
Dividend paid			0
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)			0
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 30 JUNE 2007	0	0	0
MOVEMENTS DURING THE SECOND HALF OF 2007			
Capital and reserves transactions, net			0
Dividend paid			0
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)			0
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 31 DECEMBER 2007	0	0	0
MOVEMENTS DURING THE FIRST HALF OF 2008			
Capital and reserves transactions, net			0
Dividend paid			0
Other transactions with shareholders			0
Net profit for the period (attributable to minority interests)			0
Translation adjustments			0
Changes in scope of consolidation			0
Income and expense recognised directly in equity			0
POSITION AT 30 JUNE 2008	0	0	0

	Share capital & share premium	Reserves related to capital/ Retained earnings	Consolidated reserves and profit for the period	Translation reserve	Treasury shares	Items recognised directly in equity	TOTAL
TOTAL SHAREHOLDERS' EQUITY	1,042	493	640	0	0	5	2,180

See the statement of recognised income and expense:

	H1 2008	H1 2007	FY 2007
Attributable to the Group	2	2	5
Attributable to minority interests	0	0	0
	2	**2**	**5**

STATEMENT OF RECOGNISED INCOME AND EXPENSE

Millions of euros

	First half 2008	First half 2007	Full year 2007
Net profit for the period	**308**	**294**	**492**
Change in cumulative translation adjustment			
Changes in fair value of financial instruments designated as hedges and other financial assets	1		
Actuarial gains/(losses) on employee benefits (amendment to IAS 19)	1	3	6
Taxes on transactions recognised directly in equity		(1)	(1)
Other movements, net			
Income and expense recognised directly in equity	**2**	**2**	**5**
Total recognised income and expense	**310**	**296**	**497**
Attributable to the Group	**310**	**296**	**497**
Attributable to minority interests	**0**	**0**	**0**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

(in millions of euros)

28 August 2008

CONTENTS

(Figures in millions of euros)

NOTES

- Declaration of compliance:

  The consolidated financial statements of the Bouygues group for the six months ended 30 June 2008 have been prepared using the principles and methods defined in the standards issued by the International Accounting Standards Board (IASB), which comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), and interpretations issued by the SIC and IFRIC Committees and are referred to collectively as "IFRS", as endorsed by the European Union (unless otherwise indicated) and applicable as of 30 June 2008.

- The financial statements are presented in millions of euros and comprise:

  - ✓ the balance sheet and income statement;
  - ✓ the statement of changes in shareholders' equity;
  - ✓ the cash flow statement;
  - ✓ the statement of recognised income and expense;
  - ✓ the notes to the financial statements.

The comparatives presented are from the consolidated financial statements for the year ended 31 December 2007 and the six months ended 30 June 2008.

NOTE 1	SIGNIFICANT EVENTS OF THE PERIOD

1.1. SCOPE OF CONSOLIDATION AS AT 30 JUNE 2008

- **Main changes in scope of consolidation:**

  1,188 entities were consolidated as at 30 June 2008, versus 1,211 as at 31 December 2007. The net reduction of 23 related to Bouygues Construction (18 entities deconsolidated: construction project joint ventures deconsolidated on completion of the project, sale of the Hungarian company AKA Holding), Bouygues Immobilier (10 entities deconsolidated), and Colas (5 newly-consolidated entities).

  Alstom: acquisition of an additional interest during the first half of 2008:

  During the first half of 2008, Bouygues acquired a further 757,000 Alstom shares on the stock market for €109m, representing an additional interest of 0.54%. As at 30 June 2008, the percentage interest held by Bouygues was 30%, after the dilutive effect of a capital increase made by Alstom.

  Alstom is still accounted for by the equity method, and is carried at net acquisition cost plus Bouygues' share of Alstom's net profit since the acquisition date. Alstom's net profit for the first half of 2008 was estimated on the basis of the accounts as at 31 March 2008. The net profit contribution from Alstom recorded by Bouygues on this basis was €141m.

  In accordance with IAS 28, the investment in Alstom is reported under "Investments in associates" in the balance sheet at an amount of €3,719m, including goodwill.

  The additional interest acquired in 2008 has been allocated to goodwill.

  Amortisation of fair value remeasurements of intangible assets and other items had a net negative impact of €9m (share attributable to the Bouygues group) on consolidated net profit for the first half of 2008.

1.2. COLAS GROUP – SEASONAL TRENDS

The roadbuilding activities of Colas are a seasonal business, especially in Europe and North America. Consequently, sales and earnings for the first half do not equate to 50% of the full-year performance.

1.3. CONSOLIDATED SALES FOR THE SIX MONTHS ENDED 30 JUNE 2008

Consolidated sales for the period were €15,310m, 15% higher than in the first half of 2007.

1.4. SIGNIFICANT EVENTS AND CHANGES IN SCOPE OF CONSOLIDATION SUBSEQUENT TO 30 JUNE 2008

- Subsequent to 30 June 2008, there have been no material changes in the scope of consolidation and no transactions liable to have a material effect on the results, consolidated shareholders' equity or activities of the Bouygues group.
- At the start of July 2008, Bouygues carried out a €1bn bond issue priced at 99.441%, bearing interest at 6.125%. This issue, which has a 7-year maturity and will be repaid in full at par on 3 July 2015, extends the average maturity of the Bouygues group's debt in anticipation of the repayment of the debt that is due to mature in May 2009.

NOTE 2	ACCOUNTING POLICIES

2.1. BUSINESS ACTIVITIES

Bouygues is a diversified industrial group. Its operations are split into two sectors:

a) Construction:

- Bouygues Construction (Building & Civil Works, Electrical Contracting)
- Bouygues Immobilier (Property)
- Colas (Roads)

b) Telecoms/Media

- TF1 (Television)
- Bouygues Telecom (Mobile Telephony)

c) As at 30 June 2008, Bouygues also held a 30% interest in Alstom (Power and Transport).

The Bouygues group has operations in more than 80 countries. In the six months ended 30 June 2008, the Group generated sales of €15,310m (up 15.1% relative to the first half of 2007), of which €4,414m was generated outside France.

2.2. BASIS OF PREPARATION

The consolidated financial statements of the Bouygues group include the financial statements of Bouygues and its subsidiaries, and investments in associates. They are presented in millions of euros, the currency in which the majority of the Group's transactions are denominated.

The consolidated financial statements were adopted by the Board of Directors on 28 August 2008.

The consolidated financial statements as at 30 June 2008 have been prepared in accordance with IAS 34 ("Interim Financial Reporting") using the historical cost convention, except for certain financial assets and liabilities measured at fair value. They include comparatives as at and for the periods ended 30 June 2007 and 31 December 2007.

The accounting policies applied by the Bouygues group in its interim consolidated financial statements for the six months ended 30 June 2008 are the same as those applied in the consolidated financial statements for the year ended 31 December 2007, except as regards the specific provisions of IAS 34. Consequently, Note 2 to the consolidated financial statements for the six months ended 30 June 2008 does not include detailed disclosures of these accounting policies, and these financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2007.

- *New standards, amendments and interpretations effective within the European Union and mandatorily applicable to periods beginning on or after 1 January 2008*

The Bouygues group has applied the same standards, interpretations and accounting policies for the period ended 30 June 2008 as those used in the preparation of its consolidated financial statements for the year ended 31 December 2007.

The Group has elected to apply IFRIC 11, "IFRS 2 – Group and Treasury Share Transactions" (share-based payment arrangements within a group) with effect from 1 January 2009, as permitted by EC Regulation 611-2007.

- *Other standards and interpretations issued by the IASB but not yet mandatorily applicable (whether or not endorsed by the European Union):*

  - Revised IAS 1, “Presentation of Financial Statements”
    ➔ Applicable from January 2009

  - Revised IFRS 3 and IAS 27, Business Combinations phase 2
    ➔ Applicable to financial periods beginning on or after 1 July 2009, and not yet endorsed by the European Union or by the European Financial Reporting Advisory Group (EFRAG).

  - IFRIC 12, “Service Concession Arrangements”: Applicable to periods beginning on or after 1 January 2008, and in process of endorsement by the European Union. The Bouygues group applies this interpretation to the Portsmouth PFI contract (Colas), which is accounted for as a receivable (financial asset) since this treatment most closely reflects the underlying financial and economic reality of the contract. Colas has not entered into any other contracts of this type.

    Bouygues Construction: PFI contracts are entered into with local and governmental authorities by companies in which the Bouygues group holds an interest of less than 20%. These entities are not consolidated, given the effective limitations on the Group’s role in them. Most concession companies are accounted for as associates (equity method).

  - IFRIC 13, “Customer Loyalty Programmes”: Mandatorily applicable from 1 July 2008, and early adopted by Bouygues Telecom effective 31 December 2007.

  - IFRIC 15, “Agreements for the Construction of Real Estate”: Applicable to annual periods beginning on or after 1 January 2009; EFRAG position statement pending. IFRIC 15 is unlikely to materially change the profit recognition policies currently used for the Group’s property development activities.

- *New standards, amendments and interpretations for which early adoption is allowed:*
  The Bouygues group has decided not to early adopt the following pronouncements issued by the IASB, which are not yet mandatorily applicable:

  - IFRS 8, “Operating Segments” (management-based approach): applicable to annual periods beginning on or after 1 January 2009
  - Amendment to IAS 23, “Borrowing Costs”: applicable to annual periods beginning on or after 1 January 2009
  - Amendment to IFRS 2, “Share-Based Payment” (vesting conditions and cancellations): applicable to annual periods beginning on or after 1 January 2009

- Elective accounting treatments and estimates used in the valuation of certain assets, liabilities, income and expenses:

  Preparing financial statements to comply with IFRS requires the use of estimates and assumptions which may have affected the amounts reported for assets, liabilities and contingent liabilities at the balance sheet date, and the amounts of income and expenses reported for the accounting period.

  These estimates and assumptions have been applied consistently on the basis of past experience and of various other factors regarded as reasonable forming the basis of assessments of the valuations of assets and liabilities for accounting purposes. Actual results may differ materially from these estimates if different assumptions or conditions apply.

  The main items involved are goodwill impairment, share-based payment (stock options), employee benefits (such as lump-sum retirement benefits), the fair value of unlisted financial instruments, deferred tax assets, provisions, etc.

  Where no standard or interpretation applies to a specific transaction, Group management has exercised its judgement to define and apply accounting policies that will provide relevant and reliable financial information, such that the financial statements:

  - represent faithfully the financial position, financial performance and cash flows of the Group;

  - reflect the economic substance of the underlying transactions;

  - are neutral, prudent, and complete in all material respects.

Identifiable assets and liabilities and goodwill that were recognised in a purchase price allocation are tested for impairment annually as at 31 December, or if there is evidence that they may have become impaired. The purpose of these impairment tests is to compare the Group's share of the recoverable amount with the carrying amount as per the consolidated financial statements. If the carrying amount exceeds the recoverable amount, an impairment loss is recognised in accordance with IAS 36.

- As at 30 June 2008, the non-current assets relating to TF1 were tested for impairment. The recoverable amount of these assets was determined on the basis of cash flow projections derived from the business plan as approved by the TF1 Board of Directors on 30 July 2008, discounted at a rate of 6.94%. The results showed that the recoverable amount of these assets still exceeds their carrying amount.

- Changes in accounting policy:

  The Bouygues group has made no changes in accounting policy during 2008. The consolidated financial statements reported as at 30 June 2007 have been restated to reflect the changes in accounting policy applied as at 31 December 2007 (customer loyalty provision, and the option allowed under IAS 19 in respect of actuarial gains and losses).

2.3. CONSOLIDATION METHODS

- Full consolidation:

  - Companies over which Bouygues exercises control are consolidated using the full consolidation method.

  - Exclusive control over TF1:

    Bouygues holds 43.02% of the capital and voting rights of TF1. The exercise of exclusive control over TF1 by Bouygues is demonstrated by the following:

    Bouygues has consistently and regularly held a majority of the voting rights exercised at TF1 shareholders' meetings, and no other shareholder directly or indirectly controls a higher share of voting rights than Bouygues.

    Bouygues has clearly had exclusive power to determine decisions at TF1 shareholders' meetings for at least two consecutive financial years.

    Other factors indicating the existence of exclusive control include:

    - the large number of seats on the TF1 Board of Directors allocated to Bouygues;
    - the role of Bouygues in appointing key executives of TF1.

    All these factors clearly establish that Bouygues exercises exclusive control over TF1.

- Proportionate consolidation – investments in joint ventures:

  A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity which is subject to joint control. Bouygues consolidates the assets, liabilities, income and expenses of such entities using the proportionate consolidation method based on the percentage of control exercised. This applies in particular to Bouygues Construction and Colas construction project joint ventures.

- Investments in associates:

  An associate is a company over which Bouygues exercises significant influence without exercising control. Significant influence is presumed to exist where Bouygues directly or indirectly holds at least 20% of the entity's voting rights.

  The net profit or loss and assets and liabilities of such entities are accounted for by the equity method.

- Alstom: Bouygues exercises significant influence over Alstom, as demonstrated by (i) its 30% interest in the capital and (ii) its control of two seats on the Board of Directors. The carrying amount of the interest in Alstom (inclusive of goodwill) is reported under “Investments in associates” in the balance sheet.

- In accordance with IAS 39, equity investments in non-consolidated entities are recognised at fair value and are subject to impairment testing.

Changes in scope of consolidation:

	30 June 2008	31 December 2007
Fully consolidated	916	917
Proportionately consolidated	235	258
Equity method	37	36
	1,188	1,211

- The main changes during the period are described in the “Significant Events” section.

2.4. Financial indicators

2.4.1. EBITDA

Current operating profit excluding net depreciation and amortisation expense and changes in provisions, and impairment losses (after reversals of utilised and non-utilised provisions and of impairment losses).

2.4.2. Free cash flow

Cash flow (from operations, before changes in working capital) less net capital expenditure for the period.

2.4.3. Net debt

This represents the aggregate of:

- cash and equivalents;
- overdrafts and short-term bank borrowings;
- non-current and current debt;
- financial instruments (used to hedge financial liabilities measured at fair value).

2.5. Statement of recognised income and expense

The Bouygues group presents a statement of recognised income and expense, including comparatives for 2007, which shows items recognised directly in equity due to the application of consolidation principles (such as changes in the cumulative translation adjustment and in fair value, and actuarial gains/losses on employee benefits under the IAS 19 option).

2.6. Other information

Comparability of the IFRS financial statements:

- The accounting policies applied under IFRS as at 30 June 2008 are the same as those applied as at 31 December 2007.

- The comparative financial statements presented for the period ended 30 June 2007 take account of the changes in accounting policy effective 31 December 2007, and in particular the effect on shareholders' equity and profit or loss.

NOTE 3	NON-CURRENT ASSETS	18,040

3.1. PROPERTY, PLANT AND EQUIPMENT

Net	Land and buildings	Industrial plant and equipment	Other property, plant and equipment	PP&E under construction and advance payments	Total
31 December 2007	**1,212**	**3,309**	**696**	**347**	**5,564**
of which finance leases	21	35	17		**73**
30 June 2008	**1,249**	**3,338**	**697**	**428**	**5,712**
of which finance leases	17	51	16		**84**

Analyses by business segment of the carrying amount of property, plant and equipment, and of capital expenditure net of disposals, are provided in note 13, "Segment Information".

3.2. INTANGIBLE ASSETS

Net	Concessions, patents and similar rights	Other intangible assets	Total
31 December 2007	**679**	**394**	**1,073**
30 June 2008	**719** (1)	**433** (2)	**1,152**

(1) This item mainly comprises software and licences held by Bouygues Telecom.
(2) Includes €239m for TF1 (films and audiovisual rights)

3.3. GOODWILL

3.3.1. Movement in the carrying amount of goodwill in the six months ended 30 June 2008

	Gross value	Impairment	Carrying amount
1 January 2008	**5,160**	**(37)**	**5,123**
Change in scope of consolidation	26 (1)		26
Impairment losses			
Translation and other movements	(7)		(7)
30 June 2008	**5,179**	**(37)**	**5,142**

(1) The main movements during the first half of 2008 relate to the buyout of minority interests in Colas (0.24%) for €12m, and other acquisitions by Bouygues Construction and Colas including €12m for the acquisition of SAMI (Drawmac Group) by Colas.

3.3.2. Split of goodwill by cash generating unit (CGU)

(excluding goodwill on associates)

Segment (1)	30 June 2008 Total	30 June 2008 % Bouygues SA	31 December 2007 Total	31 December 2007 % Bouygues SA
Bouygues Construction	332	99.97%	326	99.97%
Colas	1,065	96.68%	1,052	96.44%
TF1	1,094	43.02%	1,094	43.06%
Bouygues Telecom	2,651	89.55%	2,651	89.55%
TOTAL	**5,142**		**5,123**	

(1) Includes goodwill generated by the segment on acquisitions of subsidiaries

3.4. INVESTMENTS IN ASSOCIATES

	Carrying amount
1 January 2008	**4,393**
Change in scope of consolidation, translation effects	85 (1)
Share of net profit/loss for the period	177(3)
Payment of dividends	(82)
Other movements	(17)
30 June 2008	**4,556**(2)

(1) Includes net acquisitions of further Alstom shares (0.02% of capital) generating additional goodwill of €83m

(2) Includes:
- Alstom €3,719m, including goodwill of €2,450m
- Cofiroute €440m

(3) Includes €141m (net) for Alstom and €25m for Cofiroute

3.5. OTHER NON-CURRENT ASSETS

Net	Investments in non-consolidated companies	Other non-current assets (1)	Total	Non-current tax assets (2)
31 December 2007	**151**	**1,072**	**1,223**	**225**
30 June 2008	**154**	**1,105**	**1,259**	**219**

(1) Includes:
- Alstom Hydro Holding:
In October 2006, Bouygues acquired 50% of Alstom Hydro Holding (Alstom's hydro-power division) from Alstom for €150m.
Under the agreements with Alstom signed on 29 September 2006 and 31 October 2006:
- Alstom has specific rights, in particular in the event of a disagreement between the shareholders.
- Bouygues has an option to sell its shares back to Alstom in November 2009, or earlier in the event of disagreement with Alstom:
  . for €175m;
  . in exchange for 2.2 million(*) Alstom shares, or the equivalent value in euros.
Consequently, Alstom has exclusive control over Alstom Hydro Holding, and the interest in this company is not consolidated by the Bouygues group but recognised as a non-current financial asset, with a carrying amount of €164m as at 30 June 2008. Because of the long-term industrial strategy underpinning relations between Bouygues and Alstom, the Bouygues group does not account for the option entitling it to exchange this asset for Alstom shares in October 2009 as a financial instrument. If this item had been accounted for as a financial instrument, the resulting volatility would have had an estimated negative impact of €3m on the financial statements for the six months ended 30 June 2008, and a cumulative favourable impact of €104m since inception, based on the intrinsic after-tax value of the option as at 30 June 2008.

- Canal+ France financial asset (TF1): €685m

(*) Following the 2-for-1 stock split by Alstom effective 4 July 2008, the amount reported will have to be multiplied by two.

(2) See note 6 for details.

3.6. CONSOLIDATED PURCHASE PRICE OF LISTED SHARES (IN EUROS)

	Consolidated purchase price per share *(1)*	Closing market price 30 June 2008
TF1	12.57	10.63 (2)
Colas	80.71	210.00
Alstom	87.19 (**)	146.67 (**)

(1) Carrying amount per share in the consolidated financial statements
(2) Value in use based on a discounted cash flow calculation = €17.91 per share
(**) Following the 2-for-1 stock split by Alstom effective 4 July 2008, the amounts reported will have to be divided by two.

NOTE 4	CONSOLIDATED SHAREHOLDERS' EQUITY	8,033

4.1. SHARE CAPITAL OF BOUYGUES SA (IN EUROS) — €342,219,029

As at 30 June 2008, the share capital of Bouygues SA consisted of 342,219,029 shares with a par value of € 1.
Movements in the six months ended 30 June 2008 were as follows:

	1 January 2008	Movements during the period: Reductions	Movements during the period: Increases	30 June 2008
Shares	347,502,578	(6,952,935) [2]	1,669,386 [1]	342,219,029
Investment certificates				
Number of shares	**347,502,578**	**(6,952,935)**	**1,669,386**	**342,219,029**
Par value	€ 1			€ 1
Share capital in euros	**347,502,578**	**(6,952,935)**	**1,669,386**	**342,219,029**

[1] Capital increase on exercise of options

[2] Capital reduction on cancellation of treasury shares

4.2. SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP AND TO MINORITY INTERESTS AS AT 30 JUNE 2008

Position at 30 June 2008	Share capital and share premium	Reserves related to capital/ retained earnings	Translation reserve	Consolidated reserves and profit for the period	Treasury shares	Items recognised directly in equity	Total 30/06/08
Attributable to the Group	2,188	1,485	(69)	3,186		89	**6,879**
Minority interests				1,156		(2)	**1,154**
Total shareholders' equity	**2,188**	**1,485**	**(69)**	**4,342**		**87**	**8,033**

4.2.1. Changes in shareholders' equity attributable to the Group and to minority interests

A statement of changes in consolidated shareholders' equity is included in the financial statements as at 30 June 2008.

4.3. ANALYSIS OF INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY (AMOUNTS ATTRIBUTABLE TO THE GROUP)

	Note	H1 2008 movement	2007 full year
Translation reserve	*4.3.1.*	**(41)**	**(36)**
Fair value remeasurement reserve (financial instruments)	*4.3.2.*	**26**	**29**
Actuarial gain/loss reserve	*4.3.3.*	**(40)**	**66**
Taxes on items recognised directly in equity		**(1)**	**11**
Other movements in the period			**2**
		(56)	**72**
		(Minority int.)	(Minority int.)
Other income and expenses attributable to minority interests			**(3)**
Total		**(56)** [1]	**69**

[1] See statement of recognised income and expense

4.3.1. Translation reserve (portion attributable to the Group)

- Principal translation differences on companies reporting in:

	31/12/07	H1 2008	30/06/08
US dollar	(40)	(16)	(56)
Canadian dollar	10	(16)	(6)
Other currencies	2	(9)	(7)
Total	**(28)**	**(41)**	**(69)**

4.3.2. Fair value remeasurement reserve (portion attributable to the Group)

- Reserve arising on the remeasurement of financial instruments and available-for-sale financial assets at fair value:

	31/12/07	H1 2008	30/06/08
Gross amount	**115**	**26**	**141**

4.3.3. Actuarial gain/loss reserve on employee benefits under IAS 19 (portion attributable to the Group)

	31/12/07	H1 2008	30/06/08
Gross amount	**58**	**(40)**	**18**

NOTE 5	NON-CURRENT AND CURRENT PROVISIONS	1,523 / 566

5.1. NON-CURRENT PROVISIONS = 1,523

	Long-term employee benefits *(1)*	Litigation and claims *(2)*	Guarantees given *(3)*	Other non-current provisions *(4)*	TOTAL
1 January 2008	**425**	**295**	**296**	**477**	**1,493**
Translation adjustments	(3)		(1)		**(4)**
Transfers between items and other	2		3	(1)	**4**
Changes in scope of consolidation	(3)		2		**(1)**
Charges to provisions	27	31	38	41	**137**
Provisions utilised	(8)	(12)	(26)	(24)	**(70)**
Provisions no longer required	(2)	(15)	(6)	(13)	**(36)**
30 June 2008	**438**	**299**	**306**	**480**	**1,523**

(1) **Long-term employee benefits:**		**438**	***Principal segments involved:***	
• Lump-sum retirement benefits	307		*- Bouygues Construction*	*111*
• Long-service awards	101		*- Colas*	*230*
• Other long-term employee benefits	30		*- TF1*	*33*

NB: The Bouygues group makes only limited use of defined-benefit plans, in France and other countries (Colas/USA-UK, etc)

(2) **Litigation and claims**		**299**		
• Provisions for customer disputes	156		*- Bouygues Construction*	*140*
• Provisions for subcontractor claims	33		*- Bouygues Immobilier*	*40*
• Employee-related litigation and claims	18		*- Colas*	*105*
• Other litigation and claims	92			
(3) **Guarantees given**		**306**		
• Provisions for customer warranties	218		*- Bouygues Construction*	*202*
• Provisions for additional building and civil works guarantees	88		*- Bouygues Immobilier*	*17*
			- Colas	*87*
(4) **Other non-current provisions**		**480**		
• Risks related to official inspections	150		*- Bouygues Construction*	*149*
• Provisions for subsidiaries and associates	29		*- Colas*	*169*
• Provisions for site remediation costs	99		*- Bouygues Telecom*	*60*
• Provisions for miscellaneous foreign risks	88			
• Other non-current provisions	114			

5.2. CURRENT PROVISIONS = 566

- Provisions related to the operating cycle

	Customer warranties	Construction project risks and project completion	Losses to completion	Other current provisions	Total
1 January 2008	**50**	**181**	**131**	**235**	**597**
Translation adjustments		(2)	(1)	(1)	**(4)**
Transfers between items and other	1	(2)		(1)	**(2)**
Charges to provisions	11	25	57	56	**149**
Provisions utilised	(8)	(17)	(43)	(61)	**(129)**
Provisions no longer required	(2)	(20)	(10)	(13)	**(45)**
30 June 2008	**52**	**165** (1)	**134** (2)	**215** (3)	**566**

(1) Including:

		Principal segments involved:	
- provisions for risks on completed projects	76	*- Bouygues Construction*	*113*
- provisions for final settlement on projects	89	*- Colas*	*52*

(2) Provisions for losses to completion relate to the Construction segment (Bouygues Construction, Bouygues Immobilier and Colas).

(Individual project provisions are not disclosed for confidentiality reasons)

(3) Including:

- reinsurance costs	20	*- Challenger Reassurance*	*19*
- site remediation costs (current portion)	15	*- Bouygues Construction*	*39*
- rent guarantees (Bouygues Immobilier)	18	*- Bouygues Immobilier*	*36*
- film co-financing (TF1)	14	*- Colas*	*38*
- customer claims & vendor's liability guarantees (TF1)	24	*- TF1*	*50*
- business customer loyalty provision (Bouygues Telecom)	14	*- Bouygues Telecom*	*14*
- other current provisions	110		

NOTE 6 — NON-CURRENT TAX ASSETS AND LIABILITIES 219 / 84

6.1. NON-CURRENT TAX ASSETS = 219

	31/12/07	Movements	30/06/08
Deferred tax assets	225	(6)	219
- Bouygues Telecom	8	3	11
- Bouygues Construction	78	1	79
- Colas	86	3	89
- Other business segments	53	(13)	40
Other non-current tax assets	0	(0)	0
Total non-current tax assets	**225**	**(6)**	**219**

6.2. NON-CURRENT TAX LIABILITIES = 84

	31/12/07	Movements	30/06/08
Deferred tax liabilities	84	0	84
Other non-current tax liabilities	0	0	0
Total non-current tax liabilities	**84**	**0**	**84**

NOTE 7	NON-CURRENT AND CURRENT DEBT	6,403 / 1,356

7.1. INTEREST-BEARING DEBT BY MATURITY

	Current debt (less than 1 year)	Non-current debt 1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 years or more	Total non-current debt 30/06/08	*Total non-current debt 31/12/07*
- Bond issues	1,120		1,244		1,147		3,164	**5,555**	6,560
- Bank borrowings	187	467	84	24	20	12	71	**678**	380
- Finance lease obligations	24	29	14	10	3	3	6	**65**	54
- Other debt	25	40	9	46	3	2	5	**105**	73
Total debt: 30 June 2008	[1] **1,356**	**536**	**1,351**	**80**	**1,173**	**17**	**3,246**	**6,403**	**7,067**
Total debt: 31 December 2007	***328***	***1,293***	***570***	***791***	***22***	***1,156***	***3,235***		**7,067**

[1] Change mainly attributable to the bond issue maturing May 2009

7.2. COVENANTS AND TRIGGER EVENTS

The bank loans contracted by Bouygues and its subsidiaries do not include any covenants or trigger events.

The 10-year bond issue maturing May 2016, the 7-year bond issue maturing May 2013 and the 20-year sterling bond issue maturing 2026 all contain a change of control clause relating to Bouygues SA.

NOTE 8	MAIN COMPONENTS OF CHANGE IN NET DEBT	(6,300)

8.1. CHANGE IN NET DEBT

	31/12/07	Movement in the period	30/06/08
Cash and equivalents	3,386	(1,411)	**1,975**
Overdrafts and short-term bank borrowings	(276)	(237)	**(513)**
Net cash and equivalents	**3,110**	**(1,648)** [1]	**1,462**
Non-current debt	(7,067)	664	**(6,403)**
Current debt	(328)	(1,028)	**(1,356)**
Financial instruments, net	(3)	0	**(3)**
Gross debt	**(7,398)**	**(364)**	**(7,762)**
Net debt	**(4,288)**	**(2,012)**	**(6,300)**

[1] Cash flows as analysed in the consolidated cash flow statement for the period.

8.2. PRINCIPAL TRANSACTIONS IN THE PERIOD

Net debt at 31 December 2007	**(4,288)**
Capital called under the Bouygues Confiance 4 employee share ownership plan (2008 portion)	**126**
Acquisitions of treasury shares in 2008 (cancelled via reduction in capital of Bouygues SA)	**(328)**
Dividend swap in connection with employee savings plans	**8**
Exercise of Bouygues options (capital increase)	**51**
Dividends paid (Bouygues SA and minorities)	**(686)**
Acquisitions of Alstom shares	**(109)**
Acquisitions of Colas shares	**(22)**
Other acquisitions/disposals of equity holdings	**32**
Operating and other items	**(1,084)**
Net debt at 30 June 2008	**(6,300)**

NOTE 9	ANALYSIS OF SALES	15,310
	AND OTHER REVENUES FROM OPERATIONS	60

9.1. ANALYSIS BY ACCOUNTING CLASSIFICATION

	First half of 2008	First half of 2007	
Sales of goods	1,285	1,175	
Sales of services	6,063	5,335	
Construction contracts	7,962	6,788	
Sales	**15,310**	**13,298**	
Other revenues from operations	60	84	
Total	**15,370**	**13,382**	Growth = 15.1%

9.2. ANALYSIS BY BUSINESS SEGMENT

	2008 first-half sales				2007 first-half sales			
BUSINESS SEGMENT	**France**	**International**	**Total**	**%**	**France**	**International**	**Total**	**%**
Construction	2,525	1,923	4,448	29	2,266	1,446	3,712	28
Property	1,232	67	1,299	8	741	67	808	6
Roads	3,483	2,126	5,609	37	3,117	1,797	4,914	37
Media	1,195	157	1,352	9	1,279	144	1,423	11
Telecoms	2,457		2,457	16	2,293		2,293	17
Bouygues SA & other activities	4	141	145	1	3	145	148	1
Consolidated sales	**10,896**	**4,414**	**15,310**	**100**	**9,699**	**3,599**	**13,298**	**100**
% year-on-year change	**12%**	**23%**	**15%**					

9.3. ANALYSIS BY GEOGRAPHICAL SEGMENT

	2008 first-half sales		2007 first-half sales	
	Total	**%**	**Total**	**%**
France	10,896	71	9,699	73
European Union	1,840	12	1,463	11
Rest of Europe	487	3	356	3
Africa	789	5	599	5
Middle East	107	1	63	
United States and Canada	642	4	712	5
Central and South America	81	1	96	1
Asia-Pacific	468	3	310	2
Total	**15,310**	**100**	**13,298**	**100**

NOTE 10	OPERATING PROFIT	1,099

Operating profit rose by 3.5% (Bouygues Telecom up 69%, Bouygues Construction up 24%); see note 13 for details.

		First half of 2008		First half of 2007
Sales		15,310		13,298
Other revenues from operations		60		84
Purchases used in production and external charges		(10,350)		(9,073)
Taxes other than income tax		(344)		(315)
Personnel costs		(3,243)		(2,883)
Net depreciation, amortisation, provisions and impairment losses				
- Depreciation and amortisation expense		(635)		(584)
- Net charges to provisions and impairment losses (1)		(115)		(91) (*)
Changes in production and property development inventories		58		313
Other income and expenses from operations		358		292
- Reversals of unused provisions and impairment losses	106		90	
- Gains on disposals of non-current assets	109		33	
- Other income and expenses	143		169	
Current operating profit		**1,099**		**1,041**
Other operating income and expenses				21
Operating profit		**1,099**		**1,062** (*)

(*) Includes +€7m on retrospective application of the change in accounting policy for the retail customer loyalty programme provision (Bouygues Telecom)

(1) Including reversals of utilised provisions

NOTE 11

COST OF NET DEBT (132)

ANALYSIS OF COST OF NET DEBT

	First half of 2008	First half of 2007
- Net debt	(128)	(109)
- Finance leases	(2)	(1)
- Financial instruments	(2)	15
Total	**(132)**	**(95)**

See Note 13 ("Segment information") for a breakdown by business segment for the first half of 2008

NOTE 12

INCOME TAX EXPENSE (305)

ANALYSIS OF INCOME TAX EXPENSE

	First half of 2008			First half of 2007 [*]		
	France	Other countries	Total	France	Other countries	Total
Tax payable to the tax authorities	(253)	(46)	(299)	(254)	(35)	(289)
Change in deferred tax liabilities	2	2	4	5	2	7
Change in deferred tax assets	(15)	5	(10)	(3)	(1)	(4)
Total	**(266)**	**(39)**	**(305)**	**(252)**	**(34)**	**(286)**

[*] Includes -€2m restatement on retrospective application of the change in accounting policy for the retail customer loyalty programme provision.

NOTE 13

SEGMENT INFORMATION

The table below shows the contribution made by each business segment to the principal items in the income statement, balance sheet and cash flow statement.

ANALYSIS BY BUSINESS SEGMENT: 30 JUNE 2008 VS 30 JUNE 2007 OR 31 DECEMBER 2007

	Construction	Property	Roads	Media	Telecoms	Bouygues SA & other activities	TOTAL	TOTAL (*)
INCOME STATEMENT							**H1 2008**	**H1 2007(*)**
Total sales	4,594	1,300	5,631	1,363	2,465	237	**15,590**	**13,502**
Inter-segment sales	(146)	(1)	(22)	(11)	(8)	(92)	**(280)**	**(204)**
Third-party sales	**4,448**	**1,299**	**5,609**	**1,352**	**2,457**	**145**	**15,310**	**13,298**
Operating profit	**186**	**122**	**155**	**171**	**469**	**(4)**	**1,099**	**1,062**
Cost of net debt	**45**	**(7)**	**(8)**	**(15)**	**1**	**(148)**	**(132)**	**(95)**
Income tax expense	**(70)**	**(37)**	**(45)**	**(51)**	**(162)**	**60**	**(305)**	**(286)**
Share of profits and losses of associates	**1**		**27**	**6**		**143(1)**	**177**	**103**
Net profit attributable to the Group	**164**	**61**	**126**	**54**	**275**	**21**	**701**	**659**
BALANCE SHEET							**30/06/2008**	**31/12/2007**
Property, plant and equipment (2)	**531**	**16**	**2,232**	**170**	**2,379**	**384**	**5,712**	**5,564**
Intangible assets	**71**	**3**	**68**	**239**	**766**	**5**	**1,152**	**1,073**
Goodwill (3)	**332**		**1,065**	**1,094**	**2,651**		**5,142**	**5,123**
Investments in associates	**83**		**489**	**255**		**3,729(4)**	**4,556**	**4,393**
Trade receivables	**2,194**	**200**	**3,812**	**736**	**670**	**350**	**7,962**	**6,911**
Cash and equivalents	**432**	**118**	**325**	**75**	**10**	**1,015**	**1,975**	**3,386**
Non-current debt	**365**	**103**	**306**	**732**	**347**	**4,550**	**6,403**	**7,067**
Non-current provisions	**602**	**86**	**591**	**48**	**93**	**103**	**1,523**	**1,493**
Current debt	**10**	**151**	**48**	**15**	**7**	**1,125**	**1,356**	**328**
Trade payables	**2,392**	**595**	**2,730**	**704**	**853**	**268**	**7,542**	**7,442**
CASH FLOW STATEMENT							**H1 2008**	**H1 2007**
Capital expenditure, net of disposals	**(123)**	**(4)**	**(230)**	**(83)**	**(375)**	**(18)**	**(833)**	**613**
Net acquisitions of investments in consolidated companies and other investments	**45**	**(9)**	**(2)**	**(1)**		**(139)(5)**	**(106)**	**598**
OTHER INDICATORS							**H1 2008**	**H1 2007**
EBITDA	**269**	**135**	**344**	**237**	**755**	**3**	**1,743**	**1,626**

(*) Proforma, restated for retrospective application of change in accounting policy for retail customer loyalty programme provision, impact on net profit €5m

(1) Includes contribution from Alstom of €141m (after purchase price allocation adjustments booked at Bouygues group level).

(2) See Note 3 for a breakdown by type of asset.

(3) Goodwill arising on acquisitions made by Bouygues SA is allocated to the acquired business (see note 3.3.2).

(4) Includes €3,719m for Alstom, see note 3.4.

(5) Includes acquisitions of additional shares in Alstom (€109m).

NOTE 14

PRINCIPAL EXCHANGE RATES

Convention : 1 local currency unit = x euros

Country	Currency	Closing rate 30/06/08	Closing rate 31/12/07	Average rate for the period H1 2008	Average rate for the period FY 2007
EUROPE					
Denmark	Danish krone	0.134086	0.134079	0.134109	0.134205
United Kingdom	Pound sterling	1.262228	1.363605	1.282846	1.455005
Hungary	Hungarian forint	0.004248	0.003941	0.003965	0.003978
Poland	Polish zloty	0.298392	0.278280	0.287706	0.264907
Czech Republic	Czech koruna	0.041853	0.037554	0.039783	0.036059
Romania	Romanian leu	0.274612	0.277185	0.271212	0.299315
Switzerland	Swiss franc	0.622820	0.604339	0.624005	0.607576
NORTH AMERICA					
United States	US dollar	0.634357	0.679302	0.647522	0.727786
Canada	Canadian dollar	0.627274	0.692089	0.645300	0.682012
REST OF THE WORLD					
Morocco	Moroccan dirham	0.087066	0.088090	0.087348	0.089048
Thailand	Thai baht	0.018962	0.022831	0.020313	0.022643
Hong Kong	Hong Kong dollar	0.081339	0.087108	0.083083	0.092928
African Financial Community	CFA franc	0.001524	0.001524	0.001524	0.001524
South Africa	South African rand	0.081020	0.099703	0.083754	0.103267

CERTIFICATE OF RESPONSIBILITY

I certify that to the best of my knowledge the financial statements have been prepared in accordance with the relevant accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the company and of affiliated undertakings and that the half-year review provides an accurate representation of significant events in the first six months of the year and of their impact on the interim financial statements, of the main related-party transactions and of the main risks and uncertainties for the remaining six months.

Done at Paris,
28 August 2008

Chairman and CEO

Martin BOUYGUES

AUDITORS' REPORT
ON THE INTERIM FINANCIAL STATEMENTS
Condensed consolidated half-year financial statements
for the period 1 January to 30 June 2008

Ladies and gentlemen,

In performance of the assignment entrusted to us by your Annual General Meeting and in accordance with Article L. 232-7 of the Commercial Code and Article L. 451-1-2 III of the Monetary and Financial Code, we have:

- performed a limited review of Bouygues' condensed consolidated interim financial statements for the period from 1 January to 30 June 2008 as attached to this review;

- verified the information contained in the half-year review.

These condensed consolidated interim financial statements have been prepared under the responsibility of the Board of Directors. Our responsibility is to express a conclusion on them based on our limited review.

1. Conclusion on the interim financial statements

We have performed our limited review in accordance with the professional standards applicable in France. A limited review involves interviewing the persons responsible for accounting and financial matters and implementing analytical procedures. A review of this type does not include all the procedures specific to an audit performed in accordance with the professional standards applicable in France. Consequently, the assurance that the interim financial statements taken as a whole do not contain significant misstatements obtained in the context of a limited review is less complete than the assurance obtained in the context of an audit.

On the basis of our limited review, no significant misstatements have come to our attention which would cause us to question the compliance of the condensed consolidated interim financial statements with IAS 34, the standard relating to interim financial reporting forming part of IFRS as adopted in the European Union.

2. Specific verification

We have also verified the information contained in the half-year review commenting on the condensed consolidated interim financial statements which were the subject of our limited review.

We have no observations to make with regard to the fairness of this information and its consistency with the condensed consolidated interim financial statements.

Done at Paris La Défense and Courbevoie, on 28 August 2008

The Auditors,

ERNST & YOUNG AUDIT
Jean-Claude Lomberget

MAZARS & GUERARD
Gilles Rainaut