

PRESENTATION OF HALF-YEAR ACCOUNTS



PARIS

11 September 2002

- **HIGHLIGHTS**

- **BUSINESS AREAS**

- **ACCOUNTS**

- **OUTLOOK AND OBJECTIVES**

HIGHLIGHTS SINCE BEGINNING OF 2002

- Sharp rise in all Group earnings
- Net profit recorded by Bouygues Telecom
- Bond issue in April 2002: €750m
- Standard & Poor's credit rating confirmed: A- with stable outlook
- Sale of Bouygues Offshore
- Increased stake in Bouygues Telecom

KEY FIGURES: operation

Million euros	1 st half 2001	1 st half 2002	Variation	For info 2001
Sales	9,558	10,813	+ 13%	20,473
EBITDA	734	1,062	+ 45%	1,680
Operating earnings	386	506	+ 31%	876
Net earnings from recurrent business *	75	127	+ 69%	251
Net income attributable to the group	108	465	x 4	344

Strong improvement in results

* excluding capital gains on disposals of equity interests

BOUYGUES

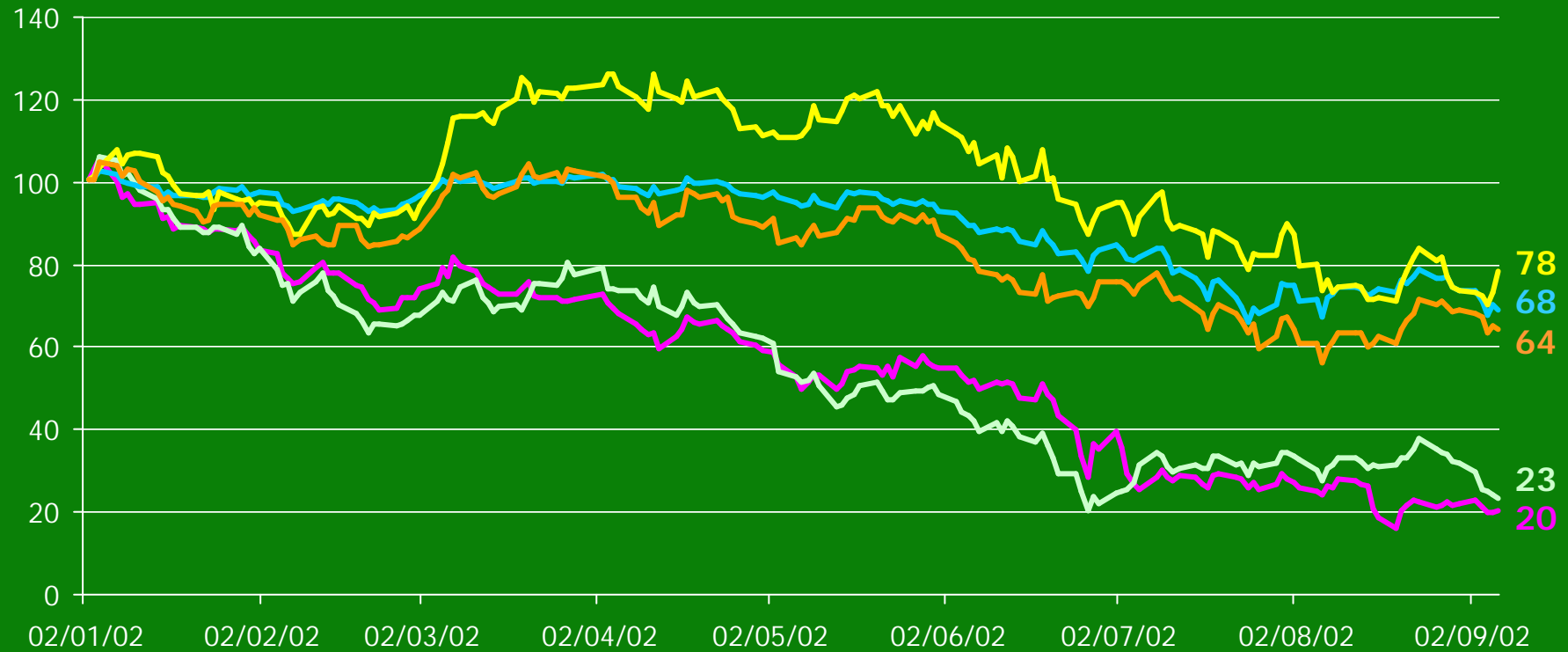
KEY FIGURES: consolidated balance sheet

Million euros	30/06/01	30/06/02	Variation	For info 31/12/01
Stockholders' equity	5,207	6,026	+ 16%	5,503
Net debt	2,134	3,638	+ 70%	1,124
Net debt/ Stockholders' equity	41%	60%	-	20%

The group has raised its stake in its businesses while keeping debt at a moderate level

STOCK MARKET

■ Stock market performance from 1 January to 6 September 2002



- Bouygues
- TF1
- CAC 40
- France Telecom
- Vivendi Universal



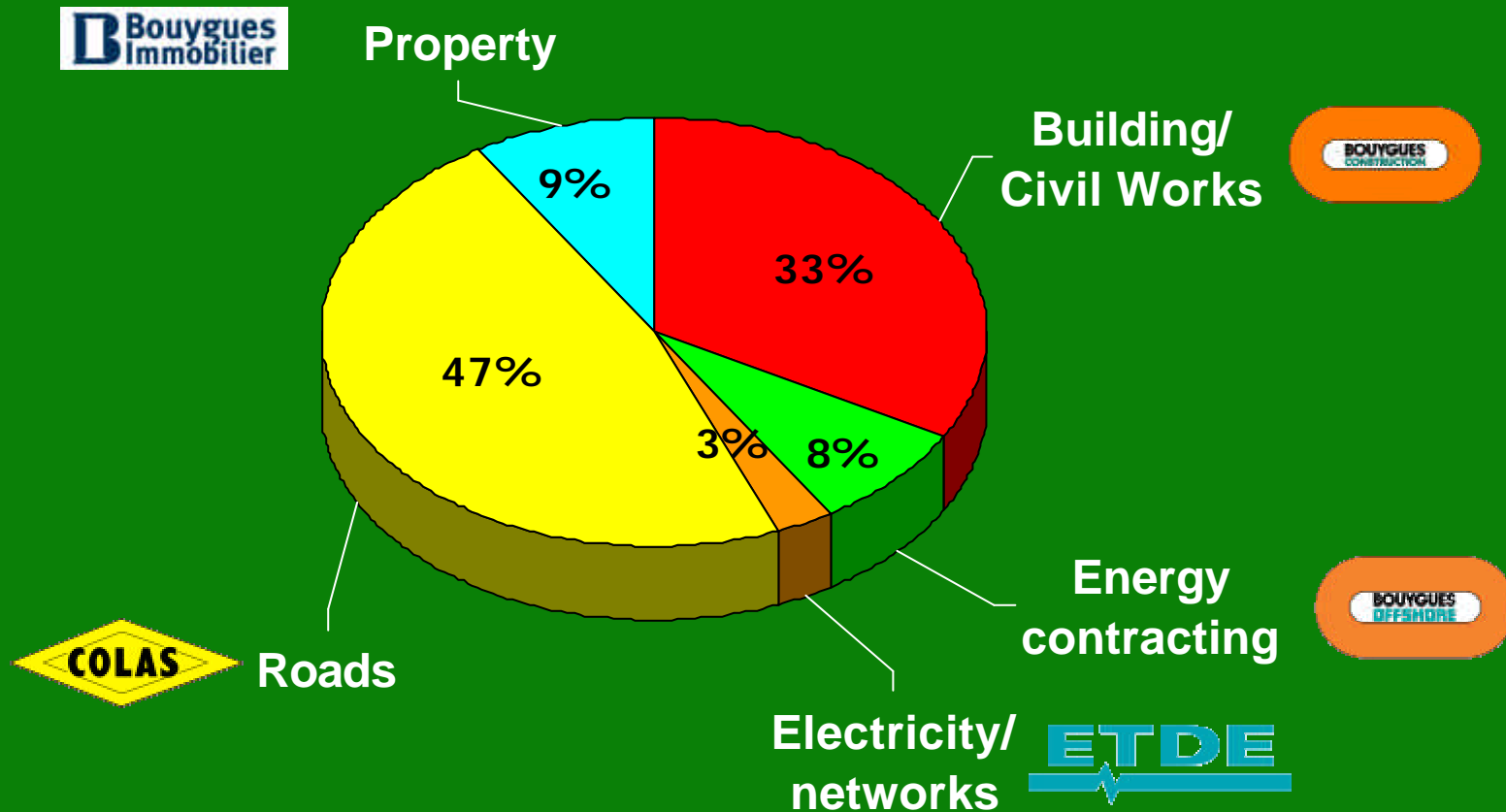
COMPARATIVE ANALYSIS OF STOCK MARKET PERFORMANCE

	36 months (since 1 Sep. 1999)	18 months (since 1 March 2001)	6 months (since 1 March 2002)
Bouygues	- 10%	- 44%	- 28%
TF1	- 6%	- 52%	- 17%
CAC 40	- 32%	- 41%	- 29%
France Telecom	- 86%	- 84%	- 66%
Vivendi Universal	- 84%	- 82%	- 73%

- **HIGHLIGHTS**
- **BUSINESS AREAS**
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CONSTRUCTION SECTOR

- Sales for the first half of 2002: €6,833m* (+ 6%)



* contribution to consolidated accounts

BOUYGUES

CONSTRUCTION SECTOR: key figures *

Million euros	1 st half 2001	1 st half 2002	Variation
Sales	6,448	6,833	+ 6%
EBITDA	288	311	+ 8%
EBIT	117	119	+ 1%
Net earnings	79	78 ⁽¹⁾	- 1%
Net cash	244	359	+ 47%

2002 sales (e): 14,007⁽²⁾ - 2%

(1) excluding the capital gain on disposal of Bouygues Offshore

(2) including Bouygues Offshore for first half of 2002 only

Sales and margins are kept at a good level

* contribution to consolidated accounts

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CONSTRUCTION SECTOR: Building/Civil Works

■ Key figures

Million euros	1 st half 2001	1 st half 2002	Variation
Sales	2,329	2,412	+ 4%
EBIT	16	28	+ 75%
Net earnings	28	32	+ 14%
Net cash	757	785	+ 4%
2002 sales (e):		4,680	- 4%

Focus on improvement of margins

BUILDING/CIVIL WORKS: strategic objectives

- Focus on comprehensive high added-value offering
 - ✓ Packaged development
 - ✓ Technological and financial expertise
 - ✓ Management of complex projects
- Pursue international development
 - ✓ Opportunism and flexibility
 - ✓ Matching products to countries
(PFI in the United Kingdom)

*Global solutions, from design to
operation through financing*

MAJOR PROJECTS UNDERWAY



**Groene Hart tunnel
(Netherlands)
€380m**



**Home Office
London (United Kingdom)
€715m**

CONSTRUCTION SECTOR: BOUYGUES OFFSHORE

■ Sale in May 2002 and payment in July 2002

A sound industrial decision:

- ✓ Combination of Bouygues Offshore's engineering skills and Saipem's considerable maritime resources
- ✓ The new group becomes one of the world's leading turnkey contractors in the offshore industry

Saipem's offer:

- ✓ €60 per share
 - ⌘ Sale price: €521m for Bouygues Construction
 - ⌘ Net capital gain: €338m for the Group

The decision of an entrepreneur

CONSTRUCTION SECTOR: COLAS

■ Key figures

Million euros	1 st half 2001	1 st half 2002	Variation	For info 2001
Sales	3,177	3,196	+ 1%	7,328
EBIT	42	25	- 40%	299
Net earnings	22	20	- 9%	203
Net cash	- 625	- 440	-	3

2002 sales (e): 7,450 + 2%

*Excellent performance
by the world's leading roadbuilder*

COLAS: strategic objectives

- Restore external growth in
 - ✓ roadbuilding, mainly in North America
 - ✓ the supply of construction materials
 - ✓ complementary activities: railways, waterproofing, safety, signs and signals
- Optimize the efficiency of existing locations

Consolidate its position as the world leader

MAJOR PROJECT UNDERWAY



Port extension in Los Angeles (USA)
€89m

CONSTRUCTION SECTOR: BOUYGUES IMMOBILIER

■ Key figures

Million euros	1 st half 2001	1 st half 2002	Variation
Sales	400	602	+ 51%
EBIT	22	31	+ 41%
Net earnings	17	18	+ 6%
Net cash	- 31	+ 18	-
2002 sales (e):		1,150	+ 22%

Improvement in earnings

BOUYGUES IMMOBILIER: strategic objectives

- Ensure controlled growth by
 - ✓ offering a broader range of products
 - ✓ increasing its offering in housing
- Reduce vulnerability to the business cycle by
 - ✓ prudent management of land acquisition costs
 - ✓ controlling debt

Consolidate its position as France's leading private property developer

SAUR: key figures

Million euros	1 st half 2001	1 st half 2002	Variation
Sales	1,220	1,233	+ 1%
EBITDA	92	103	+ 12%
EBIT	38	46	+ 21%
Net earnings	34	11	- 68%
Net cash	- 690	- 621	-

2002 sales (e): 2,500 + 1%

*2001 earnings included an exceptional
net capital gain of €33m*

SAUR: exposure in Argentina

Million euros	31/12 2000	31/12 2001	30/06 2002
<i>Securities and gross receivables</i>			
• Buenos Aires Electricity	69	-	-
• Dams	16	-	-
• Mendoza Water	77	81	54
TOTAL	162	81	54
<i>Provisions</i>	-	36	41
<i>Net balance sheet exposure</i>	162	45	13*

- ✓ Variation 2000-2001: Disposals of Buenos Aires Electricity and Dams
Charge for the period: €36m
- ✓ Variation 2001-2002: USD - EUR exchange rate variation: €7m
Charge for the period: €25m

Very limited commitments

* not including trade receivables for €3m

SAUR: strategic objectives

■ Pursue development

- ✓ Secure the renewal of existing contracts in France and target new ones
- ✓ Focus on selective expansion in Europe
- ✓ Develop process water treatment segment

■ Continue improving profitability

*Forge partnerships with local authorities
Create value for stockholders*

TF1: key figures

Million euros	1 st half 2001	1 st half 2002*	Variation
Sales	1,216	1,352	+ 11%
<i>of which advertising</i>	834	817	- 2%
EBITDA	312	256	- 18%
EBIT	267	202	- 24%
Net earnings	161	112	- 30%
Net cash	- 118	- 514	-

2002 sales (e): 2,570 + 13%

***Holding up well despite the unfavourable
economic environment***

* TPS consolidated at 50%

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TF1: audience share

	1 st half 2001	Full-year 2001	1 st half 2002
Women under 50	35.1%	35.5%	35.0%
Individuals 4 years and over	32.8%	32.7%	32.5%

49 of 50 best audience ratings in first half

TF1: increased stake in TPS

- December 2001:
agreement to acquire a 25% stake in TPS
for €195m, paid in 2002
 - ✓ TF1: 50% stake in TPS
- July 2002:
agreement with M6 to acquire a 25%
stake in TPS for €160m
 - ✓ TF1: 66% stake in TPS
 - ✓ M6: 34% stake in TPS



*Strategic position
in satellite digital TV*

TF1: developments

- Canal Plus: TF1 is attentive to the future of the group and especially CanalSatellite
- KirchMedia
 - ✓ an interesting growth opportunity which is not essential
 - ✓ TF1's experience and skills are appreciated by German decision-makers
 - ✓ TF1 may form part of a group of stockholders so as to become the stockholder/operator of ProSieben Sat 1 if:
 - the financial conditions are attractive
 - the stockholder agreement is viable
 - the regulations are reasonable

TF1: strategic objectives

- Consolidate TF1's leading position as general-interest channel
 - ✓ Secure supply and distribution of content
 - ✓ Capitalise on TF1 brand
- Give TPS fresh impetus after simplifying stock ownership structure
- Pursue development of existing platforms (Eurosport, LCI, etc.)

*Remain leader in free-to-air TV segment
and be a key player in pay TV in France*

BOUYGUES TELECOM: consolidated key figures

Million euros	1 st half 2001 ⁽¹⁾	1 st half 2002	Variation	For info 2001
Sales	1,231	1,396	+ 13%	2,681
<i>of which recurrent sales ⁽²⁾</i>	1,131	1,297	+ 15%	2,387
EBITDA	160	415	x 2.6	473
EBIT	- 54	153	n.s	53
Net loss	- 109	65	n.s	- 61
EBITDA/recurrent sales ⁽²⁾	14%	32%	x 2.3	20%
2002 sales (e):		2,960	+ 10%	
<i>of which recurrent sales</i>		2,740	+ 15%	

(1) pro forma: subscriber acquisition costs booked using the current accounting method

(2) airtime and roaming

Sharp improvement in results

BOUYGUES

BOUYGUES TELECOM: breakdown of sales

Million euros	1 st half 2001	1 st half 2002	Variation	For info 2001
Recurrent sales *	1,131	1,297	+ 15%	2,387
<i>of which Roaming and Services (including SMS)</i>	131	197	+ 50%	310
Handsets and other	100	99	- 1%	294
Total sales	1,231	1,396	+ 13%	2,681

***Services and roaming:
important sources of growth***

* airtime and roaming

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BOUYGUES TELECOM: commercial policy

- Contract
 - ✓ Focus on capturing new customers
 - ✓ Enhance services through innovation
 - "Mini forfaits", "forfaits évolutifs"...
 - ✓ Attract prepay customers
- Corporate
 - ✓ Develop the service offering
- Prepay
 - ✓ Realistic approach to counting
 - ✓ Less subsidy and shorter validity periods
 - ✓ Most competitive rates

A commercial policy that respects the customer while emphasising profitability

BOUYGUES TELECOM: new billing policy

- Per second billing:
 - ✓ as of first second,
 - ✓ "customers know what they are getting":
 - no overcharging for calls to mobiles from competing operators
 - customers are free to choose
 - ✓ for all customers, including Prepay and corporate
- A new offer, with an additional charge of €3 a month, that is simple, transparent and very competitive

*Bouygues Telecom,
at the cutting edge of commercial innovation*

BOUYGUES TELECOM: business activity

Customer base (millions)	End 2000	End 2001	30/06 2002	Forecast end 2002
Contract	2.7	3.2	3.4	3.7
<i>Market share on net additions (%)</i>	23.3%	18.2%	24.2%	
<i>Market share on installed base (%)</i>	16.4%	16.6%	17.0%	
Prepay (active base according to ART definition)	n.d	3.1	2.7	2.2
Total active customer base	n.d	6.3	6.1	5.9
<i>% of Contract customers in total active base</i>	n.d	50.2%	55.8%	62.7%

***We have met our objective: sharp increase in
our Contract market share***

Source: French telecoms regulator (ART) / metropolitan France + overseas departments and territories

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BOUYGUES TELECOM: number of customers at end 2002

- Target announced in March 2002:
 - ✓ 7 million active customers
- Contract: target almost achieved:
 - ✓ 3.7 rather than 3.8 million customers
- Prepay: Bouygues Telecom has taken a realistic approach to counting

Despite the difference in the number of customers (5.9 rather than 7 million), projected growth for recurrent revenue remains unchanged (QED)

BOUYGUES TELECOM: business indicators

	1 st half 2001	1 st half 2002	Variation
Contract (metropolitan France)			
• Number of customers * (millions)	2.9	3.3	+ 14%
• Net airtime sales (€m)	824	999	+ 21%
Prepay (metropolitan France)			
• Number of customers registered* (millions)	3.0	2.7	- 10%
• Net airtime sales (€m)	239	228	- 5%
Total net airtime sales (€m)	1,063	1,227	+ 15%

**Best indicator of business activity:
growth in sales**

* as of end of June

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BOUYGUES TELECOM: trends in prepay customer bases in Europe

Net additions (in thousands)	Total base at 30 June 2002	1 st half 2002	
		Prepay base	Contract base
mm02 UK	11,171	- 83	+ 179
Vodafone UK	13,009	- 358	+ 203
Orange UK	12,802	+ 212	+ 203
T-Mobile UK	11,099	+ 525	+ 152
T-Mobile	23,262	- 37	+ 218
D2-Vodafone	21,345	- 923	+ 444
E-Plus	7,092	- 469	+ 80
KPN Mobile	5,188	- 72	+ 35
Orange F.	18,625	+ 270	+ 532
SFR	12,987	+ 239	+ 193
Bouygues Telecom	6,196	- 655	+ 232

Reduction in prepay customer bases: a trend observed across various European countries

BOUYGUES TELECOM: main drivers

■ Contract

(metropolitan France)	1 st half 2001 *	1 st half 2002	Trend
ARPU (€/month)	53.8	54.1	=
SAC (€)	238	236	↘
Monthly churn	2.3%	1.9%	=
Usage (min/month)	372	356	=

Favourable trend in all drivers

* does not include "Mini Forfait", launched in June 2001

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BOUYGUES TELECOM: consolidated financial data

	30/06 2001*	30/06 2002	Variation	31/12 2001
Stockholders' equity (€m)	1,270	1,447	+ 14%	1,340
Net debt (€m)	1,870	1,806	- 3%	1,904
Capital expenditure (€m)	389	168	- 57%	744
Net debt / Stockholders' equity	147%	125%	-	142%

* pro forma: subscriber acquisition costs booked using the current accounting method

Sound financial structure

BOUYGUES

BOUYGUES TELECOM: roll-out of mobile multimedia

SERVICES

**Kiosk
SMS**
(July
2002)

Short codes giving customers access to enhanced SMS whichever their operator

MMS
(16 Sept.
2002)

Multimedia Messaging Service with Comverse platform: messages, enhanced with images, music, photos, etc.

i-mode

- ✓ An effective system for exchanges between mobiles and the Internet
- ✓ 34 million users in Japan
- ✓ Compatible with GSM/GPRS and UMTS transport technologies
- ✓ A differentiation factor for Bouygues Telecom with a tried and tested end-to-end solution

Creating services that offer customers real added value

TECHNOLOGIES

GSM

GPRS

UMTS

BOUYGUES

BOUYGUES TELECOM: i-mode

- Promising launch in Netherlands and Germany
 - ✓ 90% of customers satisfied in Germany
 - ✓ Higher than expected ARPU
- The i-mode "club" is growing
 - ✓ The operator Base (KPN) in Belgium
 - ✓ Incumbent operator Telefonica in Spain
 - ✓ Over 35 million potential i-mode users in Europe

BOUYGUES TELECOM: i-mode

- Launch planned by Bouygues Telecom for Christmas 2002
 - ✓ The technology is tried and tested
 - ✓ The pilot scheme works
 - ✓ The chosen IT platform (NEC) is in place
 - ✓ The handsets have been ordered
 - ✓ High quality services are already available

*All the conditions for
a successful launch are met*

BOUYGUES TELECOM: uncertainties of UMTS project

■ Predictable difficulties

- ✓ Market expectations have not been taken into consideration: technology has prevailed over the market
- ✓ Technology is more complex than that of GSM and has to be developed, which will take time
- ✓ Applications are difficult to harmonise between the players involved, with no end-to-end solutions (problems between handset manufacturers, service providers and network operators)
- ✓ Major delay in infrastructure and handsets

- Intermediate technologies GPRS/EDGE, combined with i-mode, currently seem to offer the best platforms from which to develop mobile multimedia

Bouygues Telecom will roll out the best technologies only in accordance with customer needs

BOUYGUES TELECOM: UMTS

■ Financing

- ✓ Investments that will replace costs of renewing GSM/GPRS network
- ✓ These investments will be covered by Bouygues Telecom's cash flow
- ✓ The licence will be financed by Bouygues Telecom stockholders in the form of a capital increase

■ The roll-out rate will be adapted to the market

■ UMTS licence will ensure business continuity until the end of 2022

Bouygues Telecom has the financial resources to develop UMTS

BOUYGUES TELECOM: strategic objectives

- Develop mobile multimedia services with i-mode
- Improve profitability while increasing the Contract customer base
 - ✓ Boost sales by focusing on ARPU
 - ✓ Control SACs
- Prepare network change to UMTS

Become the benchmark operator on personal communications market

- **HIGHLIGHTS**
- **BUSINESS AREAS**
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BOUYGUES: financial data

Million euros	30/06/01	30/06/02	Variation	For info 2001
Stockholders' equity	5,207	6,026	+ 16%	5,503
Long & medium term provisions	1,987	1,791	- 10%	1,909
Financial liabilities	3,593	5,172	+ 44%	3,081
Long-term capital	10,787	12,989	+ 20%	10,493
Fixed assets	9,127	11,585	+ 27%	9,275
Working capital	1,660	1,404	- 15%	1,218
Cash and equivalents	1,459	1,534	+ 5%	1,957
Net debt	2,134	3,638	+ 70%	1,124
Net debt / Stockholders' equity	41%	60%	-	20%

Solid financial structure

BOUYGUES: debt situation

At 31 December 2001: *€1,124m*

- Changes in scope of consolidation
 - Factoring in Bouygues Telecom at 100% + €881m
 - Factoring in Saur at 100% + €344m
 - Factoring in TPS at 50% + €158m
 - Disposal of Bouygues Offshore + €205m
- Investments/disposals
 - Acquisition of TIM stake in Bouygues Telecom +€750m
 - Acquisition of 25% in TPS +€195m
 - Disposal of Bouygues Offshore (€521m)
- Operation (seasonal effects)/other + €502m

At 30 June 2002: *€3,638m*

Bouygues has invested to increase its control over its business areas

BOUYGUES: net debt by business area

Million euros	30/06/01	30/06/02	Variation	For info 2001
Bouygues Telecom	1,004*	1,806	n.s	1,023
TF1	118	514	x 4.3	188
Saur	690	621	- 10%	676
Construction	(244)	(359)	+ 47%	(1,102)
Holding and other ⁽¹⁾	566	1,056	+ 87%	339
TOTAL	2,134	3,638	+ 70%	1,124

(1) Bouygues SA, financial subsidiaries and value of Bouygues Offshore shares until 31/12/2001 (€331m) and ETDE shares (€53m) financed by Bouygues Construction

* Bouygues Telecom recorded at 54%

BOUYGUES

BOUYGUES: consolidated income statement

Million euros	1 st half 2001	1 st half 2002	Variation	For info 2001
Sales	9,558	10,813	+ 13%	20,473
EBITDA	734	1,062	+ 45%	1,680
Operating income	386	506	+ 31%	876
Exceptional items	63	416 ⁽¹⁾	n.s	73
Income tax	(138)	(205) ⁽²⁾	n.s	(268)
Net earnings attributable to the Group	108	465	x 4	344
Recurrent net earnings	75	127	+ 69%	251

(1) including €421m in gross capital gains on disposal of Bouygues Offshore

(2) including €84m in tax income on disposal of Bouygues Offshore

Sharp increase in earnings

BOUYGUES

BOUYGUES: operating earnings by business area

Million euros	1 st half 2001	1 st half 2002	Variation	For info 2001
Bouygues Telecom	(15)*	153	↗	28*
TF1	267	202	- 24%	375
Saur	38	46	+ 21%	85
Construction	117	119	+ 2%	413
Holding and other	(21)	(14)	n.s.	(25)
TOTAL	386	506	+ 31%	876

* consolidated at 54%

BOUYGUES

BOUYGUES: net earnings by business area

Million euros	1 st half 2001	1 st half 2002	Variation	For info 2001
Bouygues Telecom	(35)*	36*	↗	(37)*
TF1	66	47	- 29%	87
Saur	24	8	- 67%	22
Construction	79	78	=	265
Holding and other	(26)	296	-	7
TOTAL	108	465	x 4	344

* consolidated at 54% until 30 March 2002, 64.5% thereafter

BOUYGUES

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FORECAST SALES

Million euros	For info 2001	2002 (e)	Variation	1 st half 2002
Bouygues Telecom *	1,434	2,950	n.s	1,390
<i>Bouygues Telecom at 100%</i>	2,670	2,950	+ 10%	1,390
TF1	2,277	2,570	+ 13%	1,343
TELECOMS-MEDIA	3,711	5,520	+ 49%	2,733
Saur	2,487	2,500	+ 1%	1,232
SERVICES				
Building/Civil Works	4,642	4,400	- 5%	2,256
Bouygues Offshore	1,022	577	n.s	577
ETDE	377	470	+ 25%	227
Colas	7,286	7,410	+ 2%	3,174
Bouygues Immobilier	921	1,150	+ 25%	599
CONSTRUCTION	14,248	14,007	- 2%	6,833
OTHER	27	33	n.s	15
TOTAL	20,473	22,060	+ 8%	10,813
<i>of which International</i>	7,607	7,090	- 7%	3,500
TOTAL like-on-like	21,520	22,060	+ 3%	10,813

* consolidated at 54% in 2001 and 100% in 2002

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BOUYGUES: strategic objectives

- **Seize the growth opportunities that may arise in the telecoms-media business while remaining prudent**
- **Pursue organic growth at Colas and Saur**
- **Maintain a policy of improving margins and controlling risks in the building/civil works and property sectors**

BOUYGUES' ASSETS

- Sound financial structure
- No significant financial off-balance-sheet commitments
- Favourable outlook in all its business areas

*Bouygues is a diversified group
and all its businesses are profitable
and on track for growth*

PRESENTATION OF HALF-YEAR ACCOUNTS



PARIS

11 September 2002