

# PRESENTATION OF HALF-YEAR EARNINGS

The logo consists of a large orange rounded rectangle with a thin black border. Inside this rectangle is a smaller white rounded rectangle with a black border, containing the word "BOUYGUES" in bold black uppercase letters.

**BOUYGUES**

**PARIS**

**8 September 2004**

- **HIGHLIGHTS**
- **BUSINESS AREAS**
- **ACCOUNTS**
- **NEW IFRS STANDARDS**
- **OUTLOOK**

# HIGHLIGHTS

- Conversion and redemption of OCEANE bonds
- Buyback and cancellation of 14 million shares (4% of capital)
- Bouygues Telecom
  - ✓ continued growth
  - ✓ debt refinancing to ease cash flow movements
- TF1: healthy rise in advertising revenues
- Construction businesses: further growth in order book
- Bouygues Construction: strong rise in earnings
- Board of Directors meeting held on 23 July 2004:
  - ✓ exceptional payout
  - ✓ invitation to tender for Saur

# EXCEPTIONAL PAYOUT (1/4): a decision consistent with the Group's culture

- Payout of 5 euros per share on 7 January 2005
  - ✓ since 1999, Bouygues has called upon its shareholders to contribute 2 billion euros to finance its development, mainly in telecoms and media
  - ✓ today, these investments are paying off
  - ✓ the Group has decided to share the fruits of its excellent results with its shareholders

*A relationship of trust with our shareholders  
A fair system for everyone*

## EXCEPTIONAL PAYOUT (2/4): financing

- All the business areas' investment programmes will continue as planned
- As from 2006, Bouygues will have the same debt-to-equity ratios and investment capacity as today
- The payout (1.7 billion euros) will be financed by cash surplus and credit facilities
- Bouygues' credit rating (A-) will be maintained by Standard & Poor's, independently of the disposal of Saur

***A limited financial impact***

# EXCEPTIONAL DIVIDEND (3/4): tax treatment

- The payout of 5 euros per share is subject to two different kinds of tax treatment:
  - ✓ The capital repayment (2.48 euros) does not generate an immediate income tax liability, but entails a reduction in the cost price of the shares held
  - ✓ The exceptional dividend (2.52 euros) is subject to tax, which may vary according to the situation of each shareholder
    - ⇒ Under the new French tax rules for dividends that come into force in 2005, the existing tax credit will be replaced by a compensating 50% tax allowance for French shareholders who are natural persons

N.B. If the payout had taken place in 2004, it would not have benefited in any way from the tax credit or from the 50% tax allowance, which will only apply in 2005.

# EXCEPTIONAL PAYOUT (4/4): timetable

- ✓ 7 October 2004: Ordinary Shareholders' Meeting
- ✓ 7 January 2005: Payout of 5 euros per share and per investment certificate constituting the capital at 6 January 2005

# BOUYGUES GROUP: key operating figures

Million euros	1 <sup>st</sup> half		Change
	2003	2004	
Sales	10,191	10,904	+ 7%
Operating income	524	721	+ 38%
Net earnings attributable to the Group	130	249	+ 92%

*Net earnings doubled*

# BOUYGUES GROUP: solid financial structure

Million euros	1 <sup>st</sup> half		2003
	2003	2004	
Net debt *	4,193	3,322	2,786
Net debt / Shareholders' equity *	68%	53%	45%
Cash flow	878	993	2,073
Net operating investment	374	422	930

\* End of period

***Significant reduction in debt***

# BOUYGUES: share ownership structure

At 30 June 2004	Capital	Voting rights
<b>SCDM (1)</b>	<b>14.0%</b>	<b>21.9%</b>
<b>Tennessee (groupe Pinault)</b>	<b>2.8%</b>	<b>3.0%</b>
<b>Simetra (groupe Pinault)</b>	<b>5.1%</b>	<b>4.0%</b>
<b><i>Total shareholder agreement</i></b>	<b><i>21.9%</i></b>	<b><i>28.9%</i></b>
<b>Bouygues group employees</b>	<b>12.1%</b>	<b>17.6%</b>
<b>Mme F. Bouygues</b>	<b>1.6%</b>	<b>2.5%</b>
<b>Banks (2)</b>	<b>2.5%</b>	<b>2.5%</b>
<b>Groupe Arnault</b>	<b>4.8%</b>	<b>3.8%</b>
<b>Other French shareholders</b>	<b>31.3%</b>	<b>24.5%</b>
<b>Other foreign shareholders</b>	<b>25.8%</b>	<b>20.2%</b>
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>

(1) SCDM is a holding company controlled by Martin and Olivier Bouygues

(2) Crédit Agricole SA, BNP PARIBAS

# STOCK MARKET

- Performance from 1 January 2004 to 3 September 2004



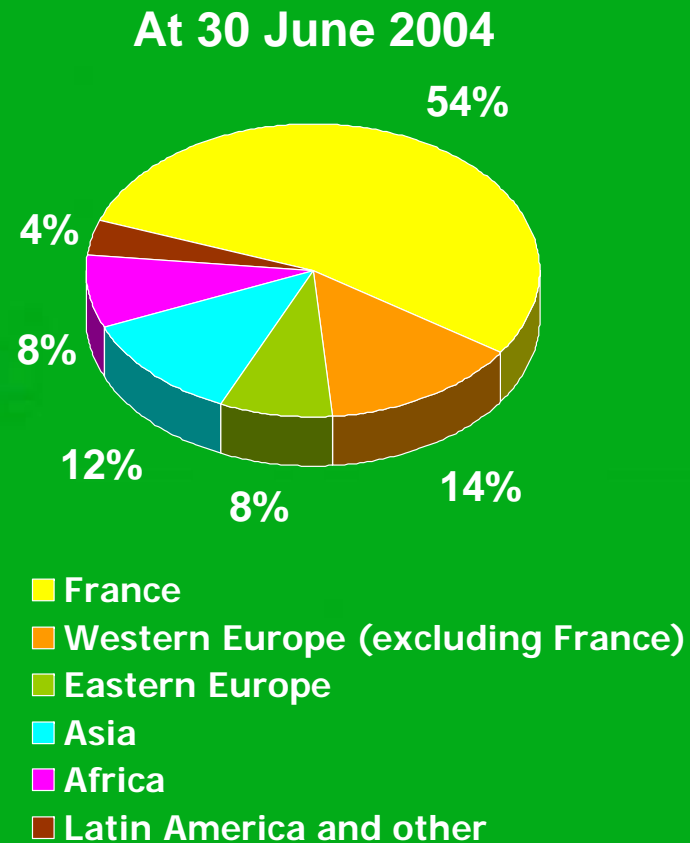
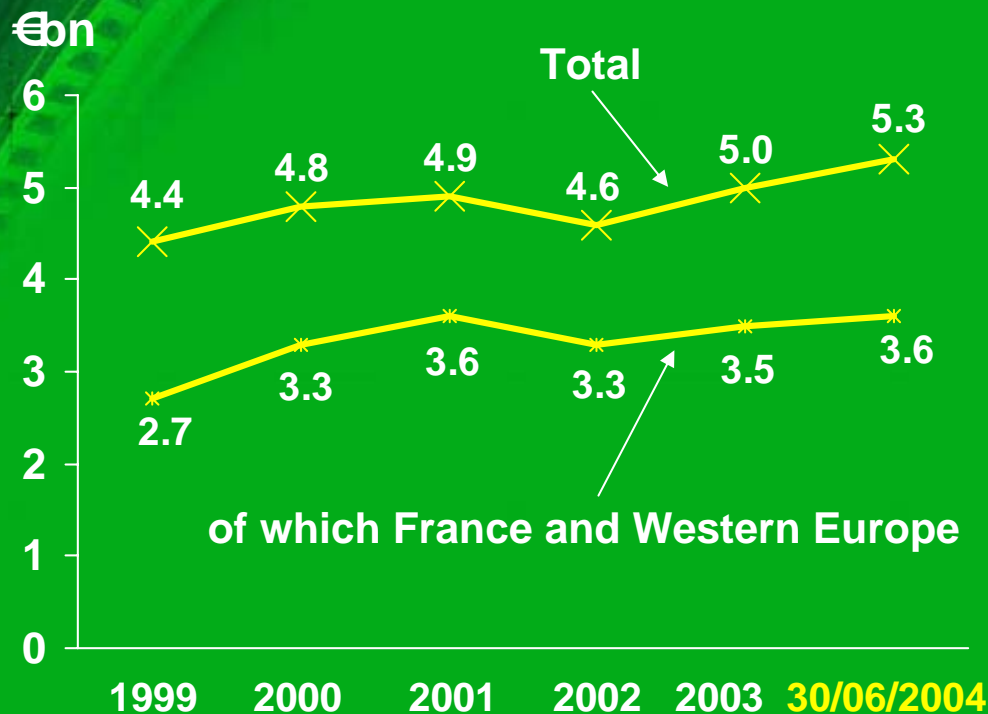
- **HIGHLIGHTS**
- **BUSINESS AREAS**
- **ACCOUNTS**
- **NEW IFRS STANDARDS**
- **OUTLOOK**

# BOUYGUES CONSTRUCTION (B/CW): key figures

Million euros	1 <sup>st</sup> half		Change
	2003	2004	
<b>Sales</b>	2,377	<b>2,628</b>	+ 11%
<i>France</i>	1,358	<b>1,577</b>	+ 16%
<i>International</i>	1,019	<b>1,051</b>	+ 3%
<b>Earnings before tax and exceptionals</b>	16	<b>81</b>	+ €65m
<b>Net earnings</b>	(5)	<b>63</b>	+ €68m
<b>Net cash at 30 June</b>	894	<b>1,319</b>	+ €425m

***Strong rise in earnings***

# BOUYGUES CONSTRUCTION: order book



*Further increase in order book*

# BOUYGUES CONSTRUCTION: strategy and outlook

## ■ Continue to improve performance

- ✓ 2003: return to net profit
- ✓ 2004: strong rise in earnings
- ✓ Beyond: good outlook

## ■ Develop high-growth markets

- ✓ Public-Private Partnerships
- ✓ UK, Central Europe
- ✓ Electricity, facilities management

■ Sales target for 2004:	€5,300m	+ 6%
✓ France	€3,100m	+ 5%
✓ International	€2,200m	+ 7%

# COLAS: key figures

Million euros	1 <sup>st</sup> half		Change	2003
	2003	2004		
<b>Sales</b>	3,164	<b>3,436</b>	+ 9%	7,426
<i>France</i>	2,016	<b>2,255</b>	+ 12%	4,465
<i>International</i>	1,148	<b>1,181</b>	+ 3%	2,961
<b>Operating income</b>	11	<b>22</b>	+ €11m	262
<b>Net earnings</b>	15	<b>33</b>	+ €18m	204
<b>Net cash at end of period</b>	(371)	<b>(152)</b>	+ €219m	255

***A good first half 2004***

## COLAS: order book

Million euros	30 June		Change
	2003	2004	
France	1,981	2,302	+ 16%
International	1,998	2,149	+ 8%
<b>TOTAL</b>	<b>3,979</b>	<b>4,451</b>	<b>+ 12%</b>

*A strong order book*

# COLAS: strategy and outlook

- First roads contract under PFI in UK: renovation and maintenance of the entire road network in Portsmouth over 25 years for £400m (€600m)
- Pursue external and internal growth
- Sales target for 2004:

✓ France	€7,950m	+ 7%
✓ International	€4,880m	+ 9%
	€3,070m	+ 4%

# BOUYGUES IMMOBILIER: key figures

Million euros	1 <sup>st</sup> half		Change
	2003	2004	
Sales	596	582	- 2%
<i>housing</i>	324	401	+ 24%
<i>corporate/commercial</i>	272	181	- 33%
Operating income	51	63	+ €12m
Net earnings	26	32	+ €6m
Net cash at 30 June	60	86	+ €26m

***Constant improvement in profitability***

# BOUYGUES IMMOBILIER: business activity

## ■ Reservations

	1 <sup>st</sup> half		Change
	2003	2004	
<b>Housing</b>			
Number	2,699	<b>3,251</b>	+ 20%
Total (€m)	401	<b>532</b>	+ 33%
<b>Corporate/Commercial</b>			
Office space (sq.m.)	105,000	<b>60,000</b>	- 43%
Total (€m)	391	<b>231</b>	- 41%

*Business activity is still moving in different directions*

# BOUYGUES IMMOBILIER: strategy and outlook

- Reduce vulnerability to economic cycle
  - ✓ Increase housing share in total sales
  - ✓ Keep operating costs under control
  - ✓ Manage cash rigorously
  
- Favourable market trends
  - ✓ Housing:  
maintaining a high level of business volume and prices
  - ✓ Corporate/Commercial:  
gradual recovery in 2005/2006
  
- Sales target for 2004:

	€1,250m	+ 2%
✓ housing	€824m	+ 16%
✓ corporate/commercial	€426m	- 18%

## SAUR: key figures

Million euros	1 <sup>st</sup> half			Change *
	2003	2003*	2004	
<b>Sales</b>	1,211	1,140	<b>1,165</b>	+ 2%
<i>France</i>	839	839	<b>843</b>	=
<i>International</i>	372	301	<b>322</b>	+ 7%
<b>Operating income</b>	34	9	<b>26</b>	+ €17m
<b>Net earnings</b>	10	(4)	<b>10</b>	+ €14m
<b>Net cash at 30 June</b>	(489)	118	<b>(98)</b>	- €216m

\* Excluding the impact of the disposal of South East Water at end-September 2003

***As expected, Saur improved its results. It paid out an exceptional dividend of €195m to Bouygues at end-June 2004 on part of the income from the sale of South East Water.***

# SAUR: strategy and outlook

## ■ In France

- ✓ Ensure steady growth in water segment
- ✓ Pursue development of environmental services

## ■ Abroad

- ✓ Improve existing portfolio of activities

## ■ Enhance productivity

## ■ Sales target for 2004:

- ✓ France

€2,405m + 2%\*

- ✓ International

€1,800m + 5%

€605m - 3%\*

\* Excluding South East Water (€105m in 2003)

# SAUR: invitation to tender by Bouygues

- A process involving several stages
  - ✓ **1<sup>st</sup> half 2004:** review into how to optimise the financing of Bouygues' holding in Saur
  - ✓ **23 July 2004:** announcement of invitation to submit offers to buy some or all of the stake in Saur
  - ✓ **End 2004/start 2005:** decision should be taken, but no timetable has been defined
- A strategy aimed at refocusing investment
- This operation does not affect the exceptional dividend to be paid out by Bouygues in January 2005

## TF1: key figures

Million euros	1 <sup>st</sup> half		Change
	2003	2004	
<b>Sales</b>	<b>1,409</b>	<b>1,481</b>	+ 5% <sup>(1)</sup>
<i>core channel advertising</i>	835	890	+ 7%
<i>other activities</i>	574	591	+ 3% <sup>(2)</sup>
<b>Operating income</b>	<b>233</b>	<b>293</b>	+ €60m
<b>Net earnings</b>	<b>138</b>	<b>161</b>	+ €23m
<b>Net debt at 30 June</b>	<b>519</b>	<b>603</b>	+ €84m

(1) + 9% using same accounting method (third-party sales and other restated in 2004)

(2) + 12% using same accounting method (third-party sales and other restated in 2004)

***Sharp improvement in results***

## TF1: audience

Channel	1 <sup>st</sup> half 2003	1 <sup>st</sup> half 2004
Women under 50	34%	35.7%
Viewers 4 years and over	31.4%	32.4%
Viewing time per person per day (4 years and over)	3 hrs 24	3 hrs 29

***TV is most popular form of media in France.  
Audience share at TF1, French viewers' favourite channel,  
rose further.***

# TF1: Eurosport key figures



Million euros	1 <sup>st</sup> half	
	2003	2004
Sales	141	143
Operating income	17	26
Net earnings	5	9

Contribution to TF1 group

- **Leading pan-European channel**
  - ✓ 98 million households including 50 million direct paying subscribers
  - ✓ 54 countries and 19 languages
- **Rise in audience figures**
  - ✓ 23 million viewers per day in Europe (+ 9%)
- **Growth in pan-European advertising market**

# TF1: TPS key figures



Million euros	1 <sup>st</sup> half	
	2003	2004
Sales	173	186
Operating income	9	10
Net earnings	3	6

Contribution to TF1 group

- ✓ 1.560 million subscribers at end-June 2004 including 1.270 million via Direct Broadcast Satellite and ADSL
- ✓ TPS L service currently being rolled out

# TF1: strategy and outlook

## ■ Favourable prospects in advertising market:

- ✓ Market recovery
- ✓ Real growth potential
- ✓ Confirmed leadership

## ■ Strategic objectives:

- ✓ Continue to maintain and consolidate the TF1 channel's leading position
- ✓ Develop the other channels
- ✓ Make TPS a major player in broadcasting in the long term
- ✓ Expand in Europe in the medium term

## ■ Sales target for 2004:

- ✓ advertising
- ✓ other activities

€2,810m

€1,620m

€1,190m

+ 6% (1)

+ 5%

+ 6% (2)

(1) + 2% compared to the figure published for 2003

(2) - 1% compared to the figure published for 2003

# BOUYGUES TELECOM: key figures

Million euros	1 <sup>st</sup> half		Change	2003
	2003	2004		
Sales	1,558 <sup>(1)</sup>	<b>1,765</b>	+ 13%	3,283
Net sales from network <i>of which data (%)</i>	1,441 <sup>(2)</sup> 13.7%	<b>1,603</b> <b>17.5 %</b>	+ 11% + 3.8 pts	2,995 13.8%
EBITDA	464	<b>575</b>	+ 24%	1,001
EBITDA / net sales from network	32.2%	<b>35.9%</b>	+ 3.7 pts	33.4%
Operating income	200	<b>271</b>	+ 36%	461
Net earnings	96	<b>158</b>	+ 65%	201

(1) Published at H1 2003: €1,583m (including third-party sales)

(2) Published at H1 2003: €1,465m (including third-party sales)

***Further sharp increase in sales and earnings***

# BOUYGUES TELECOM: financial data

Million euros	30 June		Change	31 Dec. 2003
	2003	2004		
Shareholders' equity*	2,265	2,315	+ 2%	2,320
<i>incl. participating loans*</i>	811	604	- 26%	767
Net debt*	1,401	1,064	- 24%	1,031
Net debt/shareholders' equity*	62%	46%	- 16 pts	44%
Cash flow	415	553	+ 33%	896
Net operating investments	142	214	+ 51%	380

\* End of period

***An improved financial structure***

# BOUYGUES TELECOM: commercial performance

## ■ Contract

(mainland France)

	1 <sup>st</sup> half	
	2003	2004
Customer base (in thousands)	3,807	4,454
Market share of net additions	26.6%	24.6%
Market share on installed base	17.3%	17.9%
ARPU (€/month)	52	50
SAC (€/customer)	222	241
Monthly churn	1.8%	1.4%
Voice usage (min/month)	387	402
Contract net sales from network (€m)	1,122 <sup>(1)</sup>	1,266

<sup>(1)</sup> Published at H1 2003: €1,142m (including third-party sales)

***Contract customers generate almost 80%  
of net sales from network***

# BOUYGUES TELECOM: commercial performance

## ■ Prepaid

(mainland France)

	1 <sup>st</sup> half	
	2003	2004
Active SIM cards (in thousands)	2,091	2,271
SAC (€/customer)	27	23
Voice usage (min/month)	89	83
Prepaid net sales from network (€m)	224 <sup>(1)</sup>	212

(1) Published in 2003: €228m (including third-party sales)

- A viable economic model thanks to:
  - ✓ controlled SACs
  - ✓ optimised distribution circuits

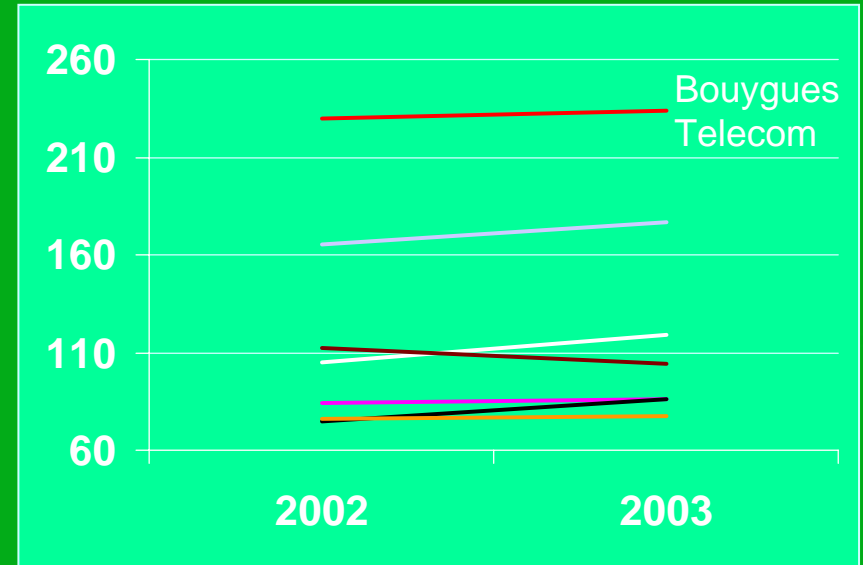
*Commercial repositioning on prepaid segment*

# BOUYGUES TELECOM: comparison of third operators

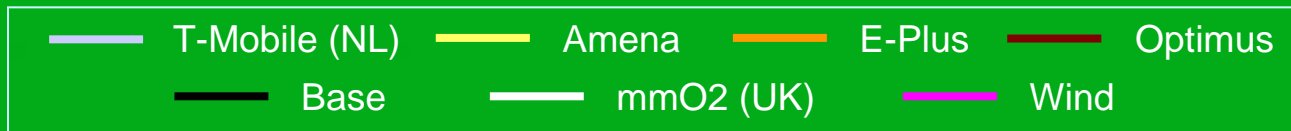
TOTAL ARPU  
(€/month)



TOTAL USAGE  
(min/month)



Source: Merrill Lynch, Global Wireless Matrix, July 2004



***Bouygues Telecom's commercial offers stimulate usage and generate the highest ARPU***



# BOUYGUES TELECOM: market share

	Contract customers Mainland + Caribbean <sup>(1)</sup>		Total sales <sup>(2)</sup>	
	1 <sup>st</sup> half 2003	1 <sup>st</sup> half 2004	1 <sup>st</sup> half 2003	1 <sup>st</sup> half 2004
Bouygues Telecom	17.1%	17.7%	18.4%	18.8%
Orange France	48.7%	47.6%	44.3%	43.9%
SFR	34.2%	34.7%	37.3%	37.3%

(1) Source: ART, French telecoms regulator

(2) Source: operators

***Good results due to the steady increase  
in contract and i-mode customers***

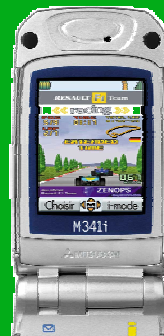
# BOUYGUES TELECOM: i-mode even more accessible

- i-mode is now available with all contracts and mini-contracts
- Roaming in more than 40 countries
- Extended range of handsets (Panasonic, NEC, Mitsubishi plus recent additions from Samsung and Sagem)
- Innovations and new services are constantly being introduced to satisfy customers:  
video downloads, video-mail, video-camera
- Enriched portal: over 160 games, 50 Java applications

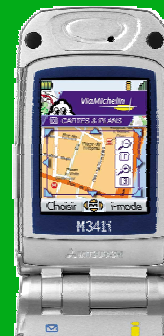
**Sending photos**



**Java™ applications and games**



**Localisation services**

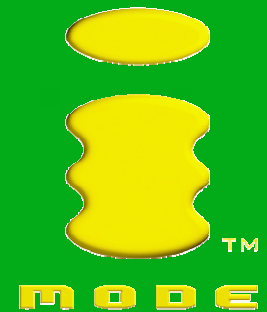


**Video services**



***i-mode to suit everyone***

# BOUYGUES TELECOM: i-mode, a success

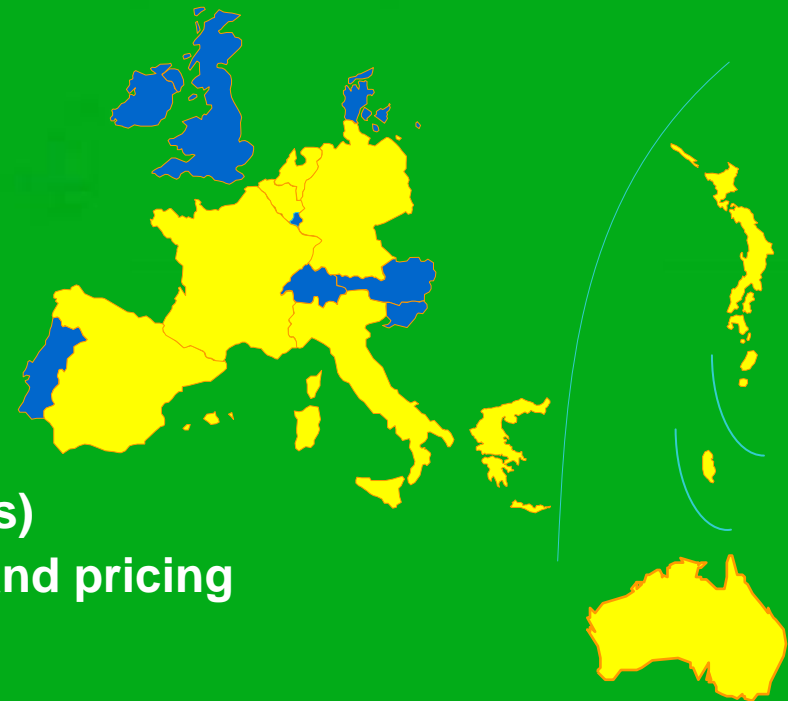


- 800,000 i-mode customers today
- At end-June 2004, 20% of customers with contracts for 2 hours or more were i-mode subscribers (against 7% in June 2003)
- i-mode customers generate monthly revenue of €60 to 70
- Highly satisfied content providers
  - ✓ The ecosystem's virtuous circle works
  - ✓ There is a high level of satisfaction among users

*Growth in usages*

# BOUYGUES TELECOM: i-mode, a worldwide alliance

- i-mode is used worldwide and is a key part of the European mobile multimedia environment
  - ✓ 44.7 million customers including 3 million outside Japan
  - ✓ 2 new members (Greece, Australia)
- Fruitful partnership with DoCoMo:
  - ✓ regular meetings held by the Board of the Alliance
  - ✓ valuable feedback (R&D, TV on mobile, handset manufacturers)
  - ✓ Strategic policy in terms of content and pricing



*With 800,000 customers,  
Bouygues Telecom is a major player in the alliance*



# BOUYGUES TELECOM: technological choices (1/2)

## ■ EDGE

- ✓ technical test successfully completed with Nortel and Nokia
- ✓ roll-out under way

## ■ UMTS

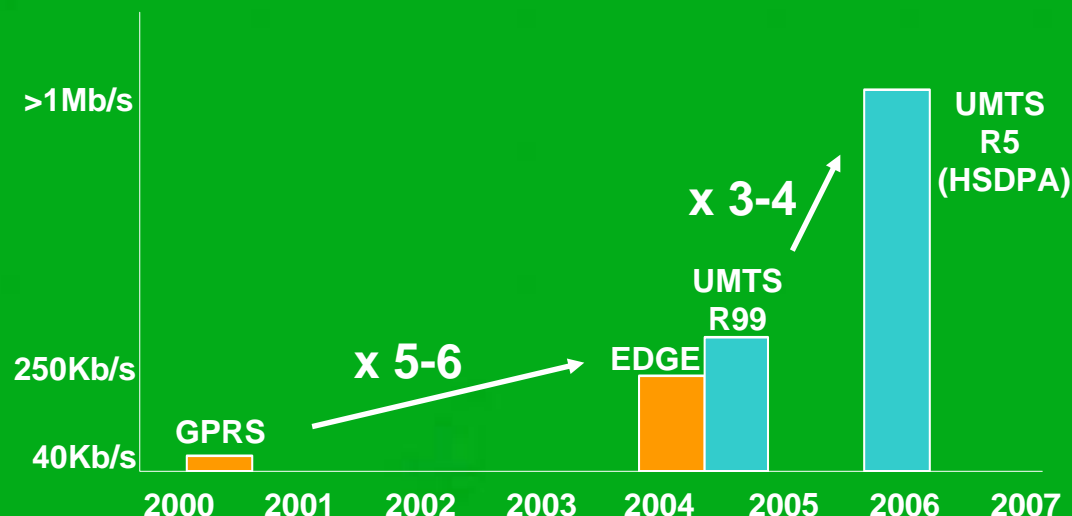
- ✓ EDGE is a direct step towards 2<sup>nd</sup> generation UMTS (R5)
- ✓ combining EDGE and UMTS (R5) is the best strategy to optimise investment
- ✓ test scheduled in the Paris region before the end of 2004
- ✓ the two technologies will co-exist and will be complementary

*Relying on its pragmatic technological choices, Bouygues Telecom will be able to meet customer expectations and adapt to their changing needs*

# BOUYGUES TELECOM: technological choices (2/2)

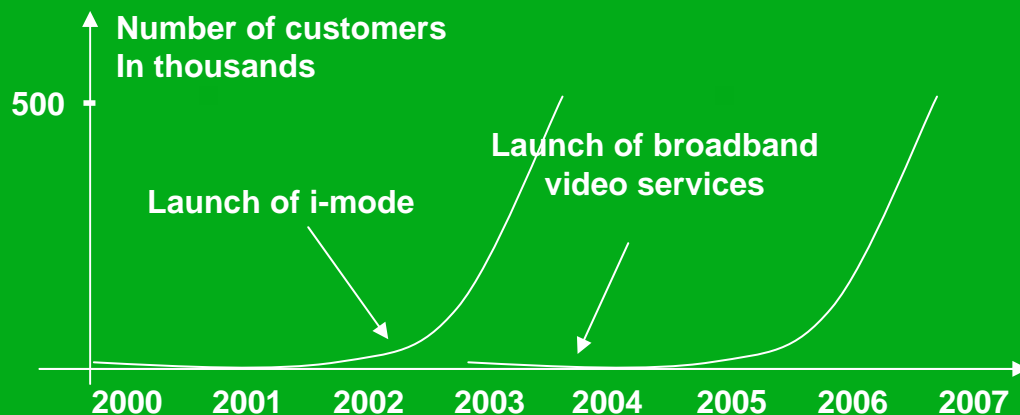
## Speed

The difference between the maximum speed of EDGE and UMTS R99 is slight



## A gradual development of usages

EDGE can offer broadband services until R5 comes into operation



*In keeping with its strategy, Bouygues Telecom is optimising its investment in new technologies*

# BOUYGUES TELECOM: strategies and outlook

- Keep innovating
- Use i-mode to capture a wider public
- Provide a closer and more personalised service for customers
- Explore all the options available with mobiles (TV)
- Sales target for 2004:

	€3,600m	+ 10%
✓ of which net sales from network	€3,300m	+ 10%

# BOUYGUES: sales targets for 2004

Million euros	2003	2004 Objective	Change in %
Bouygues Telecom	3,271	3,590	+ 10%
TF1	2,727	2,790	+ 6% <sup>(1)</sup>
Saur	2,448	2,400	+ 2% <sup>(2)</sup>
Bouygues Construction	4,742	5,050	+ 6%
Colas	7,387	7,900	+ 7%
Bouygues Immobilier	1,229	1,250	+ 2%
Holding and other	18	20	n.s.
<b>TOTAL</b>	<b>21,822</b>	<b>23,000</b>	<b>+ 5%</b>
<i>of which International</i>	<i>6,110</i>	<i>6,250</i>	<i>+ 2%</i>

(1) Using the same accounting method

(2) Excluding South East Water (€105m in 2003)

- HIGHLIGHTS
- BUSINESS AREAS
- ACCOUNTS
- NEW IFRS STANDARDS
- OUTLOOK

# BOUYGUES: consolidated income statement

Million euros	1 <sup>st</sup> half		Change in %
	2003	2004	
Sales	10,191	10,904	+ 7%
Operating income	524	721	+ 38%
Earnings before tax and exceptionals	402	623	+ 55%
Income tax	(178)	(258)	+ 45%
Net earnings attributable to the Group	130	249	+ 92%

# BOUYGUES:

## contribution of business areas to sales

Million euros	1 <sup>st</sup> half		Change in %
	2003	2004	
Bouygues Telecom	1,577	1,759	+ 12%
TF1	1,402	1,472	+ 5%
Saur	1,210	1,164	+ 2%*
Bouygues Construction	2,245	2,505	+ 12%
Colas	3,150	3,411	+ 8%
Bouygues Immobilier	596	582	- 2%
Holding and other	11	11	=
<b>TOTAL</b>	<b>10,191</b>	<b>10,904</b>	<b>+ 7%</b>
<i>of which international</i>	<i>2,713</i>	<i>2,703</i>	<i>=</i>

\* Excluding contribution of South East Water in H1 2003: €71m

# BOUYGUES: contribution of business areas to EBITDA

Million euros	1 <sup>st</sup> half		Change in %
	2003	2004	
Bouygues Telecom	471	569	+ 21%
TF1	293	354	+ 21%
Saur	88	70	+ 43%*
Bouygues Construction	79	116	+ 47%
Colas	130	146	+ 12%
Bouygues Immobilier	58	65	+ 12%
Holding and other	(3)	(8)	n.s.
<b>TOTAL</b>	<b>1,116</b>	<b>1,312</b>	<b>+ 18%</b>

\* Excluding contribution of South East Water in H1 2003: €39m

# BOUYGUES: contribution of business areas to operating income

Million euros	1 <sup>st</sup> half		Change in %
	2003	2004	
Bouygues Telecom	200	271	+ 36%
TF1	232	293	+ 26%
Saur	34	26	x 3*
Bouygues Construction	5	61	x 12
Colas	11	22	x 2
Bouygues Immobilier	52	63	+ 21%
Holding and other	(10)	(15)	n.s.
<b>TOTAL</b>	<b>524</b>	<b>721</b>	<b>+ 38%</b>

\* Excluding contribution of South East Water in H1 2003: €25m

# BOUYGUES: contribution of business areas to net earnings

Million euros	1 <sup>st</sup> half		Change in €m
	2003	2004	
Bouygues Telecom	70	131	+ 61
TF1	57	67	+ 10
Saur	10	9	+ 13*
Bouygues Construction	(5)	63	+ 68
Colas	15	32	+ 17
Bouygues Immobilier	26	32	+ 6
Holding and other	(43)	(85)	- 42
<b>TOTAL</b>	<b>130</b>	<b>249</b>	<b>+ 119</b>

\* Excluding contribution of South East Water in H1 2003: €14m

# BOUYGUES:

## contribution of business areas to cash flow

Million euros	1 <sup>st</sup> half		Change in %
	2003	2004	
Bouygues Telecom	399	541	+ 36%
TF1	202	216	+ 7%
Saur	88	62	+ 3%*
Bouygues Construction	67	67	=
Colas	105	121	+ 15%
Bouygues Immobilier	34	37	+ 9%
Holding and other	(17)	(51)	n.s.
<b>TOTAL</b>	<b>878</b>	<b>993</b>	<b>+ 13%</b>

\* Excluding contribution of South East Water in H1 2003: €28m

# BOUYGUES:

## contribution of business areas to net investments

### ■ Operating investments

Million euros	1 <sup>st</sup> half		Change in €m
	2003	2004	
Bouygues Telecom	142	214	+ 72
TF1	34	31	- 3
Saur	50	42	+ 17*
Bouygues Construction	45	30	- 15
Colas	102	103	+ 1
Bouygues Immobilier	1	2	+ 1
Holding and other	-	-	-
<b>TOTAL</b>	<b>374</b>	<b>422</b>	<b>+ 48</b>

\* Excluding contribution of South East Water in H1 2003: €25m

# BOUYGUES: condensed consolidated balance sheet

Million euros	30 June		Change in €m	31 Dec. 2003
	2003	2004		
Shareholders' equity	6,151	6,217	+ 66	6,192
Long & medium term provisions	1,832	1,895	+ 33	1,896
Financial liabilities	4,675	3,756	- 919	5,160
Long-term capital	12,658	11,868	- 790	13,248
Fixed assets	12,225	11,882	- 343	11,983
Working capital	433	(14)	- 447	1,265
Cash and equivalents	482	434	- 48	2,374
Net debt	4,193	3,322	- 871	2,786
Net debt/ shareholders' equity	68%	53%	-	45%

# BOUYGUES SA: condensed balance-sheet

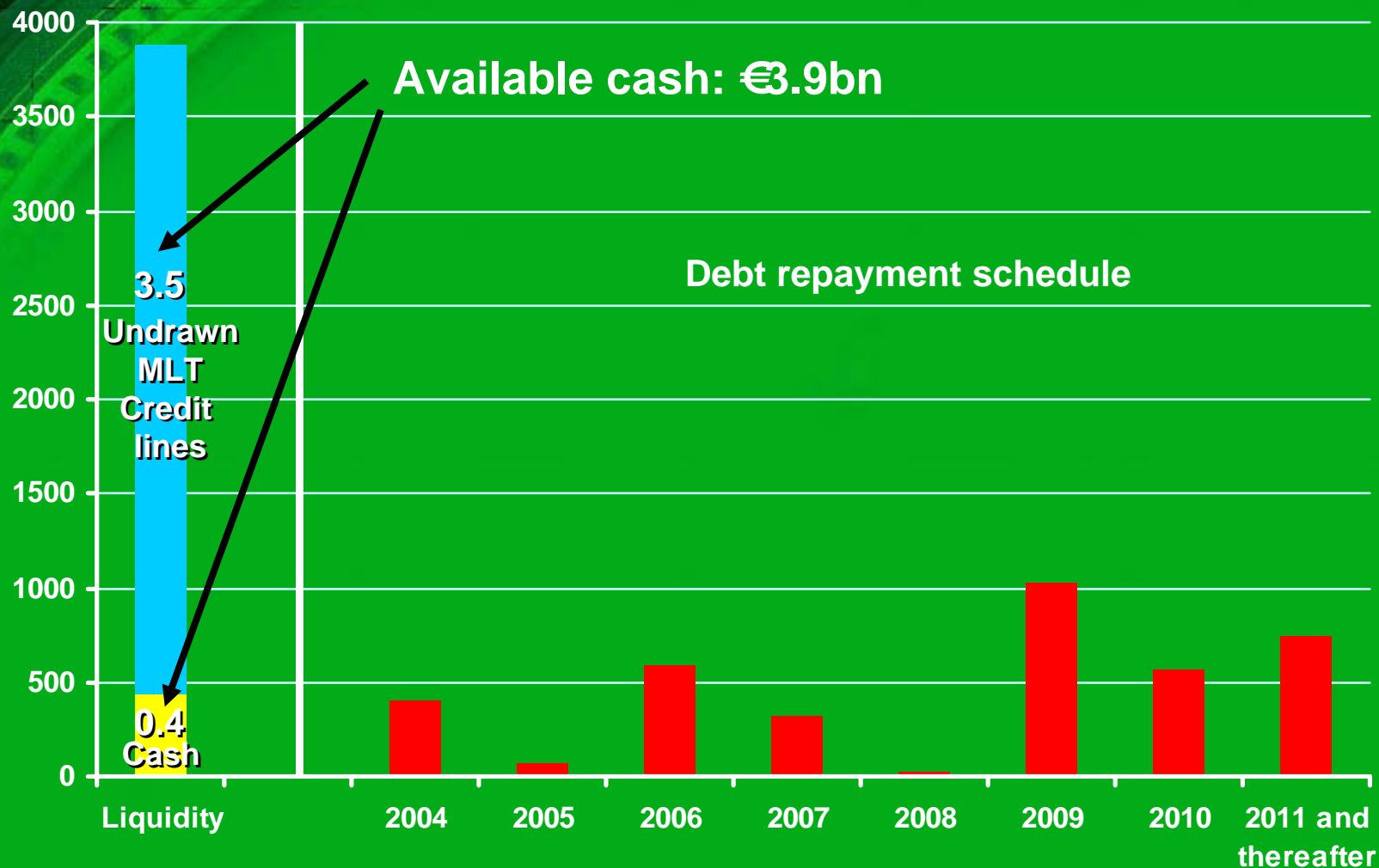
Million euros	30 June		31 Dec. 2003
	2003	2004	
Shareholders' equity	4,917	5,024	4,901
Long & medium-term provisions	228	182	177
Financial liabilities	2,491	2,598	2,978
Long-term capital	7,636	7,804	8,056
Long-term investments	6,896	7,721	7,823
Other assets	9	1	1
Working capital	731	82	232
Cash and equivalents	560	85	212
Net debt	1,931	2,513	2,766
Net debt/shareholders' equity	39%	50%	56%

# BOUYGUES: cash position in the first half 2004

*In €m*

■ Net cash at 31 December 2003:	(2,786)
✓ Acquisition of Bouygues securities for cancellation	- 471
✓ Conversion of OCEANE bonds	+ 418
✓ Repayment of participating loans (minority interests)	- 31
✓ Other acquisitions/disposals	- 17
✓ Operation and other	- 435
■ Net cash at 30 June 2004:	(3,322)

# BOUYGUES: financing policy



***Evenly spread debt repayment schedule***  
***Very substantial liquidity***

- HIGHLIGHTS
- BUSINESS AREAS
- ACCOUNTS
- NEW IFRS STANDARDS
- OUTLOOK

# **NEW IFRS STANDARDS: status report**

- **Opening balance sheet at 1 January 2004**
  - ✓ Drawn up according to published standards
  - ✓ Currently being audited by the Statutory Auditors
  - ✓ Utilities management services:  
French standards still prevail
  
- **Financial statements as of 31 March and 30 June 2004**
  - ✓ In progress
  
- **June 21, 2005: first publication using IFRS  
(financial statements as of March 31, 2005)**

# IFRS: condensed 2004 opening balance sheet

## ■ Provisional balance sheet (in €m)

ASSETS	French standards	IFRS	Change
Tangible assets	4,532	4,888	+ 356
Intangible assets	6,409	1,177	- 5,232
Goodwill	264	5,273	+ 5,009
Other non-current assets	778	1,506	+ 728
Current financial assets	2,616	2,593	- 23
Other current assets	10,470	9,605	- 865
<b>TOTAL</b>	<b>25,069</b>	<b>25,042</b>	<b>- 27</b>

# IFRS: condensed 2004 opening balance sheet

## ■ Provisional balance sheet (in €m)

LIABILITIES	French standards	IFRS	Change
Shareholders' equity, Group share	5,131	5,062	- 69
Minority interests	1,061	898	- 163
Total shareholders' equity	6,192	5,960	- 232
Non-current provisions	1,896	1,489	- 407
Non-current financial liabilities	5,160	4,229	- 931
Other current liabilities	11,579	11,910	+ 331
Current financial liabilities	242	1,454	+ 1,212
<b>TOTAL</b>	<b>25,069</b>	<b>25,042</b>	<b>- 27</b>
Net debt	2,786	3,090	+ 304
as % of shareholders' equity	45%	52%	

# IFRS: main impacts on assets (1/2)

	In €m
<b>■ Tangible assets</b>	<b>+ 356</b>
✓ Depreciation basis and periods	+ 212
✓ Finance leases	+ 114
✓ Other impacts	+ 30
<b>■ Intangible assets</b>	<b>- 5,232</b>
✓ Reclassification of intangibles as goodwill (market shares, etc.)	- 5,016
✓ Depreciation periods	- 154
✓ Other reclassifications and sundry	- 62
<b>■ Goodwill</b>	<b>+ 5,009</b>
✓ Reclassification of intangibles	+ 5,016
✓ Other impacts	- 7

## IFRS: main impacts on assets (2/2)

	In €m
■ <b>Other non-current assets</b>	<b>+ 728</b>
✓ Reclassification of deferred tax assets	706
✓ Additional impact of deferred tax assets connected with IFRS	+ 53
✓ Other impacts on financial assets	- 31
■ <b>Current financial assets</b>	<b>- 23</b>
✓ Restatement of securitization operations	- 68
✓ Valuation of hedging instruments	+ 44
✓ Other impacts	+ 1
■ <b>Other current assets</b>	<b>- 865</b>
✓ Reclassification of deferred tax assets as non-current	- 706
✓ Restatement of securitization operations	+ 19
✓ Restatement of charges	- 42
✓ Reclassification of unreleased production rights	- 72
✓ Other impacts	- 64

# IFRS: main impacts on liabilities (1/3)

	In €m
■ <b>Shareholders' equity, Group share</b>	<b>- 69</b>
✓ IFRS 3: Business Combinations	- 34
✓ IAS 16/ IAS 17: Tangible assets, Leases	+ 163
✓ IAS 12: Deferred Taxes	+ 43
✓ IAS 19: Employee Benefits	- 42
✓ IAS 38: Intangible Assets	- 197
✓ IAS 39: Financial Instruments	+ 3
✓ Other standards	- 5
■ <b>Minority interests</b>	<b>- 163</b>
✓ Reclassification of minority interests in participating loans	- 138
✓ Other impacts	- 25

# IFRS: main impacts on liabilities (2/3)

	In €m
■ <b>Non-current provisions</b>	<b>- 407</b>
✓ Reclassification as current liabilities	- 461
✓ Additional provisions for employee benefits	+ 45
✓ Other impacts	+ 9
■ <b>Non-current financial liabilities</b>	<b>- 931</b>
✓ Reclassification of current portion	- 983
✓ Reclassification of other shareholders' equity	+ 167
✓ Reclassification of financial instruments as current liabilities	- 87
✓ Finance leases	+ 67
✓ Restatement of securitization operations	- 107
✓ Other impacts	+ 12

# IFRS: main impacts on liabilities (3/3)

	In €m
■ <b>Other current liabilities</b>	<b>+ 331</b>
✓ Reclassification of current provisions	+ 461
✓ Reclassification of unreleased production rights	- 72
✓ Other impacts	- 58
■ <b>Current financial liabilities</b>	<b>+ 1,212</b>
✓ Reclassification of current portion	+ 983
✓ Hedging instruments	+ 36
✓ Reclassification of financial liabilities as cash	+ 87
✓ Finance leases	+ 49
✓ Restatement of securitization operations	+ 58
✓ Other impacts	- 1

## IFRS: impact on cash (1/2)

### ■ Provisional balance sheet (in €m)

	French standards	IFRS	Change
Non-current financial liabilities	/	(4,229)	/
Current financial liabilities	/	(1,032)	/
Total financial liabilities	(5,160)	(5,261)	+ 101
Cash and cash equivalents	2,374	2,250	- 124
Net hedging instruments	/	(79)	- 79
Net cash	(2,786)	(3,090)	- 304

*New standards have little impact on cash*

## IFRS: impact on cash (2/2)

### ■ Analysis of decrease in net cash

	In €m
✓ Reclassification of other shareholders' equity	- 167
✓ Finance leases	- 116
✓ Restatement of securitization operations	- 19
✓ Net hedging instruments	+ 8
✓ Other impacts	- 10
<b>TOTAL</b>	<b>- 304</b>

- HIGHLIGHTS
- BUSINESS AREAS
- ACCOUNTS
- NEW IFRS STANDARDS
- OUTLOOK

**BOUYGUES:**

**we have a clear strategy and keep our commitments**

**In order to develop, we have taken risks  
and called upon our shareholders.**

**In exchange, we have improved their  
return on investment, as promised.**

# BOUYGUES: our ambitions

- **Extend in each of our businesses** our scope of activity and our geographical reach
- **Stay on the look-out for opportunities** to expand into new business areas while remaining aware of risks
- **Further strengthen our corporate culture,** shared by the entire workforce
- **Increase return on investment** for our shareholders

# BOUYGUES: calendar

## ■ 2004

7 October	Ordinary Shareholders' Meeting
9 November	Sales for first 9 months
15 December	Earnings for first nine months

## ■ 2005

7 January	Exceptional payout
8 February	2004 annual sales
2 March	2004 annual earnings