

Annual Meeting



25 April 2002

- **HIGHLIGHTS**

- **BUSINESS AREAS**

- **BOUYGUES TELECOM
AND MOBILE MULTIMEDIA**

- **GROUP ACCOUNTS AND OUTLOOK**

HIGHLIGHTS

- Further rise in earnings
- Sound financial structure
- Bouygues Telecom met its objectives
- Bouygues has raised its stake in Bouygues Telecom
- TF1 consolidated its leading position
- Good commercial activity in the Construction sector
- Increase of employee stock ownership
- Extension of SCDM/Artémis stockholders' agreement

KEY FIGURES

Million euros	1999	2000	2001	$\frac{2001}{2000}$
Sales	15,857	19,060	20,473	+ 7%
EBITDA	974	1,474	1,680	+ 14%
EBIT	484	812	876	+ 8%
Net earnings attributable to the Group	45	215 *	344	+ 60%
EPS in euros	0.16	0.67	1.03	+ 54%
Stockholders' equity	2,878	5,168	5,503	+ 6%
Net debt	2,201	967	1,124	+ 16%

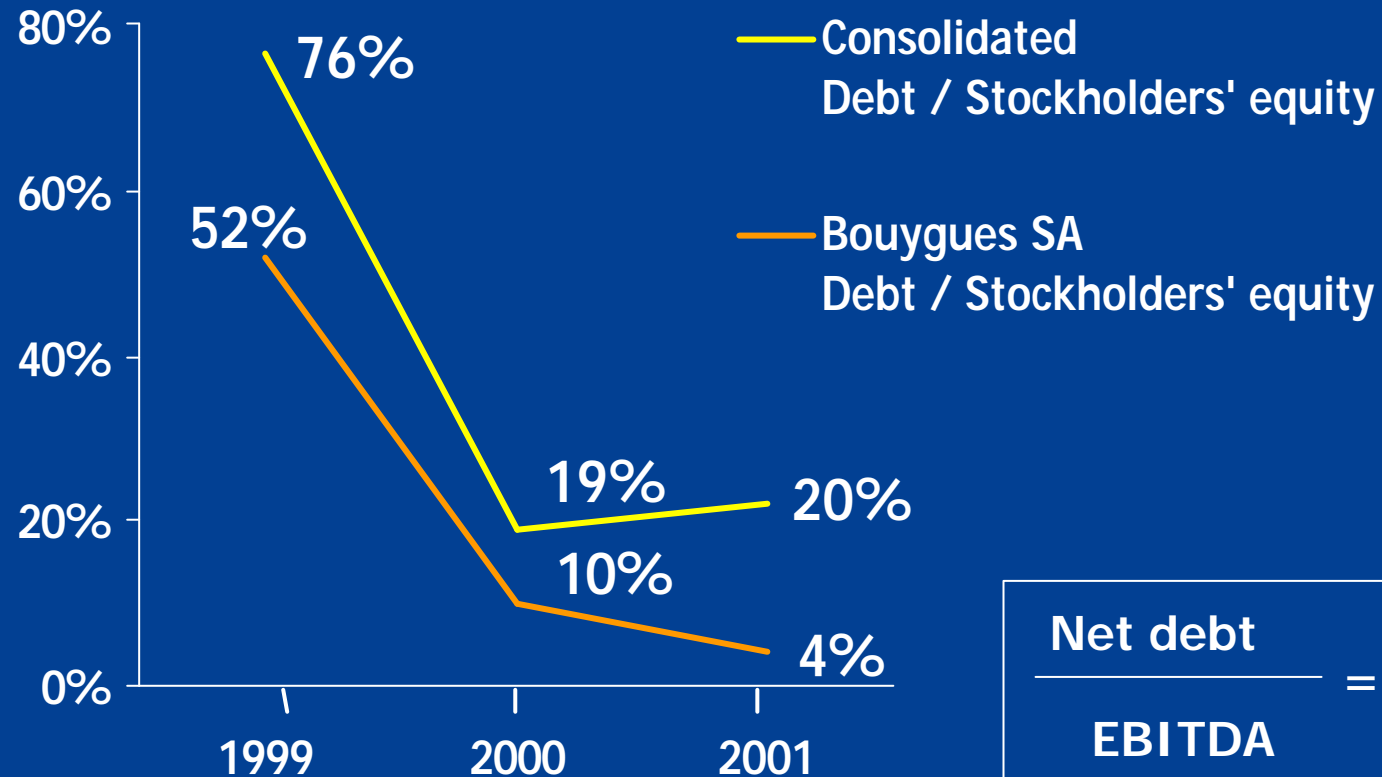
Further rise in earnings

* excluding Colas stock swap (with Colas stock swap: €421m)

BOUYGUES

SOUND FINANCIAL STRUCTURE

Debt ratios



The Bouygues group has a very low debt level

CONSTRUCTION SECTOR: good commercial activity

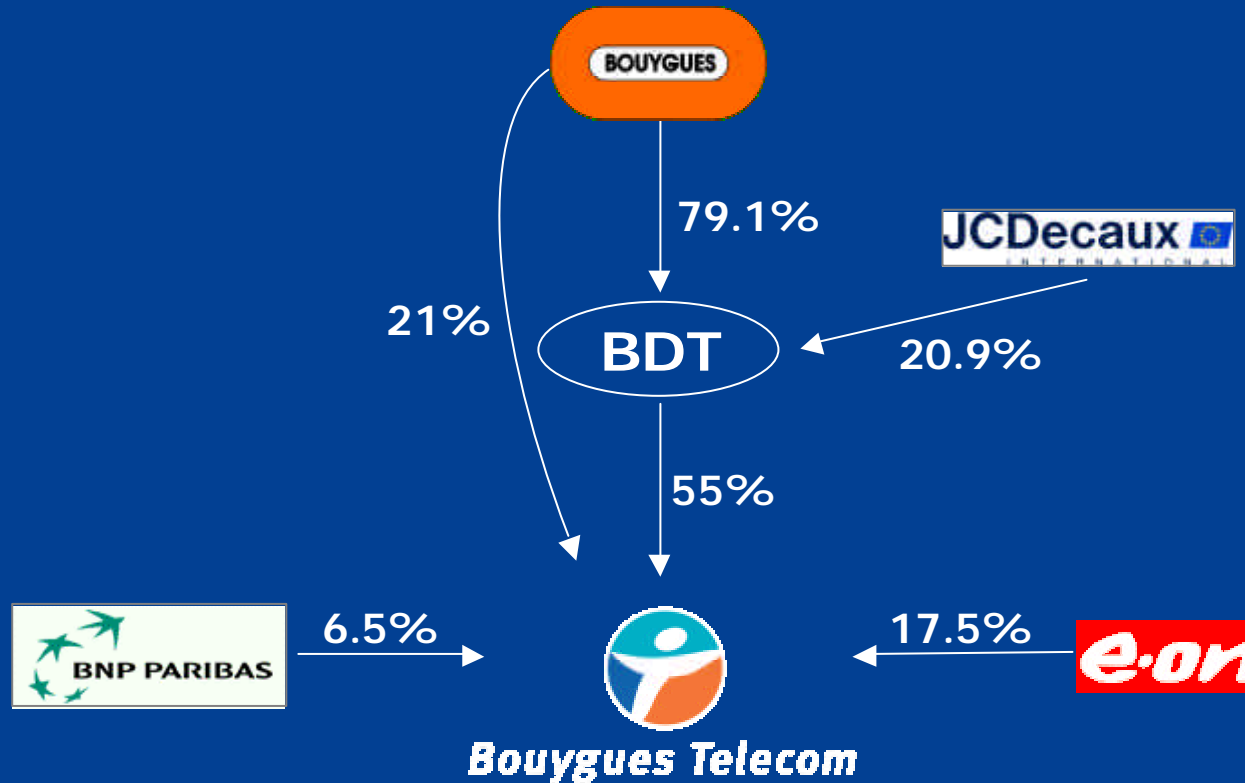
- Building/Civil Works: high level of orders and strong order book maintained
- Bouygues Offshore: record backlog
- Colas: sharp rise in sales and orders
- Bouygues Immobilier: increase in housing and office reservations

TF1 consolidated its leading position

- Leading position as general-interest channel maintained in terms of audience share and advertising revenues
- Development of television offering
 - ✓ 100% of Eurosport
(50% acquired in 2001 for €375m)
 - ✓ 50% of TPS
(25% acquired in December 2001 for €195m,
payable in 2002)

BOUYGUES TELECOM: stock ownership structure

- On 28 March 2002 Bouygues acquired Telecom Italia's stake in Bouygues Telecom



Bouygues owns 64.5% of Bouygues Telecom

Before this acquisition, Bouygues owned 53.7% of Bouygues Telecom

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BOUYGUES TELECOM: significant improvement in results

		<u>2001</u>
		2000
■ EBITDA (20% of airtime revenues)	: €473m	x 4.8
■ Positive EBIT	: €53m	vs - €195m
■ Strong improvement in net results	: - €61m	vs - €277m
Net results at breakeven point, excluding		
✓ mobile multimedia	: - €33m	
✓ Caribbean	: - €29m	

As announced, Bouygues Telecom met its financial objectives

BOUYGUES TELECOM: two major decisions

- **Bouygues Telecom will bid for a UMTS licence**
- **Bouygues Telecom has signed an agreement with NTT DoCoMo to develop i-mode in France**

PLANNED BOND ISSUE

- Issuer: Bouygues SA
- Purpose: Long-term partial refinancing of
 - ✓ The acquisition of Telecom Italia's stake in Bouygues Telecom
 - ✓ The increase in Bouygues Telecom's capital (UMTS licence)
- Amount: €750 - 1,000 million
- Maturity: 7 years

Optimising sources of finance

BOUYGUES: stock ownership structure

At 31/03/2002	Capital %	Voting rights %
SCDM	15.2	22.1
Artémis	10.1	10.1
Bouygues group employees	9.6	13.1
Arnault Group	5.8	4.8
Mme F. Bouygues	1.5	2.5
CNCA	1.3	1.1
BNP Paribas	1.2	1.5
Crédit Lyonnais	0.2	0.2
Cross-shareholding	1.9	0
French stockholders	23.3	19.8
International stockholders	29.9	24.8
TOTAL	100.0	100.0

Extension of SCDM/Artémis stockholders' agreement Increase of employee stock ownership

SCDM is a holding company controlled by Martin and Olivier Bouygues
Artémis is a Pinault group company

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STOCK MARKET

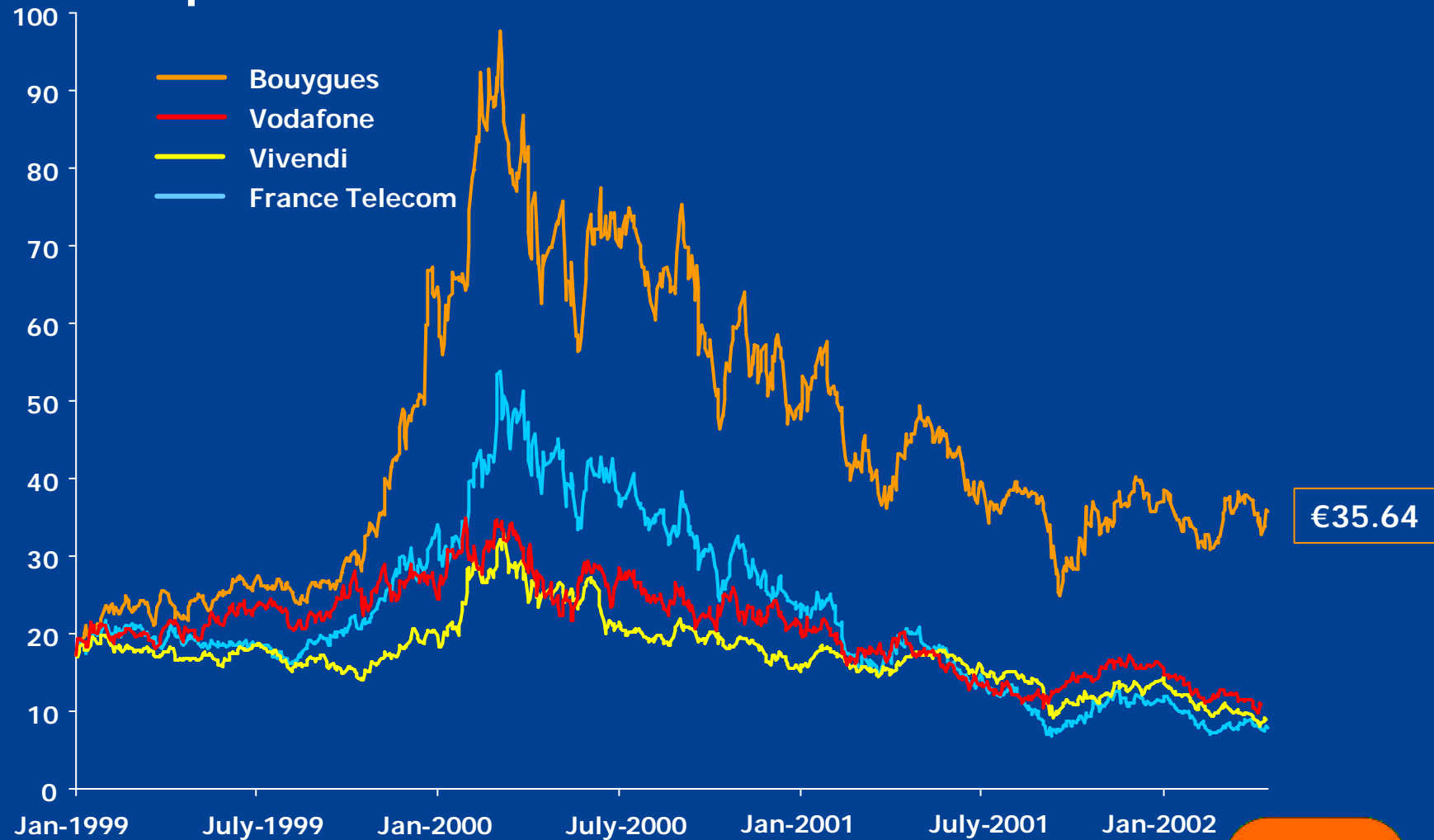
■ Stock market performance from 1 January 1999 to 18 April 2002



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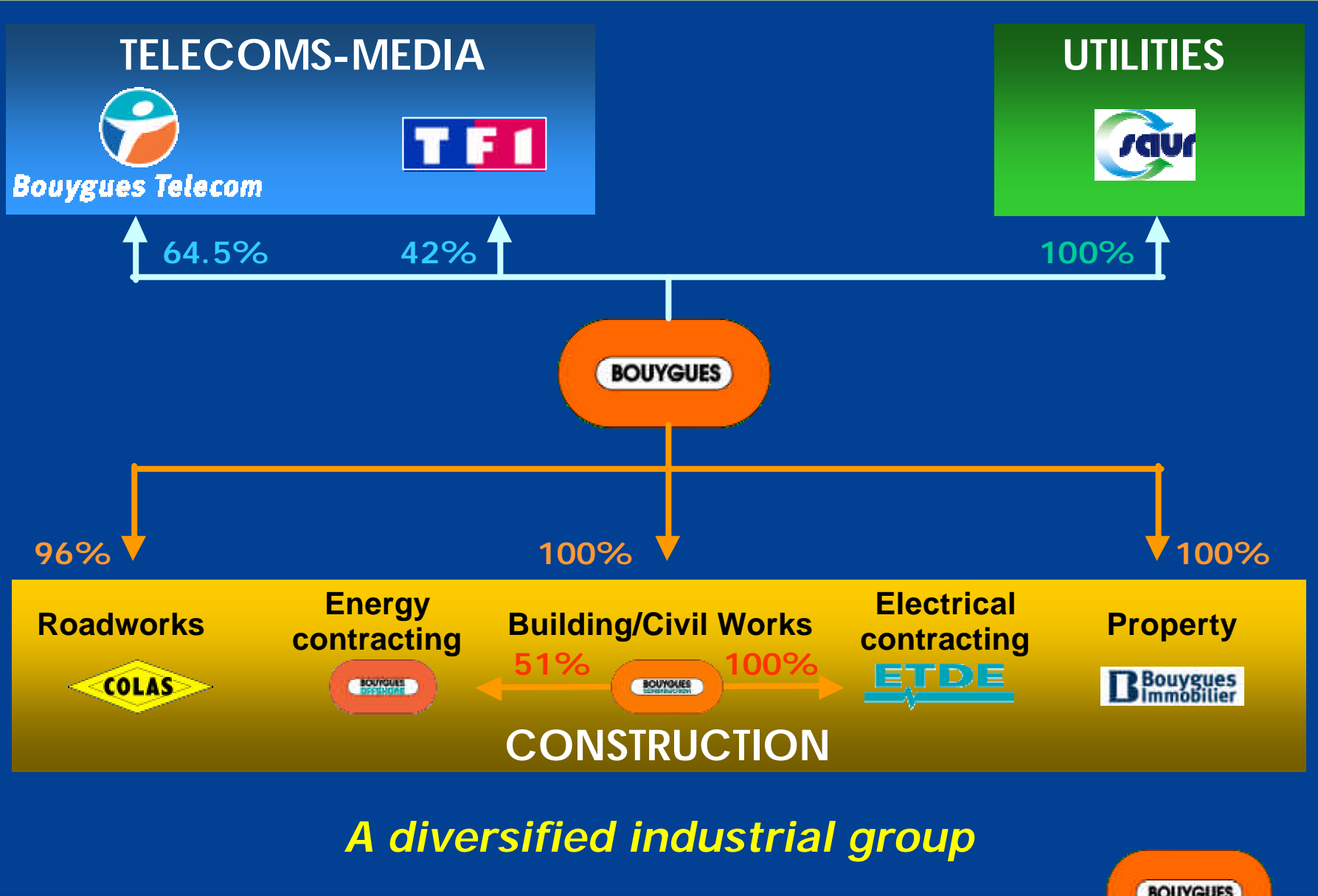
STOCK MARKET

■ Stock market performance from 1 January 1999 to 18 April 2002



- **HIGHLIGHTS**
- **BUSINESS AREAS**
- **BOUYGUES TELECOM
AND MOBILE MULTIMEDIA**
- **GROUP ACCOUNTS AND OUTLOOK**

BOUYGUES: three business lines

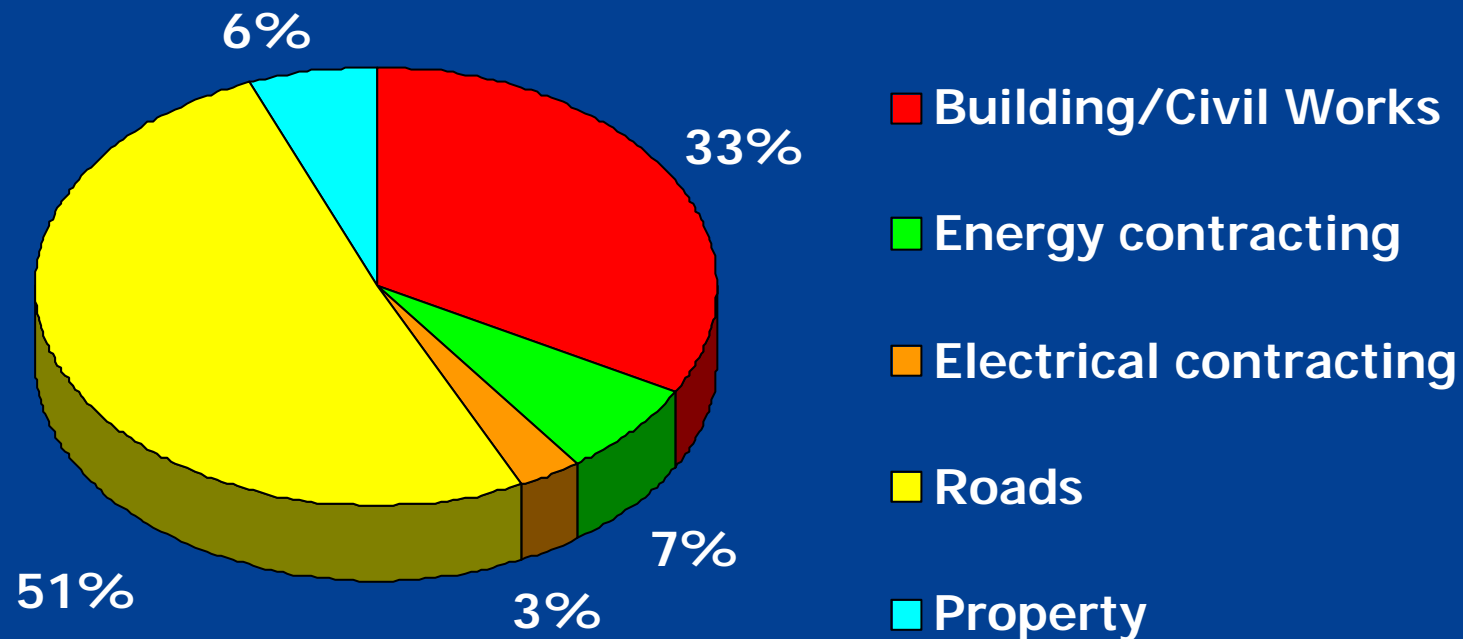


A diversified industrial group



CONSTRUCTION SECTOR: five business areas

■ 2001 sales: € 14.25 billion * (+ 7%)



* contribution to consolidated accounts

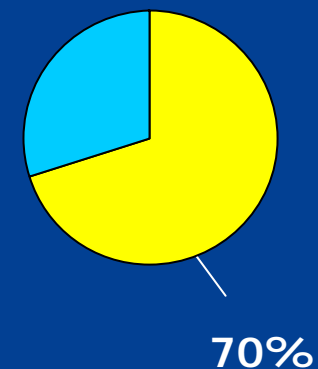
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CONSTRUCTION SECTOR: key figures

Million euros	2001 *	$\frac{2001}{2000}$
Sales	14,248	+ 7%
<i>of which international</i>	6,465	+ 8%
EBITDA	786	+ 11%
EBIT	413	+ 4%
Net income	265	+ 24%
Net cash	1,102	

2002 sales (e): 14,650 + 3%

Share of Group sales



***High profitability for a business sector
with low capital intensity***

* contribution to consolidated accounts

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CONSTRUCTION SECTOR: Building/Civil Works

■ Key figures

Million euros	2001	$\frac{2001}{2000}$
Sales	4,890	+ 3%
<i>of which international</i>	2,437	+ 3%
Net income	20	- 55%
Order book	4,742	+ 3%
Net cash	831	
2002 sales (e):	4,705	- 4%

Sales remain strong
Earnings adversely affected by a difficult project

CONSTRUCTION SECTOR: Bouygues Offshore

■ Key figures

Million euros	2001	$\frac{2001}{2000}$
Sales	1,028	- 3%
<i>of which international</i>	848	+ 1%
Net income	46	+ 18%
Order book	1,126	+ 4%
Net cash	205	
2002 sales (e):	1,200	+ 17%

Strong growth in earnings

CONSTRUCTION SECTOR: Colas

■ Key figures

Million euros	2001	$\frac{2001}{2000}$
Sales	7,328	+ 12%
<i>of which international</i>	3,078	+ 14%
Net income	203	+ 33%
Order book	3,064	+ 13%
Net cash	3	
2002 sales (e):	7,440	+ 2%

Continued excellent performance

CONSTRUCTION SECTOR: Bouygues Immobilier

■ Key figures

Million euros	2001	$\frac{2001}{2000}$
Sales	940	+ 2%
Net income	31	+ 48%
Net cash	64	
2002 sales (e):	1,150	+ 22%

Strong increase in profitability

SAUR: key figures

Million euros	2001	$\frac{2001}{2000}$
Sales	2,494	+ 4%
<i>of which France</i>	1,607	+ 4%
<i>of which international</i>	887	+ 3%
EBITDA	198	- 10%
EBIT	85	- 27%
Net income	33	+ 3%
Net debt	676	

2002 sales (e): 2,500 =

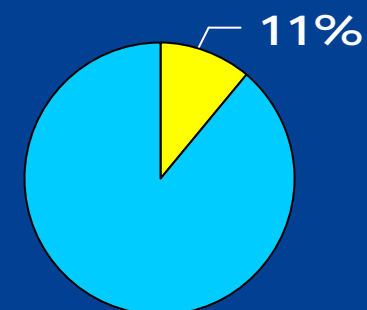


Excluding changes in provision, EBITDA and EBIT would grow 16% and 25% respectively

TF1: key figures

Million euros	2001	$\frac{2001}{2000}$	$\frac{2001}{1999}$
Sales	2,282	+ 3%	+ 26%
<i>of which advertising</i>	1,497	- 5%	+ 11%
EBITDA	475	- 11%	+ 26%
EBIT	376	- 11%	+ 29%
Net income	210	- 16%	+ 33%
Net cash	188		

Share of Group sales



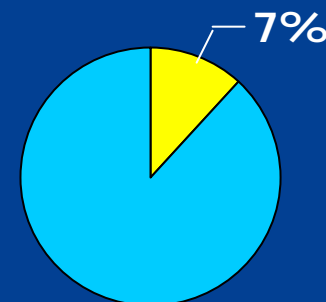
2002 sales (e): 2,580 + 13%

Good results in a depressed market

BOUYGUES TELECOM: key figures

Million euros	2001	$\frac{2001}{2000}$
Sales	2,681	+ 32%
EBITDA	473	x 4.8
Net loss	- 61	vs - 277
2002 sales (e):	3,085	+ 15%

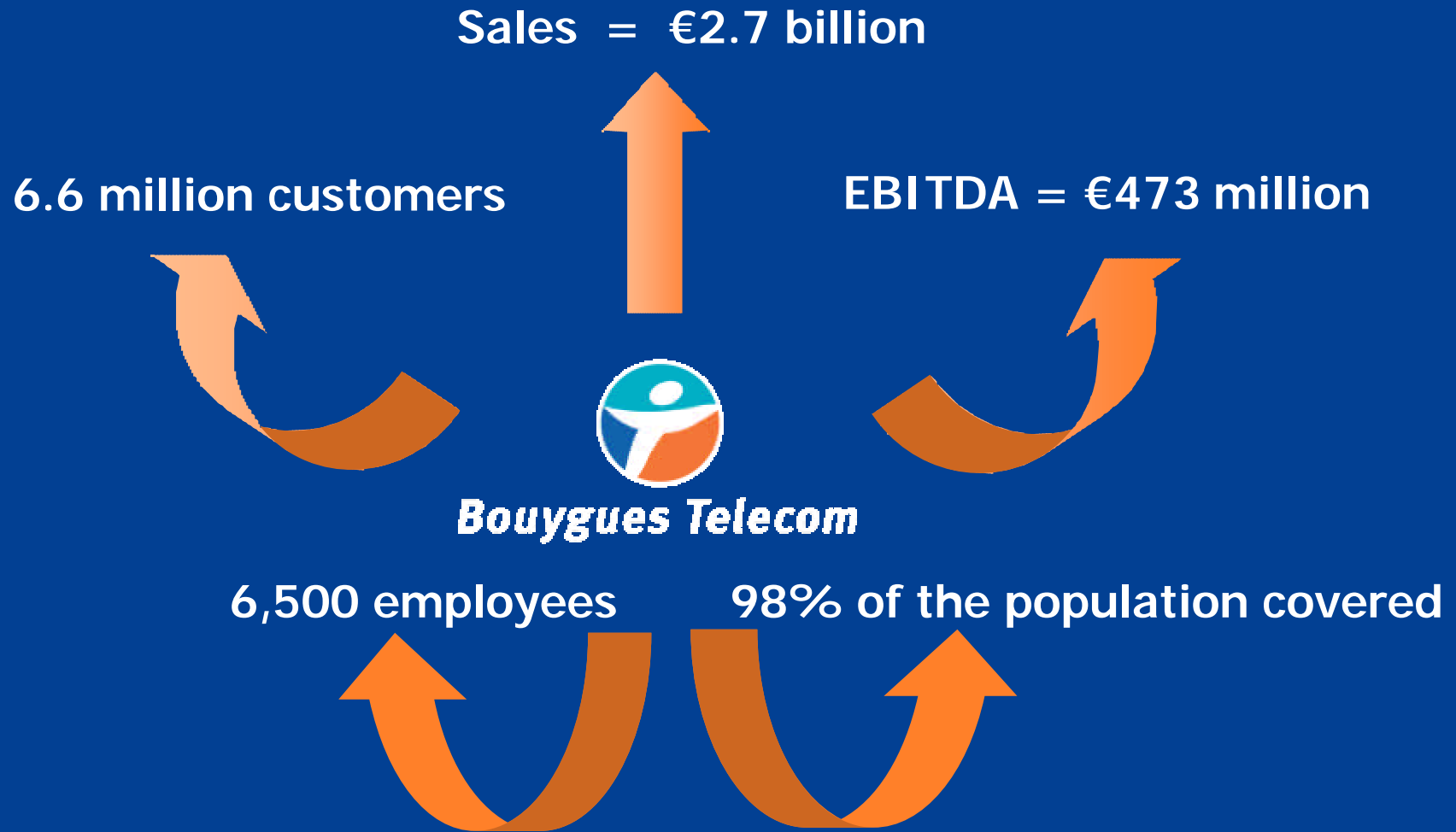
Share of Group sales
(contribution)



Strong improvement in results

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BOUYGUES TELECOM: end 2001

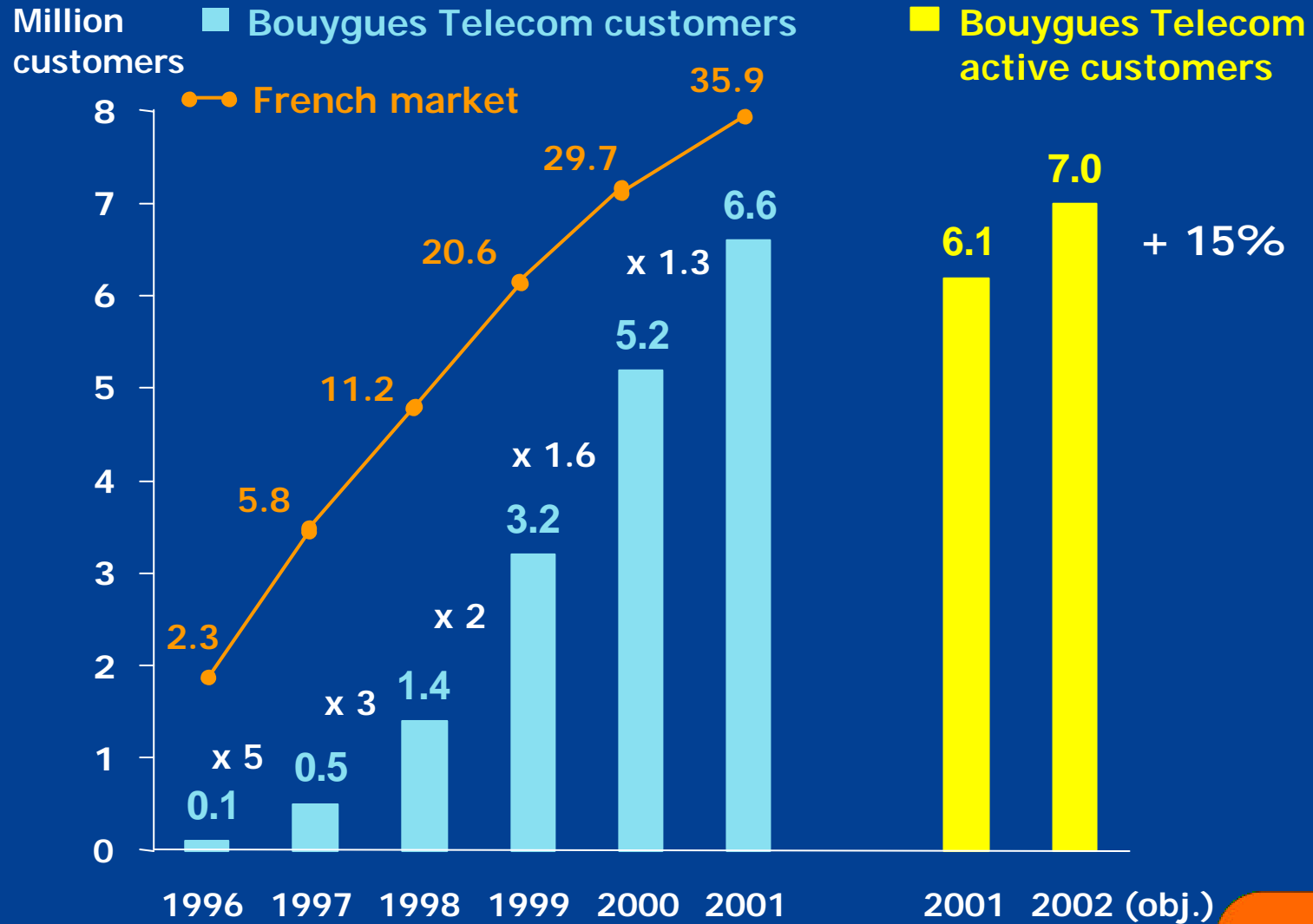


A recognized operator, 6 years after launch



BOUYGUES TELECOM: performance

French regulator (ART) figures



BOUYGUES TELECOM: financial data

Million euros	2000	2001	2002 (e)
Sales	2,037	2,681	3,085
EBITDA	98	473	↗
EBIT	- 195	53	↗
Net loss	- 277	- 61	> 0
Consolidated stockholders' equity	1,799	1,340	↗
Net debt	1,455	1,903	↘
Capital expenditure	1,075	744	< 600 (1)
EBITDA / airtime sales	5%	20%	↗
Net debt / EBITDA	15	4	↘

Strong improvement in results

(1) Excluding cost of UMTS licence

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BOUYGUES TELECOM: growth of services

Million euros	2000	2001	$\frac{2001}{2000}$
Network related sales	1,787	2,387	+ 34%
- of which France	1,647	2,077	+ 26%
- of which International (roaming)	67	126	+ 88%
- of which Services (including SMS)	73	184	x 2.5
Other sales (including handset sales)	250	294	+ 18%
TOTAL	2,037	2,681	+ 32%

Services: a very important driver of further growth

MOBILE MULTIMEDIA: our vision

- The market exists... but not at any price
- Our ambition: to offer simple, accessible, useful services, at competitive prices
- Our strategy: to develop according to
 - ✓ the maturity of the market,
 - ✓ the availability of equipment and handsets,
 - ✓ the development of technologies

A realistic and ambitious vision

UMTS: what has changed

	January 2001	May 2002
Licence conditions	<ul style="list-style-type: none">✓ Fee of €4.9 billion✓ Identical fee for all operators (discriminatory)✓ Term: 15 years	<ul style="list-style-type: none">✓ Fee of €619m✓ + 1% of 3G sales✓ Term: 20 years
Equipment availability	<ul style="list-style-type: none">✓ Uncertain✓ Commercial launch in 2002 unrealistic	<ul style="list-style-type: none">✓ The whole telecoms industry is preparing for UMTS✓ 1st network: end 2002✓ 1st handsets: start 2003✓ General public 2004

UMTS: what has changed

	January 2001	May 2002
Competitors	<ul style="list-style-type: none">✓ 4th probable entrant✓ 5th possible candidate	<ul style="list-style-type: none">✓ 4th entrant?
Return on investment	<ul style="list-style-type: none">✓ No profitability	<ul style="list-style-type: none">✓ More favourable situation due to the gradual substitution of GSM networks with UMTS
Minimum obligations in terms of coverage	<ul style="list-style-type: none">✓ September 2003: 20% of the population✓ September 2009: 60% of the population	<p>Identical but postponed for one year:</p> <ul style="list-style-type: none">✓ October 2004✓ October 2010

UMTS: why we are submitting a bid

- More favourable terms
- A natural and gradual replacement of the GSM/GPRS network with the UMTS network
- The guarantee of using frequencies for 20 years
- On this basis, the Bouygues Telecom business plan including UMTS becomes attractive

Bouygues Telecom will submit a bid

UMTS: investment in the network

- Amount similar to that invested in the GSM network
- Spending that will replace expenditure on renewing the GSM network
- Competitive advantage of Bouygues Telecom's 1800 network: use of existing GSM network sites
- Pace of roll-out adapted to the development of the mobile multimedia market

UMTS: financing

- The licence will be financed by Bouygues Telecom's shareholders through a capital increase
- The other investments will be funded from the cash flow generated by Bouygues Telecom's GSM business
- The €2.3 billion syndicated bank loan granted in 1997 will be reimbursed as planned between 2002 and 2006

***Bouygues Telecom has the financial resources
to develop UMTS***

BOUYGUES TELECOM: financing

- The €800 million capital increase at Bouygues Telecom will mean:
 - that Bouygues Telecom does not have to renegotiate its current €2.3 billion syndicated bank loan, thus continuing to benefit from the excellent terms of the loan
 - that Bouygues will be able to tap Bouygues Telecom's cash flow sooner by advancing the projected date of dividend payments to 2006 or 2007

BOUYGUES TELECOM: the choice of i-mode

■ What is i-mode?

A system for operating mobile multimedia, enabling exchange between mobiles and the Internet

- ✓ more efficient than WAP (language compatible with Internet)
- ✓ which has already won 30 million users in Japan
- ✓ simple and user-friendly
- ✓ based on an efficient economic model:
 - no infrastructure costs
 - motivated content providers
- ✓ which evolves (WAP 2.0 and i-mode languages will eventually converge)

i-mode: an efficient system

BOUYGUES TELECOM: the choice of i-mode

- The agreement with NTT DoCoMo:
 - ✓ A technology transfer
 - ✓ An injection of marketing know-how
 - ✓ Comprehensive support
- The advantages for Bouygues Telecom:
 - ✓ Drawing on the experience of exceptional success in Japan
 - ✓ Saving time so that mobile multimedia services can be developed more rapidly
 - ✓ Helping Bouygues Telecom customers to become more familiar with mobile multimedia
 - ✓ Giving Bouygues Telecom a differentiation factor with a tried and tested, end-to-end solution

i-mode: accelerating mobile multimedia

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BOUYGUES: sound financial structure

Million euros	31/12/99	31/12/00	31/12/01
Stockholders' equity	2,878	5,168	5,503
Long & medium-term provisions	1,856	2,002	1,909
Financial liabilities	3,138	3,028	3,081
Long-term capital	7,872	10,198	10,493
Cash and equivalents	937	2,061	1,957
Net debt	2,201	967	1,124
Net debt / Stockholders' equity	76%	19%	20%
Net debt / EBITDA	2.3	0.7	0.7
Cash flow / Net debt	31%	125%	101%
EBITDA / Financial charges	9.0	14.8	15.6

Very low debt level

BOUYGUES: consolidated income statement

Million euros	1999	2000 *	2001	<u>2001</u> 2000
Sales	15,857	19,060	20,473	+ 7%
EBITDA	974	1,474	1,680	+ 14%
EBIT	484	812	876	+ 8%
Exceptional items	(28)	43	73	
Income tax	(47)	(267)	(268)	=
Net earnings before minority interests	222	421	510	+ 21%
Net earnings attributable to the Group	45	215	344	+ 60%
Net earnings per share (€)	0.16	0.67	1.03	+ 54%

Substantial rise in earnings

* Excluding effects of Colas stock swap

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NET EARNINGS BY BUSINESS AREA

Million euros	1999	2000	2001	$\frac{2001}{2000}$
Bouygues Telecom (1)	(88)	(149)	(37)	↗
TF1	64	100	87	- 13%
SAUR	31	22	22	=
Construction	142	214	265	+ 24%
Holding company and other	(104)	28	7	n.s.
TOTAL	45	215 (2)	344	+ 60%

(1) Consolidated at 34% until 30/06/99 and 54% thereafter

(2) Excluding effects of Colas stock swap (with Colas stock swap: €421m)

Major contribution from the Construction business
Improvement in Bouygues Telecom's profitability

BOUYGUES: outlook for 2002

Million euros	2000 sales	2001 sales	2002 sales (e)
CONSTRUCTION	13,346	14,248	14,650
SAUR UTILITIES	2,388	2,487	2,500
Bouygues Telecom*	1,090	1,434	3,075
<i>Bouygues Telecom at 100%</i>	2,037	2,670	3,075
TF1	2,211	2,277	2,570
TELECOMS-MEDIA	3,301	3,711	5,645
Other	25	27	25
TOTAL	19,060	20,473	22,820
<i>of which International</i>	7,062	7,607	7,710
TOTAL like-on-like	-	22,000	22,820

2002: like-on-like, sales are expected to rise by 4%

* 54% and 100%

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BOUYGUES' CREDIT RATING FROM STANDARD & POOR'S

A-/stable/A-2

Confirmed on:

- 14/02/2002 after the acquisition of Telecom Italia's stake in Bouygues Telecom
- 17/04/2002 after Bouygues announced:
 - ✓ the submission of a bid by Bouygues Telecom for a UMTS licence
 - ✓ the launch of a 7-year €750-1000m bond issue
 - ✓ the agreement between Bouygues Telecom and NTT DoCoMo

The bond will benefit from the same rating

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BOUYGUES' ASSETS

- Sound financial structure with very low debt
- A unique position of operator in both television and telecommunications
- World-class expertise and reputation in the construction sector
- Well-run businesses with excellent growth potential

*A strong entrepreneurial culture
in all its business areas*

OBJECTIVES

- Pursue the Group's sustainable development and increase its profitability
- Enhance Bouygues Telecom's profitability and development
- Create value for our stockholders