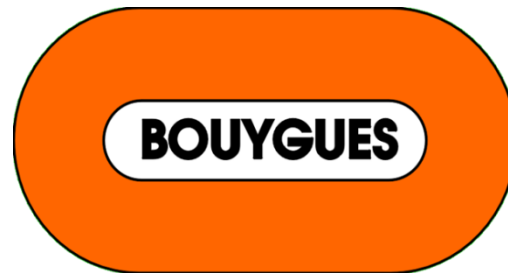


# FULL-YEAR 2008 RESULTS PRESENTATION



Paris – 4 March 2009

This presentation contains projections and forecasts. They express objectives based on the current assessments and estimates of the Group's senior management which are subject to many factors and uncertainties. The following factors among others set out in the Registration Document (*Document de Référence*) filed with the French Financial Markets Authority could cause actual figures to differ significantly from projected figures: unfavourable developments affecting the French and international telecommunications, audiovisual, construction and property markets; the costs of complying with environmental, health and safety regulations and all other regulations with which Group companies are required to comply; the competitive situation on each of our markets; the impact of current or future public regulations; exchange rate risks and other risks related to international activities; risks arising from current or future litigation. Bouygues gives no commitment to updating or revising the projections and forecasts contained in this presentation.

The purpose of this presentation is to provide information of a general nature. This document does not constitute in any way whatsoever an invitation, solicitation or offer to invest in any particular business activity, or to subscribe for or purchase shares or any other securities.

4 March 2009

■ **HIGHLIGHTS AND KEY FIGURES**

■ **BUSINESS AREAS**

■ **FINANCIAL STATEMENTS**

■ **OUTLOOK AND OBJECTIVES**

# HIGHLIGHTS IN 2008

- Solid growth in Group sales and profit
- Bouygues Construction: a very good level of business activity
- Bouygues Immobilier and TF1: implementation of measures to adapt to new market conditions
- Bouygues Telecom: another year of growth
  - ✓ Launch of new unlimited call plans (Neo.2)
  - ✓ Launch of DSL services (business and consumer)
- Alstom: sharp upturn in sales and profit
- €1 billion seven-year bond issue in July 2008, in favourable conditions
- Dividend up from €1.50 to €1.60

# BOUYGUES GROUP: key operating figures

€ million	2007	2008	Change
Sales	29,588 <sup>1</sup>	32,713	+11%
Current operating profit	2,163	2,230	+3%
Net profit attributable to the Group	1,376	1,501	+9%

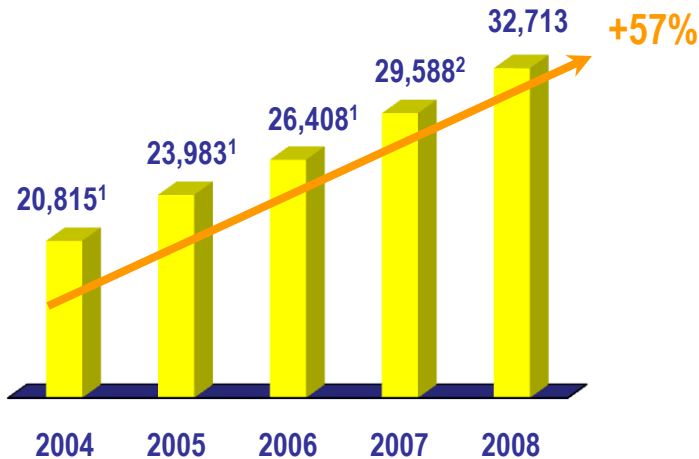
<sup>1</sup>Applying the same accounting policy as in 2008, excluding TF1 third-party sales (€25 million in 2007)

- Sales growth mainly organic: up 9% like-for-like and at constant exchange rates

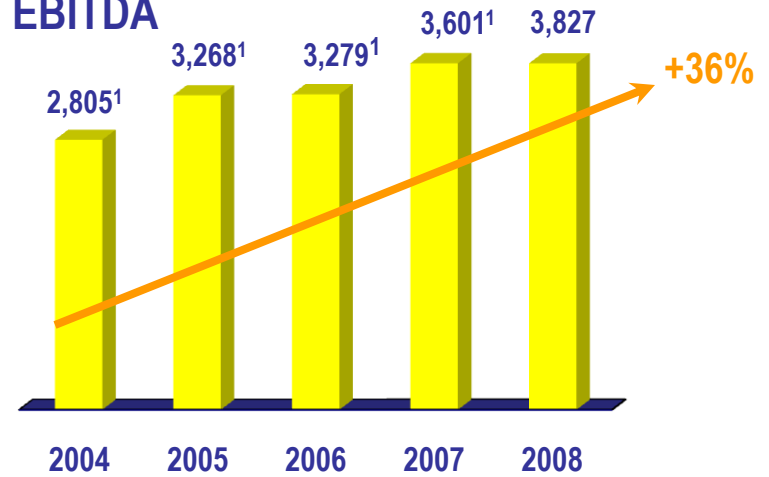
*Bouygues posted a solid performance in 2008, thanks to the range of its business areas and geographical locations*

# BOUYGUES GROUP: key figures over five years (€ million)

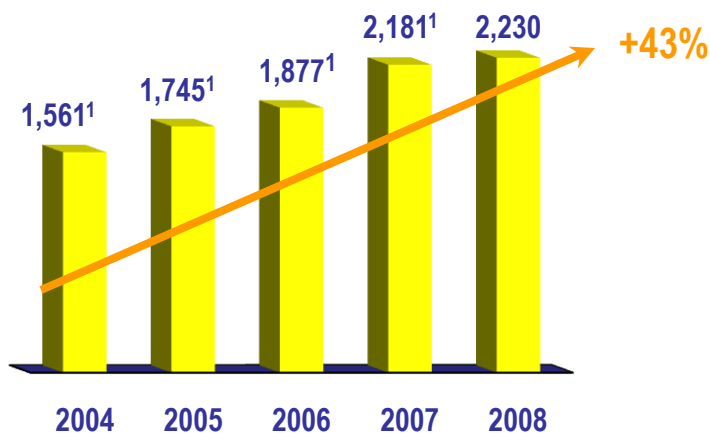
## Sales



## EBITDA



## Operating profit



## Net profit attributable to the Group

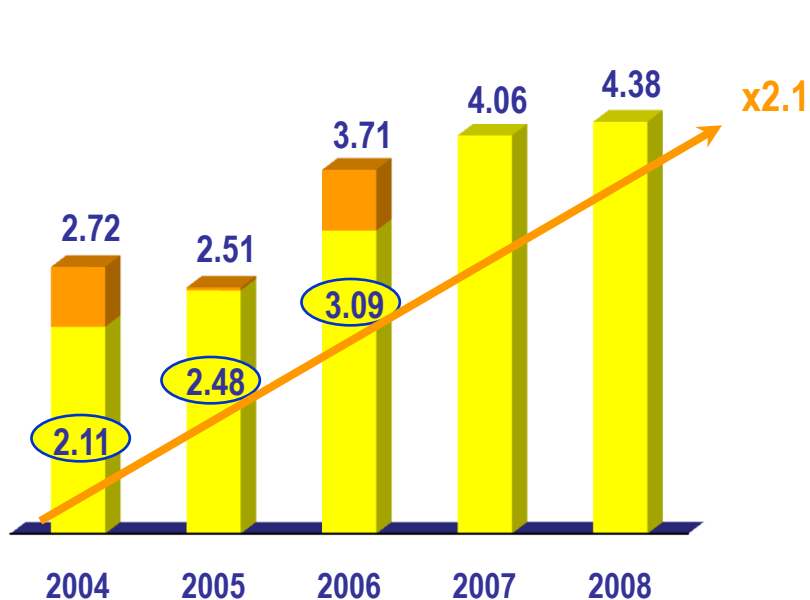


<sup>1</sup>Excluding TPS and Bouygues Telecom Caraïbe

<sup>2</sup>Excluding TF1 third-party sales

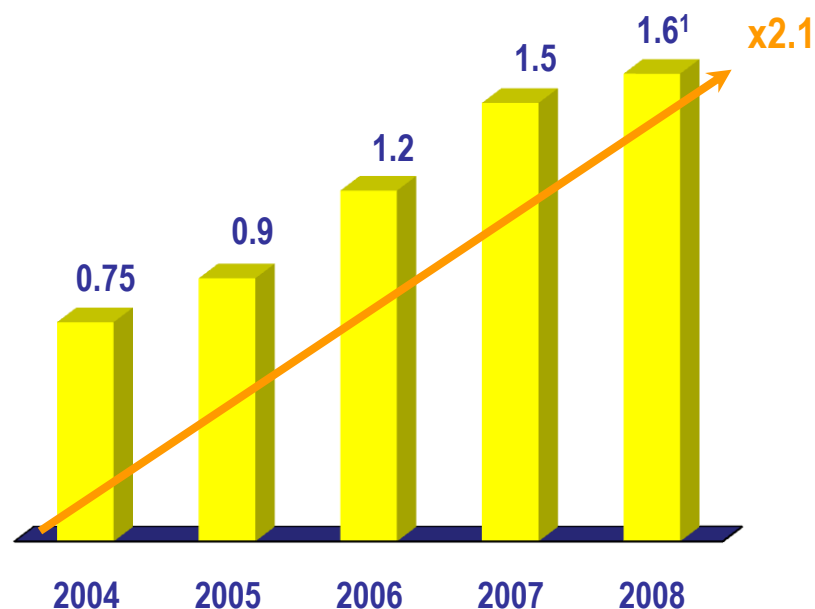
# BOUYGUES GROUP: key figures per share (€)

## Earnings per share



- Non-recurring items
- Recurring items

## Dividend per share (excluding exceptional payout)



<sup>1</sup>To be proposed at the AGM of 23 April 2009

**Dividend up from €1.50 to €1.60**  
**Payout ratio unchanged at 37%**

# BOUYGUES GROUP: financial position (1/2)

€ million	End-2007	End-2008	Change
Shareholders' equity	8,205	8,765	+€560m
Net debt	4,288	4,916	+€628m
Net gearing	52%	56%	+4 pts

- S&P credit rating reiterated in June and October 2008: A- with a stable outlook
- Increase in shareholders' equity

*Solid and healthy financial structure*

# BOUYGUES GROUP: financial position (2/2)

€ million	2007	2008	Change
Cash flow	3,519	3,615	+3%
- Cost of net debt	-235	-277	+18%
- Income tax expense	-633	-605	-4%
- Net capital expenditure	-1,679	-1,779	+6%
Free cash flow	972	954	-2%

*Free cash flow maintained at a high level despite increased investments at Bouygues Telecom*

# BOUYGUES - ALSTOM

- Bouygues maintained its 30% stake in Alstom in 2008
- Partnership
  - ✓ Continued commercial and operational cooperation
  - ✓ Partnership on track with major projects studied upstream (20 projects in 15 countries)
- Financial contribution from Alstom in 2008:

	€199m
✓ Share of Alstom's net profit:	€317m <sup>1</sup>
✓ Consolidation adjustments (holding company):	-€19m
✓ Financial charges net of tax (holding company):	-€99m

<sup>1</sup>Calculation based on Alstom's published net profit at end-September 2008

# ALSTOM: nine-month sales



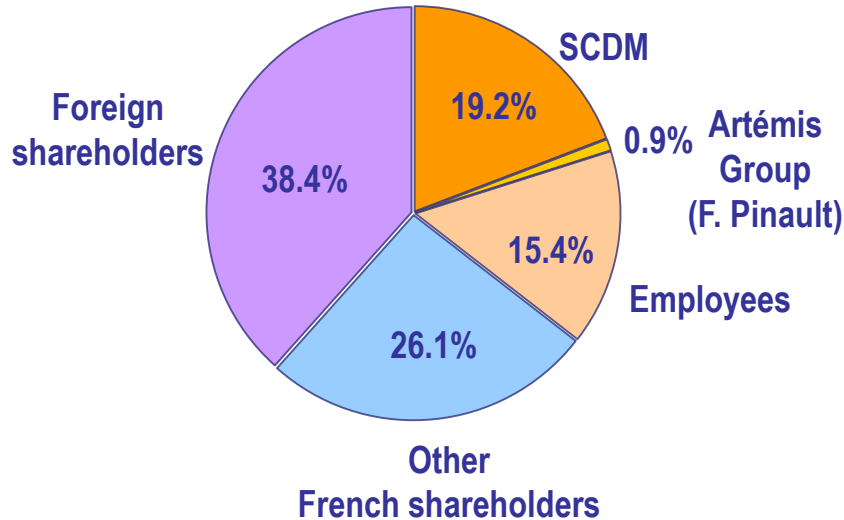
- At 31 December 2008 (for the first nine months of FY2008/2009)
  - ✓ Sales: €13.5 billion, up 12%
  - ✓ Orders received: €21.5 billion, up 8%
  - ✓ Order book: €47 billion, ie approx. 32 months of sales
- Operating margin target confirmed (9% in March 2010)
- Long-term prospects in its markets remain favourable



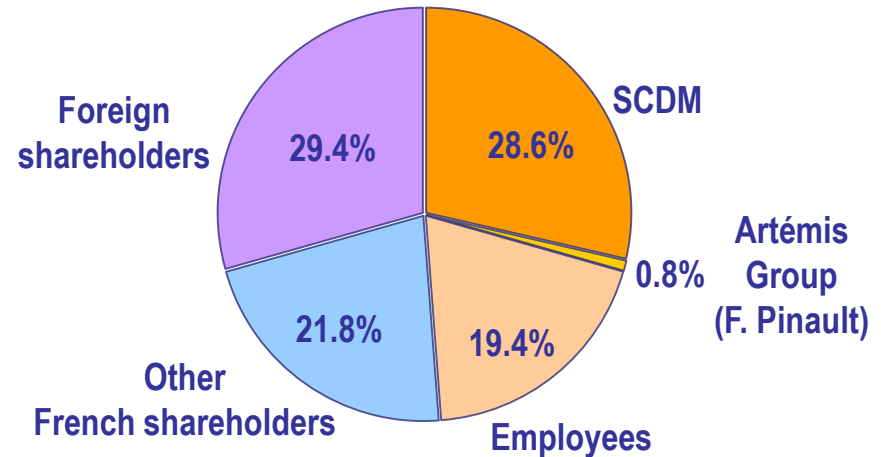
*Very high-speed train  
(AGV – Automotrice à  
Grande Vitesse )*

# BOUYGUES: share ownership structure at 31 December 2008

## Capital



## Voting rights



At 31 December 2008:

- 342,818,079 shares
- 448,594,717 voting rights

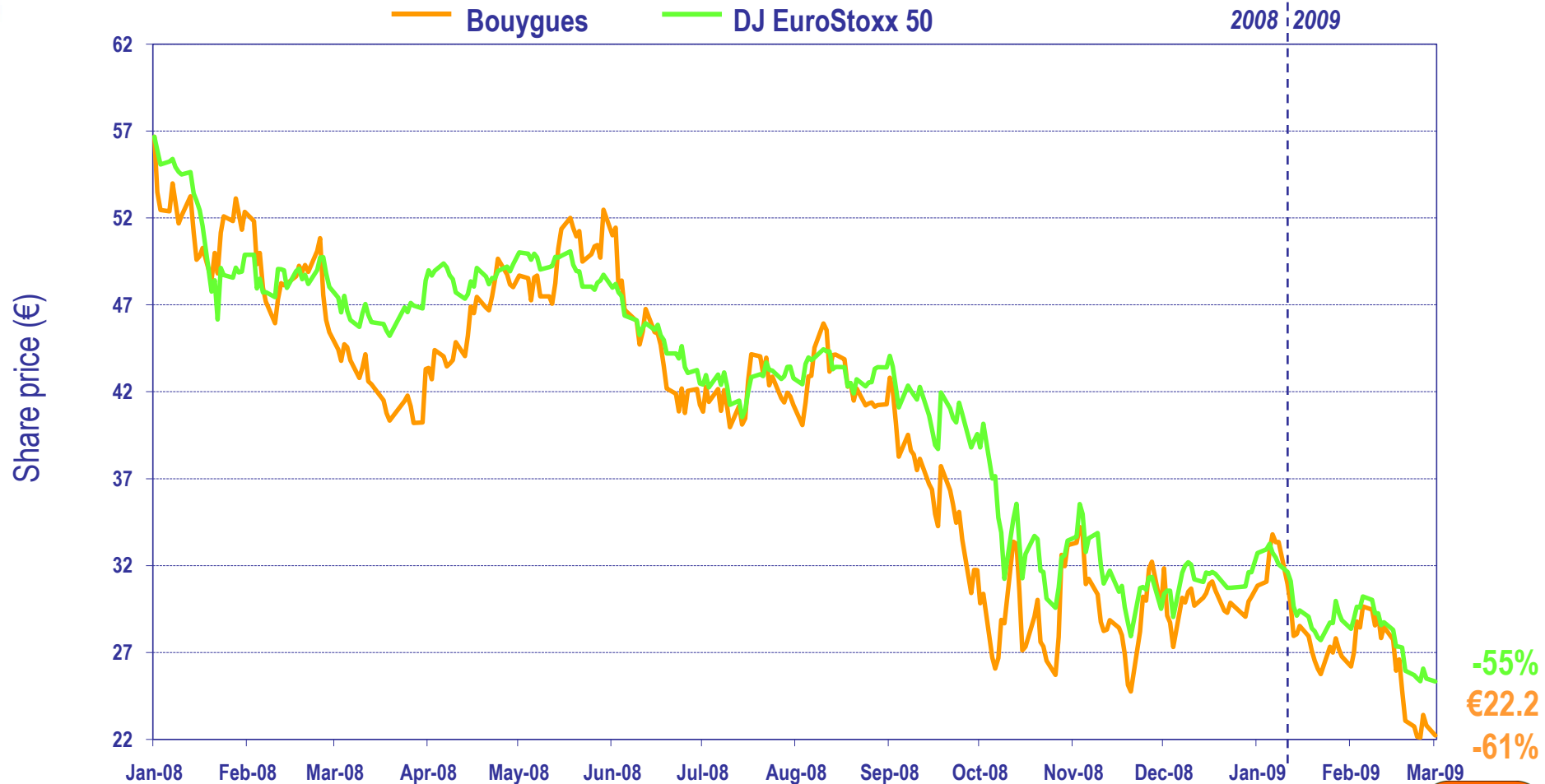
SCDM is a company controlled by Martin and Olivier Bouygues

## Year-on-year change

- ✓ Reduction in the number of shares (seven million shares were cancelled in June 2008)
- ✓ Increase in SCDM's stake with the acquisition of 2.6 million shares on the market
- ✓ Rise in employee share ownership. Bouygues remains the CAC 40 company with the highest level of employee share ownership

# BOUYGUES: share price performance

- Performance of Bouygues share price and Dow Jones Eurostoxx 50 Index from 1 January 2008 to 2 March 2009 (opening price)



# BOUYGUES GROUP: 10-year performance

	1998		2008
Sales	€14.8bn	x2.2	€32.7bn
Operating profit	€440m	x5	€2,230m
Net profit attributable to the Group	€81m	x19	€1,501m
EPS	€0.33	x13.3	€4.38
Number of shares	262.3m <sup>1</sup>	+31%	342.8m
Employees	103,350	x1.4	145,150
Market capitalisation	€4.6bn <sup>2</sup>	x1.7	€7.6bn <sup>3</sup>
CAC 40	3,943 pts <sup>2</sup>	-33%	2,638 pts <sup>3</sup>
Investment in Bouygues shares	€100 <sup>2</sup>		€177 <sup>4</sup>
Inflation <sup>5</sup>	€100		€119

<sup>1</sup>Following the division of the par value by 10 in 2000

<sup>2</sup>At 31 December 1998 (closing)

<sup>3</sup>At 2 March 2009 (opening)

<sup>4</sup>At 2 March 2009, dividends reinvested and factoring in capital increases

<sup>5</sup>Source: INSEE

# INFRASTRUCTURES: growing needs

- **World population growth: up 2.6 billion by 2050<sup>1</sup>**
- **Growing rate of urbanisation: 47% in 2000, 61% in 2030<sup>2</sup>**
- **Emerging countries (with growing economies) have ground to make up**
  - ✓ **Example: rail networks (0.5 km/100 inhabitants in China, compared with 7.5 km/100 inhabitants in the USA)**
- **Developed countries are replacing existing infrastructures, sometimes obsolete**
  - ✓ **Example: in the USA, \$1,600 billion investment required in infrastructures<sup>3</sup>**
- **New investments required by environmental regulations (transport and energy)**
  - ✓ ***Grenelle de l'environnement* environmental plan in France**
  - ✓ **Replacement of thermal power plants with nuclear plants and renewable energies**

<sup>1</sup>Source: UN

<sup>2</sup>Source: Population Reference Bureau

<sup>3</sup>Source: ASCE American Society of Civil Engineers

***The world infrastructure market is growing, buoyed by deep-seated trends and fundamental needs***

# INFRASTRUCTURES: opportunities for Bouygues

- Demand for infrastructures can be met since it falls within Bouygues business areas' scope of expertise
  - ✓ Experience in complex project management
  - ✓ Technical expertise
  - ✓ Financial engineering
  - ✓ Numerous PPP, PFI and concession projects, etc.
  - ✓ Global geographical presence
  - ✓ Complementary businesses can join forces to submit bids: Bouygues Construction, Colas, Alstom, etc.
  - ✓ Solid financial structure
- The market for large infrastructure projects offers medium- and long-term opportunities, despite the current turmoil due to the financial crisis
- French, European and US stimulus plans are mainly aimed at infrastructures

# SUSTAINABLE DEVELOPMENT: context in 2008

- **The Grenelle 1 law reflects new and ambitious objectives for 2020**
  - ✓ 20% of energy produced from renewable energy sources
  - ✓ 20% greater energy efficiency (housing, industry, etc.)
  - ✓ 20% reduction in greenhouse gas emissions compared with 2008
- **These objectives represent opportunities for Bouygues and its businesses**
  - ✓ Emergence of the carbon factor as a means of differentiation
  - ✓ Definition of new standards: BBC<sup>1</sup> and BEPOS<sup>2</sup>
  - ✓ Bouygues Construction, Colas and Bouygues Immobilier have the necessary engineering and other skills and a sound track record (Green Office<sup>®</sup>, Archives building for the Nord administrative district, etc.)
- **The ongoing rollout of non-financial reporting tools will help to better steer the Group's performance**
- **Bouygues is the 3rd CAC 40 company by great involvement of employees in sustainable development (Novethic, February 2009)**

# SUSTAINABLE DEVELOPMENT: opportunities for Bouygues

## ■ The carbon factor

✓ 2008

- Development of CarbonEco, a software product that calculates the carbon balance of projects in both the construction and operational phases
- Bouygues is a constituent of Low Carbon 100 Europe, an SRI<sup>1</sup> index launched by Euronext

✓ 2009

- Inclusion of low-carbon eco-variants in commercial tenders
- Introduction of a Group carbon reporting system

## ■ Sustainable construction

- ✓ Greater emphasis on R&D, implementation of partnerships
- ✓ Support for subcontractors and training for staff
- ✓ Development of building refurbishment services that include an energy efficiency guarantee (called for in the Grenelle 1 law)

*Environmental requirements become commercial differentiation factors for Bouygues*

# STIMULUS PLANS: France (1/2)

- The financial crisis is leading to a recession in 2009 of unknown intensity and duration. But the crisis is also prompting some countries to attempt to stimulate their economies through infrastructure programmes that are beneficial to Bouygues' business areas.
- 1) Exceptional public-sector investment programme
  - ✓ The French government has planned to directly invest an additional €4 billion
    - €0.9 billion allocated to rail, road and waterway infrastructures
    - €0.7 billion allocated to renovating universities, student housing, etc.
    - €0.6 billion allocated to renovating cultural heritage, and justice and defence property
  - ✓ It aims to invest rapidly
    - More than 1,000 projects to be launched in 2009
    - Simplified procedures for public-sector contracts, urban planning, facilities registered for environmental protection and PPPs
  - ✓ Increase in investments by up to €4 billion through certain state-owned companies: modernisation and development of rail and energy infrastructures and postal services

# STIMULUS PLANS: France (2/2)

## 2) Stronger support for large-scale development projects

- ✓ From 2009 to 2013, France's Caisse des Dépôts et Consignations (CDC) will lend €8 billion to local authorities and companies developing large infrastructure projects (rail, Campus university plan, waterways) by co-financing conventional bank loans
- ✓ The government will guarantee financing by up to 80% for large infrastructure projects already planned, capped at €10 billion overall

## 3) Financial support for local authorities

- ✓ Early VAT rebates totalling €2.5 billion for local authorities that pledge to increase their capital expenditure

## 4) Housing support

- ✓ Construction or acquisition of 100,000 additional housing units (social or intermediate, accounting for 25% of new housing starts in 2008): €340 million committed in 2009
- ✓ Doubling of zero interest rate loans for first-time buyers (new housing) in 2009
- ✓ Stepping up of urban renovation: €350 million additional loans

# STIMULUS PLANS: Europe and USA

## ■ Europe

- ✓ Most leading European countries have announced ambitious stimulus plans, with a priority on infrastructure expenditure
- ✓ For the six leading European countries (France, Italy, Germany, UK, Spain, Netherlands), €28 billion has been allocated to infrastructures through: loans, direct investment, faster completion of existing projects (Source: Natixis)

## ■ USA: President Obama's stimulus plan

- ✓ \$787 billion in total, of which \$499 billion for federal spending
- ✓ The main priorities of the plan include the reconstruction and modernisation of roads, bridges and port infrastructures

- **HIGHLIGHTS AND KEY FIGURES**
- **BUSINESS AREAS**
- **FINANCIAL STATEMENTS**
- **OUTLOOK AND OBJECTIVES**

# BOUYGUES CONSTRUCTION: key figures

€ million	2007	2008	Change
<b>Sales</b>	<b>8,340</b>	<b>9,497</b>	<b>+14%<sup>1</sup></b>
<i>o/w France</i>	<i>4,941</i>	<i>5,384</i>	<i>+9%</i>
<i>o/w international</i>	<i>3,399</i>	<i>4,113</i>	<i>+21%</i>
<b>Current operating margin</b>	<b>3.5%</b>	<b>3.2%</b>	<b>-0.3 pts</b>
<b>Net profit attributable to the Group</b>	<b>286</b>	<b>297</b>	<b>+4%</b>



First Tower, La Défense

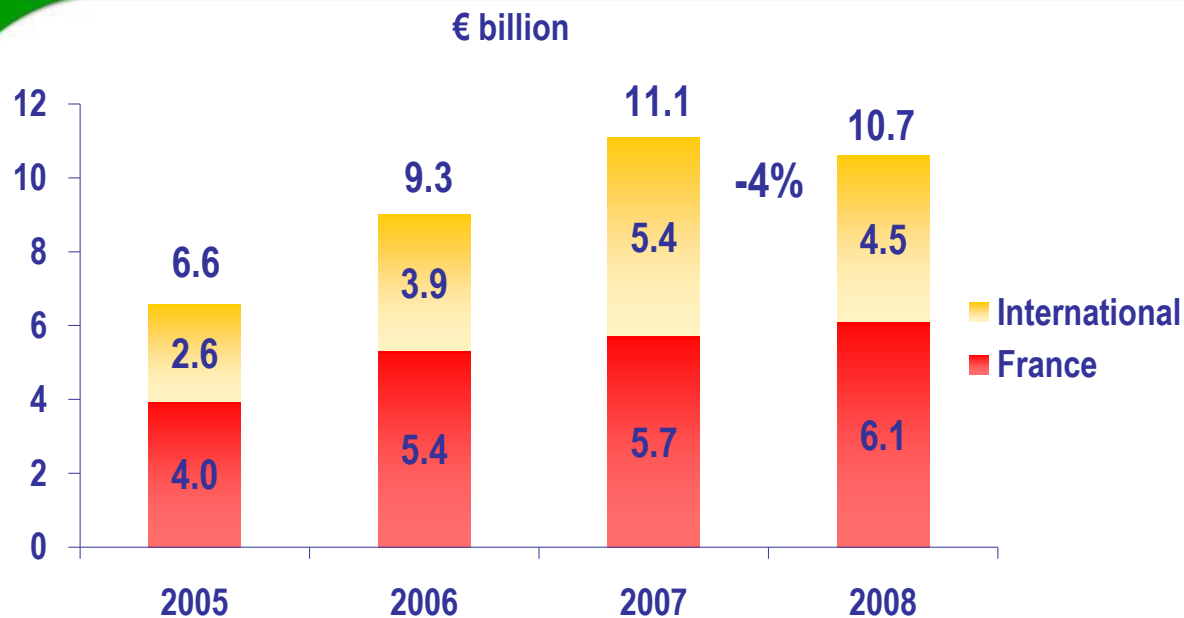
<sup>1</sup>Up13% like-for-like and at constant exchange rates

## ■ Highlights in 2008

- ✓ A deterioration in the economic and financial context started to impact our markets in the fourth quarter
- ✓ Order intakes nonetheless remained at a high level: €10.7 billion, compared with €11.1 billion in 2007
- ✓ A further increase in cash, up €142 million to €2.6 billion

*A very good year*

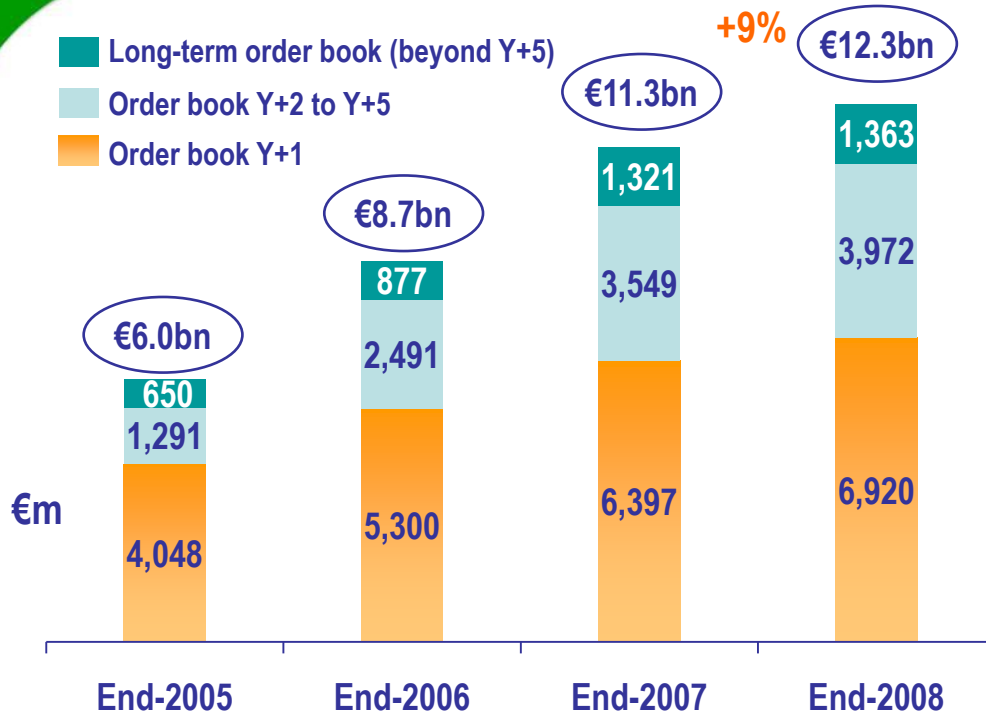
# BOUYGUES CONSTRUCTION: order intakes



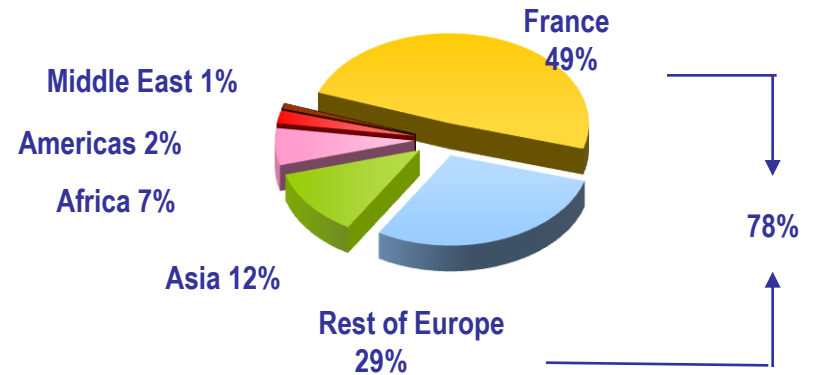
*PFI hospital contract in Surrey  
(British Columbia, Canada)*

- 2007 enjoyed record order intakes, with four major projects of more than €300 million
- Order intakes remained at a very high level in 2008, even though the first effects of the economic and financial crisis started to be felt in the fourth quarter
- Order intakes in 2008 demonstrate the strength and relevance of Bouygues Construction's business positioning (PPP, extensive restructuring, etc.)

# BOUYGUES CONSTRUCTION: order book



At 31 December 2008



- The long-term order book remained at a high level in 2008, reaching €1.4 billion (notably thanks to PPP and PFI contracts)
- At 1 January 2009, orders to be executed for 2009 stood at €6.9 billion, up 8% year-on-year

*At end-December 2008, the order book secured 74% of targeted 2009 sales*



# BOUYGUES CONSTRUCTION: market opportunities

- **Power and transport infrastructure requirements**
  - ✓ Nuclear and thermal power plants
  - ✓ Alternative transport infrastructures to roads: high-speed lines, urban transport, canals, etc.
- **Environmental challenges**
  - ✓ Widespread application of the low-energy consumption building standard
  - ✓ Thermal renovation of private housing, social housing and public buildings
- **Stimulus plans in favour of building and civil works**
  - ✓ In France
    - Increase in infrastructure projects: the French government, local government authorities and state-owned companies are to invest an additional €10.5 billion
    - Possibility for social leaseholders to use off-plan sales (VEFA)
    - Provisional measures to facilitate financing (government guarantee and loans granted by the CDC)
  - ✓ In the UK
    - *Building Schools for the Future* programme, hospitals, infrastructures, environment
- **A legal framework more favourable to PPPs**
  - ✓ Extension of receivables assignment
  - ✓ Creation of long-term leases for social housing and sports facilities

***Bouygues Construction's assets: know-how in complex projects, technical and financial engineering, a sound track record***

# BOUYGUES CONSTRUCTION: outlook



- To withstand the global economic crisis that is impacting its markets, Bouygues Construction can rely on:
  - ✓ Strong orders, generating a reassuring level of sales for 2009
  - ✓ A positioning in markets less affected by the crisis thanks to an opportunistic international commercial strategy
  - ✓ A solid financial structure
- Bouygues Construction's challenges
  - ✓ Maintain the quality of order intakes
  - ✓ Keep large-scale projects under control
  - ✓ Adapt its structures to new market conditions
  - ✓ Control counterparty risks (clients, partners, subcontractors, etc.)

Sales target (€ million)	2008	2009 target	Change
Sales	9,497	9,300	-2%
o/w France	5,384	5,200	-3%
o/w international	4,113	4,100	=



# BOUYGUES IMMOBILIER: key figures

€ million	2007	2008	Change
<b>Sales</b>	2,075	2,924	+41% <sup>1</sup>
o/w Residential	1,561	1,797	+15%
o/w Commercial	514	1,127	x2.2
<b>Current operating margin</b>	10.1%	8.4%	-1.7 pts
<b>Net profit attributable to the Group</b>	124	105	-15%



Green Office® building,  
Meudon

<sup>1</sup>Up 40% like-for-like and at constant exchange rates

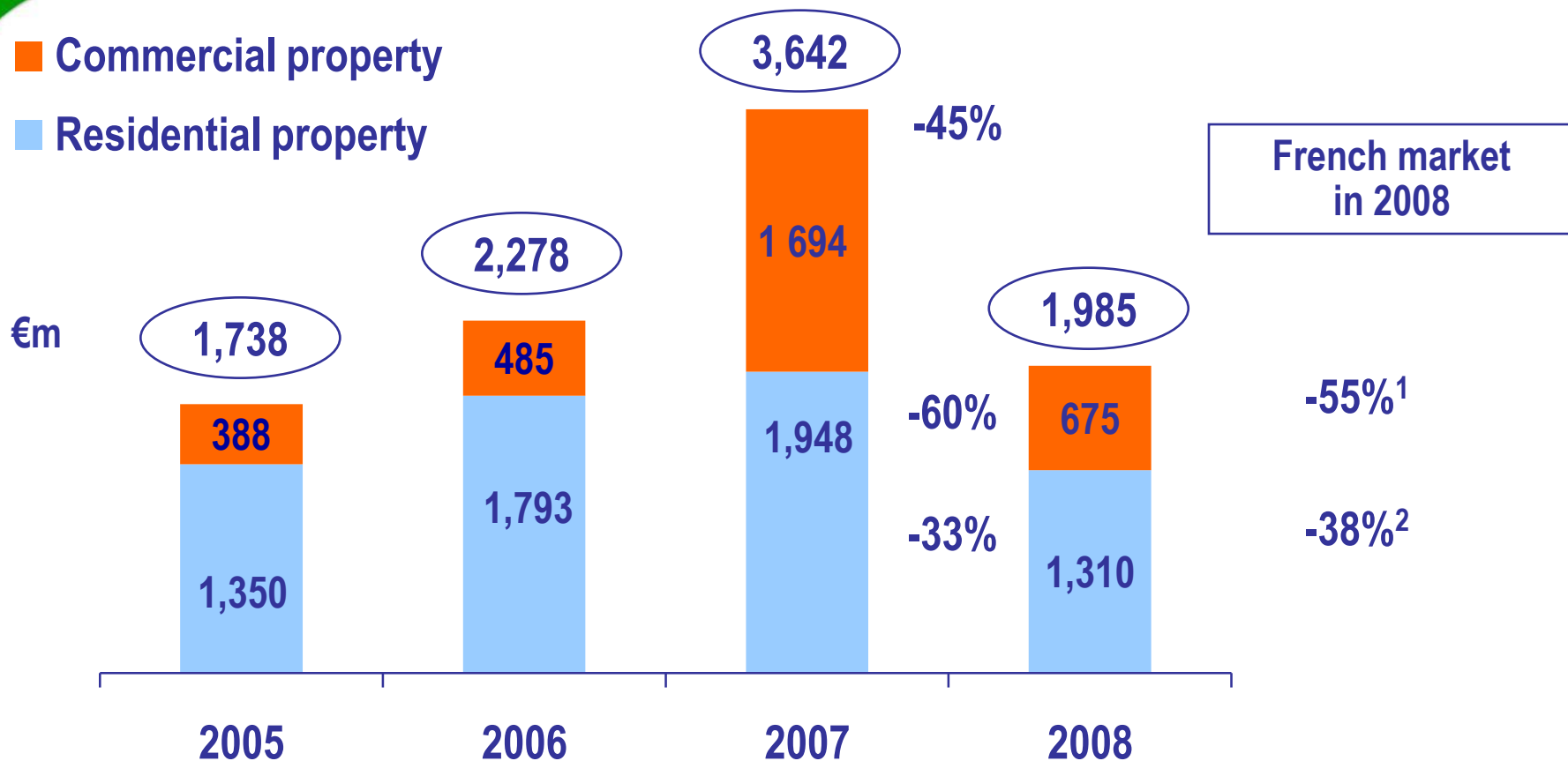
## ■ Highlights in 2008

- ✓ Sharp rise in sales as a result of the high level of orders in 2006 and 2007
- ✓ Lower profitability in the fourth quarter due to the effects of the crisis and the launch of an action plan
- ✓ Residential property: 30%<sup>2</sup> decline in reservations, in a market that has fallen by 38%<sup>2</sup>
- ✓ Commercial property: sharp drop in reservations (-60%), anticipated after a record year in 2007
- ✓ No debt at year-end as a result of efforts to keep the working capital requirement under control

**2008: a year of robust sales and  
adaptation to the economic context**

<sup>2</sup>By volume

# BOUYGUES IMMOBILIER: reservations



<sup>1</sup>Estimate by value (source: CB Richard Ellis)

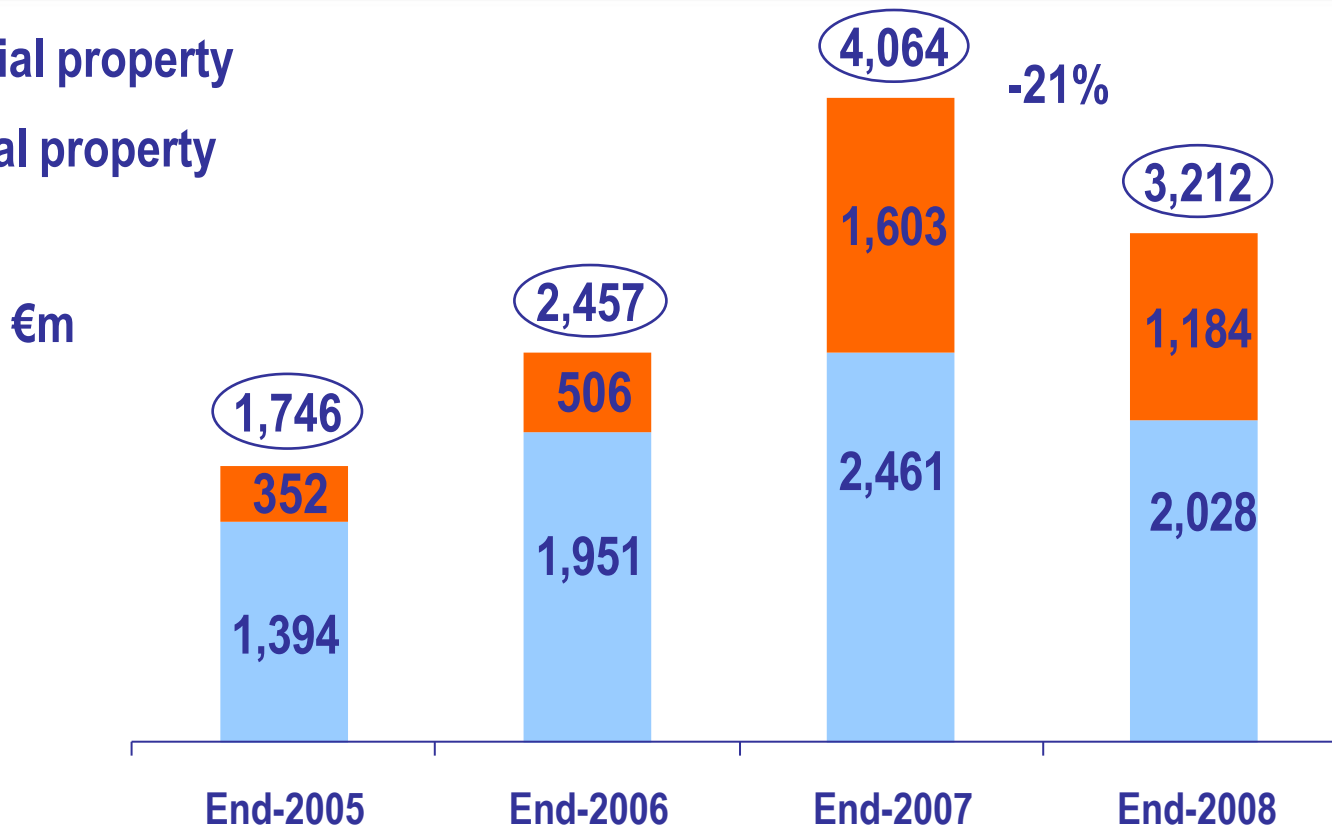
<sup>2</sup>By volume (source: Ministry of Ecology, Energy, Sustainable Development and Regional Development)

***2008: a level of reservations that outperformed the market, after a record year in 2007***

# BOUYGUES IMMOBILIER: order book

■ Commercial property

■ Residential property



*In months' sales<sup>1</sup>*

*13 months*

*18 months*

*23 months*

*13 months*

<sup>1</sup>Order book/sales over last 12 months rolling

***Good visibility for 2009***

## ■ Context

- ✓ 2007 was the year in which the property market started to decline after six years of uninterrupted growth in sales and prices
- ✓ 2008:
  - A moderate decline in sales and prices was expected on the residential property market
  - The credit crunch in the summer brutally plunged property markets into crisis
- ✓ 2009: no improvement is expected, but two factors need to be tracked
  - Banks' terms of lending
  - Households' confidence and morale
- ✓ 2010: any recovery will depend on how these two factors develop

## ■ Although hard-hit, conditions on the French residential property market are still better than in other European countries

- ✓ Very low level of completed housing stock
- ✓ Strong structural demand from private individuals (housing shortage, demographic trends, etc.)
- ✓ Household debt levels under control
  - Mostly fixed-rate debt
  - Very low level of bad debt
- ✓ Positive effect of government measures

Faced with the scale of the crisis, Bouygues Immobilier had already started to take measures at the end of 2008

- **Priority given to selling off current residential property programmes**
  - ✓ Highly attractive special deals for residual unsold properties
  - ✓ Higher proportion of block sales
  - ✓ Abandonment of unmarketable or unprofitable projects
  
- **Adjustment of operating costs**
  - ✓ Plan to reduce overheads
  - ✓ Reorganisation (reduction in staff numbers)
  
- **Adaptation to new market conditions**
  - ✓ Optimisation of programme design
  - ✓ Renegotiation of land prices where possible
  - ✓ Downward pressure on the cost of works
  - ✓ Resizing of the land bank

*The trend in net unit reservations in January and February 2009 showed an improvement compared with end-2008*

# BOUYGUES IMMOBILIER: outlook

- In 2009: good visibility for sales thanks to a satisfactory order book
- Bouygues Immobilier's advantages
  - ✓ A very low inventory of completed but unsold homes at end-December 2008
  - ✓ Reconfiguring future housing offerings so as to adapt to new market conditions
  - ✓ Rapid implementation of the action plan in late 2008 and early 2009 has left Bouygues Immobilier in a position to weather the crisis and take advantage of any opportunities
  - ✓ Good financial health

Sales target (€ million)	2008	2009 target	Change
Sales	2,924	2,700	-8%
o/w Residential property	1,797	1,800	=
o/w Commercial property	1,127	900	-20%

# COLAS: key figures



€ million	2007	2008	Change
Sales	11,673	12,789	+10% <sup>1</sup>
o/w France	6,976	7,328	+5%
o/w international	4,697	5,461	+16%
Current operating margin	5.5%	5.3%	-0.2 pts
Net profit attributable to the Group	474	490	+3%



Route des Tamarins,  
Reunion Island

<sup>1</sup>Up 8% like-for-like and at constant exchange rates

## ■ Highlights in 2008

- ✓ A level of growth that exceeded the target
  - France: another year of sustained growth (up 5%) despite a slowdown in the fourth quarter
  - North America: a solid performance by North American subsidiaries (up 6% like-for-like and at constant exchange rates)
  - Europe: strong sales growth (up 24%) driven by the UK (long-term maintenance contracts) and Hungary (M6 motorway as a PPP project)
  - Africa/Indian Ocean: Morocco, mining projects in Madagascar
- ✓ Lower profitability compared with 2007, a record year, mainly due to higher prices for oil products

***A fine year in 2008***

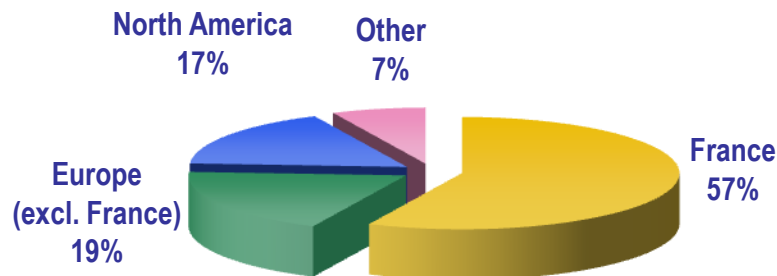
# COLAS: a world leader

## ■ Industrial activities

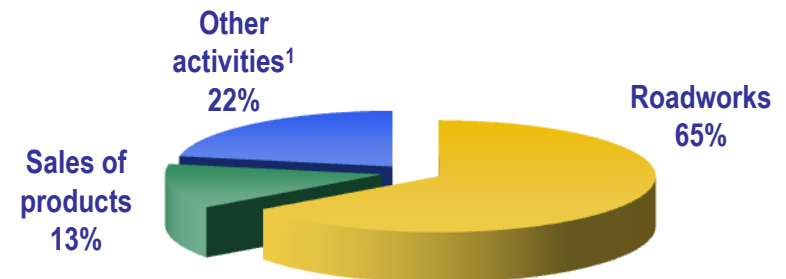
- ✓ Reserves of aggregates
  - 685 quarries owned (2008 output: 118 million tonnes)
  - 2.9 billion tonnes of reserves of aggregates representing over 24 years' production
- ✓ Asphalt mixes, emulsions and binders
  - 626 asphalt plants (2008 output: 52 million tonnes)
  - 162 emulsion and binder plants (2008 output: 1.5 million tonnes)

## ■ Breakdown of sales

2008 sales by region

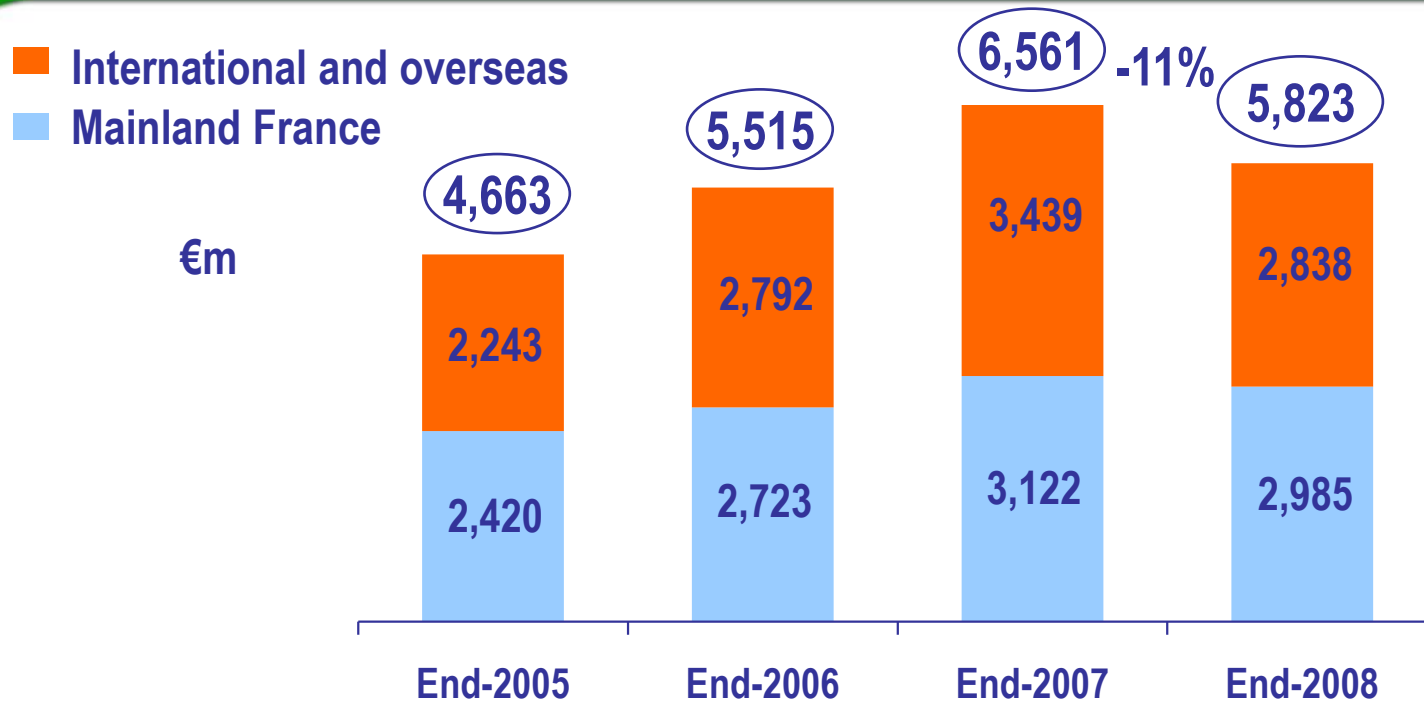


2008 sales by segment



<sup>1</sup>Civil engineering, Pipes, mains and drilling, Road safety and signalling, Waterproofing, Construction, Railways

# COLAS: order book



## ■ A high level of orders

- ✓ The 4% drop in orders in France reflects the slowdown at the end of 2008
- ✓ The 17% decline in international orders is due to the non-renewal in 2008 of exceptional major projects, especially in Hungary and Madagascar, included in the order book at end-2007

***Stripping out exceptional major projects, the decline in the order book stood at 7%***

# STIMULUS PLANS



## ■ France

- ✓ Support for local authorities: €2.5 billion of early VAT rebates
- ✓ Investment
  - €620 million for roads
  - €500 million for railways
- ✓ Numerous tramway projects: Paris, Angers, Brest, Dijon, etc.

## ■ United States

- ✓ Stimulus package
  - \$30 billion for roads
  - \$3 billion for airports
- ✓ 50% top-up from the Federal government for projects ready to go in 120 days
- ✓ Determination and capacity to spend the money quickly
- ✓ Colas subsidiaries well-placed to benefit from these initiatives

***Colas generated 17% of 2008 sales in the USA and Canada***



## ■ Sales in 2009 will depend on the following factors

- ✓ Roads
  - A slight downturn in mainland France and the rest of Europe
  - A good outlook in North America if the effects of the stimulus plan are confirmed
- ✓ Other activities
  - Good prospects for the Railways activity
  - High level of orders in the Waterproofing activity
- ✓ The fall in the price of oil products (bitumen) will automatically reduce the sales figure

## ■ Colas' objectives

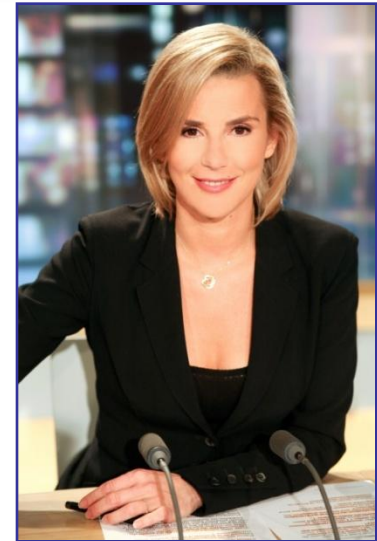
- ✓ To constantly adapt its structures and investment to the level of activity
- ✓ To remain attentive to opportunities for external growth
- ✓ To place greater importance on profitability than on sales growth

Sales target (€ million)	2008	2009 Target	Change
Sales	12,789	12,300	-4%
o/w France	7,328	7,050	-4%
o/w international	5,461	5,250	-4%

# TF1: key figures



€ million	2007	2008	Change
<b>Sales</b>	2,739 <sup>1</sup>	2,595	-5%
<i>o/w TF1 channel advertising</i>	1,718	1,647	-4%
<i>o/w other activities</i>	1,021	948	-7%
<b>Current operating profit</b>	11.1%	6.8%	-4.3 pts
<b>Net profit attributable to the Group</b>	228	164	-28%



*Laurence Ferrari*  
8 o'clock news

<sup>1</sup>Applying the same accounting policy as in 2008, excluding TF1 third-party sales (€25 million in 2007)

## ■ Highlights in 2008

- ✓ A particularly unfavourable economic context
- ✓ Launch and implementation of an action plan: more than €30 million in savings (purchasing optimised, loss-making activities discontinued, etc.) and stabilisation of programming costs
- ✓ In a changing audiovisual sector, TF1 confirmed its position as France's most-watched TV-channel
  - A unique position with 96 of the top 100 TV audience ratings in 2008
  - Excellent performance of TMC, Eurosport and the Web
  - TF1 Digital theme channels boosted

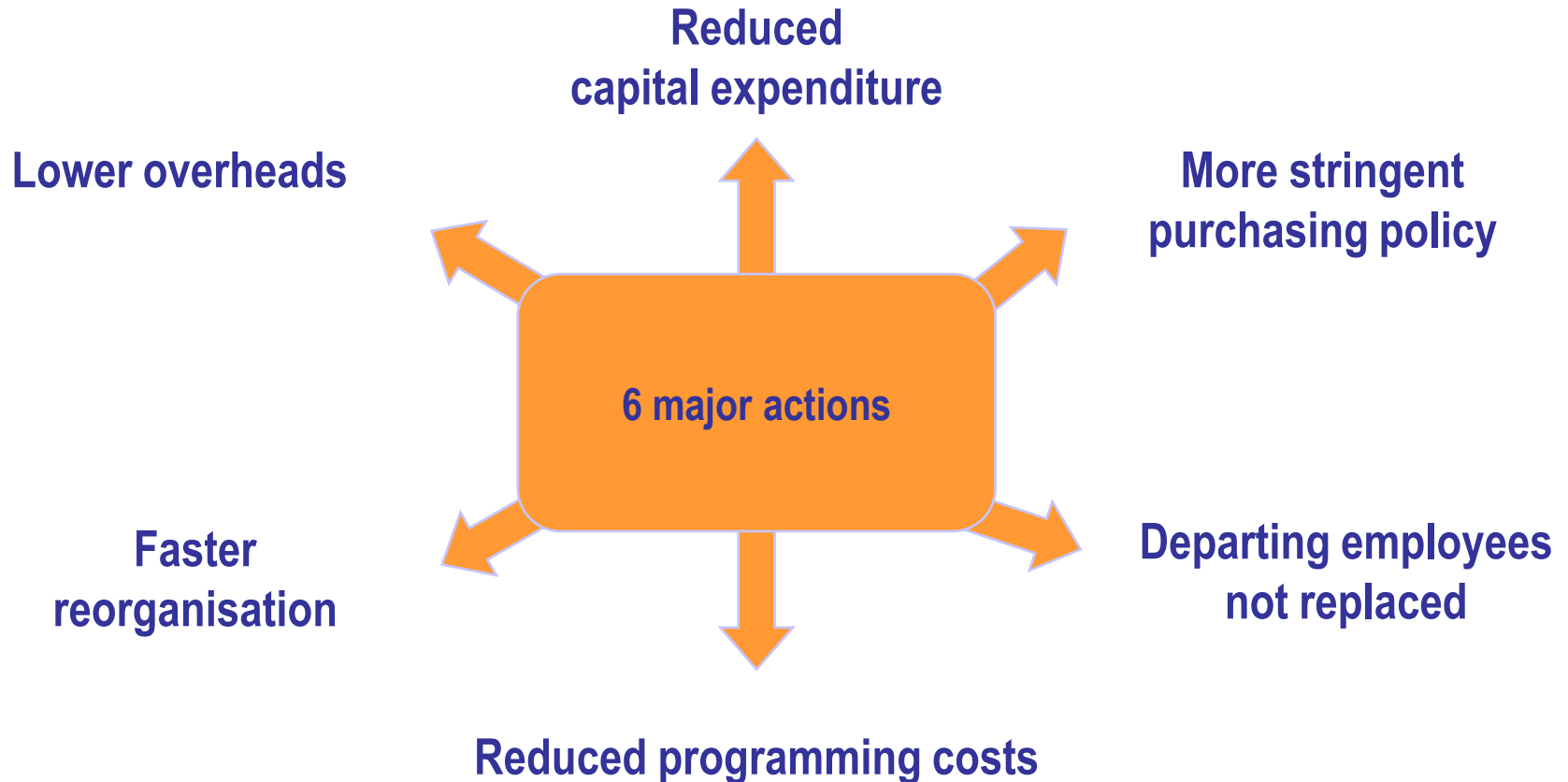
*A difficult year*



- Harsh economic context
- Advertisers adopting a short-term approach
- Sharp drop in advertising investments
- Strong pressure on prices
- Slowdown in household consumption
- Appeal for DTT
- Mixed impacts of new audiovisual regulations

*TF1 is adapting to this new context without losing sight of the future*

# TF1: 2009 cost reduction plan



*Savings of €60 million expected in 2009*

## ■ TF1's assets to weather the storm in 2009

- ✓ Adaptation process to be stepped up, while retaining the specific features of TF1's offering
- ✓ Audience ratings still robust, offering unique exposure to advertisers

## ■ TF1's opportunities to enrich its model

- ✓ Regulatory framework eased
- ✓ 360° strategy is gaining momentum with the *tf1.fr* website
- ✓ Pure player Web offer is getting stronger every day
- ✓ New territories: on-line games, TF1 "Backstage" (all of TF1 accessible through Bbox)

Sales target (€ million)	2008	2009 target	Change
Sales	2,595	2,360	-9%

# BOUYGUES TELECOM: key figures



€ million	2007	2008	Change
<b>Sales</b>	4,796	5,089	+6%
<i>Sales from network</i>	4,464	4,696	+5%
<b>EBITDA</b>	1,332	1,405 <sup>1</sup>	+5%
<i>EBITDA/sales from network</i>	29.8%	29.9%	+0.1 pts
<i>Current operating profit</i>	15.6%	16.1%	+0.5 pts
<b>Net profit att. to the Group</b>	492	534	+9%

<sup>1</sup>Including the negative impact of €45 million from fixed-line business in 2008



Neo call plan ad  
"Mathieu's directory"

**Increase in profitability despite investment  
in fixed-line business**

# BOUYGUES TELECOM: highlights in 2008



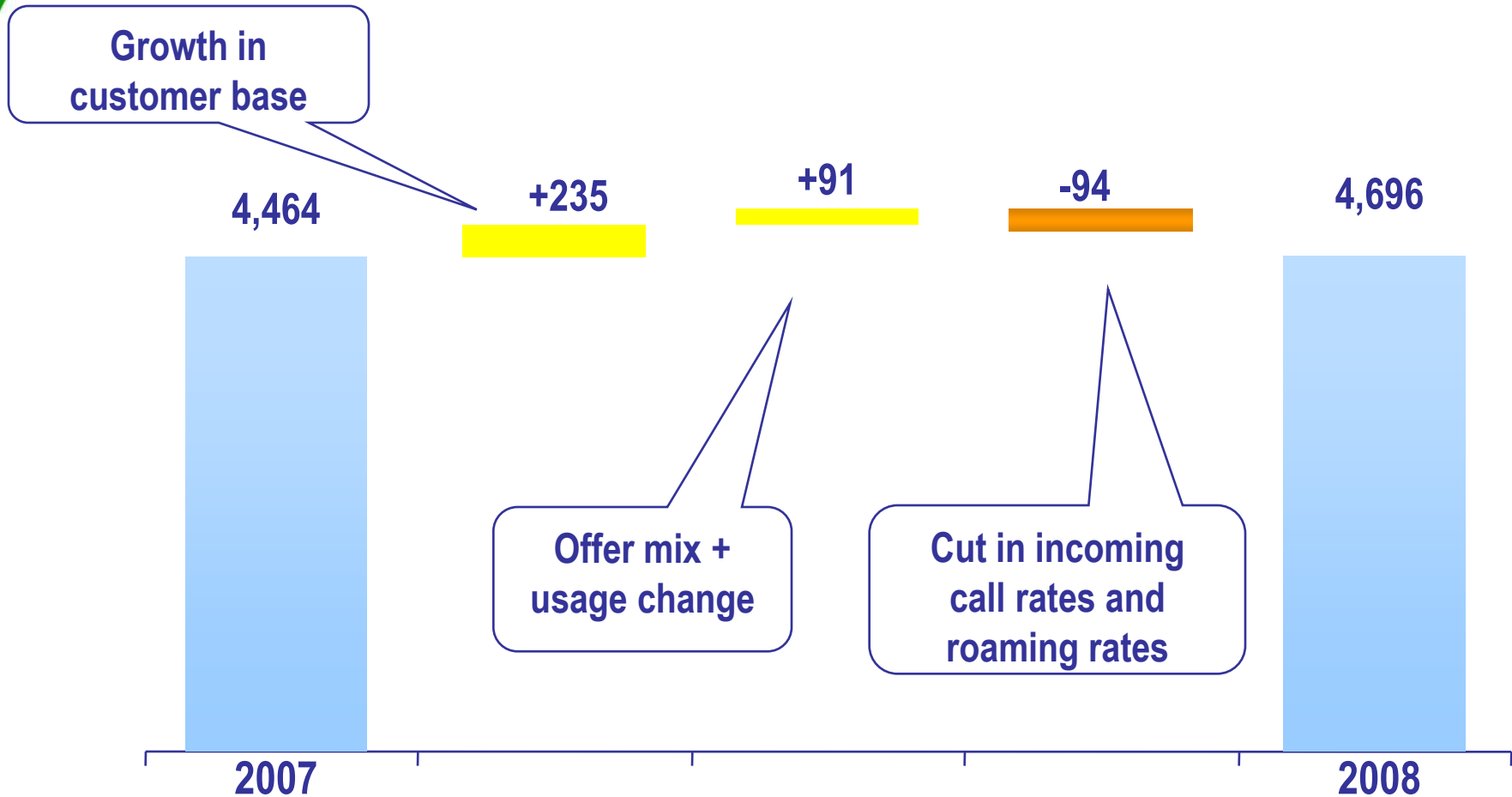
- Bouygues Telecom became a fixed-line operator
  - ✓ DSL coverage of over 50% of French households
  - ✓ Launch of Bbox in October 2008
- Enhanced Neo.2 call plan with even more unlimited calling time
- Rollout of 3G+ network stepped up to cover 75% of the population by summer 2009
- Launch of 3G+ key and mini PC offering
- MVNO agreement signed with KPN
- The French competition regulator cancelled Orange's exclusive iPhone sales agreement in France (Paris Court of Appeal's ruling of 4 February 2009)



# BOUYGUES TELECOM: sales trend



## Mobile network sales trend (€m)



**7% growth excluding regulated rate cuts**

# BOUYGUES TELECOM: key indicators – Mobile business



	Contract		Prepaid		Total customer base	
	2007	2008	2007	2008	2007	2008
SIM cards (in thousands)	6,767	7,217	2,490	2,377	9,256	9,594
SIM cards (% mix)	73.1%	75.2%	26.9%	24.8%		
ARPU (€/year) <sup>1</sup>	613	609	184	184	495	498
Voice usage (min./month) <sup>2</sup>	370	349	75	75	289	278
Marketing costs <sup>3</sup> /sales from network					14.2%	14.3%

<sup>1</sup>Rolling 12-month period excluding machine-to-machine SIM cards

<sup>2</sup>Rolling 12-month period, adjusted on a monthly basis, excluding machine-to-machine SIM cards

<sup>3</sup>Subscriber acquisition and retention costs

**Increase in ARPU**  
**Marketing costs under control**



# FRENCH TELECOM MARKET: competitive and regulatory context



## ■ 4th license and 2.1 GHz frequencies

- ✓ Mobile business: Bouygues Telecom intends to maintain its “challenger” role, which has enabled it to achieve value market share of 20%
- ✓ Fixed-line business: Bouygues Telecom now has the resources to compete against actors present in all segments, in a market where certain players enjoy higher profitability than in the mobile phone business
- ✓ Bouygues Telecom does not need additional frequencies in 2.1 GHz band

## ■ Digital dividend

- ✓ Bouygues Telecom will position itself according to the prospects for using LTE<sup>1</sup> in the different frequency bands

<sup>1</sup>Long Term Evolution

## ■ Limited impact from the crisis

- ✓ Consumers: no significant change in customer behaviour
- ✓ Requests for longer payment times from business customers, distributors and partner operators
- ✓ Business customers more fragile
  - ⇒ But this segment only accounts for 12% of Bouygues Telecom's sales

## ■ Areas to watch: certain risks have been identified and are to be closely watched if the economic context worsens

- ✓ “Optimised” spending by households and businesses
  - ⇒ But telecoms remain a “primary” need
- ✓ Increased churn in services for business and SMEs
- ✓ Possible bankruptcies of businesses, distributors and suppliers

## ■ Bouygues Telecom is able to adapt by adjusting its expenses and capital expenditure

- **Launch of Bbox on 20 October 2008**
  - ✓ Sold in priority to Bouygues Telecom Mobile customers
  - ✓ “Triple play” offering: new rate from 2 March 2009 including 3 hours of calls to mobiles for €29.90/month (6 hours for customers with a Bouygues Telecom mobile service plan)
  
- **Launch of Bbox for SMEs and catalogue of convergent offers for businesses**
  
- **Bouygues Telecom is gaining experience in the control of marketing and operating processes**
  - ✓ Bbox customers satisfied<sup>1</sup>



<sup>1</sup>Source: TNS Sofres survey – January 2009

- **MVNO: contract implemented with KPN**
  - ✓ Simyo brand launched on 11 January 2009
  - ✓ Bouygues Telecom has broader access to the prepaid market
  - ✓ KPN has recognised know-how in marketing low-cost offerings, particularly via MVNOs
  
- **3G+ keys + mini PCs**
  - ✓ Launch of mini PC offering on 17 November 2008
  - ✓ 12% market share in internet SIM cards
  
- **Machine-to-machine**
  - ✓ 25% market share in machine-to-machine SIM cards
  - ✓ 57% growth in the number of machine-to-machine SIM cards since end-2007
  - ✓ Signature of several major contracts in e-money, fleet management, home automation and meters

*A significant contribution to sales growth*

- **Exceptional capital expenditure in 2008 (€872 million)**
  - ✓ Acceleration of 3G+ rollout
  - ✓ Acquisition and implementation of DSL network (€110 million)
  
- **Rollout of 3G+ network, synchronised with the takeoff in the data market**
  - ✓ Bouygues Telecom covered 50% of the population in November 2008
  - ✓ Bouygues Telecom is likely to cover 75% of the population by summer 2009
  
- **Over the next two years, capital expenditure is expected to gradually return to levels seen in previous years**
  - ✓ Reduction in 3G+ mobile investments after the 2008 peak
  - ✓ Increase in investment in fixed-line equipment by customers (box and set-top box), according to growth in the fixed-line customer base

# BOUYGUES TELECOM: outlook



Sales target (€ million)	2008	2009 target	Change
Total sales	5,089	5,200	+2%
<i>o/w sales from network</i>	4,696	4,790	+2%

*The sales target includes the 29% cut in call termination rates on 1 July 2009*

# BOUYGUES TELECOM: call termination rates



## History of cuts ordered by ARCEP

€ cents/minute	At 1 January 2006	At 1 January 2007	At 1 January 2008	At 1 July 2009	At 1 July 2010
<b>Rates to Bouygues Telecom</b>	11.24	9.24	8.50	6.00	4.00
<b>Change (%)</b>	-24%	-17.8%	-8%	-29.4%	-33.3%
<b>Rates to Orange/SFR</b>	9.50	7.50	6.50	4.50	3.00
<b>Change (%)</b>	-24%	-21.1%	-13%	-30.8%	-33.3%
<b>Differential (€ cents)</b>	1.74	1.74	2	1.50	1
<b>Differential (%)</b>	18%	23%	31%	33%	33%

# CONSTRUCTION – peer comparison

## ■ Sales (€ million)

	2008	YoY change	
		Actual	Like-for-like
Bouygues (construction businesses <sup>1</sup> )	24,771	+14%	+12%
Vinci (contracting businesses)	28,516	+11%	+5%
Eiffage (contracting businesses)	11,358	+6%	+2%
Bouygues Construction (including ETDE)	9,497	+14%	+13%
Vinci Construction & Vinci Energies	20,333	+13%	+5%
Colas	12,789	+10%	+8%
Eurovia (Vinci)	8,183	+6%	+4%

Source: company press releases

<sup>1</sup>Bouygues Construction, Bouygues Immobilier and Colas

# PROPERTY – peer comparison

## ■ Sales (€ million)

	2008	YoY change	
		Actual	Like-for-like
Bouygues Immobilier	2,924	+41%	+40%
Nexity (excl. services and distribution)	2,131	+1%	n/a
Kaufman & Broad	1,165	-16%	n/a

## ■ Housing reservations (€ million)

	2008	Change
Bouygues Immobilier	1,310	-33%
Nexity	1,361	-38%
Kaufman & Broad	925	-45%

Source: company press releases

# TV – peer comparison

## ■ Sales (€ million)

	2008	YoY change
TF1	2,595	-5%
M6	1,361	=

## ■ Audience share (women aged under 50)

TF1	30.9%	-3.9 pts
France 2	13.1%	-1.1 pts
M6	17.5%	-0.5 pts

Sources: company press releases and Médiamétrie/Médiamat

- **HIGHLIGHTS AND KEY FIGURES**
- **BUSINESS AREAS**
- **FINANCIAL STATEMENTS**
- **OUTLOOK**

# BOUYGUES: condensed consolidated income statement

€ million	2007	2008	Change
<b>Sales</b>	29,588 <sup>1</sup>	32,713	+11%
<b>Current operating profit</b>	2,163	2,230	+3%
<b>Operating profit</b>	2,181 <sup>2</sup>	2,230	+2%
<b>Cost of net debt</b>	(235)	(277)	+18%
<b>Income tax expense</b>	(633)	(605)	-4%
<b>Net profit from continuing operations</b>	1,593	1,686	+6%
<b>Minority interests</b>	(217)	(185)	-15%
<b>Net profit attributable to the Group</b>	1,376	1,501	+9%

<sup>1</sup>Applying the same accounting policy as in 2008, excluding TF1 third-party sales (€25 million in 2007)

<sup>2</sup>Including €18 million of reversals of non-current provisions, mainly at Bouygues Construction

# Contribution of business areas to Group sales

€ million	2007 <sup>1</sup>	2008	Change
Bouygues Construction	8,088	9,136	+13%
Bouygues Immobilier	2,074	2,909	+40%
Colas	11,640	12,726	+9%
TF1	2,722	2,575	-5%
Bouygues Telecom	4,780	5,073	+6%
Holding company and other	284	294	ns
<b>TOTAL</b>	<b>29,588</b>	<b>32,713</b>	<b>+11%</b>
<i>o/w France</i>	20,785	22,321	+7%
<i>o/w international</i>	8,803	10,392	+18%

<sup>1</sup>Applying the same accounting policy as in 2008, excluding TF1 third-party sales (€25 million in 2007)

# Contribution of business areas to Group EBITDA<sup>1</sup>

€ million	2007	2008	Change
Bouygues Construction	463	534	+€71m
Bouygues Immobilier	227	312	+€85m
Colas	1,143	1,219	+€76m
TF1	426	317	-€109m
Bouygues Telecom	1,332	1,405	+€73m
Holding company and other	10	40	+€30m
<b>TOTAL</b>	<b>3,601</b>	<b>3,827</b>	<b>+6%</b>

<sup>1</sup>EBITDA = current operating profit + net amortisation expense + net provisions and depreciation expense - reversals of provisions no longer required

# Contribution of business areas to Group current operating profit

€ million	2007	2008	Change
Bouygues Construction	293	308	+€15m
Bouygues Immobilier	210	247	+€37m
Colas	637	681	+€44m
TF1	305	177	-€128m
Bouygues Telecom	746	817	+€71m
Holding company and other	(28)	0	+€28m
<b>TOTAL</b>	<b>2,163</b>	<b>2,230</b>	<b>+€67m</b> <b>+3%</b>

# Contribution of business areas to Group net profit

## ■ Group share

€ million	2007	2008	Change	Share in 2008 <sup>1</sup>
Bouygues Construction	286	296	+€10m	17%
Bouygues Immobilier	124	105	-€19m	6%
Colas	457	475	+€18m	27%
TF1	98	71	-€27m	4%
Bouygues Telecom	440	478	+€38m	28%
Alstom	187	317	+€130m	18%
Holding company and other	(216)	(241)	-€25m	/
<b>TOTAL</b>	<b>1,376</b>	<b>1,501</b>	<b>+€125m +9%</b>	

<sup>1</sup>Calculation based on net profit excluding the holding company

# Contribution of business areas to Group cash flow

€ million	2007	2008	Change
Bouygues Construction	410	452	+€42m
Bouygues Immobilier	205	222	+€17m
Colas	1,098	1,185	+€87m
TF1	394	270	-€124m
Bouygues Telecom	1,330	1,409	+€79m
Holding company and other	82	77	-€5m
<b>TOTAL</b>	<b>3,519</b>	<b>3,615</b>	<b>+3%</b>

# Contribution of business areas to Group net capital expenditure

## ■ Net capital expenditure

€ million	2007	2008	Change
Bouygues Construction	299	253	-€46m
Bouygues Immobilier	7	8	+€1m
Colas	624	537	-€87m
TF1	129	58	-€71m
Bouygues Telecom	596	872	+€276m
Holding company and other	24	51	+€27m
<b>TOTAL</b>	<b>1,679</b>	<b>1,779</b>	<b>+6%</b>

# Contribution of business areas to Group free cash flow<sup>1</sup>

€ million	2007	2008	Change
Bouygues Construction	68	178	+€110m
Bouygues Immobilier	128	108	-€20m
Colas	254	409	+€155m
TF1	151	149	-€2m
Bouygues Telecom	480	255	-€225m
Holding company and other	(109)	(145)	-€36m
<b>TOTAL</b>	<b>972</b>	<b>954</b>	<b>-2%</b>

<sup>1</sup>Free cash flow = cash flow - cost of net debt - income tax expense - net capital expenditure

# BOUYGUES: condensed consolidated balance sheet

At 31 December 2007

€m

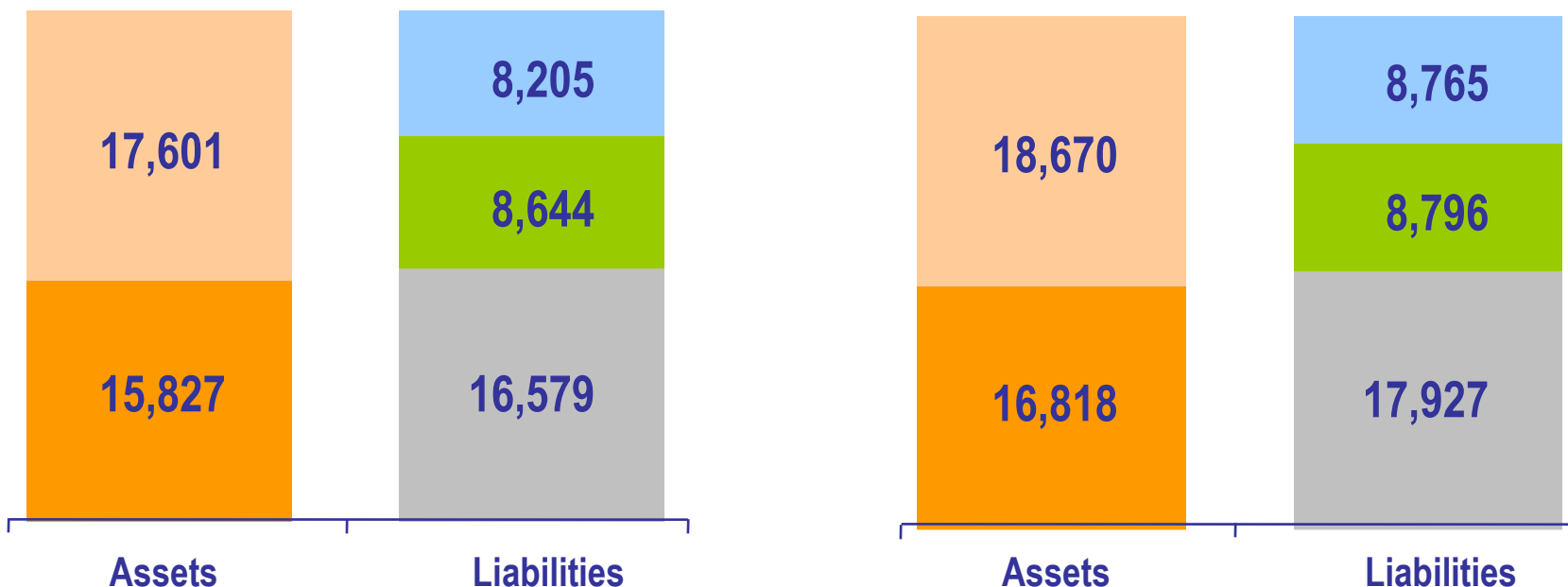
At 31 December 2008

33,428

33,428

35,488

35,488



Non-current assets

Current assets

Shareholders' equity

Non-current liabilities

Current liabilities

# BOUYGUES: return on capital employed<sup>1</sup>

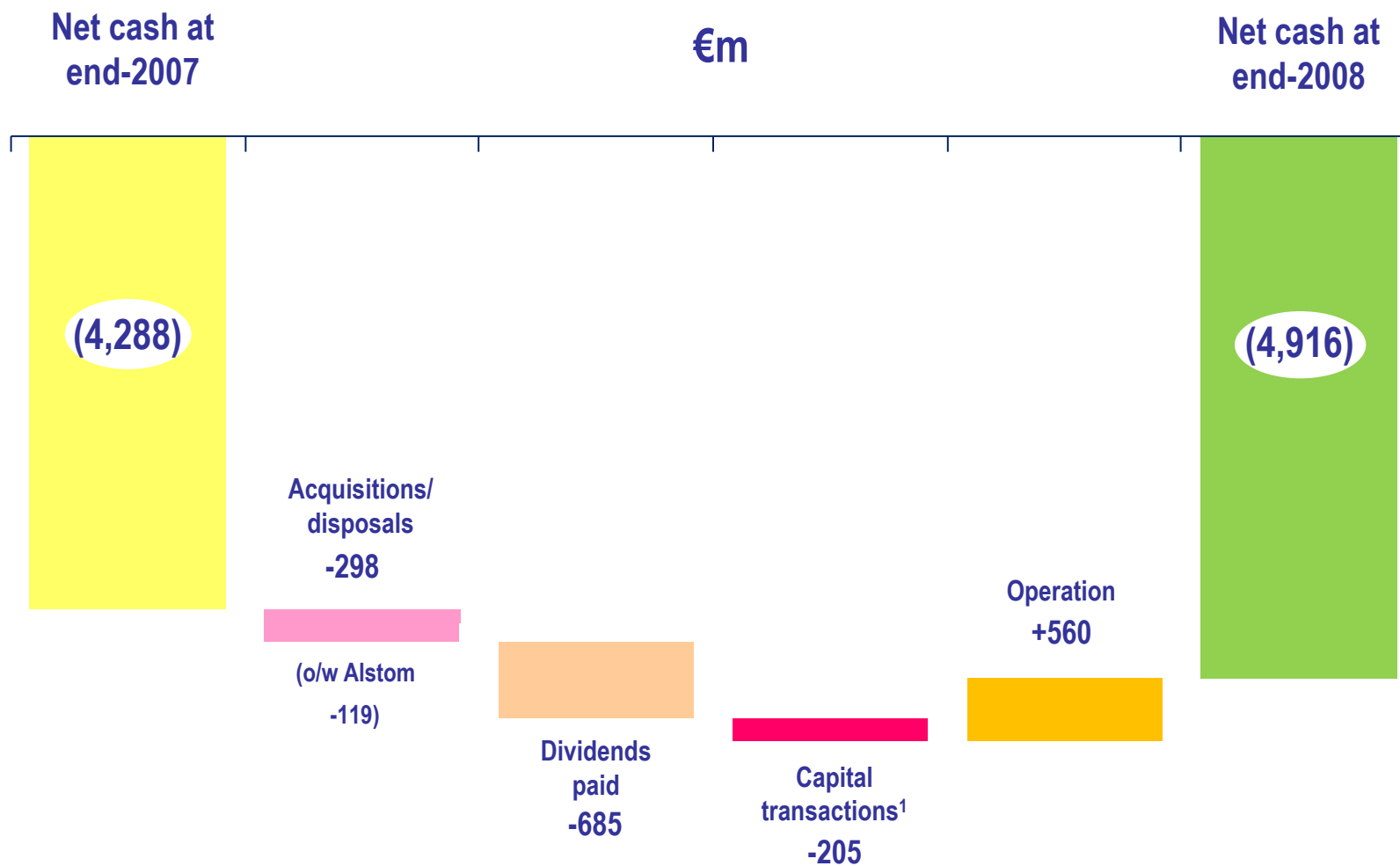
<b>At business level</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Bouygues Construction<sup>2</sup></b>	+++	+++	+++
<b>Bouygues Immobilier<sup>3</sup></b>	+++	+++	+++
<b>Colas</b>	33.5%	32.4%	25.7%
<b>TF1</b>	13.4%	11.2%	6.2%
<b>Bouygues Telecom</b>	16.1%	22.0%	22.9%
<b>At Group level</b>			
<b>Bouygues</b>	14.8%	14.4%	13.9%

<sup>1</sup>Current operating profit after tax and share of companies accounted for by the equity method/average capital employed (shareholders' equity + debt)

<sup>2</sup>Bouygues Construction's return on capital employed is not significant as its business areas generate a substantial cash surplus. This is one of the major strengths of the construction business, which does not require capital to expand

<sup>3</sup>Bouygues Immobilier's return on capital employed is not significant

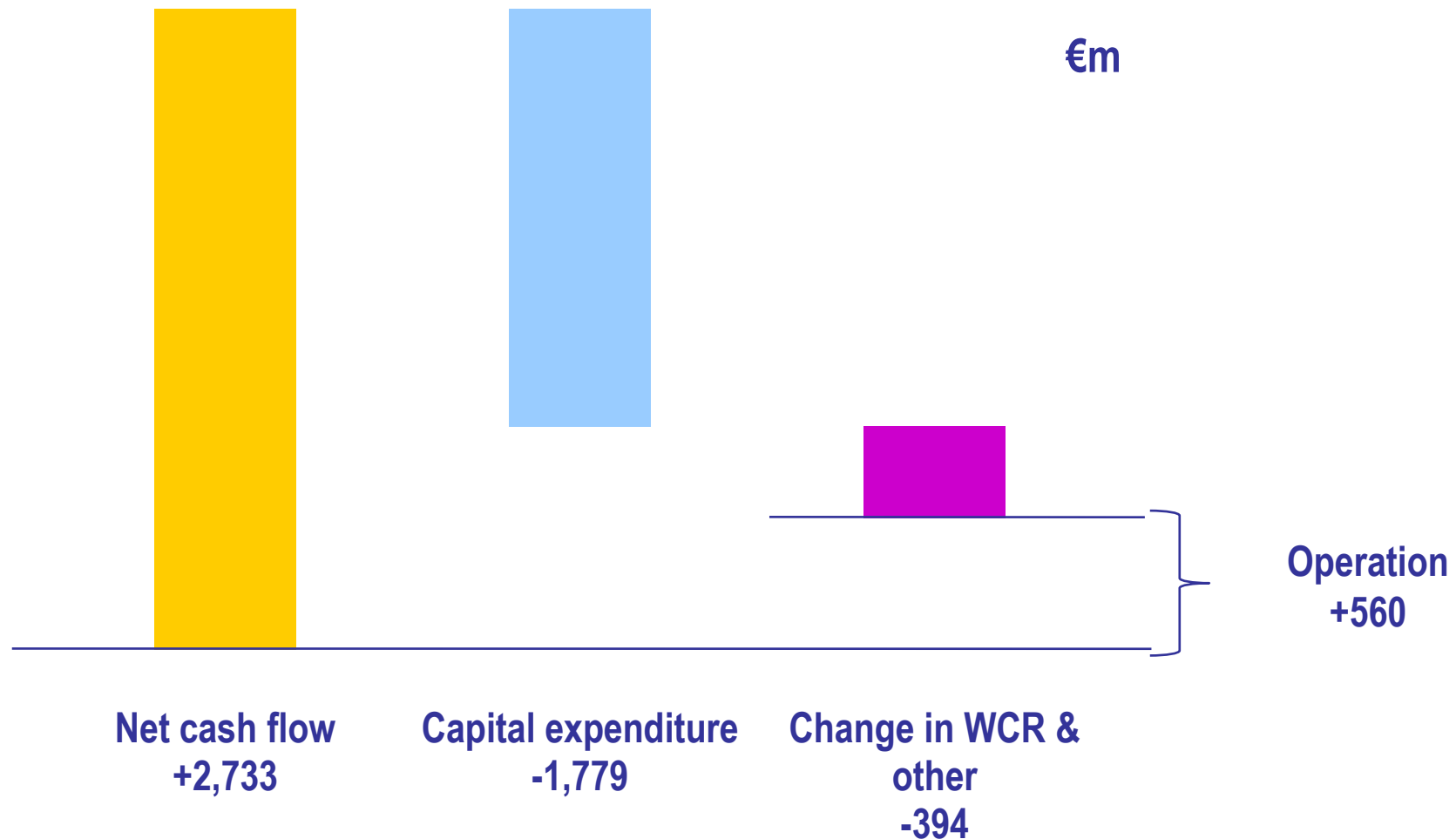
# BOUYGUES: change in cash position in 2008



<sup>1</sup>Share buybacks net of increases (stock options, *Bouygues Confiance 4*)

# BOUYGUES: change in cash position in 2008

## Breakdown of operation



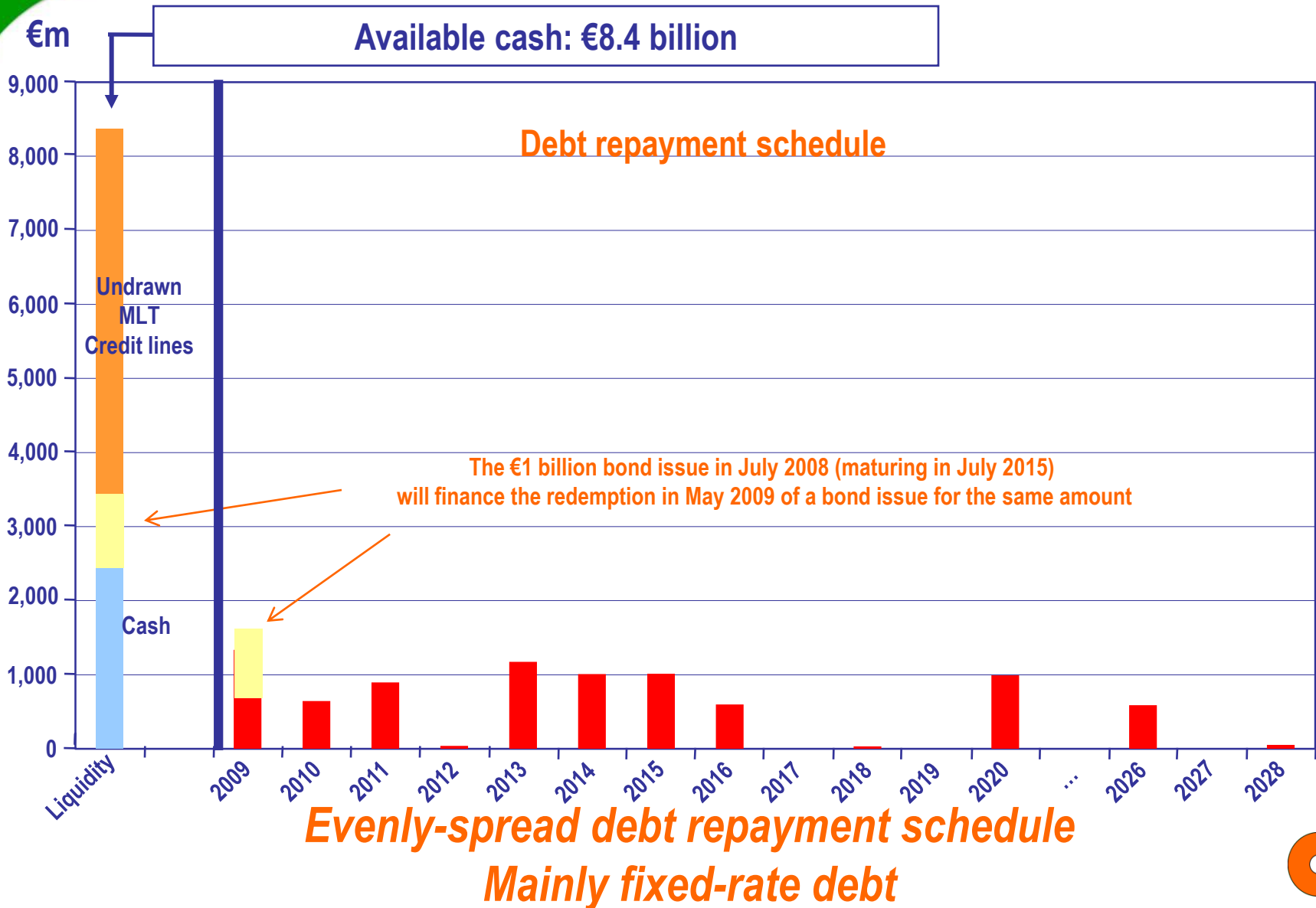
# Contribution of business areas to changes in Group WCR in 2008

	€ million
Scope of consolidation, exchange rate and other	(53)
WCR related to tax	(87)
WCR related to operating activities & investment	(254)
Of which: Bouygues Construction	236
Bouygues Immobilier	(139)
Colas	(301)
TF1	(22)
Bouygues Telecom	(12)
Holding company and other	(16)
<b>TOTAL</b>	<b>(394)</b>

# Contribution of business areas to Group net cash

€ million	End-December		Change
	2007	2008	
Bouygues Construction	2,450	2,592	+€142m
Bouygues Immobilier	(2)	1	+€3m
Colas	347	(6)	-€353m
TF1	(597)	(699)	-€102m
Bouygues Telecom	188	(107)	-€295m
Holding company and other	(6,674)	(6,697)	-€23m
<b>TOTAL</b>	<b>(4,288)</b>	<b>(4,916)</b>	<b>-€628m</b>

# BOUYGUES: very substantial liquidity



- **HIGHLIGHTS AND KEY FIGURES**
- **BUSINESS AREAS**
- **FINANCIAL STATEMENTS**
- **OUTLOOK AND OBJECTIVES**

# BOUYGUES GROUP: 2009 sales targets

€ million	2008	2009	Change
Bouygues Construction	9,136	8,950	-2%
Bouygues Immobilier	2,909	2,700	-7%
Colas	12,726	12,200	-4%
TF1	2,575	2,340	-9%
Bouygues Telecom	5,073	5,180	+2%
Holding company and other	294	330	ns
<b>TOTAL</b>	<b>32,713</b>	<b>31,700</b>	<b>-3%</b>
<i>o/w France</i>	<i>22,321</i>	<i>21,350</i>	<i>-4%</i>
<i>o/w international</i>	<i>10,392</i>	<i>10,350</i>	<i>=</i>

# BOUYGUES GROUP: outlook

- **Uncertainty prompts Bouygues and its business areas to adopt a pragmatic and reactive approach**
  - ✓ Adaptation of structures to new market conditions
  - ✓ Action on the WCR to attenuate the effects of the crisis and France's Economic Modernisation Act
  - ✓ Greater selectivity in investments
  - ✓ Commercial caution in response to competitive pressure
- **Bouygues is entering this period with several assets**
  - ✓ Experience of previous crises in property and construction
  - ✓ High level of order books in property and construction
  - ✓ Solid financial structure, no need for refinancing in the short term
  - ✓ Quality of the Telecoms business
  - ✓ Investment in Alstom, generating earnings and new projects
- **Areva: Bouygues, at Alstom's side, is looking at possible industrial partnerships**

***Thanks to the range of its business areas  
and geographical locations,  
Bouygues is well-armed to weather the crisis***

# BOUYGUES: calendar (CET<sup>1</sup>)

■	23 April 2009	Annual General Meeting held at Challenger	3.30pm
■	4 May 2009	Dividend payment	
■	13 May 2009	First-quarter 2009 sales	5.45pm
■	2 June 2009	First-quarter 2009 earnings	5.45pm
■	27 August 2009	First-half 2009 sales and earnings	5.45pm
■	28 August 2009	Analysts' meeting in Paris	11.00am
■	12 November 2009	Nine-month 2009 sales	5.45pm
■	1 December 2009	Nine-month 2009 earnings	5.45pm
■	2 March 2010	Full-year 2009 sales and earnings	5.45pm
■	3 March 2010	Analysts' meeting in Paris	3.00pm

<sup>1</sup>All times are Central European Times

**BOUYGUES**