NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

(in million euros)

27 August 2009

CONTENTS

(*Figures in millions of euros unless otherwise indicated*)

NOTES

Declaration of compliance:

The Bouygues group interim consolidated financial statements for the six months ended 30 June 2009 have been prepared using the principles and methods defined in the standards issued by the International Accounting Standards Board (IASB), which comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), and interpretations issued by the SIC and IFRIC Committees and are referred to collectively as “IFRS”, as endorsed by the European Union and applicable as of 30 June 2009 (unless otherwise indicated).

The financial statements are presented in millions of euros (unless otherwise indicated) and comprise:

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

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

NOTE 1	SIGNIFICANT EVENTS OF THE PERIOD

1.1. SCOPE OF CONSOLIDATION AS AT 30 JUNE 2009

- **Main changes in the scope of consolidation during the first half of 2009:**

  1,225 entities were consolidated as at 30 June 2009, against 1,244 as at 31 December 2008. The net reduction of 19 mainly relates to Bouygues Immobilier (15), following the deconsolidation of various partnerships, property companies and other entities that had discontinued trading.

  There were no material acquisitions during the first half of 2009. ETDE (Bouygues Construction) carried out a partial disposal of the Axione regional broadband public service concession business, the impact of which was not material.

- **Alstom:**

  A) 2009: Acquisitions of additional shares on the stock market

  During the first half of 2009, Bouygues acquired a further 664,169 Alstom shares for a total of €25.2m. The net interest in Alstom held by Bouygues as at 30 June 2009 was 29.89%.

  Additional goodwill of €15m was recognised based on fair value remeasurements performed in connection with these acquisitions.

  B) Alstom is still accounted for by the equity method, and is carried at net acquisition cost plus Bouygues' share of Alstom's net profit since the acquisition date. Alstom's net profit for the first half of 2009 was estimated on the basis of the annual accounts prepared by Alstom as of 31 March 2009. The net profit contribution recognised by Bouygues on this basis for the first half of 2009 was €182m. This figure includes an adjustment in respect of the contribution for the fourth quarter of 2008, which was estimated by Bouygues as at 31 December 2008 based on the accounts for the six months ended 30 September 2008 prepared by Alstom.

  Amortisation of fair value remeasurements of intangible assets and other items (arising on acquisitions made in 2009 and in prior periods) had a negative impact of €8m in the period (share attributable to the Bouygues group); this impact is not included in the contribution recognised for the first half of 2009.

  In accordance with IAS 28, the investment in Alstom is reported under "Investments in associates" in the balance sheet, at a carrying amount of €3,910m including goodwill.

- **TF1:**

  On 11 June 2009, TF1 and the AB Group signed an agreement under which TF1 is to acquire 100% of NT1, and the 40% interest in TMC held by the AB Group (taking TF1's interest in the TMC channel to 80%). This acquisition is subject to clearance from the relevant authorities, and has no impact on the financial statements as at 30 June 2009.

1.2. CONSOLIDATED SALES FOR THE SIX MONTHS ENDED 30 JUNE 2009

Consolidated sales for the period were €14,929m, 2.4% lower than for the comparable period of 2008.

1.3. FINANCIAL CRISIS

- Any effects of the crisis on the Group's operations have been taken into account by the relevant business segments.

  The consolidated financial statements for the six months ended 30 June 2009 have been prepared using consistent accounting policies, and applying the principle of prudence in accounting treatments requiring the use of estimates or judgement as described in note 2.2, "Basis of preparation".

- The financial aspects of the crisis have no material impact on the financial statements.

  The cash position of the Bouygues group at 30 June 2009 has not been affected by the crisis, in line with the Group's consistent policy of not using sensitive or volatile investment vehicles.

  The Group also has access to substantial confirmed bank facilities (see note 8 on liquidity risk).

1.4. SIGNIFICANT EVENTS AND CHANGES IN SCOPE OF CONSOLIDATION SUBSEQUENT TO 30 JUNE 2009

- Subsequent to 30 June 2009, there have been no transactions liable to have a material effect on the results, consolidated equity or activities of the Bouygues group, based on information currently known.

NOTE 2	ACCOUNTING POLICIES

2.1. BUSINESS AREAS

The Bouygues group is a diversified industrial group. Its businesses are split into two sectors, and are based in more than 85 countries.

a) Construction:

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

b) Telecoms/Media:

- TF1 (Television)
- Bouygues Telecom (Mobile/Fixed-Line Telephony)

c) As at 30 June 2009, the Bouygues group also held a 29.89% interest in Alstom (Power and Transport).

2.2. BASIS OF PREPARATION

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

They were adopted by the Board of Directors on 27 August 2009.

The consolidated financial statements for the six months ended 30 June 2009 have been prepared in accordance with IAS 34 ("Interim Financial Reporting") using the historical cost convention, except for certain financial assets and liabilities measured at fair value. They include comparatives as at and for the periods ended 30 June 2008 and 31 December 2008.

The general accounting policies applied by the Bouygues group in its interim consolidated financial statements for the six months ended 30 June 2009 are the same as those applied in the consolidated financial statements for the year ended 31 December 2008. Consequently, Note 2 to the consolidated financial statements for the six months ended 30 June 2009 does not include detailed disclosures of these accounting policies, and these financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2008.

- *New standards, amendments and interpretations effective within the European Union and mandatorily applicable to periods beginning on or after 1 January 2009:*

The Bouygues group has applied the same standards, interpretations and accounting policies for the period ended 30 June 2009 as those disclosed in its consolidated financial statements for the year ended 31 December 2008. The new requirements applicable from 1 January 2009 (the effect of which on the financial statements for the six months ended 30 June 2009 is not material) have also been applied.

- Principal new standards, amendments and interpretations applied:

  - **Revised IAS 1, "Presentation of Financial Statements"**

    The Bouygues group has elected to present the components of comprehensive income in two detailed statements, as permitted by the IASB:

    a) an income statement;
    b) a statement of comprehensive income that reports the other components of comprehensive income, such as income and expenses recognised directly in equity.

  - **Amendment to IAS 23, "Borrowing Costs"**

    This standard is of particular relevance to the property sector. The amended IAS 23 removes the option of recognising borrowing costs attributable to qualifying assets as an expense.

    Application of this amendment had no material effect on the Bouygues group at 30 June 2009.

  - **IFRS 8, "Operating Segments"**

    IFRS 8 requires segment reporting to be based on the internal organisational structures of an entity rather than on the intrinsic characteristics (profitability risk) of each segment. Applying IFRS 8 has no impact on the way segment information is reported by the Bouygues group.

  - **IFRIC 11, "IFRS 2 – Group and Treasury Share Transactions" (share-based payment arrangements within a group)**

    The overall cost of the benefit arising from stock option plans awarded by Bouygues to Group employees is recognised by the Bouygues group in its consolidated financial statements.

    The amounts involved are not material at the level of the Group's business segments.

  - **IFRIC 15, "Agreements for the Construction of Real Estate"**

    This interpretation does not materially change the profit recognition policies currently used for the Bouygues group's property development activities.

- *Other key standards, amendments and interpretations issued by the IASB but not mandatorily applicable as at 30 June 2009 (whether or not endorsed by the European Union):*

  - **Revised IFRS 3 and IAS 27, "Business Combinations" – Phase 2**: These significant revisions, endorsed by the European Union on 3 June 2009, are applicable to periods beginning on or after 1 January 2010.

  - **IFRIC 12, "Service Concession Arrangements"**: IFRIC 12 was endorsed by the European Union on 29 March 2009, and is applicable to periods beginning on or after 1 January 2010. The Bouygues group already applies IFRIC 12 to the Portsmouth PFI contract (Colas,) which is accounted for as a receivable (financial asset) since this treatment most closely reflects the underlying financial and economic reality of the contract.

    As regards Bouygues Construction, public-private partnership contracts (or in the United Kingdom, Private Finance Initiative ("PFI") contracts) are entered into primarily with local and governmental authorities, by companies in which the Bouygues group holds an interest of less than 20%. These entities are not consolidated, given the effective limitations on the Group's role in them. Most concession companies are accounted for as associates (i.e. by the equity method).

  Apart from IFRIC 12 (see above), the Bouygues group has not early adopted any of these standards, amendments or interpretations as at 30 June 2009.

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

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

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

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

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

  - represent faithfully the financial position, financial performance and cash flows of the Group;
  - reflect the economic substance of the underlying transactions;
  - are neutral, prudent, and complete in all material respects.

  Goodwill is tested for impairment annually as at 31 December, or during the course of the year if there is evidence that it may have become impaired. The purpose of these impairment tests is to compare the Group's share of the recoverable amount with the carrying amount in the consolidated financial statements. If the carrying amount exceeds the recoverable amount, an impairment loss is recognised in accordance with IAS 36.

  The impairment test performed on the consolidated assets associated with TF1 as of 31 December 2008 was subjected to sensitivity tests as of 30 June 2009 on the basis of the business plan updated by TF1 management at end April 2009. In addition, the future cash flows were discounted at a rate of 6.47% or 5.88%, depending on the assumptions used. On this basis, the recoverable amount obtained was still in excess of the carrying amount of the assets tested.

  Note 3.6 compares the consolidated purchase price of listed shares (TF1, Alstom and Colas) with the respective closing market prices of the shares as at 30 June 2009. In the case of Alstom, no impairment tests were performed as at 31 March 2009 in light of the future prospects presented by management at the close of the financial year ended 31 March 2009.

- Changes in accounting policy:

  Bouygues has made no material changes in accounting policy during 2009 apart from those arising from IFRS requirements applicable from 1 January 2009, as indicated at the start of note 2.2.

2.3. CONSOLIDATION METHODS

- Full consolidation

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

  - Exclusive control over TF1:

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

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

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

Other factors indicating the existence of exclusive control include:

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

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

- Proportionate consolidation: investments in joint ventures

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

- Investments in associates:

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

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

  - Alstom: Bouygues exercises significant influence over Alstom, as demonstrated by (i) its 29.9% interest in the capital and (ii) its control of two seats on the Board of Directors. The carrying amount of the interest in Alstom (inclusive of goodwill) is reported under "Investments in associates" in the balance sheet.

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

- **Changes in scope of consolidation:**

	June 2009	December 2009
Fully consolidated	921	**954**
Proportionately consolidated	252	**252**
Equity method	52	**38**
	1,225	**1,244➔ Change: -19**

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

2.4. Business combinations

The acquisition cost of a business combination (including transaction costs) is allocated to the identifiable assets and liabilities of the acquiree, measured at fair value at the acquisition date. These identifiable assets and liabilities are presented in the balance sheet using the full fair value method in accordance with IFRS 3. This method involves remeasuring the assets and liabilities acquired at fair value in full (including minority interests), rather than remeasuring just the percentage interest acquired.

Goodwill recognised prior to 1 January 2004 continues to be measured using the partial fair value method. This method involves restricting the fair value remeasurement of identifiable items to the percentage interest acquired. Subsequent to this date, minority interests in these items have been measured under IFRS at the carrying amount of consolidated assets and liabilities as shown in the balance sheet of the acquired entity.

Fair value is the amount for which an asset or cash generating unit could be sold between knowledgeable, willing parties in an arm's length transaction. Goodwill represents the excess of acquisition cost over the acquirer's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities that can be reliably measured at the acquisition date; it is allocated to the cash generating unit (which within the Bouygues group equates to the business segment) benefiting from the business combination.

The main initial allocations of acquisition cost to identifiable assets and liabilities may be adjusted within the twelve months following the acquisition date, after which they may no longer be adjusted.

Negative goodwill is taken to the income statement in the period in which the acquisition is made.

Subsequently, goodwill is carried at cost net of any impairment losses identified using the methods described under "Subsequent remeasurement of non-current assets" in the consolidated financial statements for the year ended 31 December 2008, in accordance with IAS 36. Impairment losses are charged to the income statement as an operating item.

2.5. Financial indicators

Definitions of the principal financial indicators:

2.5.1. Cash flow

Cash flow is defined as:

Consolidated net profit before: net depreciation and amortisation expense, net changes in provisions, gains and losses on asset disposals, cost of net debt (included in financing activities in the cash flow statement), and net income tax expense for the period.

2.5.2. EBITDA

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

2.5.3. Free cash flow

Free cash flow is cash flow (as defined above) less (i) cost of net debt and net income tax expense for the period and (ii) net capital expenditure for the period.

2.5.4. Net debt

This represents the aggregate of:

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

NOTE 3 - NON-CURRENT ASSETS 17,674

3.1. ACQUISITIONS OF NON-CURRENT ASSETS DURING THE PERIOD, NET OF DISPOSALS 569

Period ended:	30 June 2009	30 June 2008
Acquisitions of property, plant and equipment	566	720
Acquisitions of intangible assets	67	170
Capital expenditure	**633**	**890**
Acquisitions of non-current financial assets (investments in consolidated and non-consolidated companies, other long-term investments)	36	194
Acquisitions of non-current assets	**669**	**1,084**
Disposals of non-current assets	(100)	(145)
Acquisitions of non-current assets, net of disposals	**569**	**939**

3.2. PROPERTY, PLANT AND EQUIPMENT 6,008

Carrying amount	Land and buildings [a]	Industrial plant and equipment	Other property, plant and equipment	Property, plant & equipment under construction and advance payments	Total
30 June 2009	**1,254**	**3,575**	**757**	**422**	**6,008** [b]
of which finance leases	17	46	15		**78**
31 December 2008	**1,309**	**3,612**	**750**	**449**	**6,120**
of which finance leases	17	54	18		**89**

[a]Including land and quarries: €678m, versus €647m at 31 December 2008
[b]Includes the impact of the change from full consolidation to equity method for Axione: -€127m
Analyses by business segment of the carrying amount of property, plant and equipment, and of acquisitions of property, plant and equipment and intangible assets (net of disposals), are provided in note 14, "Segment Information".

3.3. INTANGIBLE ASSETS 1,015

Carrying amount	Concessions, patents and similar rights [a]	Other intangible assets [b]	Total
30 June 2009	**724**	**291**	**1,015**
31 December 2008	**765**	**331**	**1,096**

[a]This item mainly relates to software and licences held by Bouygues Telecom.
[b]Includes TF1 (primarily audiovisual rights): €125m, versus €143m at 31 December 2008

3.4. GOODWILL 5,159

3.4.1. Movement in the carrying amount of goodwill during the period
(excluding goodwill on associates: see note 3.6)

	Gross value	Impairment	Carrying amount
31 December 2008	**5,200**	**(43)**	**5,157**
Changes in scope of consolidation			
- Acquisitions during 2009	2		2
- Final purchase price allocations and other movements	(7)		(7)
Translation effects	5		5
Other transactions (disposals, etc)	2		2
30 June 2009	**5,202**	**(43)**	**5,159**

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

Segment[a]	30 June 2009		31 December 2008	
	Total	% Bouygues	Total	% Bouygues
Bouygues Construction (subsidiaries)	326	99.97%	325	99.97%
Colas[a]	1,089	96.62%	1,089	96.78%
TF1[a]	1,091	43.02%	1,090	43.02%
Bouygues Telecom	2,651	89.55%	2,651	89.55%
Other	2		2	
TOTAL	**5,159**[b]		**5,157**	

[a]Includes goodwill generated by the segment on acquisitions of subsidiaries
Impairment losses charged against goodwill during the six months ended 30 June 2009 were virtually zero.
[b]See Note 2 for a description of impairment testing methods.

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

	Consolidated purchase price per share 30 June 2009	Closing market price per share 30 June 2009
TF1[1]	12.52	7.99
Colas	85.07	170.51
Alstom	46.41	42.05

[1]TF1: A sensitivity analysis as at 30 June 2009 showed that the value in use of the assets tested exceeded their carrying amount (see note 2).

3.6. INVESTMENTS IN ASSOCIATES 4,801

	Carrying amount
31 December 2008	**4,742**
Changes in scope of consolidation and translation effects	17[a]
Capital increases	3
Share of net profit/(loss) for the period	206[b]
Payment of dividends	(108)[c]
Other movements	(59)
30/06/09	**4,801**[d]

[a]Including €15m for Alstom: €25m for acquisitions during the first half of 2009, less translation effects of €10m
[b]Including Alstom (€174m net) and Cofiroute (€24m)
[c]Including €96m of dividend paid by Alstom
[d]Including €3,910m for Alstom (goodwill: €2,465m) and €465m for Cofiroute (Colas)

3.7. OTHER NON-CURRENT ASSETS AND DEFERRED TAX ASSETS 452 / 239

Carrying amount	Investments in non-consolidated companies	Other non-current assets[a]	Total	Non-current tax assets[b]
30 June 2009	**148**	**304**	**452**	**239**
31 December 2008	**183**	**1,126**	**1,309**	**246**

[a]The 30 June 2009 figure includes the reclassification of the Alston Hydro and Canal+ France financial assets (€897m) to "Other current assets (due within less than one year); see note 4.5.
[b]See note 7 for details.

NOTE 4 - CURRENT ASSETS 16,619

4.1. INVENTORIES 2,986

	30 June 2009 Gross value	Impairment	Carrying amount	31 December 2008 Carrying amount
Inventories: raw materials, finished goods, property development[a]	**2,529**	**(122)**	**2,407**	**2,481**
Programmes and broadcasting rights (TF1)	**758**	**(179)**	**579**	**542**
Total	**3,287**	**(301)**	**2,986**	**3,023**

[a]Includes €1,585m of property development inventories

4.2. ADVANCES AND DOWN-PAYMENTS ON ORDERS 472

	30 June 2009 Gross value	Impairment	Carrying amount	31 December 2008 Carrying amount
Advances and down-payments on orders	**477**	**(5)**	**472**[a]	**429**

[a]Includes €297m of advance payments for sport and feature film transmission rights (TF1)

4.3. TRADE RECEIVABLES, TAX ASSETS AND OTHER RECEIVABLES 10,197

	30 June 2009 Gross value	Impairment	Carrying amount	31 December 2008 Carrying amount
Trade receivables	8,226	(412)	7,814	7,097
Current tax assets receivable	109	(2)	107	99
Other receivables and prepaid expenses	2,415	(139)	2,276[a]	2,247
Total	**10,750**	**(553)**	**10,197**	**9,443**

[a]Includes €1,412m receivable from governmental and other public authorities

4.4. CASH AND EQUIVALENTS 2,006

	30 June 2009 Gross value	Impairment	Carrying amount	31 December 2008 Carrying amount
Cash	674		674	792
Cash equivalents	1,362	(30)	1,332	3,048
Total	**2,036**	**(30)**	**2,006**	**3,840**

4.5. OTHER CURRENT FINANCIAL ASSETS 958

	30 June 2009	31 December 2008
Financial instruments used to hedge financial liabilities	27	24
Other financial assets (financial assets due within < 1 year, financial instruments related to working capital items, etc)	931[a]	59
Total	**958**	**83**

[a]The 30 June 2009 figure includes €897m of financial assets classified as non-current in 2008 but now due within less than one year.

Description of these assets:

. Alstom Hydro Holding: €172m

In October 2006, Bouygues acquired 50% of Alstom Hydro Holding (Alstom's hydro-power division) from Alstom for €150m.

Under the agreements with Alstom signed on 29 September 2006 and 31 October 2006:

- Alstom has specific rights, in particular in the event of a disagreement between the shareholders.
- Bouygues has an option to sell its shares back to Alstom in November 2009, or earlier in the event of a disagreement between the shareholders:
  . for €175m;
  . in exchange for 4.4 million Alstom shares, or the equivalent value in euros.

Consequently, Alstom has exclusive control over Alstom Hydro Holding, and the interest in this company is not consolidated by the Bouygues group but recognised as a current financial asset, with a carrying amount of €172m as at 30 June 2009, representing the present value of the minimum amount receivable. The effect of the unwinding of the discount on this receivable, representing a gain of €4m, was recognised in "Other financial income and expenses" in the six months ended 30 June 2009.

Because of the long-term industrial strategy underpinning relations between Bouygues and Alstom, the Bouygues group does not account for the option entitling it to exchange this asset for Alstom shares as a financial instrument.

If this item had been accounted for as a financial instrument, the resulting volatility would have had an estimated negative impact of €4m in the six months ended 30 June 2009, giving a cumulative favourable fair value impact of €13m since 2006 (representing the value of the option to exchange the asset as at 30 June 2009), compared with €17m as at 31 December 2008.

Because of the expiry date of the option, this financial asset was reclassified to "Other current financial assets" in the first half of 2009.

. Canal + France financial asset (TF1): €725m

The Canal+ France financial asset received in exchange for the transfer of TPS shares represents a 9.9% interest in the capital of Canal+ France plus a put option exercisable in February 2010. This option will enable TF1 to sell all its Canal+ France shares at the greater of:

. a minimum price of €746m;
. an independent valuation at the exercise date.

On initial recognition, the Bouygues group designated the Canal+ France financial asset (comprising the equity interest and the put option) as a financial asset at fair value through profit or loss.

The fair value of this financial asset is determined on the basis of the minimum price of €746m, discounted at the interest rate derived from the agreement signed on 6 January 2006. During the six months ended 30 June 2009, the change in the fair value of the asset represented a gain of €20m, recognised in "Other financial income and expenses", raising the reported value of the asset to €725m as at that date.

Because of the expiry date of the put option, this financial asset was reclassified to "Other current financial assets" in the first half of 2009.

NOTE 5 - CONSOLIDATED EQUITY 8,642

5.1. SHARE CAPITAL OF BOUYGUES SA (IN EUROS) € 344,078,003

As at 30 June 2009, the share capital of Bouygues SA consisted of 344,078,003 shares with a par value of €1.

	31 December 2008	Movements during the period Reductions	Movements during the period Increases	30 June 2009
Shares	342,818,079		[a] 1,259,924	344,078,003
Number of shares	**342,818,079**		**1,259,924**	**344,078,003**
Par value	€1			€1
Share capital (€)	**342,818,079**		**1,259,924**	**344,078,003**

[a]Capital increases on exercise of stock options during the period.

5.2. EQUITY ATTRIBUTABLE TO THE GROUP AND TO MINORITY INTERESTS AS AT 30 JUNE 2009

	Share capital and share premium	Reserves related to capital/retained earnings	Consolidated reserves and profit for the period	Treasury shares	Recognised income and expense	Other items recognised directly in equity	Total
Attributable to the Group	2,233	1,822	3,687	(13)	(175)	(71)	**7,483**
Minority interests			1,165		(6)		**1,159**
Total equity	**2,233**	**1,822**	**4,852**	**(13)**	**(181)**	**(71)**	**8,642**

5.2.1. Changes in equity attributable to the Group/minority interests

A consolidated statement of changes in equity is included in the consolidated financial statements for the six months ended 30 June 2009.

5.3. ANALYSIS OF RECOGNISED INCOME AND EXPENSE

	31 December 2008	Movement during the period	30 June 2009
Total attributable to the Group	**(73)**	**(102)**	**(175)**
Other income and expenses attributable to minority interests	**(6)**	**0**	**(6)**
Total attributable to the Group + minority interests [a]	**(79)**	**(102)**	**(181)**

[a]See the statement of recognised income and expense included in the financial statements.

5.3.1. Translation reserve

Principal translation differences on Group companies reporting in:

	31 December 2008	Movement during the period	30 June 2009
US Dollar	(22)	(6)	(28)
Canadian dollar	(16)	7	(9)
Pound sterling	(18)	7	(11)
South African rand	3	(16)	(13)
Hungarian Forint	(2)		(2)
Other currencies	1	(5)	(4)
Total	**(54)**	**(13)**	**(67)[a]**

[a]Includes -€14m of cumulative translation differences on associates

5.3.2. Fair value remeasurement reserve

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

	31 December 2008	Movement during the period	30 June 2009
Gross amount	**49**	**(29)**	**20**

5.3.3. Actuarial gain/loss reserve on employee benefits under IAS 19 (portion attributable to the Group), excl. associates

	31 December 2008	Movement during the period	30 June 2009
Gross amount	**(37)**		**(37)**
For information: actuarial gains/(losses) on associates (primarily Alstom)	(27)	(59)	(86)

NOTE 6 - NON-CURRENT AND CURRENT PROVISIONS

6.1. NON-CURRENT PROVISIONS 1,723

	Long-term employee benefits [a]	Litigation and claims [b]	Guarantees given [c]	Other non-current provisions [d]	Total
1 January 2009	**493**	**332**	**319**	**538**	**1,682**
Translation adjustments	2		1		**3**
Changes in scope of consolidation			1	5	**6**
Charges to provisions	29	29	58	43	**159**
Provisions utilised	(9)	(24)	(22)	(33)	**(88)**
Provisions no longer required	(1)	(21)	(3)	(7)	**(32)**
Actuarial gains and losses	1				**1**
Transfers between items and other			1	(9)	**(8)**
30 June 2009	**515**	**316**	**355**	**537**	**1,723**

[a] **Long-term employee benefits**		**515**
• Lump-sum retirement benefits and long-service awards	405	
• Other long-term employee benefits	110	

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

[b] **Litigation and claims**		**316**
• Provisions for customer disputes	165	
• Provisions for subcontractor claims	33	
• Other litigation and claims	118	
[c] **Guarantees given**		**355**
• Provisions for customer warranties	263	
• Provisions for additional building and civil works guarantees	92	
[d] **Other non-current provisions**		**537**
• Provisions for risks related to official inspections and to subsidiaries and associates	159	
• Provisions for site remediation costs	148	
• Other non-current provisions	230	

6.2. CURRENT PROVISIONS 643

- Provisions related to the operating cycle

	Provisions for customer warranties	Provisions for project risks and project completion	Provisions for expected losses to completion [a]	Other current provisions [b]	Total
1 January 2009	**55**	**177**	**144**	**252**	**628**
Translation adjustments			4	2	**6**
Changes in scope of consolidation	(1)	(3)			**(4)**
Charges to provisions	12	49	64	49	**174**
Provisions utilised	(8)	(22)	(43)	(50)	**(123)**
Provisions no longer required	(2)	(21)	(14)	(9)	**(46)**
Transfers between items and other		9		(1)	**8**
30 June 2009	**56**	**189**	**155**	**243**	**643**

[a] **Provisions for expected losses to completion** relate to the Construction segment: Bouygues Construction, Bouygues Immobilier and Colas. (Individual project provisions are not disclosed for confidentiality reasons.)

[b] **The main items included in "Other current provisions"** are reinsurance costs, the current portion of site remediation costs, rent guarantees (Bouygues Immobilier), film co-financing (TF1), customer claims and vendor's liability guarantee (TF1), and the business customer loyalty programme provision (Bouygues Telecom).

NOTE 7 - NON-CURRENT TAX ASSETS AND LIABILITIES

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7.1. NON-CURRENT TAX ASSETS

Analysis by segment:

	31 December 2008	Movement during the period	30 June 2009
Deferred tax assets	246	(7)	**239**
Bouygues Telecom	22	(8)	**14**
Colas	91	4	[a] **95**
Bouygues Construction	85	(4)	**81**
TF1	17	1	**18**
Bouygues SA	24	0	**24**
Other	7	0	**7**
Other non-current tax assets	0	0	**0**
Total non-current tax assets	**246**	**(7)**	**239**

[a]Primarily, deferred tax assets on temporary tax losses during the period

7.2. NON-CURRENT TAX LIABILITIES

	31 December 2008	Movement during the period	30 June 2009
Deferred tax liabilities	89	(1)	[a] **88**
Other non-current tax liabilities	0	0	**0**
Total non-current tax liabilities	**89**	**(1)**	**88**

[a]Primarily Colas: €80m

NOTE 8 - NON-CURRENT AND CURRENT DEBT 7,171 / 509

8.1. BREAKDOWN OF DEBT BY MATURITY

	Current debt (less than 1 year)				Non-current debt							Total non-current debt
	Accrued interest	1 to 3 mths	4 to 12 mths	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 years or more	Total 30 June 2009	31 Dec. 2008
Bond issues	185			**185**	1,247		1,147		992	3,172	**6,558**	6,557
Bank borrowings		42	221	**263**	290	85	24	18	10	94	**521**	316
Finance lease obligations		6	15	**21**	16	17	7	3	1	2	**46**	58
Other debt		10	30	**40**	11	20	3	5	2	5	**46**	94
Total debt: 30 June 2009	**185**	**58**	**266**	**509**	**1,564**	**122**	**1,181**	**26**	**1,005**	**3,273**	**7,171**	**7,025**
Total debt: 31 December 2008	**175**	**49**	**1113**	**1,337**	**646**	**894**	**38**	**1,174**	**1,009**	**3,264**		**7,025**

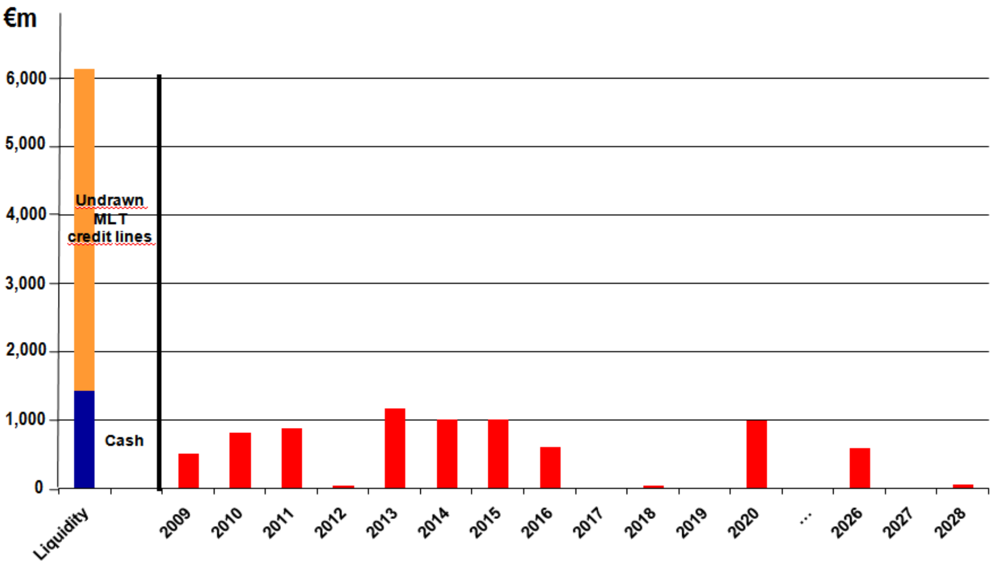
8.2. COVENANTS AND TRIGGER EVENTS

The 10-year bond issue maturing May 2016, the 7-year bond issue maturing May 2013, the 7-year bond issue maturing July 2015 and the 20-year sterling bond issue maturing 2026 all contain a change of control clause relating to Bouygues SA.

The bank loans contracted by Bouygues and its subsidiaries do not include any covenants or trigger events, except for the syndicated credit facility used by Colas Inc. ($175m drawn down as at 30 June 2009) which is subject to covenants regarding compliance with a financial ratio.
This covenant was complied with as at 30 June 2009.

8.3. LIQUIDITY AS AT 30 JUNE 2009

As at 30 June 2009, available cash stood at €1,421m (including -€7m of financial instruments contracted to hedge net debt).
The Group also had €4,715m of undrawn confirmed medium/long-term credit facilities as at the same date.



The Bouygues group is not exposed to liquidity risk.

NOTE 9 - MAIN COMPONENTS OF CHANGE IN NET DEBT (6,259)

9.1. CHANGE IN NET DEBT

	31 December 2008	Movements during the period	30 June 2009
Cash and equivalents	3,840	(1,834)	**2,006**
Overdrafts and short-term bank borrowings	(393)	(185)	**(578)**
Net cash and equivalents	**3,447**	**(2,019)**[a]	**1,428**
Non-current debt	(7,025)	(146)	**(7,171)**
Current debt	(1,337)	828	**(509)**
Financial instruments, net	(1)	(6)	**(7)**
Total debt	**(8,363)**	**676**	**(7,687)**
Net debt	**(4,916)**	**(1,343)**	**(6,259)**

[a]Cash flows as analysed in the cash flow statement for the period

9.2. PRINCIPAL TRANSACTIONS IN THE PERIOD

Consolidated net debt at 31 December 2008	**(4,916)**
Bouygues SA capital increase	**29**
Acquisitions of treasury shares	**(10)**
Dividends paid (Bouygues SA / third parties)	**(675)**
Dividends received from Alstom (equity-accounted)[a]	**96**
Acquisitions of additional Alstom shares	**(25)**
Net impact of partial disposal of Axione Infrastructure	**188**
Other financial transactions	**(6)**
Changes in working capital at business segment level and other items	**(940)**
Consolidated net debt at 30 June 2009	**(6,259)**

[a]Dividends received from fully and proportionately consolidated entities have no impact on the Group's consolidated cash position.

NOTE 10 - ANALYSIS OF SALES AND OTHER REVENUES FROM OPERATIONS

10.1. ANALYSIS BY ACCOUNTING CLASSIFICATION

	First half		
	2009	2008	
Sales of goods	1,300	1,278	
Sales of services	6,018	6,059	
Construction contracts	7,611	7,962	
Sales	**14,929**	**15,299**	Change: -2.4%
Other revenues from operations	74	60	
Total	**15,003**	**15,359**	

10.2. CONTRIBUTION OF BUSINESS SEGMENTS TO CONSOLIDATED SALES

BUSINESS SEGMENT	2009 first-half sales				2008 first-half sales			
	France	International	Total	%	France	International	Total	%
Construction	2,505	2,026	4,531	30	2,525	1,923	4,448	29
Property	1,331	89	1,420	10	1,232	67	1,299	8
Roads	3,078	2,001	5,079	34	3,483	2,126	5,609	37
Media	960	160	1,120	7	1,184	157	1,341	9
Telecoms	2,616		2,616	18	2,457		2,457	16
Bouygues SA & other activities	6	157	163	1	4	141	145	1
Consolidated sales	**10,496**	**4,433**	**14,929**	**100**	**10,885**	**4,414**	**15,299**	**100**
% year-on-year change	**-4%**	**0%**	**-2%**					

10.3. ANALYSIS OF SALES BY GEOGRAPHICAL AREA

GEOGRAPHICAL AREA	2009 first-half sales		2008 first-half sales	
	Total	%	Total	%
France	10,496	70	10,885	71
European Union	1,712	11	1,840	12
Other European countries	477	3	487	3
Africa	837	6	789	5
Middle East	96	1	108	1
United States and Canada	656	4	642	4
Central and South America	103	1	81	1
Asia-Pacific	552	4	467	3
Total	**14,929**	**100**	**15,299**	**100**

NOTE 11 - OPERATING PROFIT

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Operating profit fell by 28% year-on-year (see note 14 for an analysis by business segment).

		First half		
		2009	**2008**	
Sales		14,929	15,299	See analysis in note 10
Other revenue from operations		74	60	
Purchases used in production and external charges		(9,870)	(10,339)	
Taxes other than income tax		(355)	(344)	
Personnel costs		(3,307)	(3,243)	
Net depreciation, amortisation, provisions and impairment losses		(852)	(750)	
- Depreciation and amortisation expense	*	(643)	(635)	
- Net charges to provisions and impairment losses	*	(209)	(115)	
Changes in production and property development inventories		(90)	58	
Other income and expenses from operations		260	358	
- Reversals of unused provisions and impairment losses	*	106	106	
- Gains on disposals of non-current assets		57	88	
- Other income and expenses		97	164	
Current operating profit	*	**789**	**1,099**	
Other operating income and expenses				
Operating profit		**789**	**1,099**	
Of which EBITDA	*	1,535	1,743	

NOTE 12 - COST OF NET DEBT (171)
AND OTHER FINANCIAL INCOME AND EXPENSES 3

12.1. ANALYSIS OF COST OF NET DEBT

	First half	
	2009	**2008**
Financial expenses	(222)	(200)
Financial income	51	68
Including:		
Finance leases	(2)	(2)
Financial instruments	1	(2)
Total	**(171)**	**(132)**

See note 14 (Segment Information) for a breakdown by business segment for the period.

12.2. OTHER FINANCIAL INCOME AND EXPENSES

	First half	
	2009	**2008**
Other financial income and expenses	3	(21)

This item includes gains arising from the unwinding of discount on the Canal+ France and Alstom Hydro Holding financial assets, interest paid to investors on calls for funds (commercial property), commitment fees, and changes in the fair value of other current financial assets and other items.

NOTE 13 - INCOME TAX EXPENSE (208)

ANALYSIS OF INCOME TAX EXPENSE

	First half of 2009			First half of 2008		
	France	Other countries	Total	France	Other countries	Total
Tax payable to the tax authorities	(165)	(30)	(195)	(253)	(46)	(299)
Change in deferred tax liabilities	2	2	4	2	2	4
Change in deferred tax assets	(16)	(1)	(17)	(15)	5	(10)
Total	**(179)**	**(29)**	**(208)**	**(266)**	**(39)**	**(305)**
Effective tax rate			**34%**			**32%**

The change in the effective tax rate is due to various factors including the effect of permanent differences, tax credits (such as research credits), and differences in tax rates (such as reduced-rate taxes on long-term capital gains and foreign taxes).

NOTE 14 - SEGMENT INFORMATION

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

ANALYSIS BY BUSINESS SEGMENT: 30 JUNE 2009 VS. 31 MARCH 2008 OR 31 DECEMBER 2008

	Construction	Property	Roads	Media	Telecoms	Bouygues SA & other activities	TOTAL	TOTAL
INCOME STATEMENT							**First half of 2009**	**First half of 2008**
Total sales	4,758	1,433	5,116	1,130	2,625	248	**15,310**	**15,579**
Inter-segment sales	(227)	(13)	(37)	(10)	(9)	(85)	**(381)**	**(280)**
Third-party sales	**4,531**	**1,420**	**5,079**	**1,120**	**2,616**	**163**	**14,929**	**15,299**
Operating profit	**164**	**104**	**75**	**38**	**415**	**(7)**	**789**	**1,099**
Cost of net debt	**17**	**(4)**	**(18)**	**(10)**	**(5)**	**(151)**	**(171)**	**(132)**
Income tax expense	**(64)**	**(19)**	**(23)**	**(5)**	**(141)**	**44**	**(208)**	**(305)**
Share of profits/(losses) of associates			**26**	**7**		**173**[a]	**206**	**177**
Net profit attributable to the Group	**121**	**60**	**57**	**21**	**240**	**48**[f]	**547**	**701**
BALANCE SHEET							**30 June 2009**	**31 Dec. 2008**
Property, plant and equipment[b]	**428**	**15**	**2,330**	**190**	**2,616**	**429**	**6,008**	**6,120**
Intangible assets	**44**	**3**	**63**	**150**	**752**	**3**	**1,015**	**1,096**
Goodwill[c]	**326**		**1,089**	**1,091**	**2,651**	**2**	**5,159**	**5,157**
Investments in associates	**92**		**518**	**267**		**3,924**[d]	**4,801**	**4,742**
Trade receivables	**2,303**	**230**	**3,482**	**639**	**771**	**389**	**7,814**	**7,097**
Cash and equivalents	**378**	**59**	**293**	**13**	**10**	**1,253**	**2,006**	**3,840**
Non-current debt	**303**	**69**	**325**	**801**	**680**	**4,993**	**7,171**	**7,025**
Non-current provisions	**685**	**80**	**648**	**60**	**140**	**110**	**1,723**	**1,682**
Current debt	**20**	**121**	**175**	**14**	**8**	**171**	**509**	**1,337**
Trade payables	**2,353**	**471**	**2,240**	**708**	**905**	**331**	**7,008**	**7,577**
CASH FLOW STATEMENT							**First half of 2009**	**First half of 2008**
Acquisitions of property, plant and equipment and intangible assets, net of disposals	**(64)**	**(2)**	**(136)**	**(45)**	**(285)**	**(39)**	**(571)**	**(833)**
Acquisitions of investments in consolidated companies and other investments, net of disposals	**29**		**(7)**	**3**		**(23)**[e]	**2**	**(106)**
OTHER FINANCIAL INDICATORS								
EBITDA	**304**	**132**	**286**	**90**	**702**	**21**	**1,535**	**1,743**

[a]Includes Alstom's profit contribution of €182m, and a goodwill adjustment on Alstom of -€8m.

[b]See note 3 for a breakdown by type of asset.

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

[d]Includes €3,910m for Alstom, see note 3.4.

[e]Includes €25m for acquisitions of additional shares in Alstom.

[f]Includes €174m for Alstom.

NOTE 15 - RELATED-PARTY INFORMATION

	Expenses	Income	Receivables	Liabilities
	First half of 2009	First half of 2009	30 June 2009	30 June 2009
Parties with an ownership interest (SCDM)	4			
Joint ventures	26	92	132	88
Associates	8	140	66	75
Other related parties	1	4	30	33
Total	**39**	**236**	**228**	**196**
Maturity				
less than 1 year			201	196
1 to 5 years			17	
more than 5 years			10	
of which impairment of doubtful receivables (primarily non-consolidated entities and Bouygues Construction associates)			68	

NOTE 16 - PRINCIPAL EXCHANGE RATES

Convention: 1 local currency unit = x euros

Country	Currency	Closing euro exchange rate[1]		Average rate for the period[2]	
		30 June 2009	31 December 2008	2009: 1st half	2008: full year
EUROPE					
Denmark	Danish krone	0.134282	0.134217	0.134251	0.134124
United Kingdom	Pound sterling	1.173571	1.049869	1.123574	1.246022
Hungary	Hungarian forint	0.003683	0.003750	0.003426	0.003983
Poland	Polish zloty	0.224618	0.240761	0.220742	0.283465
Czech Republic	Czech koruna	0.038637	0.037209	0.036862	0.039938
Romania	Romanian leu	0.237688	0.248602	0.235952	0.270235
Switzerland	Swiss franc	0.655093	0.673401	0.664283	0.633459
NORTH AMERICA					
United States	US dollar	0.707514	0.718546	0.747431	0.679075
Canada	Canadian dollar	0.614439	0.588305	0.624174	0.638723
REST OF THE WORLD					
Morocco	Moroccan dirham	0.088767	0.088822	0.089536	0.088098
Thailand	Thai baht	0.020773	0.020710	0.021347	0.020518
Hong Kong	Hong Kong dollar	0.091291	0.092714	0.096419	0.087240
African Financial Community	CFA franc	0.001524	0.001524	0.001524	0.001524
South Africa	South African rand	0.091867	0.076530	0.083404	0.082737

[1]Translation of balance sheet items

[2]Translation of income statement items