

Nine-month **2012** results presentation



Building the future is our greatest adventure



Paris – 32 Hoche
14 November 2012

This presentation contains forward-looking information and statements about the Bouygues group and its businesses. Forward-looking statements may be identified by the use of words such as “will”, “expects”, “anticipates”, “future”, “intends”, “plans”, “believes”, “estimates” and similar statements. Forward-looking statements are statements that are not historical facts, and include, without limitation: financial projections, forecasts and estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to future operations, products and services; and statements regarding future performance of the Group. Although the Group’s senior management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Group, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and undue reliance should not be placed on such statements. The following factors, among others set out in the Group’s Registration Document (Document de Référence) under the section headed Risk factors (Facteurs de risques), could cause actual results to differ materially from projections: 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. Except to the extent required by applicable law, the Bouygues group makes no undertaking to update or revise the projections, forecasts and other forward-looking statements contained in this presentation.

14 November 2012

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

Group sales

€ million	9M 2011	9M 2012	Change
Sales	23,719	24,597	+4% ¹
<i>o/w construction businesses²</i>	17,614	18,827	+7%
<i>o/w TF1</i>	1,839	1,853	+1%
<i>o/w Bouygues Telecom</i>	4,285	3,951	-8%

¹Up 1% like-for-like and at constant exchange rates

²Bouygues Construction + Bouygues Immobilier + Colas (sales contributions)

- The construction businesses offset the anticipated decline in sales at Bouygues Telecom

Group results (1/2)

€ million	9M 2011	9M 2012	Change
Current operating profit	1,338	954	-€384m
<i>o/w construction businesses</i>	667	619	-€48m
<i>o/w TF1</i>	195	154	-€41m
<i>o/w Bouygues Telecom</i>	512	206	-€306m
Current operating margin	5.6%	3.9%	-1.7 pts
<i>o/w construction businesses</i>	3.8%	3.3%	-0.5 pts
<i>o/w TF1</i>	10.6%	8.3%	-2.3 pts
<i>o/w Bouygues Telecom</i>	11.9%	5.2%	-6.7 pts
Operating profit	1,376	859	-€517m

- The Group's current operating profit mainly reflects the **decrease in profitability at Bouygues Telecom**
- Operating profit includes **€95m of non-recurring costs** related to TF1 and Bouygues Telecom adaptation plans

Group results (2/2)

	9M 2011	9M 2012	Change
Net profit attributable to the Group (€ million)	794	564	-29%
Earnings per share (€)	2.23	1.79	-20%

- **Alstom's contribution** amounts to **€181m** in the 9 months of 2012 vs. €134m in the 9 months of 2011

Alstom: H1 2012/13 results

- **A sound level of orders** in a challenging economic environment
 - ✓ Orders up 19% at €12.1bn in H1 2012/13
 - ✓ Book-to-bill above 1 for the fourth consecutive semester
 - ✓ Backlog up 10% at €52bn representing 31 months of sales
- **Alstom delivered according to plan**
 - ✓ Sales at €9.7bn, up 4% vs. H1 2011/12
 - ✓ Operating margin at 7.2%, up 0.5 pts vs. H1 2011/12
 - ✓ Positive free cash flow at €101m
- **Outlook confirmed**
 - ✓ Sales: up 5% per year for the current fiscal year and the next two years
 - ✓ Operating margin: around 8% in March 2015
 - ✓ Positive free cash flow in each of the next three fiscal years

Group free cash flow

€ million	9M 2011	9M 2012	Change
Free cash flow¹	886	713²	-€173m
<i>o/w construction businesses</i>	462	571	+€109m
<i>o/w TF1</i>	155	109	-€46m
<i>o/w Bouygues Telecom</i>	325	84²	-€241m

¹Before change in WCR

²Excluding investment in 4G frequencies (800 MHz band) in the 9-months 2012 (acquisition costs and capitalised interest)

- The **improvement in the construction businesses' free cash flow** partially offsets the significant decrease of Bouygues Telecom's free cash flow

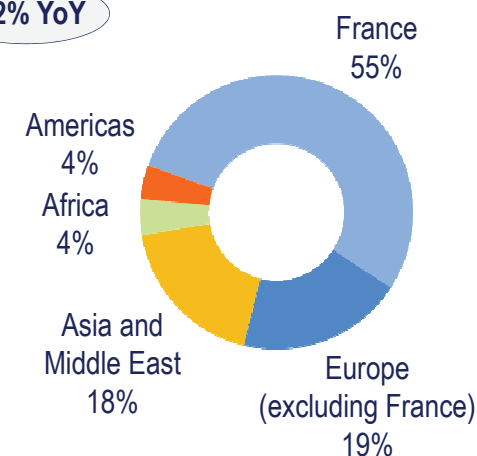
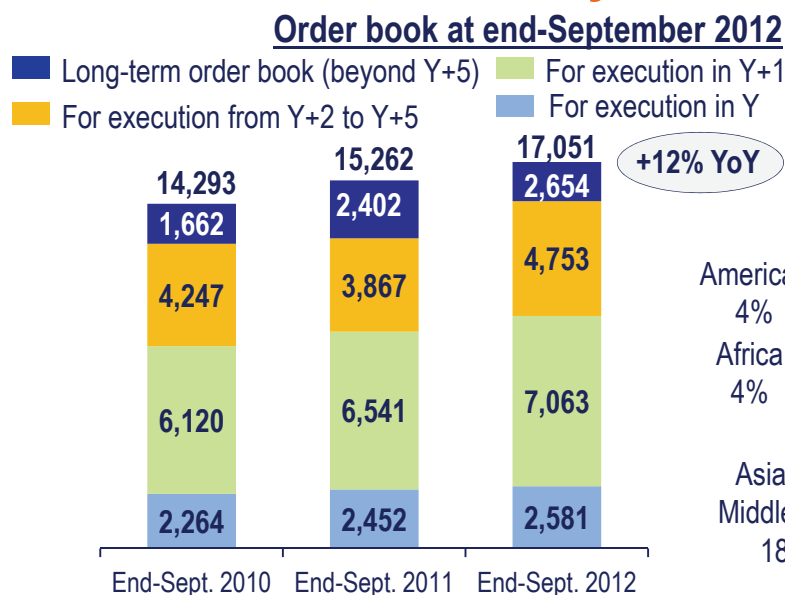
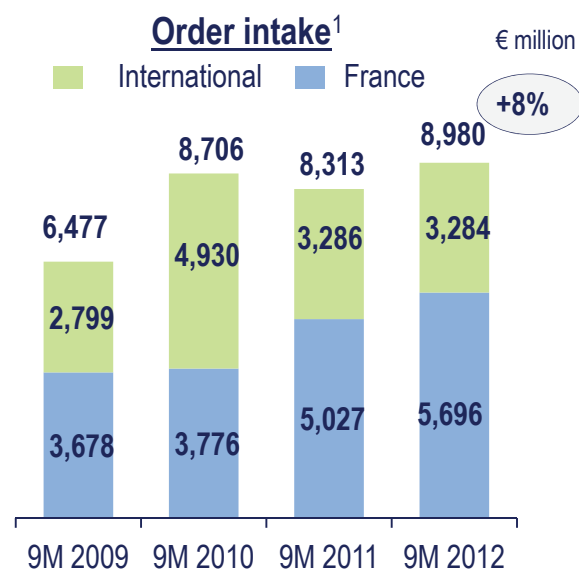
Group financial position

€ million	End-Sept. 2011	End-Sept. 2012	Change
Shareholders' equity	10,596	9,624	-€972m
Net debt	3,808	5,832	+€2,024m
Net gearing	36%	61%	+25 pts

- Decrease in **shareholder's equity** related to the cancellation of shares in Q4 2011 (share repurchase tender offer)
- **Tight control of net debt** confirmed at the end of September 2012
 - ✓ Cash generated by operations allowed net debt to improve by €169m versus end-September 2011 before factoring in the share repurchase tender offer (€1.25bn) and the purchase of 4G frequencies (€943m)

- HIGHLIGHTS AND KEY FIGURES
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BOUYGUES CONSTRUCTION: commercial activity



¹Definition: contracts are booked as order intakes at the date they take effect

- **Strong** order book at €17bn
- Increasing **visibility on future business activity**
 - ✓ €7bn to be executed in 2013
 - ✓ Order book to be executed in two years and beyond up 18% vs. end-September 2011

BOUYGUES CONSTRUCTION: key figures

€ million	9M 2011	9M 2012	Change	2012 target
Sales	7,086	7,748	+9% ¹	10,400
o/w France	3,867	4,097	+6%	
o/w international	3,219	3,651	+13%	
Current operating profit	266	260	-€6m	
Current operating margin	3.8%	3.4%	-0.4 pts	
Net profit attributable to the Group	159	174	+€15m	

¹Up 4% like-for-like and at constant exchange rates

- **Solid sales growth** leading to an **increase of 2012 sales target** to €10.4bn
- **Robust current operating margin**



**Qatar Petroleum
District, Doha**

BOUYGUES IMMOBILIER: business activity



¹Definition: Residential property reservations are always reported net of cancellations

Commercial property reservations are firm orders which cannot be cancelled (notarised deeds of sale)

- **The decline in residential property reservations** accelerated in the third quarter in a difficult economic and tax environment
- The order book is up 9% vs. end September 2011 thanks to the **increasing commercial property backlog**
- The order book offers **visibility** and represents **14 months of sales**

BOUYGUES IMMOBILIER: key figures

€ million	9M 2011	9M 2012	Change	2012 target
Sales	1,548	1,631	+5% ¹	2,450
o/w Residential	1,358	1,472	+8%	
o/w Commercial	190	159	-16%	
Current operating profit	127	123	-€4m	
Current operating margin	8.2%	7.5%	-0.7 pts	
Net profit attributable to the Group	78	75	-€3m	

¹Up 5% like-for-like and at constant exchange rates



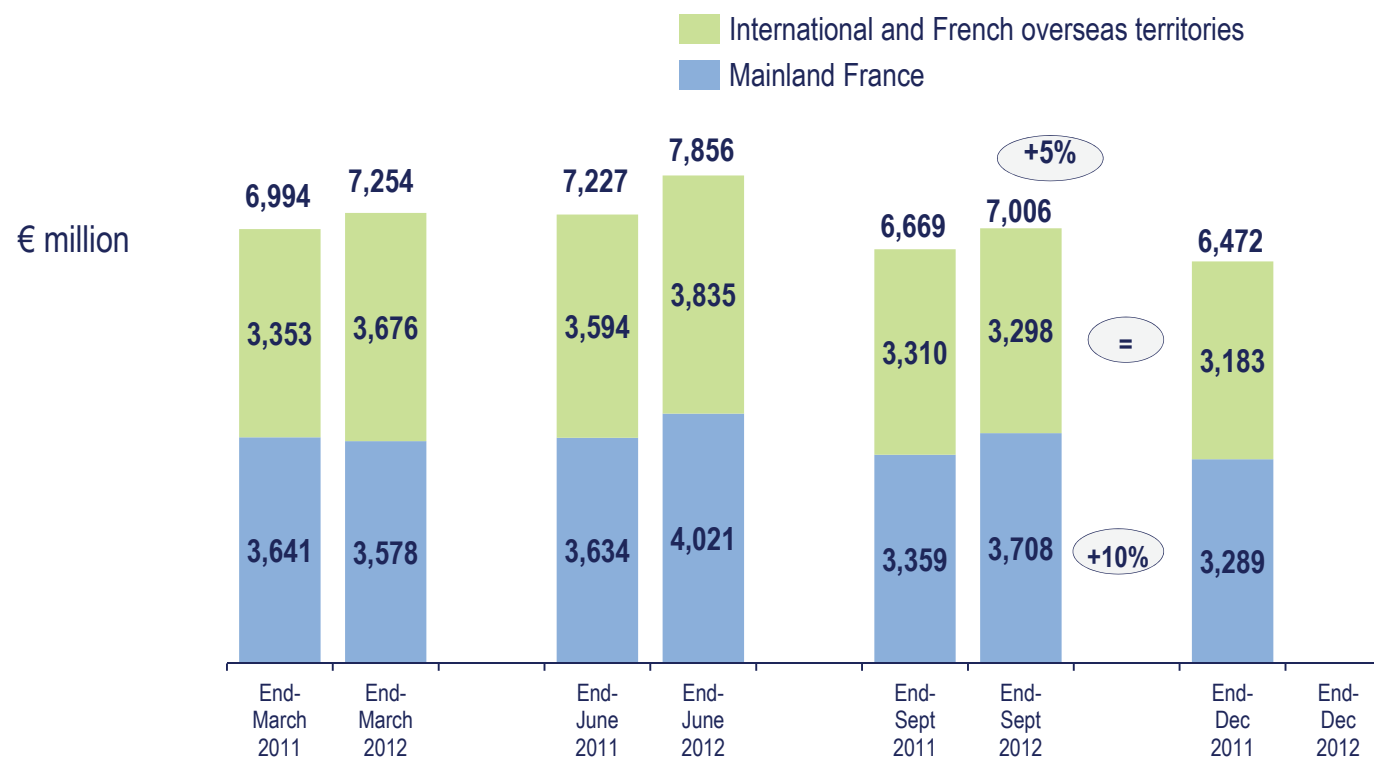
**Fort d'Issy,
Issy-les-Moulineaux**

- In line with H1 trends, the **residential** property sales **growth** continues while new commercial property reservations do not yet contribute much to sales
- Current operating margin reflects the **early adjustment** to the current residential market decrease

BOUYGUES IMMOBILIER: adjusting to residential market decrease

- In light of the decrease in residential property reservations, Bouygues Immobilier is **quickly adapting to the new environment** while sales are still growing
- Some measures have therefore been implemented in Q3 2012 with the objective to **keep a very low residential inventory**
 - ✓ Example: **promotional offers** are made on programs under construction
 - ✓ 9-month 2012 current operating margin **would have been at 8%** excluding those promotions
 - ✓ Only **16** unsold finished apartments in France at the end of September 2012
- **Additional adjustment measures** will be implemented during Q4 2012

COLAS: order book



COLAS: key figures

€ million	9M 2011	9M 2012	Change	2012 target
Sales	9,168	9,670	+5% ¹	12,900
o/w France	5,406 ²	5,455	+1%	
o/w international	3,762 ²	4,215	+12%	
Current operating profit	274	236	-€38m	
Current operating margin	3.0%	2.4%	-0.6 pts	
Net profit attributable to the Group	209	178	-€31m	

¹Up 3% like-for-like and at constant exchange rates

²Export sales of refined oil products were reclassified according to their location



**The A63 motorway,
Southern France**

- 9-month sales benefitted from **solid activity in Q3** and reflect continued **inflation** in road production costs and oil products prices (bitumen, base oil, fuel oil)
 - ✓ Impact of higher sales prices on revenue growth is estimated at about 3 percentage points

COLAS: operating margin evolution

- As planned, continued **improvement in Central Europe**
 - ✓ On track to achieve **breakeven** target in 2012

- 9-month current operating margin decrease is **equally explained** by
 - ✓ **The road activity in France**
 - Delays in contract executions (due to poor weather in H1 2012) still affected the profitability
 - Decrease in volumes weighed on ability to cover the fixed costs of the industrial activities
 - ✓ **The sale of refined products**
 - Strong increase in reduced-crude-oil (bitumen refinery's raw material) prices could not be fully passed on to end customers purchasing the by-products (base oil and fuel oil)

COLAS: project to implement a new organization in France

■ The project

- ✓ Implementation of a **new organization for the road business in mainland France**
- ✓ Current situation: 16 regional subsidiaries operating under three brand names
- ✓ New organization: 7 regional subsidiaries all operating under the single brand name of Colas

■ The objective

- ✓ **Simplify** the organization and **improve efficiency** while preserving the **flexibility** of a decentralized business network
- ✓ Continue to **anticipate** and **adapt** to changing markets in keeping with organization changes made over the last few years

■ Timing

- ✓ The new organization would be operational as of **beginning of 2013**

TF1: key figures

€ million	9M 2011	9M 2012	Change	2012 target
Sales	1,839	1,853	+1% ¹	2,620
<i>o/w Group advertising</i>	1,267	1,248	-1%	
Current operating profit	195	154	-€41m	
<i>Current operating margin</i>	10.6%	8.3%	-2.3 pts	
Operating profit	195	129²	-€66m	
Net profit attributable to the Group	125	87	-€38m	

¹Stable like-for-like and at constant exchange rates – ²Including €25m of optimization plan costs



The Voice, the TV show

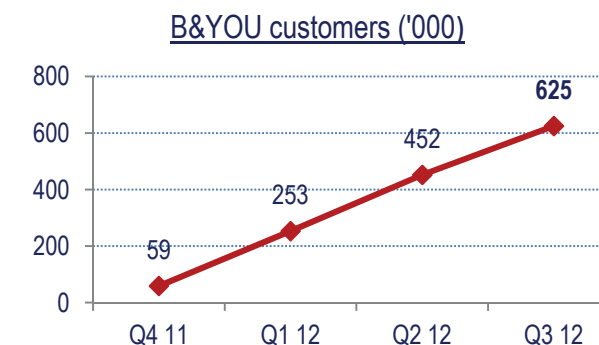
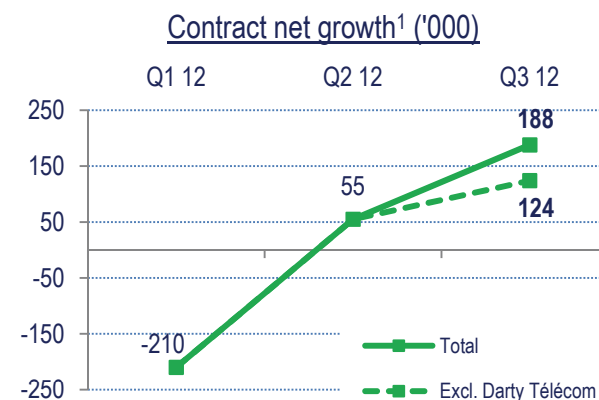
- The **decrease in advertising revenue** is offset by the **growth in diversification activities** but weighs on current operating margin
- Q3 2012 operating profit includes €25m of **costs associated with the optimization plan**

TF1: further adapting to the economic environment

- TF1 is introducing **phase II of its optimization plan**
- As in phase I, TF1 will continue to
 - ✓ Increase the level of **flexibility** of its business model
 - ✓ **Reduce** costs
- The measures will focus on **3 main areas**
 - ✓ The TF1 channel **programming costs**
 - ✓ The organization's **productivity**
 - ✓ The **general and administrative costs**
- Target: **€85m of recurring cost savings** by the end of 2014

BOUYGUES TELECOM: mobile commercial performance

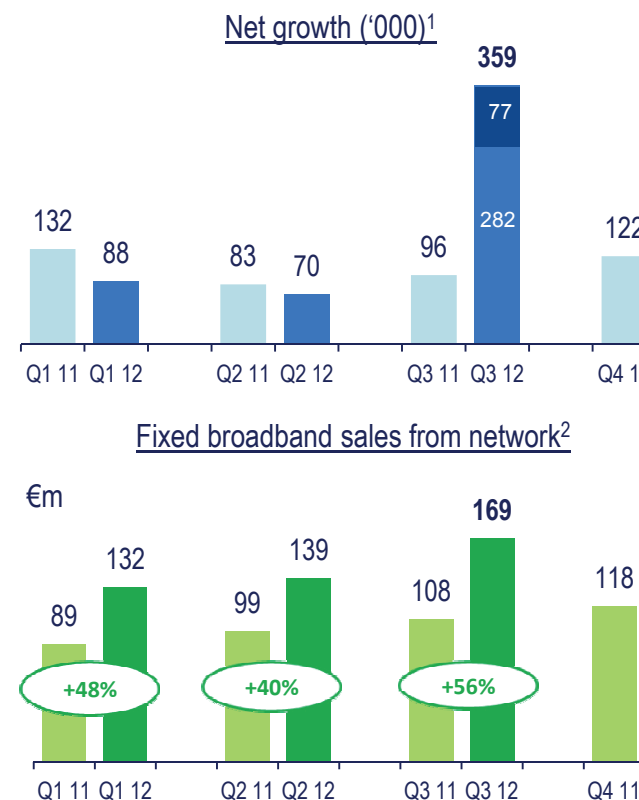
- Continued positive contract net adds trend in Q3 2012
 - ✓ A net gain of **188K contracts customers**
 - ✓ A net gain of 124K excluding the consolidation of Darty Telecom
- Return to a **positive growth trend** for the installed base
 - ✓ A net gain of **11K customers** in Q3 2012 excluding perimeter effects
 - ✓ A net gain of 178K customers including 103K Simyo prepaid customers and 64K Darty Telecom contract customers
- Confirmed **B&YOU dynamic**
 - ✓ 625K B&YOU customers by end Q3 2012



¹Contract customers: total customer base without prepaid customers

BOUYGUES TELECOM: fixed broadband commercial performance

- Installed base of **1.8 million customers** at end Q3 2012
 - ✓ Consolidation of **282K Darty Telecom** customers
 - ✓ A **net gain of 77K Bbox customers**
 - ✓ 256K very-high-speed broadband customers (using Numericable network)
- **Strong growth** of fixed sales from network: +49% in the first 9 months of 2012
- End October 2012, Bbox Sensation represents **68% of gross sales**



¹Includes broadband and very-high-speed subscriptions. It also includes 282K Darty Telecom customers in Q3 2012

²Sales from network excluding ideo discount. Q3 12 including Darty Telecom as per August, 1st 2012

BOUYGUES TELECOM: key figures

	9-month		
€million	2011	2012	Change
Sales	4,285	3,951	-8% ¹
<i>Sales from network</i>	3,831	3,518	-8%
EBITDA	1,035	807	-€228m
<i>EBITDA/Sales from network</i>	27.0%	22.9%	-4.1 pts
Current operating profit	512	206	-€306m
Operating profit	550 ²	136³	-€414m
Net profit att. to the Group	353	76	-€277m

Q3		
2011	2012	Change
1,419	1,275	-10%
1,256	1,132	-10%
370	248	-€122m
29.5%	21.9%	-7.6 pts
181	58	-€123m
219 ²	-12³	-€231m
140	-16	-€156m

¹Down 9% like-for-like and at constant exchange rates ²Including €38m related to a non current income ³Including -€70m related to the adaptation plan costs

■ Sales and EBITDA are **in line with expectations**

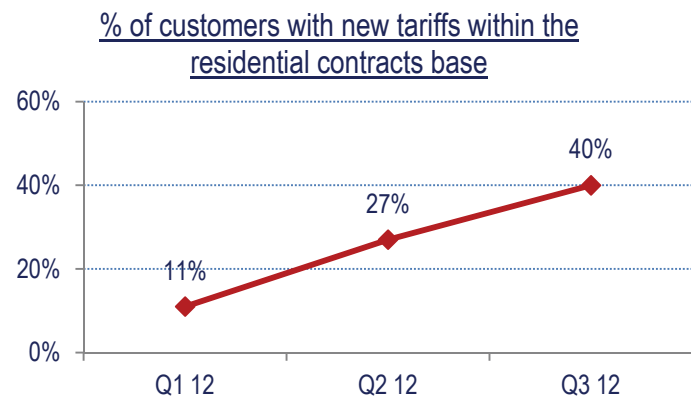
- ✓ Excluding the cut in mobile termination rates, sales from network are down 4% in Q3 2012 vs. -2% in Q2 2012 and +6% in Q1 2012

■ Q3 2012 operating profit includes **€70m** of non-recurring expenses related to the **adaptation plan costs**

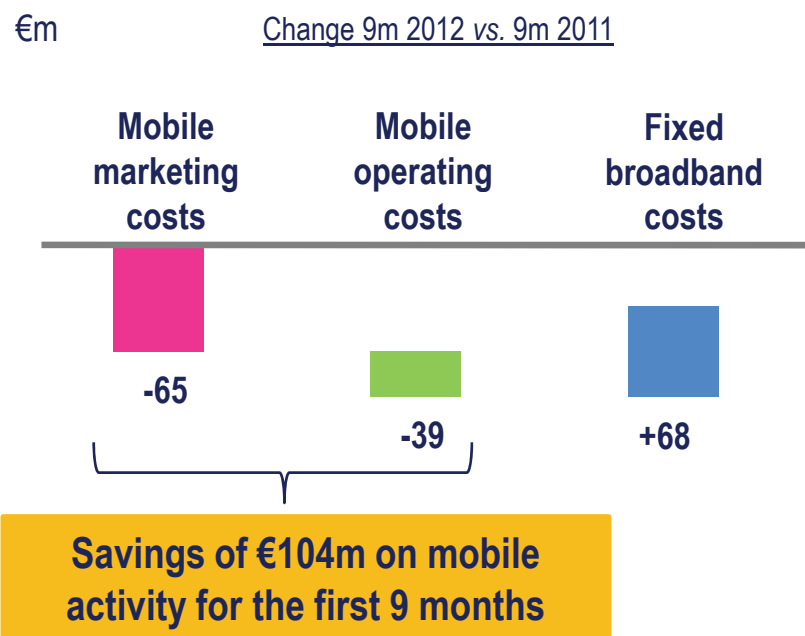
BOUYGUES TELECOM: mobile business model evolution

- **Repricing** of the installed base is progressing

- ✓ 40% of the residential contract base on new tariffs vs. 27% at end Q2



- **Cost saving plan target** confirmed: **€300 million** (with full impact in 2013)



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Condensed consolidated income statement (1/2)

€ million	9M 2011	9M 2012	Change
Sales	23,719	24,597	+4%
Current operating profit	1,338	954	-29%
Other operating income and expenses	38 ¹	(95) ²	nm
Operating profit	1,376	859	-38%
Cost of net debt	(205)	(212)	+3%
<i>o/w financial income</i>	63	45	-29%
<i>o/w financial expenses</i>	(268)	(257)	-4%
Other financial income and expenses	(1)	8	nm

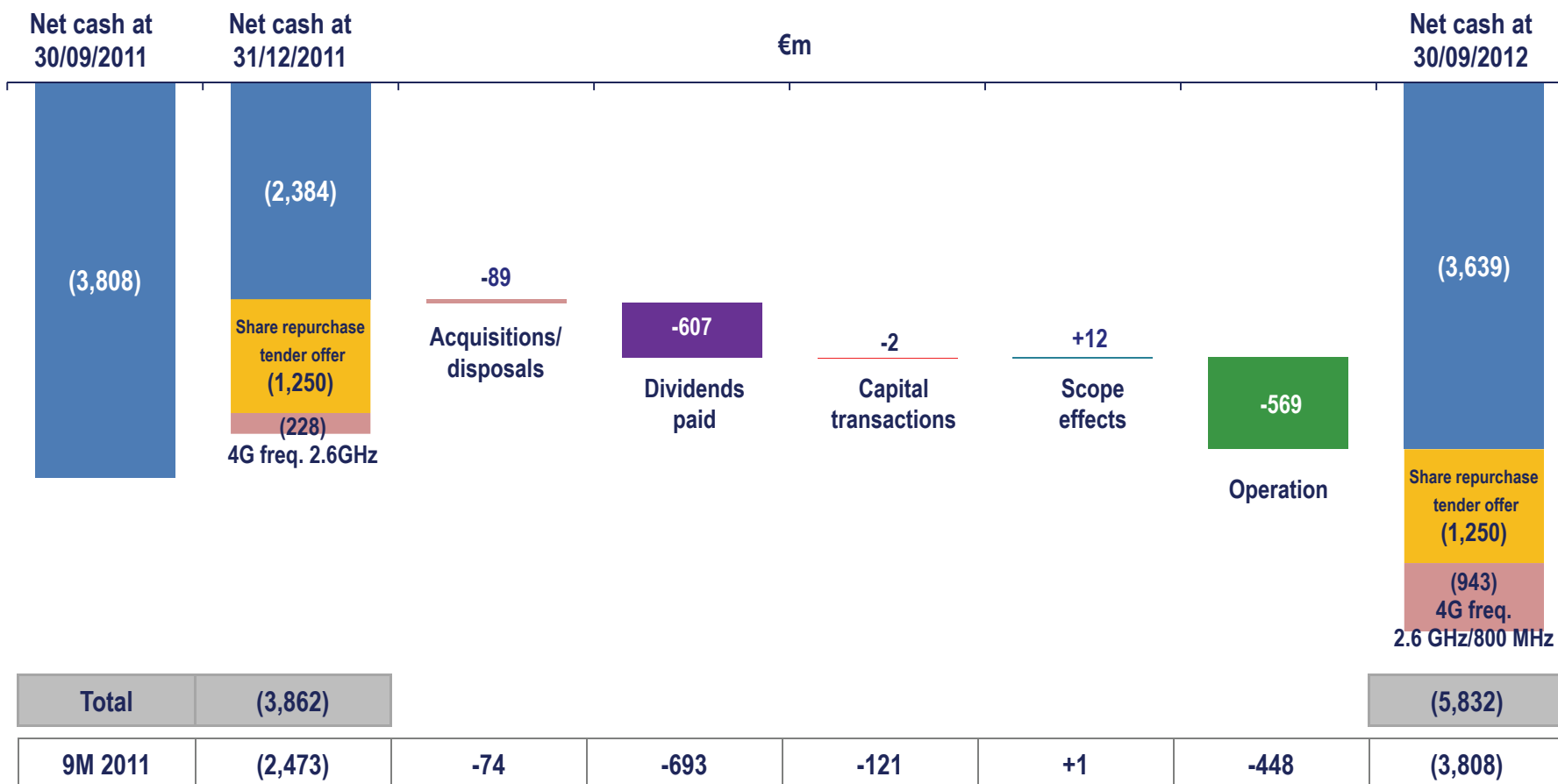
¹€38m of non-current income related to an asset disposal at Bouygues Telecom

²€95m of adaptation plan costs related to Bouygues Telecom for €70m and TF1 for €25m

Condensed consolidated income statement (2/2)

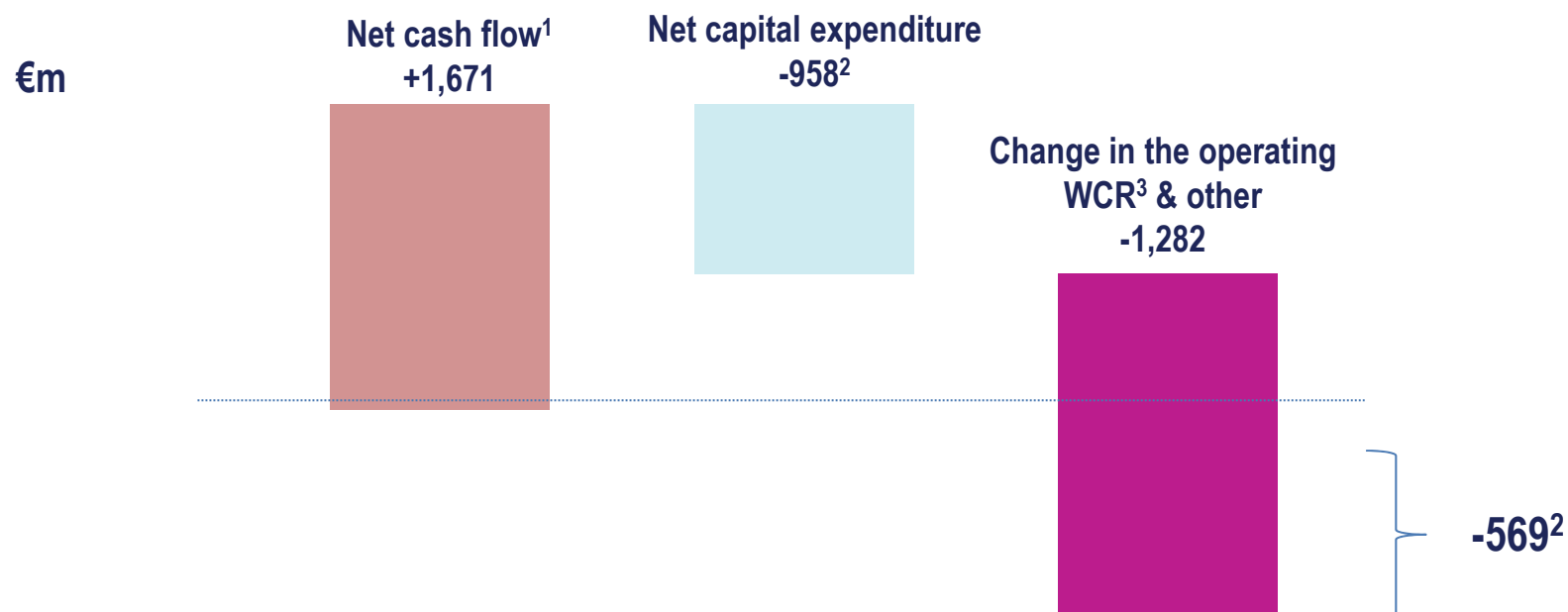
€ million	9M 2011	9M 2012	Change
Income tax expense	(395)	(232)	-41%
Share of profits and losses from associates	143	210	+47%
Net profit	918	633	-31%
Minority interests	(124)	(69)	-44%
Net profit attributable to the Group	794	564	-29%

Change in the net cash position in 9M 2012 (1/2)



Change in the net cash position in 9M 2012 (2/2)

Breakdown of operation



9M 2011	+1,883	-997	-1,334	-448
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¹Net cash flow = cash flow - cost of net debt - income tax expense ²Excluding investment on 4G frequencies (€715m for the 800 MHz band)

³Operating WCR: WCR relating to operating activities + WCR relating to net liabilities related to property, plant & equipment and intangible assets

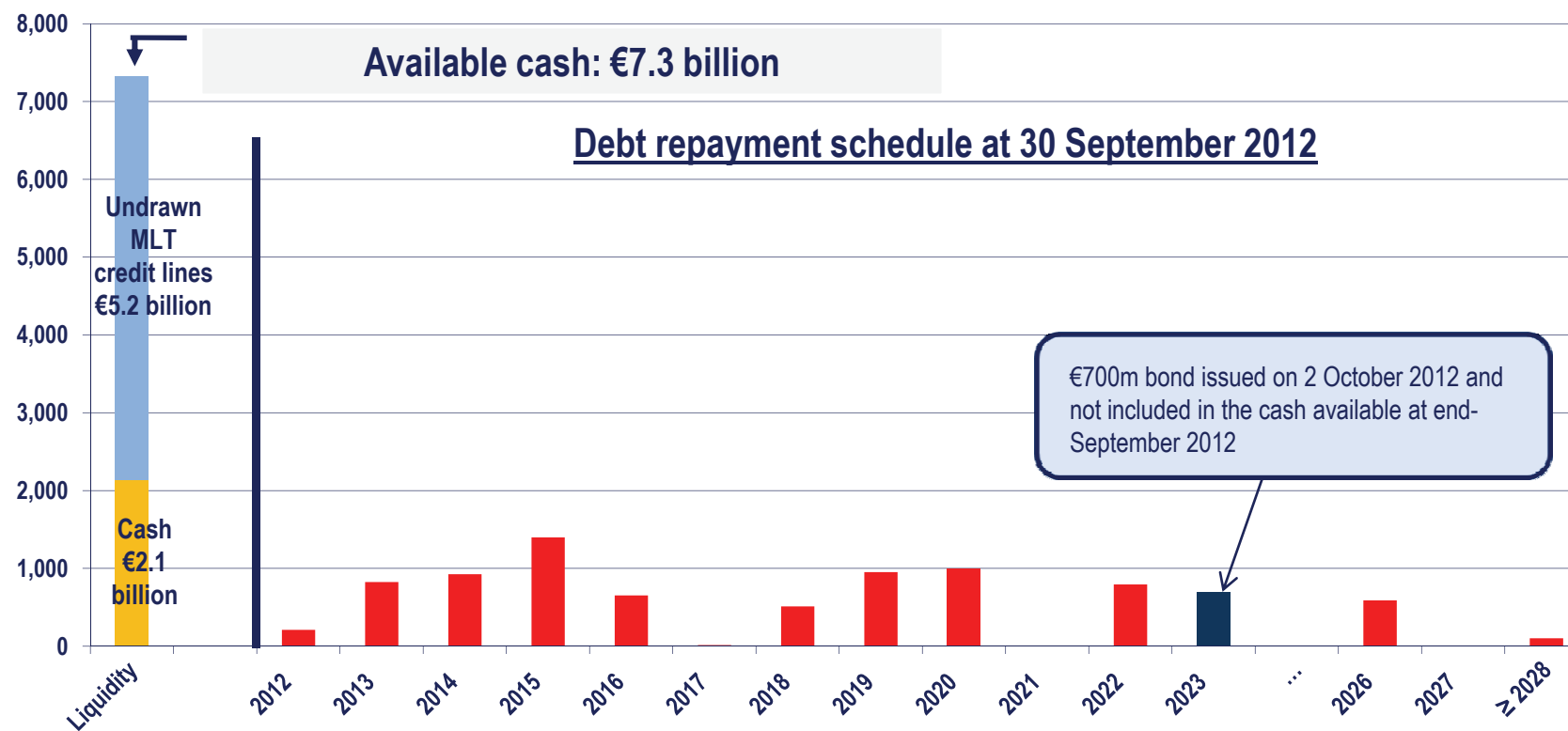
Contribution of business areas to Group net capital expenditure

€ million	9M 2011	9M 2012	Change
Bouygues Construction	177	117	-€60m
Bouygues Immobilier	7	10	+€3m
Colas	252	223	-€29m
TF1	29	18	-€11m
Bouygues Telecom	536	586	+€50m
Holding company and other	(4)	4	+€8m
Total excluding frequencies	997	958	-€39m
4G frequencies (800 MHz)	-	715¹	+€715m
TOTAL with frequencies	997	1,673	+€676m

¹Includes acquisition cost and capitalised interest

Financing

€m



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2012 sales target

€ million	2011	2012 target				Change 2012/2011
		In March	In May	In August	In November	
Bouygues Construction	9,802	10,000	10,100	10,200	10,400	+6%
Bouygues Immobilier	2,465	2,450	2,450	2,450	2,450	=
Colas	12,412	12,500	12,700	12,700	12,900	+4%
TF1	2,620	2,620	2,620	2,620	2,620	=
Bouygues Telecom	5,741	5,140	5,140	5,180	5,200	-9%
Holding company and other	120	120	120	120	120	nm
Intra-Group elimination	(454)	(480)	(480)	(470)	(490)	nm
TOTAL	32,706	32,350	32,650	32,800	33,200	+2%
o/w France	22,601	22,050	21,950	22,050	22,300	-1%
o/w international	10,105	10,300	10,700	10,750	10,900	+8%

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BOUYGUES TELECOM: key indicators

	Contracts		Prepaid		Total customer base	
	Q2 2012	Q3 2012	Q2 2012	Q3 2012	Q2 2012	Q3 2012
Customers						
SIM cards ('000)	8,955	9,143	1,899	1,889	10,854	11,032
SIM cards (% mix)	82.5%	82.9%	17.5%	17.1%		
No. of fixed broadband customers ('000) ¹					1,399	1,758
Unit data – mobile customers						
ARPU (€/year/customer) ²	481	463	139	132	411	398
Data usage (MB/month/customer) ³					150	170
SMS usage (SMS/month/customer) ⁴	372	385	142	137	325	336
Voice usage (min/month/customer) ⁴	416	419	120	124	356	361
Unit data – fixed broadband customers						
ARPU (€/year/customer) ²					383	386

Marketing costs⁵

	Q3 2011	Q3 2012
Marketing costs (€m)	193	196
Marketing costs/sales from network (%)	15.4%	17.3%

¹The number of fixed broadband customers includes broadband and very-high-speed subscriptions. It also includes Darty Telecom customers since Q3 2012

²Rolling 12-month period, excluding machine-to-machine SIM cards for mobile ARPU, and the ideo discount for fixed and mobile ARPU

³Rolling 12-month period, adjusted on a monthly basis, excluding machine-to-machine SIM cards

⁴Rolling 12-month period, adjusted on a monthly basis, excluding machine-to-machine and internet SIM cards

⁵Mobile and fixed subscriber acquisition and loyalty costs

BOUYGUES TELECOM: mobile termination rates

€ cents/minute for voice € cents/unit for SMS	Voice termination rates					SMS termination rates		
	At 1 July 2010	At 1 July 2011	At 1 January 2012	At 1 July 2012	At 1 January 2013	At 1 February 2010	At 1 July 2011	At 1 July 2012
Rates to Bouygues Telecom	3.40	2.00	1.50	1.00	0.80	2.17	1.50	1.00
% change	-43%	-41%	-25%	-33%	-20%	-38%	-31%	-33%
Rates to Orange and SFR	3.00	2.00	1.50	1.00	0.80	2.00	1.50	1.00
Rates to Free Mobile				1.60 ¹	1.10	Arcep consultation in process		
Bouygues Telecom differential	0.40	-	-	-	-	0.17	-	-
Differential with Free Mobile				0.60	0.30			

¹Came into effect on 1 August 2012



Calendar¹

- | | | | |
|---|------------------|-------------------------------------|---------|
| ■ | 27 February 2013 | Full-year 2012 sales and earnings | 7.00am |
| ■ | 27 February 2013 | Full-year 2012 results presentation | 11.00am |

¹All times are Central European Times

