NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30/06/2019

BOUYGUES

Making progress become reality

CONTENTS

NOTE 1 SIGNIFICANT EVENTS

1.1 Significant events of the first half of 2019

The principal corporate actions and acquisitions of the first half of 2019 are presented below:

- On 18 January 2019, Bouygues Telecom finalised the acquisition of a 43.6% equity interest in Keyyo at a price of €34 per share, representing an investment of €29 million. Following two voluntary public tender offers for the entire remaining equity capital at the same price per share, Bouygues Telecom now holds an equity interest of 100% (including treasury shares), representing an investment of €61 million. As of the date control was obtained, provisional goodwill of €51 million was recognised pending finalisation of the purchase price allocation; the impact on net debt was €61 million.
- On 6 February 2019, the European Commission rejected the merger between Alstom and Siemens, who decided not to challenge that decision. The proposed merger was therefore abandoned.
- On 12 February 2019, Bouygues Construction filed arbitration proceedings against Alpiq following differences of opinion as to the amount of the final purchase price adjustment determined in connection with the sale of the services and engineering operations in 2018. Bouygues Construction is claiming an amount of CHF 205.1 million (€180 million), while Alpiq is claiming a payment of CHF 12.9 million (€11 million).
- On 14 February 2019, Colas announced that it had signed an agreement to sell Smac to a subsidiary of OpenGate Capital. Effective completion of the transaction occurred on 20 May 2019 after all the conditions precedent had been fulfilled, in particular approval from the competition authorities. This divestment reduces sales by approximately €600 million on an annual basis, and did not have a material impact on operating profit for the first half of 2019.
- On 21 February 2019, Bouygues Telecom and Dzeta Partners announced that they had reached an agreement for Bouygues Telecom to acquire 100% of the capital and voting rights of Nerim. The acquisition was completed on 13 March 2019 at a price of €55 million. As of the date control was obtained, provisional goodwill of €45 million was recognised pending finalisation of the purchase price allocation; the impact on net debt was €54 million.
- On 28 February 2019, Newen announced the acquisition of a 60% equity interest in De Mensen at a price of €18 million. As of the date control was obtained, provisional goodwill of €14 million was recognised pending finalisation of the purchase price allocation; the impact on net debt was €30 million, including the acquisition of the residual 40% interest which will be completed in stages between 2022 and 2028.
- On 7 May 2019, Alstom announced that the Annual General Meeting of its shareholders, scheduled for 10 July 2019, would be asked to approve a dividend of €5.50 per share. The resolution was approved, as a result of which Bouygues received €341 million in cash on 17 July 2019.

1.2 Significant events of the first half of 2018

The principal corporate actions and acquisitions of the first half of 2018 are presented below:

- On 12 January 2018, the French government and Arcep (the French telecoms regulator) signed the “New Deal Mobile” agreement with the four mobile operators, aimed at extending quality mobile coverage to the French population. The desired objective of digital roll-out across French territory led to stringent coverage obligations being imposed on the operators, in return for a ten-year renewal of their licences to use frequencies in the 900 MHz, 1800 MHz and 2100 MHz bands. Given that Bouygues Telecom’s currently valid licences expire in 2022 (2100 MHz band) and in 2024 (900 MHz and 1800 MHz bands), Arcep (in decision No. 2018-0680 of 3 July 2018) amended the existing frequency licences to incorporate the new roll-out requirements. Subsequently (in decision No. 2018-1390 of 15 November 2018), Arcep formally renewed the 900 MHz, 1800 MHz and 2100 MHz licences for a further ten years. Consequently, Bouygues Telecom now holds licences to use the 900 MHz and 1800 MHz bands until 8 December 2034, and the 2100 MHz band until 11 December 2032. All frequency bands are now technologically equivalent, and hence can be used independently for 2G/3G/4G. In parallel, on 28 September 2018 the French government issued a new decree on licence fees, which stabilises the level of such fees from now on. Consequently, Bouygues Telecom has reversed out an accrued expense recognised from 2014 to 2017, which covered the risk of a rise in the fixed portion of the 1800 MHz frequency licence fee. The accrued expense, amounting to €110 million, was reversed out in the third quarter of 2018 and recognised in "Other operating income" in the consolidated income statement.

- On 17 January 2018, an agreement was signed for the acquisition by the TF1 group of the Axel Springer group's majority equity interest of 78.07% in the Aufeminin group, which in its financial year ended 31 December 2017 generated sales of €113 million and an operating profit of €12 million. The acquisition was completed on 27 April 2018 at a price of €39.47 per share, or €294 million in total. On 22 May 2018, TF1 filed a mandatory simplified tender offer for the remaining shares at the same price. That offer closed on 4 July 2018, and was followed by a squeeze-out procedure filed on 3 October 2018. Having been approved on 16 October 2018, the squeeze-out was launched on 19 October 2018 and closed on 1 November 2018, giving the TF1 group 100% of the shares and voting rights of the aufeminin group. As of 31 December 2018, provisional goodwill of €204 million was recognised after the purchase price allocation, and net debt increased by €332 million. On completion of the twelve-month purchase price allocation period, that provisional goodwill became final.

- In line with the memorandum of understanding signed on 30 August 2017, Colas completed the acquisition of the entire share capital of the Miller McAsphalt group on 28 February 2018. The Miller McAsphalt group is a major player in road construction and bitumen distribution in Canada, with a particularly strong presence in Ontario. Over the last three years, it has generated average annual sales of approximately CAD 1.3 billion; it employs 3,300 people. The purchase price paid on the completion date was CAD 913 million, equivalent to €585 million. Additional consideration of CAD 40 million (€26 million) was paid in the third quarter of 2018. Out of the total purchase price, €410 million was financed by debt. As of 31 December 2018, net debt had increased by €555 million, and provisional goodwill after the purchase price allocation amounted to €90 million as of the date control was obtained. On completion of the twelve-month purchase price allocation period, that provisional goodwill became final.

- On 26 March 2018, Bouygues Construction and Colas announced the acquisition of the entire share capital of Alpiq Engineering Services, which specialises in hard and soft services in construction and in energy, industrial and transport infrastructures. Alpiq Engineering Services employs nearly 7,650 people and generated sales of approximately CHF 1.7 billion in 2017, mainly in Switzerland (57%), Germany (24%) and Italy (12%). Following clearance from the European and Swiss competition authorities on 11 July 2018, the acquisition was completed on 31 July 2018 on the basis of an enterprise value of CHF 850 million (CHF 700 million for Bouygues Construction and CHF 150 million for Colas Rail). As of 31 December 2018, provisional goodwill of €563 million was recognised after the purchase price allocation, and net debt had increased by €619 million

- Under the agreement of 31 January 2017 between Bouygues Telecom and Cellnex (Spain), transfers of the 1,800 existing telecoms sites continued during the first half of 2018. As of 31 December 2017, 715 sites were presented in the balance sheet as "Held-for-sale assets", at a carrying amount of €38 million. During the first half of 2018, 503 sites were transferred to Cellnex for a total of €143 million. "Held-for-sale assets" was reduced to €16 million to reflect the reduction in the number of sites still held by Bouygues Telecom; the resulting gain of €104 million was recognised in "Other operating income" in the consolidated income statement for the first half of 2018. The sale of the 1,200 new sites is being spread over a five-year period as and when the sites are constructed.

- The TF1 group and the non-controlling shareholders of Newen Studios, a 70%-owned subsidiary of TF1, signed an agreement on 5 April 2018 with a view to the acquisition by TF1 of the remaining 30% of the share capital and voting rights, giving TF1 100% of Newen Studios. This transaction took place on 5 July 2018, following clearance from the French Competition Authority on 3 July 2018, and was recognised in the financial statements for the third quarter of 2018. The additional acquisition, amounting to €96 million, had already been recognised as a financial liability as of 31 December 2017.
- On 28 May 2018, Bouygues Construction announced the acquisition of AW Edwards, a well-established Australian construction company. The acquisition, finalised on 5 July 2018 and recognised in the financial statements for the third quarter of 2018, marked a further step in the Group's development strategy in Australia and strengthened its position in the construction market. The company generated sales of AUD 277 million in 2017 and employs 250 people. As of the date control was obtained, provisional goodwill of €43 million was recognised pending finalisation of the purchase price allocation; the impact on net debt was immaterial.

1.3 Significant events and changes in scope of consolidation subsequent to 30 June 2019

- The Group is not aware of any significant events subsequent to the end of the reporting period.

NOTE 2 GROUP ACCOUNTING POLICIES

2.1 Declaration of compliance

The interim condensed consolidated financial statements of Bouygues and its subsidiaries ("the Group") for the six months ended 30 June 2019 were prepared in accordance with IAS 34, "Interim Financial Reporting", a standard issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. Because they are condensed, these financial statements do not include all the information required under the standards issued by the IASB, and should be read in conjunction with the full-year financial statements of the Bouygues group for the year ended 31 December 2018.

They were prepared in accordance with the standards issued by the IASB as endorsed by the European Union and applicable as of 30 June 2019. Those standards (collectively referred to as "IFRS") comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), and interpretations issued by the IFRS Interpretations Committee – previously the International Financial Reporting Interpretations Committee (IFRIC), itself the successor body to the Standing Interpretations Committee (SIC). The Group has not early adopted as of 30 June 2019 any standard or interpretation not endorsed by the European Union.

Unless otherwise indicated, the financial statements are presented in millions of euros, the currency in which the majority of the Group's transactions are denominated; they comprise the balance sheet, the income statement, the statement of recognised income and expense, the statement of changes in shareholders' equity, the cash flow statement, and the notes to the financial statements.

2.2 Basis of preparation of the financial statements

The condensed interim consolidated financial statements of the Bouygues group include the financial statements of Bouygues SA and its five business segments.

They were closed off by the Board of Directors on 28 August 2019.

The interim condensed consolidated financial statements for the six months ended 30 June 2019 were prepared in accordance with IFRS using the historical cost convention, except for certain financial assets and liabilities measured at fair value where this is required under IFRS. They include comparatives with the financial statements for the year ended 31 December 2018, as restated (see Note 14) for the application of IFRS 16 and IFRIC 23 from 1 January 2019; and with the financial statements for the six months ended 30 June 2018, as restated for the application of IFRS 16.

Accounting policies specific to the interim condensed consolidated financial statements are as follows:

- Income taxes of consolidated entities for interim periods are assessed in accordance with IAS 34: the income taxes of each entity for the period are recognised on the basis of the best estimate of the average annual effective income tax rate for the financial year (except in the case of holding companies, which recognise income taxes on the basis of the actual tax position at the end of the period).
- Employee benefit expenses for interim periods are recognised pro rata based on the estimated expense for the full year, calculated using the same actuarial assumptions and projections as those applied as of 31 December 2018 except for the discount rate, which has been reduced from 2.10% as of 31 December 2018 to 1.31% as of 30 June 2019; this has resulted in an increase of €54 million in the provision for lump-sum retirement benefits. A further reduction of 70 basis points in the discount rate would increase the provision by €56 million. That impact would be recognised in the statement of recognised income and expense.

2.3 New accounting standards and interpretations

The Bouygues group applied the same standards, interpretations and accounting policies in the six months ended 30 June 2019 as were applied in its consolidated financial statements for the year ended 31 December 2018, except for changes required to meet new IFRS requirements applicable from 1 January 2019 (see below).

- New standard and interpretation effective within the European Union and mandatorily applicable from 1 January 2019:

  - **IFRS 16: Leases**

    On 13 January 2016, the IASB issued IFRS 16, “Leases”, replacing IAS 17 and the associated IFRIC and SIC interpretations. The new standard was endorsed by the European Union on 31 October 2017 and is applicable from 1 January 2019. The Group did not early adopt this new standard. Bouygues has applied IFRS 16 from 1 January 2019, and for first-time application elected the retrospective approach with presentation of a comparative year.

    The estimated impacts of applying IFRS 16 on the financial statements as of 30 June 2018 and 31 December 2018 are presented in Note 14.

  - **IFRIC 23: Uncertainty Over Income Tax Treatments**

    On 7 June 2017, the IFRS Interpretations Committee issued IFRIC 23, which clarifies the accounting treatments used to recognise the fiscal consequences of uncertainties relating to income taxes. IFRIC 23 was endorsed by the European Union on 23 October 2018 and is applicable from 1 January 2019. The Group did not early adopt IFRIC 23.

    The impact of applying IFRIC 23 as of 1 January 2019 is not material, and is presented in Note 14.

2.4 Financial indicators

2.4.1 EBITDA after Leases

“EBITDA after Leases” is defined as “Current operating profit after Leases” (i.e. current operating profit after taking account of interest expense on lease obligations), before (i) net depreciation and amortisation expense on property, plant and equipment and intangible assets, (ii) net charges to provisions and impairment losses, and (iii) effects of acquisitions of control or losses of control. Those effects relate to the impact of remeasuring previously-held interests or retained interests.

In the first half of 2018, the tax-exempt competitiveness and employment tax credit (*CICE*) to which French companies were entitled was recognised in current operating profit, as a reduction in personnel costs. With effect from 1 January 2019, the *CICE* has been replaced by a reduction in the employer’s payroll-based contribution, which increases the tax base.

The main components of current operating profit included in the line items “Other income from operations” and “Other expenses on operations” are net foreign exchange differences on commercial transactions, gains and losses on disposals of non-current assets, profits and losses from joint operations, royalties on the licensing of patents, and (in the case of Colas) revenue from sales of raw material (bitumen) to asphalt and emulsion entities in the form of *Sociétés en Participation* (SEPs) or economic interest groupings that subsequently sell the asphalt and emulsion back to Colas.

Profits and losses from joint operations represent the Group’s share of profits or losses from non-consolidated companies (SEPs, etc.), for example those that operate asphalt and binder production facilities.

2.4.2 Net debt/Net surplus cash

Net debt (or net surplus cash) is obtained by aggregating the following items:

- 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).

Net debt/net surplus cash does not include non-current and current lease obligations.

A positive figure represents net surplus cash and a negative figure represents net debt.

2.4.3 Free cash flow after changes in working capital requirements

"Free cash flow after changes in working capital requirements" is defined as net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations.

It is calculated after changes in working capital requirements related to operating activities.

2.4.4 Changes in working capital requirements related to operating activities

"Changes in working capital requirements related to operating activities" as presented in the cash flow statement is obtained by aggregating the following items:

- net change in inventories and work in progress;
- net change in advances and down-payments made on orders;
- net change in trade receivables;
- net change in customer contract assets;
- net change in trade payables;
- net change in customer contract liabilities;
- net change in current provisions;
- net change in other current asset and liability items, excluding (i) income taxes; (ii) net cash and cash equivalents and current debt; (iii) hedging instruments; (iv) current lease obligations; and (v) receivables/ liabilities related to property, plant and equipment and intangible assets.

2.5 Seasonal fluctuations

Sales and operating profit are subject to strong seasonal fluctuations due to low activity levels during the first half of the year, primarily at Colas due to weather conditions. The extent of those fluctuations varies from year to year. In accordance with IFRS, sales for interim accounting periods are recognised on the same basis as full-year sales.

NOTE 3 NON-CURRENT ASSETS

An analysis by business segment of the share of net profits/losses of joint ventures and associates is provided in Note 11.

3.1 Goodwill

3.1.1 Movement in the carrying amount of goodwill in the period

	Carrying amount
31/12/2018 restated	**6,301**
Changes in scope of consolidation	158 [a]
Impairment losses	
Other movements (including translation adjustments)	12
30/06/2019	**6,471**

(a) Includes goodwill of €51m and €45m on the acquisitions of Keyyo and Nerim respectively by Bouygues Telecom; €42m for an additional adjustment to the Alpiq Engineering Services opening balance sheet; and goodwill of €14m on the acquisition of De Mensen by TF1.

3.1.2 Split of goodwill by Cash Generating Unit (CGU)

CGU	30/06/2019		31/12/2018 restated	
	Total	% Bouygues or subsidiaries	Total	% Bouygues or subsidiaries
Bouygues Construction [a]	1,023	99.97%	975	99.97%
Colas [b]	1,304	96.66%	1,292	96.65%
TF1 [b]	1,400	43.73%	1,386	43.80%
Bouygues Telecom [b]	2,744	90.53%	2,648	90.53%
Total	**6,471**		**6,301**	

(a) Only includes goodwill on subsidiaries acquired by the CGU.
(b) Includes goodwill on subsidiaries acquired by the CGU and on acquisitions made at parent company (Bouygues SA) level for the CGU.

In the absence of any evidence of impairment, the goodwill recognised as of 30 June 2019 has not been subject to further impairment testing.

3.2 Investments in joint ventures and associates

	Carrying amount
31/12/2018 restated	**2,633**
Share of net profit/(loss) for the period	59
Translation adjustments	20
Other income and expense recognised directly in equity	(20)
Net profit/(loss) and other recognised income and expense	**59**
Changes in scope of consolidation	
Other movements (dividends, etc.)	(12)
30/06/2019	**2,680**

The profit contribution from Alstom recognised in the Bouygues group's financial statements for the first half of 2019 was calculated on the basis of the results published by Alstom on 7 May 2019 for its 2018/19 financial year. Given the time-lag between the accounting year-ends of Alstom (31 March) and Bouygues (31 December), Alstom's net profit contribution to the Bouygues group for the first half of Alstom's 2018/19 financial year was recognised in the Bouygues financial statements for the nine months ended 30 September 2018.

Alstom's contribution to the net profit of Bouygues for the first half of 2019 was €33 million, compared with €73 million in the first half of 2018.

The €2,117 million carrying amount of the interest in Alstom in the Bouygues consolidated balance sheet as of 30 June 2019 (€2,087 million at 31 December 2018) was calculated on the basis of Alstom's equity before applying IFRS 16, which is expected to reduce the amount of Alstom's equity. The impact of this change as of the transition date (1 April 2019), which was reported as being immaterial in the notes to Alstom's financial statements for the year ended 31 March 2019, will be recognised in equity by the Bouygues group as of 30 September 2019.

NOTE 4 CONSOLIDATED SHAREHOLDERS' EQUITY

Share capital of Bouygues SA

As of 30 June 2019, the share capital of Bouygues SA consisted of 371,696,908 shares with a par value of €1.

		Movements during 2019		
	31/12/2018	**Increases**	**Reductions**	**30/06/2019**
Shares	372,377,939	188,801 a	(869,832) b	371,696,908
NUMBER OF SHARES	**372,377,939**	**188,801**	**(869,832)**	**371,696,908**
Par value	€1			€1
SHARE CAPITAL (€)	**372,377,939**	**188,801**	**(869,832)**	**371,696,908**

(a) The increase of 188,801 shares was due to new shares being issued on exercise of stock options.
(b) The reduction reflects the cancellation of 869,832 treasury shares acquired by Bouygues SA on 4 January 2019, which reduced share capital and share premium by €32m.

An amount of €16 million was received in January 2019 under the Bouygues Confiance n°10 employee share ownership plan.

NOTE 5 NON-CURRENT AND CURRENT PROVISIONS

5.1 Non-current provisions

	Long-term employee benefits [a]	Litigation and claims [b]	Guarantees given [c]	Other non-current provisions [d]	Total	
31/12/2018 restated	**818**	**286**	**377**	**561**	**2,042**	
Translation adjustments	1			2	3	
Changes in scope of consolidation	(1)	(1)	3	3	4	
Charges	25	15	27	17	84	
Reversals of provisions (utilised or unutilised)	(26)	(39)	(26)	(61)	(152)	e
Actuarial gains and losses	39				39	f
Transfers and other movements			2	9	11	
30/06/2019	**856**	**261**	**383**	**531**	**2,031**	

(a) Long-term employee benefits	**856**	**Principal segments involved:**	
Lump-sum retirement benefits	576	Bouygues Construction	310
Long-service awards	135	Colas	363
Other long-term employee benefits	145	TF1	46
		Bouygues Telecom	93
(b) Litigation and claims	**261**	Bouygues Construction	100
Provisions for customer disputes	89	Bouygues Immobilier	17
Subcontractor claims	55	Colas	84
Employee-related and other litigation and claims	117	Bouygues Telecom	51
(c) Guarantees given	**383**	Bouygues Construction	306
Provisions for 10-year construction guarantees	261	Bouygues Immobilier	23
Provisions for additional building/civil engineering/civil works guarantees	122	Colas	54
(d) Other non-current provisions	**531**	Bouygues Construction	80
Provisions for risks related to official inspections	110	Colas	278
Provisions for miscellaneous foreign risks	25	Bouygues Telecom	139
Provisions for subsidiaries and affiliates	56		
Dismantling and site rehabilitation	295		
Other non-current provisions	45		
(e) Including reversals of unutilised provisions in the first half of 2019	**(50)**		

(f) Impacts arising from a change in the Iboxx A10+ rate (1.31% in June 2019, versus 2.10% in December 2018), partly offset by an update to employee turnover tables.

5.2 Current provisions

Provisions related to the operating cycle	Provisions for customer warranties	Provisions for project risks and project completion	Provisions for expected losses to completion	Other current provisions	Total
31/12/2018 restated	**40**	**370**	**343**	**242**	**995**
Translation adjustments		3	(2)	2	3
Changes in scope of consolidation		(1)	25	(2)	22
Charges	6	63	150	50	269
Reversals of provisions (utilised or unutilised)	(3)	(75)	(109)	(69)	(256) [a]
Transfers and other movements	(1)			(1)	(2)
30/06/2019	**42**	**360**	**407**	**222**	**1,031**

(a) Includes reversals of unutilised provisions in the first half of 2019: €(55)m.

NOTE 6 NON-CURRENT AND CURRENT DEBT

6.1 Breakdown of debt

	Current debt		Non-current debt	
	30/06/2019	**31/12/2018 restated**	**30/06/2019**	**31/12/2018 restated**
Bond issues	1,114	1,098	3,825	3,820
Bank borrowings	123	102	1,755	1,151
Other borrowings	39	40	678	77
TOTAL NON-CURRENT AND CURRENT DEBT	**1,276**	**1,240**	**6,258**	**5,048**

Non-current debt increased by €1,210 million, mainly at Colas (by €562 million) and at Bouygues SA (by €595 million, following the issuance of commercial paper that has been classified as non-current due to management's intention and ability to maintain or refinance this position for a period of more than twelve months.

6.2 Covenants and trigger events

All bond issues other than that maturing in 2020 contain a change of control clause relating to Bouygues SA.

The bank credit facilities contracted by Bouygues SA contain no financial covenants or trigger event clauses. The same applies to Bouygues SA subsidiaries, except for the €471 million financing obtained by Colas in Canada which temporarily includes a leveraged covenant clause based on the debt to EBITDA ratio as defined in the contract.

NOTE 7 CHANGE IN NET DEBT

	31/12/2018 restated	Translation adjustments	Changes in scope of consolidation	Cash flows	Fair value adjustments	Other movements [c]	30/06/2019
Cash and cash equivalents	2,928	17	6	(1,146)		8	1,813
Overdrafts and short-term bank borrowings	(238)	16	(2)	(206)		(8)	(438)
NET CASH POSITION (A)	**2,690**	**33** [a]	**4** [a]	**(1,352)** [a]	[a]	[a]	**1,375**
Non-current debt	5,048	17	11	1,182 [b]	(3)	3	6,258
Current debt	1,240	1	2	28 [b]		5	1,276
Financial instruments, net	14				32		46
TOTAL DEBT (B)	**6,302**	**18**	**13**	**1,210**	**29**	**8**	**7,580**
NET DEBT (A) - (B)	**(3,612)**	**15**	**(9)**	**(2,562)**	**(29)**	**(8)**	**(6,205)**

(a) Net cash outflow of €1,315m for the first half of 2019, as reported in the cash flow statement.

(b) Net cash inflow of €1,210m from financing activities for the first half of 2019, as reported in the cash flow statement, and comprising total inflows of €1,464m and total outflows of €(254)m.

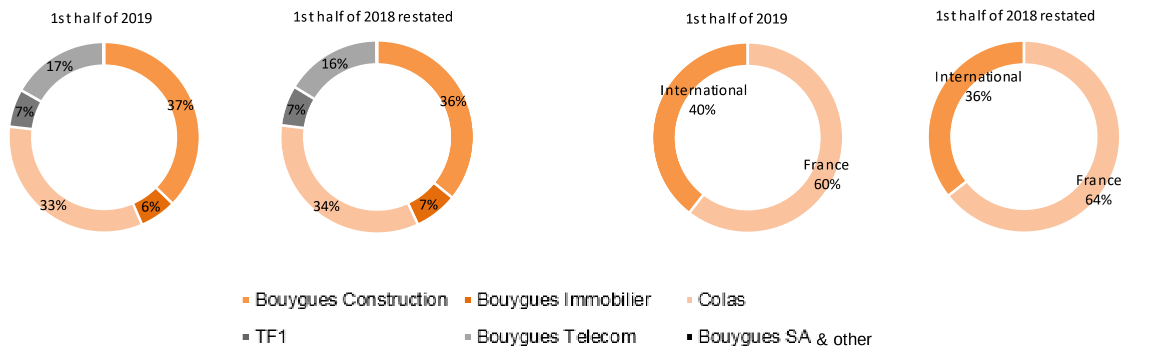
(c) Other movements mainly comprise TF1's commitment to buy out the non-controlling interests in De Mensen, which increased net debt by €12m.

NOTE 8 ANALYSIS OF SALES – FRANCE & INTERNATIONAL

	1st half of 2019				1st half of 2018 restated			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	2,531	3,974	6,505	37	2,664	2,978	5,642	36
Bouygues Immobilier	1,015	71	1,086	6	1,086	53	1,139	7
Colas	3,045	2,762	5,807	33	2,830	2,504	5,334	34
TF1	1,053	70	1,123	7	1,009	53	1,062	7
Bouygues Telecom	2,901	0	2,901	17	2,551	0	2,551	16
Bouygues SA & other	8	16	24		3	12	15	
CONSOLIDATED SALES	**10,553**	**6,893**	**17,446**	**100**	**10,143**	**5,600**	**15,743**	**100**

Split of total sales

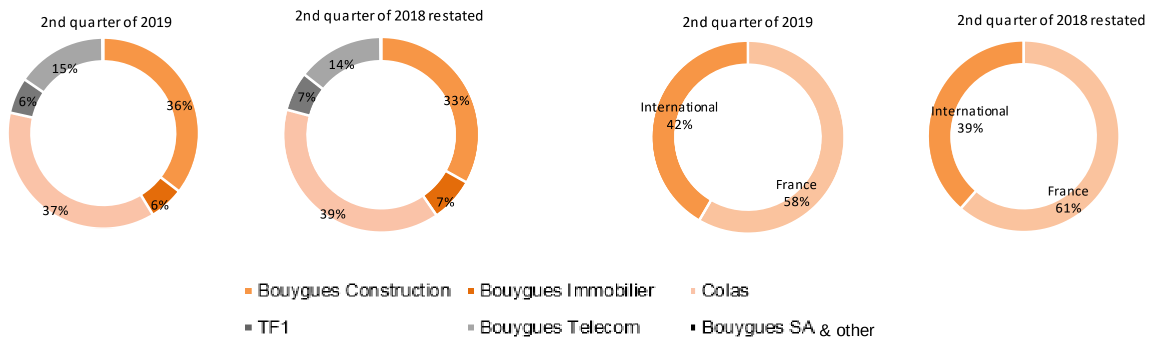
By business segment **By geographical area**



	2nd quarter of 2019				2nd quarter of 2018 restated			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	1,320	2,052	3,372	36	1,365	1,589	2,954	33
Bouygues Immobilier	532	27	559	6	615	37	652	7
Colas	1,704	1,829	3,533	37	1,678	1,773	3,451	39
TF1	540	39	579	6	540	36	576	7
Bouygues Telecom	1,456	0	1,456	15	1,275	0	1,275	14
Bouygues SA & other	6	8	14		1	8	9	
CONSOLIDATED SALES	**5,558**	**3,955**	**9,513**	**100**	**5,474**	**3,443**	**8,917**	**100**

Split of total sales

By business segment **By geographical area**



NOTE 9 OPERATING PROFIT

	1st half		2nd quarter	
	2019	2018 restated	2019	2018 restated
CURRENT OPERATING PROFIT	**453**	**333**	**511**	**427**
Other operating income	54	109	37	38
Other operating expenses	(12)	(29)	(10)	(13)
OPERATING PROFIT	**495**	**413**	**538**	**452**

See Note 11, "Segment information", for an analysis of current operating profit and operating profit by business segment.

The main components of "Other operating income" and "Other operating expenses" are:

1st half of 2019
Bouygues Telecom: Net income of €50 million, comprising a €47 million gain on the transfer of 231 mobile sites and 7 towers to Cellnex plus €7 million of other operating income, partly offset by a €4 million expense on the roll-out of network sharing.
Bouygues Construction: €8 million of restructuring expenses.

1st half of 2018 restated
Bouygues Telecom: Net income of €91 million, comprising a €104 million gain on the transfer of 503 mobile sites to Cellnex plus €5 million of other operating income, partly offset by an €18 million expense on the roll-out of network sharing.
TF1: Amortisation of €11 million charged against the fair value of rights remeasured as part of the Newen Studios purchase price allocation.

NOTE 10 INCOME TAXES

	1st half		2nd quarter	
	2019	2018 restated	2019	2018 restated
INCOME TAX GAIN/(EXPENSE)	**(132)**	**(58)**	**(157)**	**(112)**

The effective tax rate for the first half of 2019 was 36%, versus 20% for the first half of 2018 as restated. The increase in the effective tax rate in the first half of 2019 is attributable to the French competitiveness and employment tax credit (*CICE*) no longer being tax-exempt, and to the fact that a higher proportion of the Group's profits was generated in France (which automatically raises the effective tax rate).

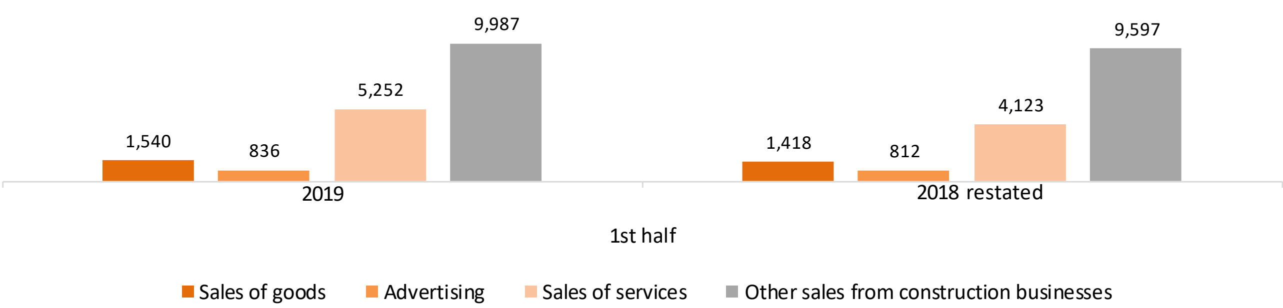
NOTE 11 SEGMENT INFORMATION

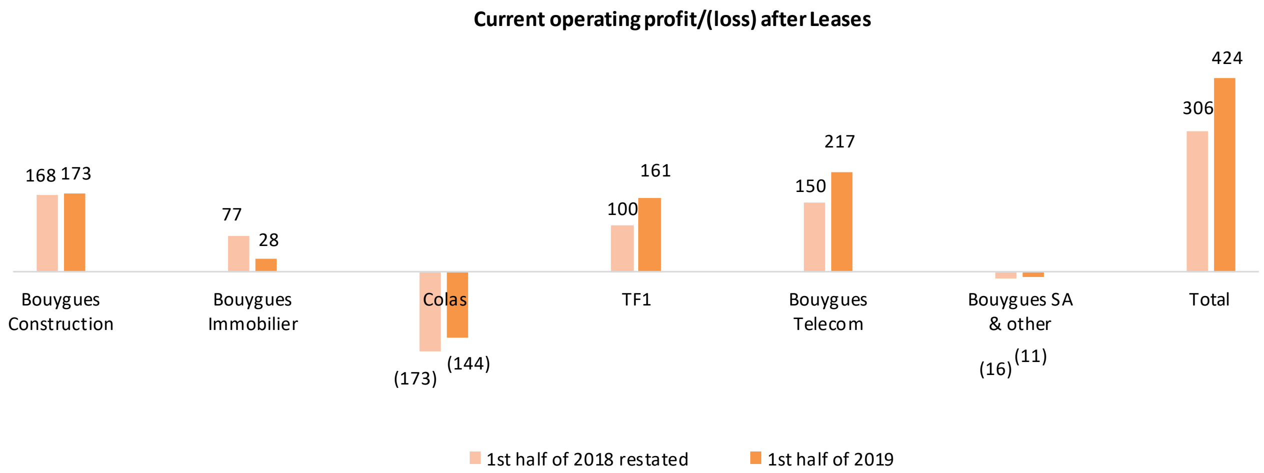
The tables below show the contribution made by each business segment to key items in the income statement, balance sheet and cash flow statement:

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 1st half of 2019							
Sales of goods	53		1,078	58	351		**1,540**
Advertising				836			**836**
Sales of services	2,117	29	195	251	2,562	98	**5,252**
Other sales from construction businesses	4,369	1,057	4,561				**9,987**
Total sales	6,539	1,086	5,834	1,145	2,913	98	**17,615**
Inter-segment sales	(34)		(27)	(22)	(12)	(74)	**(169)**
THIRD-PARTY SALES	**6,505**	**1,086**	**5,807**	**1,123**	**2,901**	**24**	**17,446**
CURRENT OPERATING PROFIT/(LOSS)	**179**	**29**	**(136)**	**163**	**230**	**(12)**	**453**
CURRENT OPERATING PROFIT/(LOSS) after Leases [a]	**173**	**28**	**(144)**	**161**	**217**	**(11)**	**424**
OPERATING PROFIT/(LOSS)	**171**	**29**	**(136)**	**163**	**280**	**(12)**	**495**
OPERATING PROFIT/(LOSS) after Leases [a]	**165**	**28**	**(144)**	**161**	**267**	**(11)**	**466**
Interest expense on lease obligations	(6)	(1)	(8)	(2)	(13)	1	(29)
Share of net profits/(losses) of joint ventures and associates	4	(2)	25			32	59
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**121**	**13**	**(99)**	**47**	**150**	**(7)**	**225**
INCOME STATEMENT: 1st half of 2018 restated							
Sales of goods	76		951	53	338		**1,418**
Advertising				812			**812**
Sales of services	1,415	19	169	219	2,225	76	**4,123**
Other sales from construction businesses	4,235	1,121	4,241				**9,597**
Total sales	5,726	1,140	5,361	1,084	2,563	76	**15,950**
Inter-segment sales	(84)	(1)	(27)	(22)	(12)	(61)	**(207)**
THIRD-PARTY SALES	**5,642**	**1,139**	**5,334**	**1,062**	**2,551**	**15**	**15,743**
CURRENT OPERATING PROFIT/(LOSS)	**173**	**78**	**(167)**	**102**	**163**	**(16)**	**333**
CURRENT OPERATING PROFIT/(LOSS) after Leases [a]	**168**	**77**	**(173)**	**100**	**150**	**(16)**	**306**
OPERATING PROFIT/(LOSS)	**173**	**78**	**(167)**	**91**	**254**	**(16)**	**413**
OPERATING PROFIT/(LOSS) after Leases [a]	**168**	**77**	**(173)**	**89**	**241**	**(16)**	**386**
Interest expense on lease obligations	(5)	(1)	(6)	(2)	(13)		(27)
Share of net profits/(losses) of joint ventures and associates	1	(2)	17			72	88
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**140**	**41**	**(125)**	**29**	**142**	**34**	**261**

(a) "Current operating profit/(loss) after Leases" and "Operating profit/(loss) after Leases" are calculated from current operating profit/(loss) and operating profit/(loss) so that those indicators can be presented including interest expense on lease obligations determined in accordance with IFRS 16.

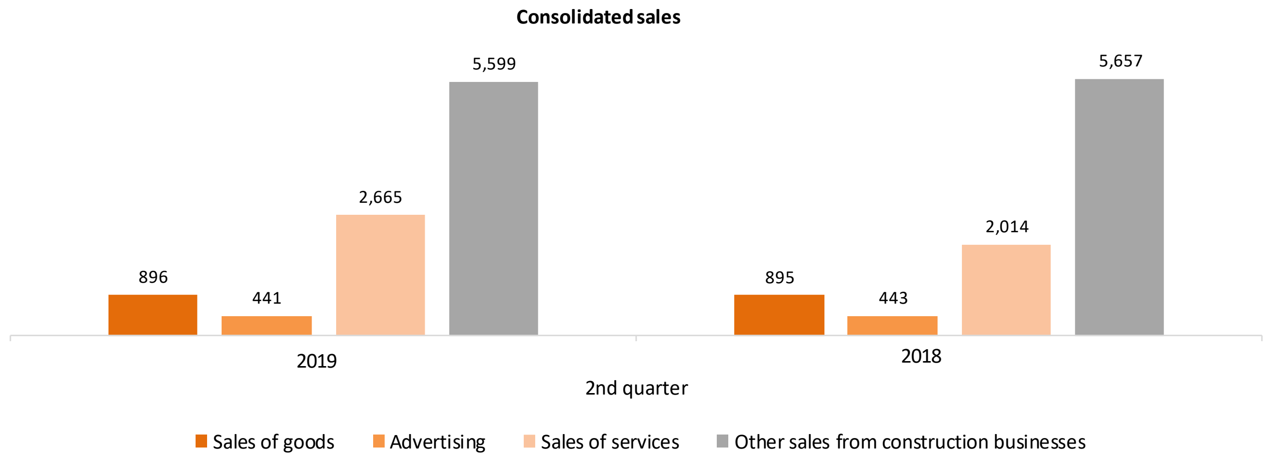
Consolidated sales

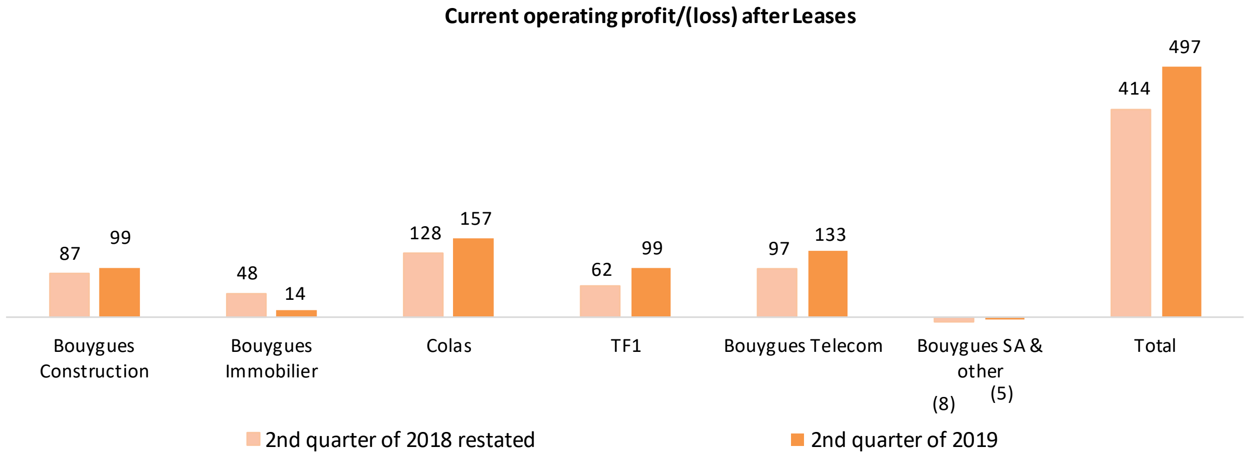




	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 2nd quarter of 2019							
Sales of goods	26		680	21	169		**896**
Advertising				441			**441**
Sales of services	1,078	18	96	129	1,293	51	**2,665**
Other sales from construction businesses	2,287	541	2,771				**5,599**
Total sales	3,391	559	3,547	591	1,462	51	**9,601**
Inter-segment sales	(19)		(14)	(12)	(6)	(37)	**(88)**
THIRD-PARTY SALES	**3,372**	**559**	**3,533**	**579**	**1,456**	**14**	**9,513**
CURRENT OPERATING PROFIT/(LOSS)	**102**	**15**	**162**	**100**	**139**	**(7)**	**511**
CURRENT OPERATING PROFIT/(LOSS) after Leases [a]	**99**	**14**	**157**	**99**	**133**	**(5)**	**497**
OPERATING PROFIT/(LOSS)	**94**	**15**	**162**	**100**	**174**	**(7)**	**538**
OPERATING PROFIT/(LOSS) after Leases [a]	**91**	**14**	**157**	**99**	**168**	**(5)**	**524**
Interest expense on lease obligations	(3)	(1)	(5)	(1)	(6)	2	(14)
Share of net profits/(losses) of joint ventures and associates	6		17			(1)	22
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**66**	**7**	**120**	**29**	**97**	**(35)**	**284**
INCOME STATEMENT: 2nd quarter of 2018 restated							
Sales of goods	47		658	28	162		**895**
Advertising				443			**443**
Sales of services	731	10		114	1,120	39	**2,014**
Other sales from construction businesses	2,209	643	2,805				**5,657**
Total sales	2,987	653	3,463	585	1,282	39	**9,009**
Inter-segment sales	(33)	(1)	(12)	(9)	(7)	(30)	**(92)**
THIRD-PARTY SALES	**2,954**	**652**	**3,451**	**576**	**1,275**	**9**	**8,917**
CURRENT OPERATING PROFIT/(LOSS)	**89**	**48**	**131**	**63**	**104**	**(8)**	**427**
CURRENT OPERATING PROFIT/(LOSS) after Leases [a]	**87**	**48**	**128**	**62**	**97**	**(8)**	**414**
OPERATING PROFIT/(LOSS)	**89**	**48**	**131**	**58**	**134**	**(8)**	**452**
OPERATING PROFIT/(LOSS) after Leases [a]	**87**	**48**	**128**	**57**	**127**	**(8)**	**439**
Interest expense on lease obligations	(2)		(3)	(1)	(7)		(13)
Share of net profits/(losses) of joint ventures and associates		(1)	8			(1)	6
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**77**	**25**	**85**	**18**	**72**	**(30)**	**247**

(a) "Current operating profit/(loss) after Leases" and "Operating profit/(loss) after Leases" are calculated from current operating profit/(loss) and operating profit/(loss) so that those indicators can be presented including interest expense on lease obligations determined in accordance with IFRS 16.





	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
EBITDA after Leases: 1st half of 2019							
Current operating profit/(loss) after Leases	**173**	**28**	**(144)**	**161**	**217**	**(11)**	**424**
Elimination of net depreciation and amortisation expense and net charges to provisions and impairment losses							
▪ Net depreciation and amortisation expense on property, plant and equipment and intangible assets	86	5	195	111	417	4	818
▪ Charges to provisions & impairment losses, net	69	(8)	19	(6)	22	(4)	92
Elimination of items included in other income from operations							
▪ Reversals of unutilised provisions and impairment and other items	(61)	(9)	(41)	(2)	(3)		(116)
EBITDA after Leases: 1st half of 2019	**267**	**16**	**29**	**264**	**653**	**(11)**	**1,218**
EBITDA after Leases: 1st half of 2018 restated							
Current operating profit/(loss) after Leases	**168**	**77**	**(173)**	**100**	**150**	**(16)**	**306**
Elimination of net depreciation and amortisation expense and net charges to provisions and impairment losses							
▪ Net depreciation and amortisation expense on property, plant and equipment and intangible assets	96	5	192	111	394	5	**803**
▪ Charges to provisions & impairment losses, net	5	(11)	17	16	13	(6)	**34**
Elimination of items included in other income from operations							
▪ Reversals of unutilised provisions and impairment and other items	(95)	(18)	(82)	(5)	(6)	(2)	**(208)**
EBITDA after Leases: 1st half of 2018 restated	**174**	**53**	**(46)**	**222**	**551**	**(19)**	**935**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
EBITDA after Leases: 2nd quarter of 2019							
Current operating profit/(loss) after Leases	**99**	**14**	**157**	**99**	**133**	**(5)**	**497**
Elimination of net depreciation and amortisation expense and net charges to provisions and impairment losses							
▪ Net depreciation and amortisation expense on property, plant and equipment and intangible assets	43	3	125	51	212	2	436
▪ Charges to provisions & impairment losses, net	55	7	19	(1)	10	(2)	88
Elimination of items included in other income from operations							
▪ Reversals of unutilised provisions and impairment and other items	(35)	(2)	(28)	(1)	(2)		(68)
EBITDA after Leases: 2nd quarter of 2019	**162**	**22**	**273**	**148**	**353**	**(5)**	**953**
EBITDA after Leases: 2nd quarter of 2018 restated							
Current operating profit/(loss) after Leases	**87**	**48**	**128**	**62**	**97**	**(8)**	**414**
Elimination of net depreciation and amortisation expense and net charges to provisions and impairment losses							
▪ Net depreciation and amortisation expense on property, plant and equipment and intangible assets	54	2	120	54	203	4	**437**
▪ Charges to provisions & impairment losses, net	26	1	13	8	3		**51**
Elimination of items included in other income from operations							
▪ Reversals of unutilised provisions and impairment and other items	(44)	(1)	(54)	(3)	(2)	(3)	**(107)**
EBITDA after Leases: 2nd quarter of 2018 restated	**123**	**50**	**207**	**121**	**301**	**(7)**	**795**

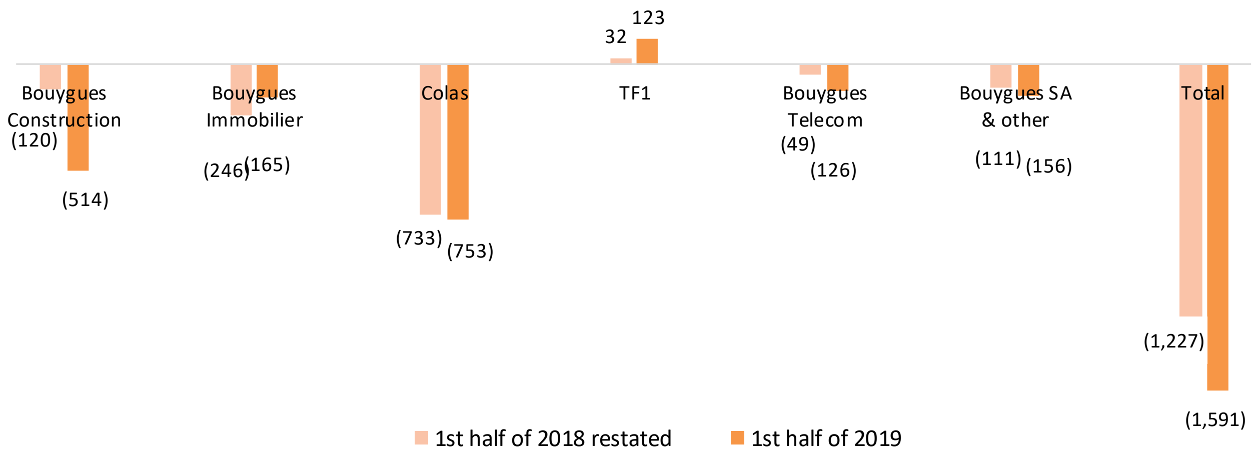
	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Financial indicators: BALANCE SHEET 30/06/2019							
NET SURPLUS CASH/(NET DEBT)	**2,407**	**(577)**	**(1,544)**	**(29)**	**(1,720)**	**(4,742)**	**(6,205)**
Financial indicators: BALANCE SHEET 31/12/2018 restated							
NET SURPLUS CASH/(NET DEBT)	**3,119**	**(238)**	**(475)**	**(28)**	**(1,275)**	**(4,715)**	**(3,612)**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 1st half of 2019							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	232	(10)	(20)	236	591	(48)	981
Changes in working capital requirements related to operating activities, including current impairment and provisions (II)	(594)	(145)	(595)	10	(199)	(106)	(1,629)
Acquisitions of property, plant and equipment and intangible assets, net of disposals (III)	(106)	(6)	(97)	(114)	(454)	(1)	(778)
Repayment of lease obligations (IV)	(46)	(4)	(41)	(9)	(64)	(1)	(165)
FREE CASH FLOW AFTER CHANGE IN WORKING CAPITAL REQUIREMENTS (I) + (II) + (III) + (IV)	**(514)**	**(165)**	**(753)**	**123**	**(126)** [a]	**(156)**	**(1,591)**
Other financial indicators: 1st half of 2018 restated							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	231	38	3	168	562	(35)	967
Changes in working capital requirements related to operating activities, including current impairment and provisions (II)	(249)	(275)	(553)	(41)	(82)	(73)	(1,273)
Acquisitions of property, plant and equipment and intangible assets, net of disposals (III)	(64)	(4)	(152)	(88)	(461)	(2)	(771)
Repayment of lease obligations (IV)	(38)	(5)	(31)	(7)	(68)	(1)	(150)
FREE CASH FLOW AFTER CHANGE IN WORKING CAPITAL REQUIREMENTS (I) + (II) + (III) + (IV)	**(120)**	**(246)**	**(733)**	**32**	**(49)** [b]	**(111)**	**(1,227)**

(a) Free cash flow at Bouygues Telecom for the first half of 2019 before changes in working capital requirements related to operating activities of €(199)m amounts to €73m.

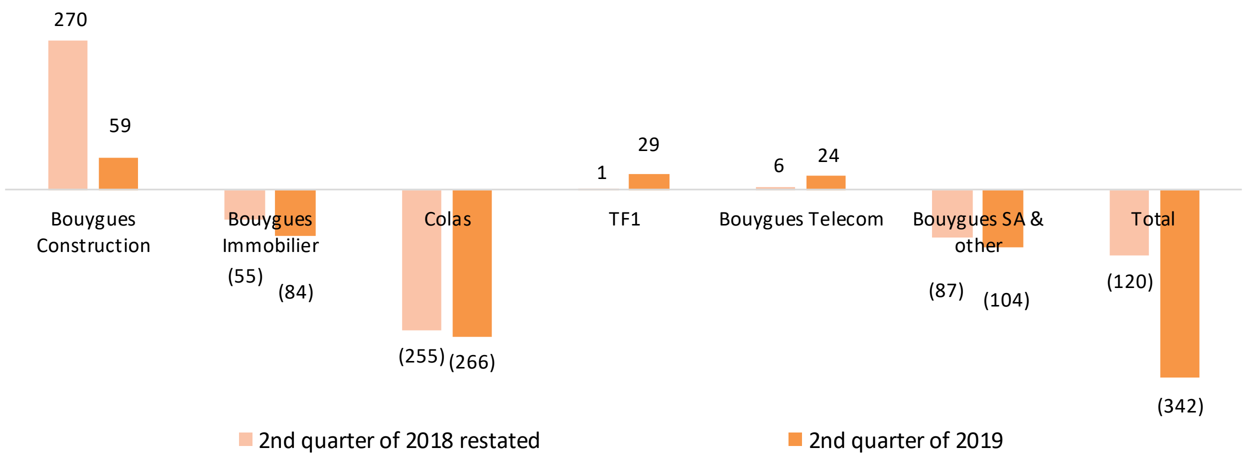
(b) Free cash flow at Bouygues Telecom for the first half of 2018 before changes in working capital requirements related to operating activities of €(82)m amounts to €33m.

Free cash flow after change in working capital requirements related to operating activities



	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 2nd quarter of 2019							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	119	(9)	237	128	313	(14)	774
Changes in working capital requirements related to operating activities, including current impairment and provisions (II)	13	(69)	(412)	(26)	(108)	(90)	(692)
Acquisitions of property, plant and equipment and intangible assets, net of disposals (III)	(49)	(4)	(70)	(69)	(151)	1	(342)
Repayment of lease obligations (IV)	(24)	(2)	(21)	(4)	(30)	(1)	(82)
FREE CASH FLOW AFTER CHANGE IN WORKING CAPITAL REQUIREMENTS (I) + (II) + (III) + (IV)	**59**	**(84)**	**(266)**	**29**	**24**	**(104)**	**(342)**
Other financial indicators: 2nd quarter of 2018 restated							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	111	28	248	76	303	(3)	763
Changes in working capital requirements related to operating activities, including current impairment and provisions (II)	223	(78)	(415)	(24)	(28)	(84)	(406)
Acquisitions of property, plant and equipment and intangible assets, net of disposals (III)	(44)	(2)	(73)	(48)	(237)	1	(403)
Repayment of lease obligations (IV)	(20)	(3)	(15)	(3)	(32)	(1)	(74)
FREE CASH FLOW AFTER CHANGE IN WORKING CAPITAL REQUIREMENTS (I) + (II) + (III) + (IV)	**270**	**(55)**	**(255)**	**1**	**6**	**(87)**	**(120)**

Free cash flow after change in working capital requirements related to operating activities



NOTE 12 OFF BALANCE SHEET COMMITMENTS

There has been no material change in off balance sheet commitments since 31 December 2018 except for commitments under operating leases and finance leases, which are now presented within “Non-current lease obligations” and “Current lease obligations” in the balance sheet in accordance with IFRS 16.

NOTE 13 RELATED PARTY DISCLOSURES

	Expenses		Income		Receivables		Payables	
Transaction	**H1 2019**	**H1 2018 restated**	**H1 2019**	**H1 2018 restated**	**30/06/19**	**31/12/2018 restated**	**30/06/19**	**31/12/2018 restated**
Parties with an ownership interest	3	3					1	
Joint operations	112	53	130	114	272	265	307	301
Investments in joint ventures and associates	33	12	89	65	256	243	64	69
Other related parties	27	14	61	55	67	63	47	42
Total	**175**	**82**	**280**	**234**	**595**	**571**	**419**	**412**
. Maturity								
less than 1 year					544	518	418	408
1 to 5 years						27		4
more than 5 years					51	26		
. of which impairment of doubtful receivables (mainly non-consolidated companies)					70	72		

NOTE 14 IMPACTS OF FIRST-TIME APPLICATION OF IFRS 16, “LEASES” AND IFRIC 23, “UNCERTAINTY OVER INCOME TAX TREATMENTS”

This note presents the effects of first-time application of IFRS 16 and IFRIC 23 on the consolidated financial statements and key performance indicators of the Bouygues group.

The Bouygues group has applied IFRS 16 with effect from 1 January 2019, with retrospective application and presentation of a comparative year. For lessees, IFRS 16 ends the distinction previously made between operating leases and finance leases. Lessees are required to account for all leases with a term of more than one year in a manner similar to that previously specified for finance leases under IAS 17, involving the recognition of an asset for the rights, and a liability for the obligations, arising under the lease.

The Group has elected to apply the practical expedients permitted by IFRS 16 to exclude leases where the as-new value of the underlying asset is less than €5,000, and assets where the lease term is reasonably certain to be less than twelve months. Such leases are recognised in profit or loss as and when lease payments are made. The Group has also elected to account for each lease component separately, distinguishing the lease components from the non-lease (service) components.

As permitted by IFRS 16, Bouygues has not elected to apply the standard to leases of intangible assets.

The impacts on the balance sheet as of 31 December 2017 (restated for IFRS 15 and IFRS 9), and on the financial statements as of 30 June 2018 and 31 December 2018, are presented below; they relate mainly to the recognition of a right-of-use asset and a lease obligation, primarily in respect of property leases, mobile sites and optical fibre. The lease term used is the non-cancellable period of the lease, plus any extension options that the Group is reasonably certain to exercise. In the case of leases of property in France, the lease term is generally nine years. Given the absence of significant initial direct costs, the right-of-use asset equates to the present value of the future lease payments; it is amortised, and written down by means of an impairment allowance if there is an indication that it may have become impaired.

The amounts of finance lease assets and liabilities previously classified as property, plant and equipment and as debt have been reclassified to “Right of use of leased assets” and “Lease obligations” respectively. Deferred taxes have been recognised on the difference between right-of-use assets and lease obligations falling within the scope of IFRS 16, as was previously the case with finance leases.

IFRS 16 has the effect of reducing consolidated shareholders’ equity as of 31 December 2017 by €74 million, net of deferred taxes. Given the time-lag between the annual accounting period-ends of Alstom (31 March) and of Bouygues (31 December), the impact of first-time application of IFRS 16 by Alstom has not been reflected in the balance sheets as of 31 December 2017 and 2018, or in the 2018 first-half figures, as presented below. Alstom is applying IFRS 16 with effect from 1 April 2019, and will not disclose the impact on its shareholders’ equity until it publishes results for the first half of its 2019/2020 financial year. Consequently, the reduction in the value of Alstom arising from first-time application of IFRS 16 – which is expected to be immaterial – will be recognised in the Bouygues group’s shareholders’ equity as of 30 September 2019.

The Bouygues group has applied IFRIC 23 retrospectively with effect from 1 January 2019, with no restatement of prior period comparatives on first-time application. First-time application has no impact on consolidated shareholders’ equity, and results in provisions for risks that relate to corporate income taxes being reclassified as tax liabilities. The impact of IFRIC 23 on the balance sheet as of 31 December 2018 is presented below.

Consolidated financial statements as of 31 December 2017, restated for IFRS 16

Balance sheet

ASSETS	31/12/2017 published [a]	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total IFRS 16 impacts	31/12/2017 restated
Property, plant and equipment	6,658			(19)		(66) [b]		(85)	6,573
Right of use of leased assets		194	46	241	103	858	1	1,443	1,443
Intangible assets	2,132								2,132
Goodwill	5,385								5,385
Investments in joint ventures and associates	2,502								2,502
Other non-current financial assets	568								568
Deferred tax assets and non-current tax receivable	323	4	1	5				10	333
NON-CURRENT ASSETS	**17,568**	**198**	**47**	**227**	**103**	**792**	**1**	**1,368**	**18,936**
Inventories	2,822								2,822
Advances and down-payments made on orders	432								432
Trade receivables	6,130								6,130
Customer contract assets	1,570								1,570
Tax asset (receivable)	331								331
Other current receivables and prepaid expenses	2,562	20						20	2,582
Cash and cash equivalents	4,820								4,820
Financial instruments – Hedging of debt	15								15
Other current financial assets	15								15
CURRENT ASSETS	**18,697**	**20**						**20**	**18,717**
Held-for-sale assets and operations	38								38
TOTAL ASSETS	**36,303**	**218**	**47**	**227**	**103**	**792**	**1**	**1,388**	**37,691**
LIABILITIES AND SHAREHOLDERS' EQUITY	**31/12/2017 published [a]**	**Bouygues Construction**	**Bouygues Immobilier**	**Colas**	**TF1**	**Bouygues Telecom**	**Bouygues SA & other**	**Total IFRS 16 impacts**	**31/12/2017 restated**
Share capital	366								366
Share premium and reserves	7,678	(13)	(3)	(23)	(1)	(29)		(69)	7,609
Translation reserve	(88)								(88)
Treasury shares									
Net profit/(loss) attributable to the Group	1,082								1,082
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	**9,038**	**(13)**	**(3)**	**(23)**	**(1)**	**(29)**		**(69)**	**8,969**
Non-controlling interests	1,378				(2)	(3)		(5)	1,373
SHAREHOLDERS' EQUITY	**10,416**	**(13)**	**(3)**	**(23)**	**(3)**	**(32)**		**(74)**	**10,342**
Non-current debt	5,791			(9)				(9)	5,782
Non-current lease obligations		176	40	202	93	711		1,222	1,222
Non-current provisions	2,058		1					1	2,059
Deferred tax liabilities and non-current tax liabilities	279			(1)	(1)	(11)		(13)	266
NON-CURRENT LIABILITIES	**8,128**	**176**	**41**	**192**	**92**	**700**		**1,201**	**9,329**
Current debt	736			(5)		(1)		(6)	730
Current lease obligations		65	9	63	14	125	1	277	277
Current taxes payable	115								115
Trade payables	7,489	1						1	7,490
Customer contract liabilities	3,184								3,184
Current provisions	885								885
Other current liabilities	5,101	(11)						(11)	5,090
Overdrafts and short-term bank borrowings	209								209
Financial instruments – Hedging of debt	16								16
Other current financial liabilities	24								24
CURRENT LIABILITIES	**17,759**	**55**	**9**	**58**	**14**	**124**	**1**	**261**	**18,020**
Liabilities related to held-for-sale operations									
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**36,303**	**218**	**47**	**227**	**103**	**792**	**1**	**1,388**	**37,691**
NET SURPLUS CASH/(NET DEBT) [c]	**(1,917)**			**14**		**1**		**15**	**(1,902)**

(a) The balance sheet as of 31 December 2017 has been restated for the effects of applying IFRS 9 and IFRS 15.
(b) Includes reclassification of €65m of dismantling costs.
(c) See Note 2.4 for a definition of "Net surplus cash/(net debt)", which does not include non-current and current lease obligations.

Consolidated financial statements as of 30 June 2018, restated for IFRS 16

Balance sheet

ASSETS	30/06/2018 published	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total IFRS 16 impacts	30/06/2018 restated
Property, plant and equipment	6,897			(18)		(61) [a]		(79)	6,818
Right of use of leased assets		188	44	223	101	832	1	1,389	1,389
Intangible assets	2,088								2,088
Goodwill	6,249								6,249
Investments in joint ventures and associates	2,542								2,542
Other non-current financial assets	570								570
Deferred tax assets and non-current tax receivable	356	4	1	5			(1)	9	365
NON-CURRENT ASSETS	**18,702**	**192**	**45**	**210**	**101**	**771**		**1,319**	**20,021**
Inventories	3,083								3,083
Advances and down-payments made on orders	504								504
Trade receivables	7,170								7,170
Customer contract assets	2,037								2,037
Tax asset (receivable)	231								231
Other current receivables and prepaid expenses	2,939	23						23	2,962
Cash and cash equivalents	2,505								2,505
Financial instruments – Hedging of debt	12								12
Other current financial assets	12								12
CURRENT ASSETS	**18,493**	**23**						**23**	**18,516**
Held-for-sale assets and operations	16								16
TOTAL ASSETS	**37,211**	**215**	**45**	**210**	**101**	**771**		**1,342**	**38,553**

LIABILITIES AND SHAREHOLDERS' EQUITY	30/06/2018 published	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total IFRS 16 impacts	30/06/2018 restated
Share capital	366								366
Share premium and reserves	8,089	(13)	(3)	(23)	(1)	(29)		(69)	8,020
Translation reserve	(102)								(102)
Treasury shares									
Net profit/(loss) attributable to the Group	260	1	(1)	1		1	(1)	1	261
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	**8,613**	**(12)**	**(4)**	**(22)**	**(1)**	**(28)**	**(1)**	**(68)**	**8,545**
Non-controlling interests	1,334				(2)	(3)		(5)	1,329
SHAREHOLDERS' EQUITY	**9,947**	**(12)**	**(4)**	**(22)**	**(3)**	**(31)**	**(1)**	**(73)**	**9,874**
Non-current debt	6,786			(6)		(1)		(7)	6,779
Non-current lease obligations		170	38	181	89	685		1,163	1,163
Non-current provisions	2,029		2					2	2,031
Deferred tax liabilities and non-current tax liabilities	255			(1)	(2)	(11)		(14)	241
NON-CURRENT LIABILITIES	**9,070**	**170**	**40**	**174**	**87**	**673**		**1,144**	**10,214**
Current debt	459			(5)				(5)	454
Current lease obligations		68	9	63	17	129	1	287	287
Current taxes payable	137								137
Trade payables	7,603	1						1	7,604
Customer contract liabilities	3,831								3,831
Current provisions	765								765
Other current liabilities	5,073	(12)						(12)	5,061
Overdrafts and short-term bank borrowings	295								295
Financial instruments – Hedging of debt	19								19
Other current financial liabilities	12								12
CURRENT LIABILITIES	**18,194**	**57**	**9**	**58**	**17**	**129**	**1**	**271**	**18,465**
Liabilities related to held-for-sale operations									
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**37,211**	**215**	**45**	**210**	**101**	**771**		**1,342**	**38,553**
NET SURPLUS CASH/(NET DEBT) [b]	**(5,042)**			**11**		**1**		**12**	**(5,030)**

(a) Includes reclassification of €60m of dismantling costs.

(b) See Note 2.4 for a definition of "Net surplus cash/(net debt)", which does not include non-current and current lease obligations.

Income statement

	H1 2018 published	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total IFRS 16 impacts	H1 2018 restated
SALES	**15,743**								**15,743**
Other revenues from operations	91								91
Purchases used in production	(7,291)								(7,291)
Personnel costs	(3,741)								(3,741)
External charges	(3,769)	42	6	37	9	81	1	176	(3,593)
Taxes other than income tax	(372)								(372)
Net depreciation and amortisation expense on property, plant and equipment and intangible assets	(803)								(803)
Net amortisation expense on right of use of leased assets		(37)	(5)	(30)	(8)	(66)	(1)	(147)	(147)
Charges to provisions and impairment losses, net of reversals due to utilisation	(34)								(34)
Change in production and property development inventories	117								117
Other income from operations	690	1						1	691
Other expenses on operations	(328)								(328)
CURRENT OPERATING PROFIT/(LOSS)	**303**	**6**	**1**	**7**	**1**	**15**		**30**	**333**
Other operating income	109								109
Other operating expenses	(29)								(29)
OPERATING PROFIT/(LOSS)	**383**	**6**	**1**	**7**	**1**	**15**		**30**	**413**
Financial income	15								15
Financial expenses	(122)								(122)
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)	**(107)**								**(107)**
Interest expense on lease obligations		(5)	(1)	(6)	(2)	(13)		(27)	(27)
Other financial income	33								33
Other financial expenses	(29)								(29)
Income tax	(57)				1	(1)	(1)	(1)	(58)
Share of net profits/(losses) of joint ventures and associates	89		(1)					(1)	88
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	**312**	**1**	**(1)**	**1**		**1**	**(1)**	**1**	**313**
Net profit/(loss) from discontinued and held-for-sale operations									
NET PROFIT/(LOSS)	**312**	**1**	**(1)**	**1**		**1**	**(1)**	**1**	**313**
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**260**	**1**	**(1)**	**1**		**1**	**(1)**	**1**	**261**
Net profit/(loss) attributable to non-controlling interests	52								52
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)	**0.71**								**0.71**
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)	**0.70**								**0.71**
EBITDA after Leases [a]	**932**	**1**		**1**	**(1)**	**2**		**3**	**935**

(a) See Note 2.4 for a definition of "EBITDA after Leases", which includes all lease expenses.

Cash flow statement

	H1 2018 published	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total IFRS 16 impacts	H1 2018 restated
I - CASH FLOW FROM CONTINUING OPERATIONS									
A - NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES									
Net profit/(loss) from continuing operations	312	1	(1)	1		1	(1)	1	313
Adjustments:									
Share of profits/losses reverting to joint ventures and associates, net of dividends received	(57)		1					1	(56)
Dividends from non-consolidated companies	(9)								(9)
Net charges to/(reversals of) depreciation, amortisation and impairment of property, plant and equipment and intangible assets and non-current provisions	788								788
Net charges to amortisation and impairment expense and other adjustments to right of use of leased assets		36	5	30	8	66	1	146	146
Gains and losses on asset disposals	(132)								(132)
Income taxes, including uncertain tax positions	57				(1)	1	1	1	58
Income taxes paid	(121)								(121)
Miscellaneous non-cash charges	(20)								(20)
Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid	**818**	**37**	**5**	**31**	**7**	**68**	**1**	**149**	**967**
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations	107	5	1	6	2	13		27	134
Changes in working capital requirements related to operating activities (including current impairment and provisions)	(1,274)	1						1	(1,273)
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES	**(349)**	**43**	**6**	**37**	**9**	**81**	**1**	**177**	**(172)**
B - NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES									
Purchase price of property, plant and equipment and intangible assets	(963)								(963)
Proceeds from disposals of property, plant and equipment and intangible assets	192								192
Net liabilities related to property, plant and equipment and intangible assets	(231)								(231)
Purchase price of non-consolidated companies and other investments	(5)								(5)
Proceeds from disposals of non-consolidated companies and other investments	5								5
Net liabilities related to non-consolidated companies and other investments									
Purchase price of investments in consolidated activities	(935)								(935)
Proceeds from disposals of investments in consolidated activities	2								2
Net liabilities related to consolidated activities	(3)								(3)
Other effects of changes in scope of consolidation: cash of acquired and divested companies	60								60
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies	14								14
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	**(1,864)**								**(1,864)**
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES									
Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders	(47)								(47)
Dividends paid to shareholders of the parent company	(620)								(620)
Dividends paid by consolidated companies to non-controlling interests	(60)								(60)
Change in current and non-current debt	596								596
Repayment of lease obligations		(38)	(5)	(31)	(7)	(68)	(1)	(150)	(150)
Income from net surplus cash/cost of net debt and interest expense on lease obligations	(107)	(5)	(1)	(6)	(2)	(13)		(27)	(134)
Other cash flows related to financing activities	19								19
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	**(219)**	**(43)**	**(6)**	**(37)**	**(9)**	**(81)**	**(1)**	**(177)**	**(396)**
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	**31**								**31**
CHANGE IN NET CASH POSITION (A + B + C + D)	**(2,401)**								**(2,401)**
NET CASH POSITION AT START OF PERIOD	**4,611**								**4,611**
Net cash flows	(2,401)								(2,401)
Non-monetary flows									
NET CASH POSITION AT END OF PERIOD	**2,210**								**2,210**
TOTAL FREE CASH FLOW after WCR [a]	**(1,227)**								**(1,227)**

(a) See Note 2.4 for a definition of "Free cash flow after changes in working capital requirements".

Consolidated financial statements as of 31 December 2018, restated for IFRS 16 and IFRIC 23

Balance sheet

ASSETS	31/12/2018 published	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total IFRS 16 impacts	IFRIC 23 impacts	31/12/2018 restated
Property, plant and equipment	7,432			(50)		(55) [a]		(105)		7,327
Right of use of leased assets		249	40	370	98	802	2	1,561		1,561
Intangible assets	2,198									2,198
Goodwill	6,301									6,301
Investments in joint ventures and associates	2,633									2,633
Other non-current financial assets	536									536
Deferred tax assets and non-current tax receivable	317	3	1	5				9		326
NON-CURRENT ASSETS	**19,417**	**252**	**41**	**325**	**98**	**747**	**2**	**1,465**		**20,882**
Inventories	3,154									3,154
Advances and down-payments made on orders	483									483
Trade receivables	6,389									6,389
Customer contract assets	2,026									2,026
Tax asset (receivable)	260									260
Other current receivables and prepaid expenses	2,684	23						23		2,707
Cash and cash equivalents	2,928									2,928
Financial instruments – Hedging of debt	11									11
Other current financial assets	10									10
CURRENT ASSETS	**17,945**	**23**						**23**		**17,968**
Held-for-sale assets and operations	332			8				8		340
TOTAL ASSETS	**37,694**	**275**	**41**	**333**	**98**	**747**	**2**	**1,496**		**39,190**
LIABILITIES AND SHAREHOLDERS' EQUITY	**31/12/2018 published**	**Bouygues Construction**	**Bouygues Immobilier**	**Colas**	**TF1**	**Bouygues Telecom**	**Bouygues SA & other**	**Total IFRS 16 impacts**	**IFRIC 23 impacts**	**31/12/2018 restated**
Share capital	372									372
Share premium and reserves	8,146	(13)	(3)	(23)	(1)	(29)		(69)		8,077
Translation reserve	(103)									(103)
Treasury shares										
Net profit/(loss) attributable to the Group	1,311		(1)	1	(1)	(3)	1	(3)		1,308
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	**9,726**	**(13)**	**(4)**	**(22)**	**(2)**	**(32)**	**1**	**(72)**		**9,654**
Non-controlling interests	1,391				(2)	(3)		(5)		1,386
SHAREHOLDERS' EQUITY	**11,117**	**(13)**	**(4)**	**(22)**	**(4)**	**(35)**	**1**	**(77)**		**11,040**
Non-current debt	5,080			(30)		(2)		(32)		5,048
Non-current lease obligations		222	35	317	85	662	2	1,323		1,323
Non-current provisions	2,068		2					2	(28)	2,042
Deferred tax liabilities and non-current tax liabilities	348			(2)	(2)	(12)	(1)	(17)		331
NON-CURRENT LIABILITIES	**7,496**	**222**	**37**	**285**	**83**	**648**	**1**	**1,276**	**(28)**	**8,744**
Current debt	1,253			(12)		(1)		(13)		1,240
Current lease obligations		77	8	74	19	135		313		313
Current taxes payable	126								28	154
Trade payables	7,423									7,423
Customer contract liabilities	3,665									3,665
Current provisions	995									995
Other current liabilities	5,010	(11)						(11)		4,999
Overdrafts and short-term bank borrowings	238									238
Financial instruments – Hedging of debt	25									25
Other current financial liabilities	21									21
CURRENT LIABILITIES	**18,756**	**66**	**8**	**62**	**19**	**134**		**289**	**28**	**19,073**
Liabilities related to held-for-sale operations	325			8				8		333
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**37,694**	**275**	**41**	**333**	**98**	**747**	**2**	**1,496**		**39,190**
NET SURPLUS CASH/(NET DEBT) [b]	**(3,657)**			**42**		**3**		**45**		**(3,612)**

(a) Includes reclassification of €55m of dismantling costs.

(b) See Note 2.4 for a definition of "Net surplus cash/(net debt)", which does not include non-current and current lease obligations.

Income statement

	FY 2018 published	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total IFRS 16 impacts	FY 2018 restated
SALES	**35,555**								**35,555**
Other revenues from operations	185								185
Purchases used in production	(16,715)								(16,715)
Personnel costs	(7,975)								(7,975)
External charges	(7,845)	90	11	77	20	157		355	(7,490)
Taxes other than income tax	(687)								(687)
Net depreciation and amortisation expense on property, plant and equipment and intangible assets	(1,703)								(1,703)
Net amortisation expense on right of use of leased assets		(87)	(9)	(68)	(17)	(134)	1	(314)	(314)
Charges to provisions and impairment losses, net of reversals due to utilisation	(417)								(417)
Change in production and property development inventories	94								94
Other income from operations	1,862	8		5				13	1,875
Other expenses on operations	(843)	(1)						(1)	(844)
CURRENT OPERATING PROFIT/(LOSS)	**1,511**	**10**	**2**	**14**	**3**	**23**	**1**	**53**	**1,564**
Other operating income	371								371
Other operating expenses	(106)								(106)
OPERATING PROFIT/(LOSS)	**1,776**	**10**	**2**	**14**	**3**	**23**	**1**	**53**	**1,829**
Financial income	29								29
Financial expenses	(245)								(245)
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)	**(216)**								**(216)**
Interest expense on lease obligations		(11)	(2)	(13)	(4)	(27)		(57)	(57)
Other financial income	81	1						1	82
Other financial expenses	(64)								(64)
Income tax	(427)					1		1	(426)
Share of net profits/(losses) of joint ventures and associates	303		(1)					(1)	302
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	**1,453**		**(1)**	**1**	**(1)**	**(3)**	**1**	**(3)**	**1,450**
Net profit/(loss) from discontinued and held-for-sale operations									
NET PROFIT/(LOSS)	**1,453**		**(1)**	**1**	**(1)**	**(3)**	**1**	**(3)**	**1,450**
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**1,311**		**(1)**	**1**	**(1)**	**(3)**	**1**	**(3)**	**1,308**
Net profit/(loss) attributable to non-controlling interests	142								142
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)	**3.57**								**3.56**
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)	**3.55**								**3.54**
EBITDA after Leases [a]	**3,144**	**(1)**		**1**	**(1)**	**(4)**	**1**	**(4)**	**3,140**

(a) See Note 2.4 for a definition of "EBITDA after Leases", which includes all lease expenses.

Cash flow statement

	FY 2018 published	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total IFRS 16 impacts	FY 2018 restated
I - CASH FLOW FROM CONTINUING OPERATIONS									
A - NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES									
Net profit/(loss) from continuing operations	1,453		(1)	1	(1)	(3)	1	(3)	1,450
Adjustments:									
Share of profits/losses reverting to joint ventures and associates, net of dividends received	(186)		1					1	(185)
Dividends from non-consolidated companies	(32)								(32)
Net charges to/(reversals of) depreciation, amortisation and impairment of property, plant and equipment and intangible assets and non-current provisions	1,762								1,762
Net charges to amortisation and impairment expense and other adjustments to right of use of leased assets		92	9	68	17	134	(1)	319	319
Gains and losses on asset disposals	(420)	(2)						(2)	(422)
Income taxes, including uncertain tax positions	427					(1)		(1)	426
Income taxes paid	(520)								(520)
Miscellaneous non-cash charges	(89)								(89)
Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid	**2,395**	**90**	**9**	**69**	**16**	**130**		**314**	**2,709**
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations	216	11	2	13	4	27		57	273
Changes in working capital requirements related to operating activities (including current impairment and provisions)	(395)	(4)						(4)	(399)
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES	**2,216**	**97**	**11**	**82**	**20**	**157**		**367**	**2,583**
B - NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES									
Purchase price of property, plant and equipment and intangible assets	(2,178)								(2,178)
Proceeds from disposals of property, plant and equipment and intangible assets	605								605
Net liabilities related to property, plant and equipment and intangible assets	(165)								(165)
Purchase price of non-consolidated companies and other investments	(31)								(31)
Proceeds from disposals of non-consolidated companies and other investments	65								65
Net liabilities related to non-consolidated companies and other investments	15								15
Purchase price of investments in consolidated activities	(1,568)								(1,568)
Proceeds from disposals of investments in consolidated activities	113								113
Net liabilities related to consolidated activities	(1)								(1)
Other effects of changes in scope of consolidation: cash of acquired and divested companies	(11)								(11)
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies	72								72
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	**(3,084)**								**(3,084)**
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES									
Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders	(22)								(22)
Dividends paid to shareholders of the parent company	(620)								(620)
Dividends paid by consolidated companies to non-controlling interests	(92)								(92)
Change in current and non-current debt	(161)								(161)
Repayment of lease obligations		(86)	(9)	(69)	(16)	(130)		(310)	(310)
Income from net surplus cash/cost of net debt and interest expense on lease obligations	(216)	(11)	(2)	(13)	(4)	(27)		(57)	(273)
Other cash flows related to financing activities	3								3
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	**(1,108)**	**(97)**	**(11)**	**(82)**	**(20)**	**(157)**		**(367)**	**(1,475)**
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	**54**								**54**
CHANGE IN NET CASH POSITION (A + B + C + D)	**(1,922)**								**(1,922)**
NET CASH POSITION AT START OF PERIOD	**4,611**								**4,611**
Net cash flows	(1,922)								(1,922)
Non-monetary flows									
Held-for-sale operation	1								1
NET CASH POSITION AT END OF PERIOD	**2,690**								**2,690**
II - CASH FLOWS FROM DISCONTINUED AND HELD-FOR-SALE OPERATIONS									
NET CASH POSITION AT START OF PERIOD	**9**								**9**
Net cash flows	(10)								(10)
NET CASH POSITION AT END OF PERIOD	**1**								**1**
TOTAL FREE CASH FLOW after WCR [a]	**427**								**427**

(a) See Note 2.4 for a definition of "Free cash flow after changes in working capital requirements".