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BOUYGUES PRESS RELEASE

- **NET PROFIT FOR FIRST NINE MONTHS 2008 UP 7% TO €1.2 BILLION**
- **2008 SALES TARGET OF €32.5 BILLION CONFIRMED**

The Bouygues group reported €1,798 million in operating profit in the first nine months of 2008, up 2%. Net profit rose 7% to €1,202 million and sales increased 13%. These results continue the trend observed in the first half-year. Excluding TF1, operating profit rose 9% and net profit 10%.

Key figures

(€ million)	End-September 2007*	End-September 2008	Change
Sales	21,294	24,120	+13%
Current operating profit	1,748	1,798	+3%
Operating profit	1,769	1,798	+2%
Net profit att. to the Group	1,119	1,202	+7%
Net debt	5,124	5,662	+€538m

* Applying the same accounting policy as in 2008: restatement of provisions for Bouygues Telecom customer loyalty programmes and actuarial gains and losses on employee benefits.

Bouygues Construction reported a 16% increase in sales and a 12% rise in operating profit. Net profit came to €232 million, up 5%. Business activity remained brisk, with the order book up 16% year-on-year to €12.5 billion and order intakes in the first nine months up 5% to €8.4 billion.

Bouygues Immobilier sales rose 54%, resulting from a high level of reservations in the last two years. Net profit increased 33% to €92 million, taking into account the higher financial expenses stemming from the increase in the working capital requirement. In a market that sharply deteriorated in the third quarter, Bouygues Immobilier reservations fell 44% compared with the first nine months of 2007 (down 22% for housing reservations in a market that contracted 35%). The order book came to €3.5 billion (-5%), representing 15 months' sales.

Colas performed well across all the geographical areas where the Group is present, with a 13% rise overall. Net profit rose 4% year-on-year, from €361 million at end-September 2007 to €376 million. The order book remained at a high level, totalling €6.3 billion (down 5%).

In a persistently difficult environment, **TF1** sales fell 5% and net profit dropped 33%. TF1 continued to adapt to a changing competitive context.

Bouygues Telecom sales were up 7%. Sales from network climbed 5% to €3,502 million, EBITDA rose 2% to €1,155 million, and net profit increased 2% to €474 million. For the mobile business, the EBITDA margin was 33.8% of sales from network, comparable to the margin at end-September 2007. Capital expenditure rose 64% year-on-year to €627 million, with the acquisition of a DSL network on 30 June 2008 and the accelerated roll-out of the 3G+ network, which will cover 72% of the French population in spring 2009.

Alstom

Alstom reported excellent performances in first half 2007/2008. Alstom's contribution to Bouygues' net profit at end-September 2008 grew a strong 87% to €239 million.

Financial position

Cash flow rose 5% to €2.75 billion. Group net debt at 30 September was €5.7 billion, up €538 million year-on-year, a result of increased capital expenditure, mainly at Bouygues Telecom, and financial investments, to acquire Alstom shares. The Group maintains a high level of liquidity and an evenly spread debt repayment schedule thanks to its financial policy. The successful one billion euro 7-year bond on 3 July 2008 enabled the Group to proceed with the early refinancing of the redemption in May 2009 of a bond issue for the same amount. The debt ratio was stable compared with end-September 2007, at 66%.

AFEP-MEDEF recommendation of 6 October 2008 on the remuneration of corporate officers

The Board of Directors noted that most of the AFEP-MEDEF recommendations of 6 October 2008 on the remuneration of corporate officers have already been implemented by the company. The few additional provisions will be adopted in 2009 and published in the next annual report.

2008 sales

Based on the group's sales in the first nine months and business indicators, Bouygues has confirmed its 2008 sales target of €32.5 billion.

CONTRIBUTION OF BUSINESS AREAS TO SALES (€ million)	Actual 2007	2008 target			Change 2008/2007
		In February	In August	In December	
Bouygues Construction	8,088	8,900	9,100	9,100	+13%
Bouygues Immobilier	2,074	2,900	2,900	2,900	+40%
Colas	11,640	12,450	12,550	12,550	+8%
TF1	2,747	2,800	2,670	2,590	-6%
Bouygues Telecom	4,780	4,950	5,000	5,050	+6%
Holding company and other	284	300	280	310	ns
TOTAL	29,613	32,300	32,500	32,500	+10%
<i>France</i>	20,810	22,300	22,500	22,550	+8%
<i>International</i>	8,803	10,000	10,000	9,950	+13%

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CONDENSED CONSOLIDATED INCOME STATEMENT (€ million)	End-September		Change %
	2007*	2008	
Sales	21,294	24,120	+13%
Current operating profit	1,748	1,798	+3%
Operating profit	1,769	1,798	+2%
Cost of net debt	(161)	(211)	+31%
Other financial income and expenses	23	(25)	ns
Income tax expense	(529)	(501)	-5%
Share of profits and losses from associates	183	283	+55%
Net profit	1,285	1,344	+5%
Minority interests	(166)	(142)	-14%
Net profit att. to the Group	1,119	1,202	+7%

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CONSOLIDATED INCOME STATEMENT FOR THIRD QUARTERS (€ million)	3 rd quarter		Change %
	2007*	2008	
Sales	7,996	8,810	+10%
Current operating profit	707	699	-1%
Net profit att. to the Group	460	501	+9%

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Contribution of business areas to SALES (€ million)	End-September		Change %
	2007	2008	
Bouygues Construction	5,811	6,730	+16%
Bouygues Immobilier	1,292	1,988	+54%
Colas	8,497	9,569	+13%
TF1	1,959	1,867	-5%
Bouygues Telecom	3,521	3,750	+7%
Holding company and other	214	216	ns
TOTAL	21,294	24,120	+13%
<i>France</i>	<i>14,918</i>	<i>16,513</i>	<i>+11%</i>
<i>International</i>	<i>6,376</i>	<i>7,607</i>	<i>+19%</i>

Contribution of business areas to EBITDA (€ million)	End-September		Change %
	2007	2008	
Bouygues Construction	299	387	+29%
Bouygues Immobilier	115	217	+89%
Colas	767	822	+7%
TF1	334	220	-34%
Bouygues Telecom	1,130*	1,155	+2%
Holding company and other	27	17	ns
TOTAL	2,672	2,818	+5%

* O/w €30 million in non-recurring items

Contribution of business areas to OPERATING PROFIT (€ million)	End-September		Change %
	2007*	2008	
Bouygues Construction	232	259	+12%
Bouygues Immobilier	126	188	+49%
Colas	474	493	+4%
TF1	234	130	-44%
Bouygues Telecom	709	726	+2%
Holding company and other	(6)	2	ns
TOTAL	1,769	1,798	+2%

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Contribution of business areas to NET INCOME ATT. TO THE GROUP (€ million)	End-September		Change %
	2007*	2008	
Bouygues Construction	220	232	+5%
Bouygues Immobilier	69	92	+33%
Colas	348	364	+5%
TF1	72	47	-35%
Bouygues Telecom	416	425	+2%
Alstom	128	239	+87%
Holding company and other	(134)	(197)	-63%
TOTAL	1,119	1,202	+7%

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NET CASH BY BUSINESS AREA (€ million)	End-September		Change (€ million)
	2007	2008	
Bouygues Construction	2,127	2,429	+€302m
Bouygues Immobilier	(141)	(365)	-€224m
Colas	(154)	(412)	-€258m
TF1	(564)	(715)	-€151m
Bouygues Telecom	146	(143)	-€289m
Holding company and other	(6,538)	(6,456)	+€82m
TOTAL	(5,124)	(5,662)	-€538m