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BOUYGUES PRESS RELEASE

FIRST-HALF 2008

- **SOLID OPERATING PERFORMANCE**
- **BUSINESS ACTIVITY STILL STRONG IN CONSTRUCTION**
- **OPERATING PROFIT UP 16% EXCLUDING TF1**
- **NET PROFIT: 701 MILLION EUROS (+6%)**

A strong first half

The Bouygues group reported a solid operating performance in terms of both sales and profit in the first half of 2008. Sales climbed by 15%. All the Group's businesses except TF1 saw profits grow. The Group's operating profit rose by 3% and 16% excluding TF1. Net profit attributable to the Group amounted to 701 million euros, an increase of 6%.

Key figures

(€ million)	H1 2007 ⁽¹⁾	H1 2008	Change
Sales	13,298	15,310	+15%
Current operating profit	1,041	1,099	+6%
Operating profit	1,062	1,099	+3%
Net profit att. to the Group	659	701	+6%
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Net debt ⁽²⁾	5,115	6,300	+€1,185m

⁽¹⁾ 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.

⁽²⁾ End of period.

Bouygues Construction got off to an excellent start to the year with particularly strong growth in sales and operating profit, up by 20% and 24%, respectively. Net profit attributable to the Group grew by 11% to 164 million euros. Business activity remained brisk; order intakes climbed by 17% over the first half of 2007 and the order book totalled 12.3 billion euros, a 26% increase on 30 June 2007, thereby bolstering visibility for 2009.

Despite the business climate, **Bouygues Immobilier** reported a sharp increase in sales (+61%) as a result of the high level of reservations in 2006 and 2007. Net profit attributable to the Group advanced 45% to 61 million euros. After an exceptional 2007, business activity slackened (reservations fell 13% by value in residential property and 15% in commercial property). Bouygues Immobilier outperformed the market thanks to its positioning and strategy.

Colas posted a 14% rise in sales and an 11% rise in net profit to 130 million euros. The order book came to 7.1 billion euros, growing more moderately (+4%) than at 30 June 2007 (+10%).

TF1's first half was marked by a difficult environment. Sales were down 5% and net profit attributable to the Group contracted 33% to 125 million euros. TF1 was adapting to a changing competitive context.

Bouygues Telecom turned in a strong performance in the first half of 2008. Sales rose by 7% to 2,465 million euros and sales from network amounted to 2,295 million euros, an increase of 5%.

Bouygues Telecom thus continued to grow while keeping tight control over its profitability in a difficult competitive environment marked by widespread unlimited voice and SMS services and the popularity of more sophisticated handsets. Excluding expenses connected to the development of the fixed-line business, the EBITDA margin was 33.4% of sales from network. Net profit attributable to the Group gained 5% to 308 million euros. Capital expenditure totalled 375 million euros, a 74% rise from the first half of 2007 due to faster rollout of the HSPA network and acquisition on 30 June 2008 of a DSL network.

Alstom

Bouygues is very pleased with its stake in Alstom, which boasts a fine performance and a bright outlook. Cooperation between the two groups is continuing.

Financial position

The Group's net debt amounted to 6.3 billion euros at 30 June 2008, an increase of 1.2 billion euros compared with 30 June 2007. This was the result of rising capital expenditure and financial investments, including 1 billion euros worth of Alstom shares. On 3 July 2008, Bouygues successfully completed a 1-billion-euro, seven-year bond issue.

Sales target for 2008

Tensions have emerged after several years of economic prosperity. These include the financial crisis, the slowdown in the property market, soaring commodity prices and the euro/dollar exchange rate. To date, the tensions have had only a limited impact on the Group's business performance and have not affected our 2008 sales targets.

CONTRIBUTION OF BUSINESS AREAS TO SALES (€ million)	Actual 2007	2008 target			Change 2008/2007
		in February	in June	in August	
Bouygues Construction	8,088	8,900	9,000	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	2,670	-3%
Bouygues Telecom	4,780	4,950	4,950	5,000	+5%
Holding company and other	284	300	330	280	ns
TOTAL	29,613	32,300	32,400	32,500	+10%
<i>France</i>	20,810	22,300	22,400	22,500	+8%
<i>International</i>	8,803	10,000	10,000	10,000	+14%

Press contact:
+33 1 44 20 12 01 - presse@bouygues.com

Investor and analyst contact:
+33 1 44 20 12 77 - investors@bouygues.com

www.bouygues.com

CONDENSED CONSOLIDATED INCOME STATEMENT (€ million)	H1		Change
	2007*	2008	
Sales	13,298	15,310	+15%
Current operating profit	1,041	1,099	+6%
Operating profit	1,062	1,099	+3%
Cost of net debt	(95)	(132)	+39%
Other financial income and expenses	22	(21)	ns
Income tax expense	(286)	(305)	+7%
Share of profits and losses of associates	103	177	+72%
Net profit from continuing operations	806	818	+1%
Net profit	806	818	+1%
Minority interests	147	117	-20%
Net profit attributable to the Group	659	701	+6%

* 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.

Contribution of business areas to SALES (€ million)	H1		Change
	2007	2008	
Bouygues Construction	3,712	4,448	+20%
Bouygues Immobilier	808	1,299	+61%
Colas	4,914	5,609	+14%
TF1	1,423	1,352	-5%
Bouygues Telecom	2,293	2,457	+7%
Holding company and other	148	145	ns
TOTAL	13,298	15,310	+15%
<i>France</i>	<i>9,699</i>	<i>10,896</i>	<i>+12%</i>
<i>International</i>	<i>3,599</i>	<i>4,414</i>	<i>+23%</i>

Contribution of business areas to EBITDA (€ million)	H1		Change
	2007	2008	
Bouygues Construction	184	269	+€85m
Bouygues Immobilier	56	135	+€79m
Colas	316	344	+€28m
TF1	330	237	-€93m
Bouygues Telecom	732	755	+€23m
Holding company and other	8	3	-€5m
TOTAL	1,626	1,743	+7%

Contribution of business areas to OPERATING PROFIT (€ million)	H1		Change
	2007*	2008	
Bouygues Construction	150	186	+€36m
Bouygues Immobilier	72	122	+€50m
Colas	136	155	+€19m
TF1	264	171	-€93m
Bouygues Telecom	447	469	+€22m
Holding company and other	(7)	(4)	+€3m
TOTAL	1,062	1,099	+3%

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Contribution of business areas to NET PROFIT ATT. TO THE GROUP (€ million)	H1		Change
	2007*	2008	
Bouygues Construction	148	164	+€16m
Bouygues Immobilier	42	61	+€19m
Colas	113	126	+€13m
TF1	80	54	-€26m
Bouygues Telecom	263	275	+€12m
Alstom	64	151	+€87m
Holding company and other	(51)	(130)	-€79m
TOTAL	659	701	+6%

* 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.

NET CASH BY BUSINESS AREA (€ million)	30 June		Change
	2007	2008	
Bouygues Construction	1,918	2,178	+€260m
Bouygues Immobilier	(121)	(313)	-€192m
Colas	(535)	(702)	-€167m
TF1	(572)	(706)	-€134m
Bouygues Telecom	(33)	(344)	-€311m
Holding company and other	(5,772)	(6,413)	-€641m
TOTAL	(5,115)	(6,300)	-€1,185m

The following documents are available on our website:

- The financial statements for Bouygues and its subsidiaries (balance sheets, income statements, cash flow statements, changes in consolidated shareholders' equity and statement of recognised income and expense): http://www.bouygues.com/us/finance/presentation_comptes.asp

- Half-year review: http://www.bouygues.com/us/finance/information_reglementee.asp