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BOUYGUES PRESS RELEASE

FURTHER SHARP RISE IN SALES AND PROFITABILITY NET PROFIT IN FIRST HALF OF 2005: 384 MILLION EUROS (+39%)

An excellent first half

Bouygues recorded a further sharp rise in sales and profit in the first half of 2005. On a comparable basis, sales increased by 11%, operating profit by 23% to 853 million euros and net profit by 39% to 384 million euros. The Group's financial structure remained solid, with cash flow growing by 16%.

Key figures

IFRS (million euros)	30 June 2004	30 June 2005	Change
Sales	9,887	11,268	+14%
Comparable sales	10,192	11,268	+11%
Operating profit	696	853 ⁽¹⁾	+23%
Net profit attributable to the Group	276	384 ⁽¹⁾	+39%
Cash flow	1,257	1,453	+16%

⁽¹⁾ The capital increase reserved for employees planned at end 2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity

Bouygues Construction sales rose by 12% overall in the first half of 2005, with an increase of 11% in France and 14% on international markets. Orders were 18% higher than the same year-ago period. Bouygues Construction has secured several major contracts since 30 June, combining public and private funding and illustrating its expertise on this promising market, including the A41 motorway in France, Gautrain rail link in South Africa, and Cyprus airports. Operating profit grew by 63% to 137 million euros and net profit by 50% to 96 million euros.

Bouygues Immobilier reported a further rise in sales of 30%, as France's housing market remained firm. Commercial activity held up well in the housing segment, with reservations up 23%, and the decline in the corporate/commercial segment was not representative of the year as a whole. Net profit increased by 35% to 42 million euros.

Colas's sales and profitability continued to show strong growth, fuelled by buoyant markets. Sales rose by 16% to 4 billion euros and net profit stood at 46 million euros versus 30 million euros in the first half of 2004. The order book at 30 June 2005 totalled 5.3 billion euros, a 19% increase.

TF1 sales fell slightly, by 2%, reflecting the market's difficult economic environment. The channel's advertising revenues slipped 1%, while operating profit dropped by 4%. Net profit nevertheless grew by 6%.

Bouygues Telecom reported first-half sales of 2.2 billion euros (up 6%) and net sales from network of 2.1 billion euros (up 9% on a comparable basis, ie factoring in mobile-to-mobile billing in 2004). The EBITDA margin was 2 percentage points higher than the first half of 2004 (on a comparable basis), at 32.6% of net sales from network. Net profit increased by 39% to 219 million euros.

Net investments grew sharply to 322 million euros, due to the completion of national EDGE coverage. After launching broadband services for corporate customers in May 2005, Bouygues Telecom will make them available with i-mode to the mass market by the end of the year.

Capital increase reserved for employees

Making use of the authorisation given by the Shareholders' Meeting in April 2005, the Board of Directors has decided to carry out a capital increase reserved for Group employees. The operation will take place at the end of 2005 in the form of a leveraged employee share ownership scheme called "Bouygues Confiance 3" and will be limited to 250 million euros, with a lockup period of five years. In order to reduce equity dilution, shares up to the amount of the capital increase will be bought back on the market and cancelled. Under IFRS, the estimated value of the benefit granted to employees (30 million euros) is booked as "personnel costs". Shareholders' equity will be increased by the same amount to offset the reduction in profit. The scheme will have no impact on the Group's cash situation.

2005 outlook

On the basis of business indicators and Group sales in the first half of the year, the sales target for 2005 can again be raised to 23.6 billion euros (from 23.1 billion euros announced on 22 June 2005).

SALES TARGET Contribution of business areas (IFRS) (million euros)	2004	2005 target	Change
Bouygues Construction	5,227	5,500	+5%
Bouygues Immobilier	1,295	1,550	+20%
Colas	7,947	8,900	+12%
TF1	2,831	2,840	=
Bouygues Telecom	3,649	4,540	+6% *
Holding and other	293	240	ns
TOTAL	21,242	23,570	+11%
of which France	15,252	17,020	+12%
of which International	5,990	6,550	+9%

* Compared with 2004 sales figure factoring in mobile-to-mobile billing estimated at 2005 call termination rate. Net sales from network target: +8% using the same accounting method

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CONDENSED CONSOLIDATED INCOME STATEMENT (IFRS) (million euros)	1 st half		Change
	2004	2005	
Sales	9,887	11,268	+14%
Operating profit	696	853⁽¹⁾	+23%
Cost of net financial debt	(88)	(94)	+7%
Other financial income and expenses	(12)	2	ns
Income tax expense	(232)	(260)	+12%
Share of profits/losses of associates	17	24	+41%
Net profit before results of discontinued and held-for-sale operations	381	525	+38%
Net profit of discontinued and held-for-sale operations	21	-	ns
Net profit from continuing operations	402	525	+31%
Minority interests	(126)	(141)	+12%
Net profit attributable to the Group	276	384⁽¹⁾	+39%

⁽¹⁾ The capital increase reserved for employees planned at end 2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity

CONDENSED CONSOLIDATED BALANCE SHEET (IFRS) (million euros)	30 June		31 Dec. 2004
	2004	2005	
Non-current assets	11,525	11,940	11,481
Current assets	9,820	11,126	12,467
Held-for-sale assets	2,402	-	-
TOTAL ASSETS	23,747	23,066	23,948
Shareholders' equity	5,964	5,053	4,978
Non-current liabilities	4,689	5,894 ⁽¹⁾	5,982
Current liabilities	11,531	12,119	12,988
Held-for-sale liabilities	1,563	-	-
TOTAL LIABILITIES	23,747	23,066	23,948

⁽¹⁾ Factoring in the discounted amount (450 million euros) of the option granted to BNP Paribas to sell its 6.5% stake in Bouygues Telecom (press release of 22 June 2005)

Contribution of business areas to SALES (IFRS) (million euros)	1 st half		Change	Full year 2004
	2004	2005		
Bouygues Construction	2,505	2,790	+11%	5,227
Bouygues Immobilier	582	758	+30%	1,295
Colas	3,413	3,928	+15%	7,947
TF1	1,486	1,459	-2%	2,831
Bouygues Telecom	1,755	2,187	+6% *	3,649
Holding and other	146	146	=	293
TOTAL <i>of which International</i>	9,887 2,515	11,268 2,944	+14% +17%	21,242 5,990
TOTAL excl. Saur and incl. GSM	10,192	11,268	+11%	21,868

* Compared with 2004 sales figure factoring in mobile-to-mobile billing estimated at 2005 call termination rate;
net sales from network: +9% using the same accounting method

Contribution of business areas to OPERATING PROFIT (IFRS) (million euros)	1 st half		Change	Full year 2004
	2004	2005		
Bouygues Construction	84	137	+63%	168
Bouygues Immobilier	60	72	+20%	119
Colas	20	38	+90%	310
TF1	278	269	-3%	383
Bouygues Telecom	284	355	+25%	597
Holding and other	(30)	(18) ⁽¹⁾	ns	(18)
TOTAL	696	853 ⁽¹⁾	+23%	1,559

⁽¹⁾ The capital increase reserved for employees planned at end 2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity. This expense booked under "personnel costs" reduces operating profit.

Contribution of business areas to NET PROFIT ATTRIBUTABLE TO GROUP (IFRS) (million euros)	1 st half		Change	Full year 2004
	2004	2005		
Bouygues Construction	64	96	+€32m	141
Bouygues Immobilier	31	42	+€11m	64
Colas	29	44	+€15m	242
TF1	69	76	+€7m	93
Bouygues Telecom	130	182	+€52m	275
Holding and other	(47)	(56) ⁽¹⁾	-€9m	(115)
TOTAL	276	384⁽¹⁾	+€108m	700⁽²⁾

⁽¹⁾ The capital increase reserved for employees planned at end 2005 entailed an IFRS-related expense of 30 million euros, with no impact on shareholders' equity

⁽²⁾ Net profit including capital gain from disposal of Saur: 909 million euros

NET CASH BY BUSINESS AREA (IFRS) (million euros)	1 st half		Change	Full year 2004
	2004	2005		
Bouygues Construction	1,322	1,470	+11%	1,523
Bouygues Immobilier	83	160	+93%	249
Colas	(246)	(292)	+19%	422
TF1	(590)	(537)	-9%	(410)
Bouygues Telecom	(1,699)	(1,001)	-41%	(1,197)
Holding and other	(2,426)	(3,780) ⁽¹⁾	+56%	(2,462)
TOTAL	(3,556)	(3,980)⁽¹⁾	+12%	(1,875)

⁽¹⁾ Factoring in the discounted amount (450 million euros) of the option granted to BNP Paribas to sell its 6.5% stake in Bouygues Telecom (press release of 22 June 2005)