



FIRST HALF EARNINGS PRESENTATION 2002
PAVILLON GABRIEL - WEDNESDAY 11 SEPTEMBER 2002

Extract of questions/answers

1. Given the uncertainties surrounding UMTS, do you still think that the telecoms represent a promising industry for the future?

Martin Bouygues, Chairman and CEO of Bouygues: "The Telecom industry promises a great future. The difficulties that some operators are experiencing after having made over-hasty strategic choices have nothing to do with the industry per se. I am convinced that in the long run the markets will be able to differentiate between cautious operators whose management has been clear and understandable, and the others."

2. Would you be ready to make any acquisition in Telecoms?

MB: "We are looking at development possibilities. But we should only act when possible and necessary. It's all about conditions. The Telecom industry has calmed down considerably over the last 18 months. If we do decide to look at a possible acquisition abroad, it would not be a major operation which would change the shape of the Group."

3. Do you intend to strengthen your position in Bouygues Telecom?

MB: "Of course, we would be interested in strengthening Bouygues' position in Bouygues Telecom but not at any cost. We are not in a hurry and not willing to pay a high price."

4. What are the factors that contributed to the improvement of Bouygues Telecom's EBITDA?

Answer by Gilles Pélisson, Bouygues Telecom's CEO: "We have increased the number of our customers, lowered our acquisition costs but also reduced the number of unpaid bills and cases of fraud, controlled headcount and overhead costs and also set up a more efficient organisation, notably with the creation of a purchasing department."

5. What dates do you have in mind for the deployment of UMTS?

MB: "Everyone talks about UMTS but no one has actually seen it. The dates are very vague. We'll be particularly cautious with our future investments in this extremely complex technology. However we made the strategic choice of opting for i-mode and every week that goes by confirms that it was the right decision."

6. If TF1 were to invest in Kirch Media's assets, would the Bouygues group proceed with a capital increase for TF1?

MB: "Yes, one matching its stake because we could only envisage a reasonable investment. We would only go ahead if we feel that we have control over the essential parameters."

7. Do you anticipate a reorganisation of your construction sector through an alliance between Bouygues Construction and Colas?

MB: "At Bouygues, we focus mainly on sound managerial organisation, the only way, we feel, to be genuinely efficient. I can't think of any reason why we should change our legal structure given that it serves our needs perfectly."

8. Is the sale of Saur still a possibility?

MB: "Bouygues was contacted some time ago by E-On, but negotiations have stopped. E-On has decided to concentrate on power. Furthermore, given the present state of the financial markets, we're not tempted by the possibility of being listed on the stock market or looking for an industrial partner. If an opportunity should arise, we would, however, examine it. We're not in a hurry. Saur is developing at its own pace and we're very satisfied with its performance."

9. What do you think about the present economic situation?

MB: "I don't agree with those who say that it is bad. It's just lacklustre. The US advertising market seems to have picked up over the last few weeks. I think we're going to see a similar trend in Europe."