

Annual General Meeting

29 April 2010

QUESTIONS – ANSWERS



WRITTEN QUESTIONS SUBMITTED BEFORE THE AGM

At the Chairman's request, Jean-François Guillemin read the written questions submitted before the AGM by IPAC (Initiatives pour un Actionnariat Citoyen, a shareholder ginger group) and the answers given by the Board at its meeting on 29 April 2010.

In letters dated 2 and 19 April 2010, IPAC put the following questions.

Questions 1 and 2:

What was the volume of our company's greenhouse gas emissions in 2009? Please specify the gases concerned (CO₂, refrigerant gas, etc.), the scope of consolidation and the scope of the assessment (production processes, services, logistics, purchases of supplies and capital goods, purchases of spare parts, etc.).

What is the change in relation to 2008 on a like-for-like basis?

Answer:

The Bouygues group has already performed carbon balances for three of its businesses (TF1, Bouygues Telecom and Bouygues Immobilier), covering all greenhouse gases and the entire scope of their activities.

We do not yet have figures for Bouygues Construction and Colas because we have only recently completed the internal procedure for collecting and consolidating the data. The two businesses have a wide variety of activities and fragmented structures; consequently, we had to devise a highly complex methodology in order to calculate their greenhouse gas emissions with a reasonable degree of accuracy.

Bouygues has therefore decided not to publish its overall greenhouse gas emissions because all activities are not yet covered in full and, given the Group's size, we are not willing to publish guess estimates. We intend to carry out test calculations of our greenhouse gas emissions for each business in order to refine our procedures and reduce uncertainties where emission factors or quantitative factors are still insufficiently precise.

Questions 3 and 4:

What are the respective proportions of persons aged over 50 and over 55 in our company's workforce (in France, in Europe and around the world)?

How many persons aged over 50 and over 55 were hired last year (in France, in Europe and around the world)?

Answer:

The employment of older workers is a matter dealt with country by country. The issue differs considerably according to the country concerned, especially its demographics.

In France, the average age of Group employees is 39. 20% are aged over 50 and 10% over 55. In 2009, 173 employees aged over 50 were recruited in France. Agreements on the employment of older workers have been concluded with the social partners in all the Group's French companies, covering matters such as skills assessments, training, end-of-career arrangements, medical checks and other measures adapted to the specific characteristics of each business. The agreements generally go further than the regulatory requirements.

Question 5:

What is our group's position on the issue of illegal workers (workers without papers)?

Answer:

The position a company must take with regard to illegal workers is determined by law.

Employers who hire foreigners not authorised to work in France are liable to very severe penalties under French law. The police, the social security authorities and the labour inspectorate carry out weekly inspections on Bouygues worksites.

Bouygues takes many measures to combat the presence of illegal workers:

- it applies very strict control procedures;
- it works with prefectures to ensure that the papers of all the foreign workers it hires are in order;
- it concludes framework agreements with temporary employment agencies containing specific clauses designed to ensure that the manpower provided is legal;
- it provides all site workers (employees, subcontractors and temporary workers) with a badge that includes a photograph taken by Bouygues and checked against the photograph on the official papers.

Despite these measures, Bouygues does not have the means to detect certain types of fraud, such as certain false papers. Nor can Bouygues detect identity theft of the kind discovered on the Assemblée Nationale worksite.

Only the services of the State have the powers and resources to do so.

Additional question:

In a letter of 2 April 2010, IPAC submitted an additional question on measures taken by the Group to deal with stress.

Answer:

Respect, a fundamental value, is at the top of the list in the Group's human resources charter. It is very important to ensure the well-being of employees in the workplace. That is why many practical measures to combat stress are taken in all the Group's businesses.

At Bouygues Telecom, for example, a workplace stress observatory has been in place since 2000. Social workers and occupational health specialists are particularly attentive to the problem and available to all staff. Surveys are carried out. For example, Bouygues Telecom employees were recently invited to give feedback anonymously online. Training for managers has been introduced and a management/workforce agreement on stress has been concluded.

Similar measures have been taken in other businesses, including a stress observatory at TF1 and a stress agreement at Bouygues Immobilier. Several agreements were signed in the early part of the year within the Group. The measures taken are comparable to those introduced by Bouygues Telecom, such as training, medical checks, surveys, etc.

QUESTIONS ASKED DURING THE MEETING

The following is a summary of oral and written questions put during the meeting and the answers to them.

Question:

How many individual shareholders does Bouygues have and what percentage of the capital do they own?

Answer (Jean-François Guillemin):

We reckon that there are about 50,000 individual shareholders, though we do not know the holders of bearer shares except partially through surveys. There are about 2,000 registered shareholders, most of them individuals, who own about 1.5% of the capital. Individual shareholders present or represented at this meeting account for about 1% of the capital.

Question:

Are Colas or Bouygues International affected by the crisis hitting Greece, Portugal and other European countries? What projects do you have in emerging countries?

Martin Bouygues:

Colas and Bouygues Construction have no operations in Greece or Portugal and virtually none in Spain. The Group is not affected by the crisis at present, though how it will develop is not known.

We have projects in emerging countries. Many of them have renewed capacity for investment, especially in Asia, and we have encouraging prospects there.

Question:

Employee share ownership: is there a risk that the unions will obtain a majority in employee shareholder funds or of the company?

Martin Bouygues:

That is a matter for the employees who elect their representatives. We are fortunate at Bouygues to have excellent labour relations, thanks in particular to a highly developed social policy. It is something we work very hard at.

Question:

How do things stand with the appeal to the Conseil d'Etat on the fourth licence?

Martin Bouygues:

The matter is proceeding. We will see.

Question:

The press reported the refusal by TF1's AGM to approve the agreements between TF1 and Bouygues. What is the subject of the agreements? What are the consequences of the refusal for Bouygues?

Martin Bouygues:

Agreements exist between Bouygues and TF1. The fact that they have not been approved by TF1's AGM does not prevent their implementation. The main agreement relating to common services provided by Bouygues SA is worth just over €3 million. There are very close links between Bouygues and its main subsidiaries. It is perfectly normal in a group context. For example, Nonce Paolini comes from Bouygues. A strong and widely shared corporate culture is one of the characteristics of our Group.

Question:

Why are TF1's programmes always so vulgar? Why don't you show old films with Fernandel or Bourvil for example in the evening prime-time slot?

Martin Bouygues:

You can find those films on other DTT channels. People are free to make their own judgments about the programmes on TF1 and other channels. People can watch what they want. One thing that guides us is the audience and the attachment to our programmes that we create. TF1's social function is simple: to entertain and inform as many French people as possible. That is the company's corporate purpose.

Question:

What is the role of SCDM? What does it bring to the Group's organisation? Is its existence essential?

Martin Bouygues:

SCDM is the coordinating holding company of Bouygues. It plays an important role in the workings of the Group.

Question:

Why doesn't Bouygues Telecom sell mobile phones with long-duration cards for less well-off customers? Isn't there a niche to be exploited there?

Martin Bouygues:

Olivier Roussat, Bouygues Telecom's Chief Executive, can answer you on that particular subject after the meeting.

Question:

Are you thinking of proposing payment of the dividend in shares?

Martin Bouygues:

No, that is not on the agenda. We did do that at a certain time, then we stopped doing it for various reasons.

Question:

Is François-Henri Pinault here today for the renewal of his term of office?

Martin Bouygues:

No, he was unable to attend and asked me to convey his apologies.

Question:

Is the creation of a shareholders club a possibility?

Martin Bouygues:

We do not wish to create a shareholders club for the time being.

Question:

You give us a bag every year. Couldn't you vary your gift a bit?

Martin Bouygues:

We will give it careful consideration, I promise.

Question:

TF1: The Football World Cup starts on 11 June. If France go out in the first round, will you sell your rights to France 2 or M6?

Martin Bouygues:

TF1 has held the rights to the 2010 World Cup for a long time and has already sold rights to some matches to other operators.

Question:

How are you going to keep your customers with the arrival of the fourth operator, Iliad?

Martin Bouygues:

We have worked very hard at Bouygues Telecom to secure customer loyalty and to meet the challenge of a new entrant. We are working on suitable marketing offers, especially ideo, which has been highly successful. We have also long paid very close attention to the quality of our customer relations; our customer relations department has been recognised for several years as providing the best customer service in the business. We will continue our efforts there, and in the sphere of innovative products and services.

Question:

You have a 30% interest in Alstom: are you targeting the nuclear industry through Areva?

Martin Bouygues:

Alstom is already involved in the nuclear business, since it makes more turbines for nuclear power plants than any other manufacturer in the world and it has a model turbine for the EPR. Alstom has real competence in this sphere. Of course Areva and Alstom are complementary in that respect.

Question:

You said that you weren't very good at cash management. Why haven't you changed your CFO for someone more dynamic?

Martin Bouygues:

I don't agree with those remarks. Philippe Marien is an exceptionally competent man whose qualities are recognised throughout the profession. Of course we could substantially improve the yield of financial products, but at the price of a significant increase in the risk level. My responsibility as CEO and as a shareholder imposes caution in the choice of investments. We are particularly vigilant on that point.

Question:

Is there a chance of recovering the Reunion Island tram-train project?

Martin Bouygues:

It's an important issue. We are officially the successful bidder. Central government and the region must do their best to arrange the financial package. Our consortium has spent a lot of money on the project over a number of years. We are willing to look at the project again if that is what it takes.

Question:

Does TF1 intend to organise the Miss France competition in December? Bouygues Telecom has been fined by Brussels for price fixing. Have you appealed and is there anything new in the case?

Martin Bouygues:

Bouygues Telecom was fined not by Brussels but by the French authorities. The case is now closed.

As for Miss France, as far as I know the partnership is due to continue.