



Paris, 31 August 2010

Bouygues press release

First-half 2010

- **Sales: €14.7 billion (-1%)**
- **Net profit: €532 million (-3%)**
- **A satisfactory operating performance in four business areas,
A more difficult first half for Colas**
- **2010 sales target revised upward to €30.4 billion**

The Group reported better-than-expected sales of €14.7 billion in the first half of 2010, down 1% on the first half of 2009 and 2% like-for-like and at constant exchange rates. Operating profit amounted to €698 million (-10%) and net profit to €532 million (-3%). The financial structure is very healthy and net debt is in keeping with the improvement seen at end-December 2009.

Key figures

(€ million)	First-half 2009 restated	First-half 2010	Change	First-half 2009 published
Sales	14,790 ¹	14,655	-1%	14,929
Operating profit	772 ¹	698	-10%	789
Net profit attributable to the Group	547	532	-3%	547
Net debt ²	6,259	4,205	-€2,054m	6,259
Net gearing ²	72%	43%	-29 pts	72%

¹Applying the same accounting policy as in 2010, excluding contributions from Finagestion

²End of period

Business areas

Bouygues Construction had a satisfactory first half. Sales were in line with the full-year target and amounted to €4,530 million, a drop of 5% (down 6% in France and 3% on international markets).

The operating margin was virtually stable at 3.2% in the first half of 2010. Low interest rates continued to impact net profit, down 26% at €89 million.

In the first half of 2010, order intakes reached an all-time high of €6.1 billion, a 38% increase on the first half of 2009 (up 12% in France and 73% internationally). The order book rose to a record €13.9 billion, 16% higher than at end-December 2009. It does not as yet include the Singapore Sports Hub project signed in August 2010 for €770 million.

Bouygues Immobilier did better than expected in the first half of the year. Sales stood at €1,313 million, down 8% overall (up 5% in the residential segment, down 33% in the commercial segment). The operating margin improved one point to 8.3% compared with the first half of 2009 due to the restoration of margins in the residential property business. Net profit fell 7% to €56 million.

In the first half of 2010, business activity remained buoyant in the residential property segment, with reservations rising 39% to €1,175 million. Commercial property reservations remained low in a market which is at a cyclical low. Overall, reservations totalled €1,243 million, 32% higher than at end-June 2009. The order book was up 3% on 31 March 2010, to €2.2 billion.

First-half 2010 was more difficult for **Colas**. Improved business activity in the second quarter made up for some of the lag accumulated in the first quarter. Sales amounted to €5,002 million, 2% lower than in the first half of a 2009 (down 3% in France and 1% on international markets). A deteriorated economic situation in Central Europe and fierce competitive pressure weighed on profitability, with an operating loss of €47 million (including a loss of €57 million in Central Europe) versus operating profit of €75 million at end-June 2009. In the first half of 2010, net loss was €29 million compared with net profit of €58 million at end-June 2009. In this context, Colas is continuing the measures begun in 2009 and is introducing a tougher action plan in Central Europe and France to return to operating margin growth in 2011.

The order book at end-June 2010 stood at €7,198 million, stable compared with end-June 2009, with an increase of 4% in France and a decline of 4% on international markets.

TF1 performed well in the first half of 2010 as its strategy is bearing fruit. Sales rose 14% to €1,285 million, driven by a pick-up in advertising spend. Operating profit tripled to €104 million and net profit rose by 51% to €74 million. The acquisition of TMC and NT1 was finalised on 11 June 2010 and the companies will be fully consolidated in TF1's financial statements from 1 July 2010.

As a result of its commercial performance, **Bouygues Telecom** generated strong organic growth. Overall sales rose by 4% to €2,732 million and sales from network by the same figure to €2,506 million. Stripping out the impact of the cut in voice and SMS termination rates, the growth rate of sales from network would have been 13%. EBITDA amounted to €734 million, up 5%, and net profit to €264 million, down 1%.

Commercial performance remained strong. 351,000 new mobile contract customers joined Bouygues Telecom in the first half of 2010, representing 24% of net market growth¹. Bouygues Telecom had 10,514,000 mobile customers at end-June 2010, 8,277,000 of them on call plans (78.7% of the total customer base, a year-on-year increase of 3.1 points). The fixed-line business continued to grow, with 214,000 net activations in the first half of the year (of which 97,000 in the second quarter) and 525,000 Bbox routers activated² at 30 June 2010. These good results confirm the success of Bouygues Telecom's growth strategy.

¹Arcep (French communications regulator) data

²Bbox routers in operation or the number of customers billed

Alstom

Alstom contributed €216 million to Group first-half 2010 net profit*, an increase of 19%.

Alstom announced an order book of €42 billion at end-June 2010, or 27 months of sales, and an operating margin target of between 7% and 8% for FY2010/2011 and FY2011/2012. In a challenging short-term commercial environment, Alstom still has solid potential in its three businesses.

Reminder: Bouygues received 4.4 million Alstom shares in return for its 50% stake in the Alstom Hydro Holding joint venture. As a result of the transaction, the Group booked financial income included in net profit for €41 million in the first quarter of 2010.

*Contribution calculated on the basis of Alstom's net profit published at 31 March 2010

Financial position

Group net debt at 30 June 2010 came to €4.2 billion, €2.1 billion less than at 30 June 2009. Shareholders' equity increased €1.2 billion to €9.9 billion. Net gearing stood at 43%, an improvement of 29 points. Free cash flow amounted to €590 million, stable compared with the first half of 2009. In July 2010, Standard & Poor's confirmed its rating of A- with a stable outlook.

2010 sales target revised upward to €30.4 billion

The 2010 sales target has been revised upward to €30.4 billion from the €30.1 billion announced in June 2010, as a result of good commercial performance and better-than-expected sales in the first half of the year.

The first half of 2010 confirmed the Group's ability to react and adapt in each of its business areas. With a robust financial structure, Bouygues is well-placed to grasp opportunities for growth in its markets.

Sales by business area (€ million)	2009	2010 target			% change
		Published in March	Published in June	Published in August	
Bouygues Construction	9,546	9,100	9,100	9,100	-5%
Bouygues Immobilier	2,989	2,100	2,150	2,300	-23%
Colas	11,581	11,500	11,500	11,500	-1%
TF1	2,365	2,410	2,460	2,530	+7%
Bouygues Telecom	5,368	5,370	5,420	5,450	+2%
Holding company and other	134	130	130	130	ns
Intra-Group elimination	(630)	(610)	(660)	(610)	ns
TOTAL	31,353	30,000	30,100	30,400	-3%
o/w France	21,678	20,600	20,800	21,100	-3%
o/w international	9,675	9,400	9,300	9,300	-4%

You can find the full financial statements and notes to the consolidated financial statements on: www.bouygues.com.

These documents have been subject to a limited review by the statutory auditors and the corresponding report has been issued.

The Half-year Review is accessible at: www.bouygues.com.

The first-half 2010 results presentation to financial analysts will be webcast live on 1 September 2010 at 11am (CET) on www.bouygues.com.

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Condensed consolidated income statement (€ million)	First-half		% change	First-half 2009 published
	2009 restated ¹	2010		
Sales	14,790	14,655	-1%	14,929
Operating profit	772	698	-10%	789
Cost of net debt	(170)	(162)	-5%	(171)
Other financial income and expenses	3	36	ns	3
Income tax expense	(203)	(204)	=	(208)
Share of profits and losses from associates	206	237	+15%	206
Net profit from continuing operations	608	605	=	619
Net profit from discontinued and held-for-sale operations	11	0	ns	0
Net profit	619	605	-2%	619
Minority interests	(72)	(73)	+1%	(72)
Net profit attributable to the Group	547	532	-3%	547

¹Finagestion group's income and expenses reclassified to net profit from discontinued and held-for-sale operations

First-quarter consolidated income statement (€ million)	First-quarter		% change	First-quarter 2009 published
	2009 restated	2010		
Sales	6,579 ¹	6,443	-2%	6,655
Operating profit	165 ¹	162	-2%	174
Net profit attributable to the Group	159	181	+14%	159

¹Applying the same accounting policy as in 2010, excluding contributions from Finagestion

Second-quarter consolidated income statement (€ million)	Second-quarter		% change	Second-quarter 2009 published
	2009 restated	2010		
Sales	8,211 ¹	8,212	=	8,274
Operating profit	607 ¹	536	-12%	615
Net profit attributable to the Group	388	351	-10%	388

¹Applying the same accounting policy as in 2010, excluding contributions from Finagestion

Sales by business area (€ million)	First-half		% change	Change like-for-like and at constant exchange rates
	2009	2010		
Bouygues Construction	4,758	4,530	-5%	-6%
Bouygues Immobilier	1,433	1,313	-8%	-9%
Colas	5,116	5,002	-2%	-3%
TF1	1,130	1,285	+14%	+13%
Bouygues Telecom	2,625	2,732	+4%	+4%
Holding company and other	73 ¹	70	ns	ns
Intra-Group elimination	(345) ¹	(277)	ns	ns
Total	14,790¹	14,655	-1%	-2%
o/w France	10,496	10,369	-1%	-1%
o/w international	4,294 ¹	4,286	=	-3%

¹Applying the same accounting policy as in 2010, excluding sales from Finagestion (€175 million in Holding company and other, -€36 million in Intra-Group elimination)

Contribution of business areas to EBITDA (€ million)	First-half		% change
	2009	2010	
Bouygues Construction	304	307	+1%
Bouygues Immobilier	132	91	-31%
Colas	286	142	-50%
TF1	90	123	+37%
Bouygues Telecom	702	734	+5%
Holding company and other	(22) ¹	(19)	ns
TOTAL	1,492¹	1,378	-8%

¹Applying the same accounting policy as in 2010, excluding contribution from Finagestion (€43 million in 2009)

Contribution of business areas to Operating profit (€ million)	First-half		% change
	2009	2010	
Bouygues Construction	164	144	-12%
Bouygues Immobilier	104	109	+5%
Colas	75	(47)	ns
TF1	38	104	x2.7
Bouygues Telecom	415	409	-1%
Holding company and other	(24) ¹	(21)	ns
TOTAL	772¹	698	-10%

¹Applying the same accounting policy as in 2010, excluding contribution from Finagestion (€17 million in 2009)

Contribution of business areas to Net profit attributable to the Group (€ million)	First-half		% change
	2009	2010	
Bouygues Construction	121	89	-26%
Bouygues Immobilier	60	56	-7%
Colas	57	(28)	ns
TF1	21	32	+52%
Bouygues Telecom	240	237	-1%
Alstom	182	216	+19%
Holding company and other	(134)	(70)	ns
TOTAL	547	532	-3%

Net cash by business area (€ million)	At end-June		Change €m
	2009	2010	
Bouygues Construction	2,500	2,922	+€422m
Bouygues Immobilier	(138)	58	+€196m
Colas	(919)	(952)	-€33m
TF1	(820)	(120)	+€700m
Bouygues Telecom	(681)	(505)	+€176m
Holding company and other	(6,201)	(5,608)	+€593m
TOTAL	(6,259)	(4,205)	+€2,054m

Contribution of business areas to Cash flow (€ million)	First-half		% change
	2009	2010	
Bouygues Construction	242	245	+1%
Bouygues Immobilier	89	97	+9%
Colas	289	164	-43%
TF1	85	132	+55%
Bouygues Telecom	707	715	+1%
Holding company and other	78 ¹	104	ns
TOTAL	1,490¹	1,457	-2%

¹Applying the same accounting policy as in 2010, excluding contribution from Finagestion (€26 million in 2009)

Contribution of business areas to Net capital expenditure (€ million)	First-half		% change
	2009	2010	
Bouygues Construction	64	114	+78%
Bouygues Immobilier	2	1	-50%
Colas	136	135	-1%
TF1	45	21	-53%
Bouygues Telecom	285	227	-20%
Holding company and other	7 ¹	3	ns
TOTAL	539¹	501	-7%

¹Applying the same accounting policy as in 2010, excluding contribution from Finagestion (€32 million in 2009)