



Paris, 15 May 2012

Bouygues press release

First quarter 2012

- Sales up 4% to €7 billion
- Net profit: €35 million
- Construction businesses order book at a record level

The first quarter of 2012 was in line with expectations. The Bouygues group reported consolidated first-quarter sales of €7 billion, up 4% (2% like-for-like and at constant exchange rates). Current operating profit came to €82 million (down 46% versus Q1 2011) and does not reflect the expected full-year performance. Net profit increased 3% to €35 million, due to an improved contribution from Alstom.

Key figures

(€ million)	Q1 2011	Q1 2012	Change
Sales	6,686	6,985	+4%
Current operating profit	153	82	-46%
Net profit attributable to the Group	34	35	+3%
Net debt ¹	3,293	5,324	+€2,031m
Net gearing ¹	31%	55%	+24 pts

¹ End of period

Business areas

The order book in the construction businesses reached a record level of €27 billion, 13% higher than at end-March 2011, giving good visibility for 2012 as a whole.

Bouygues Construction reported sales of €2,380 million, an overall rise of 10% (up 2% in France and 21% on international markets), or 3% like-for-like and at constant exchange rates. The current operating margin held firm at 3.3% and net profit rose 13% to €52 million.

Order intake was excellent, both in France and internationally. Orders amounted to €3.7 billion, up 31%, and included the contract for the new Paris law courts complex but not for the Nimes-Montpellier railway bypass yet. The order book was up 14% to €16.7 billion versus end-March 2011, with international contracts accounting for 47%, thus giving good visibility for future activity.

Bouygues Immobilier reported a 7% rise in sales to €472 million (up 9% in residential property and down 12% in commercial property). The operating margin was 7.4% and net profit was stable at €22 million.

First-quarter 2012 commercial property reservations amounted to €116 million, reflecting Bouygues Immobilier's ability to develop turnkey projects that meet customers' expectations. To a great extent, they offset a 28% drop in residential property reservations to €293 million in a "wait-and-see" market that is expected to contract further in 2012. Total reservations in Q1 2012 were down 6% at €409 million. The order book stood at €3 billion, 32% higher than at end-March 2011.

Colas reported a 4% rise in sales to €2,209 million, down 1% in France and up 16% internationally. Due to a particularly wet winter in Europe and to heavier costs related to the early start-up in North America, the current operating result, traditionally negative in the first quarter, was -€186 million, €21 million more than in Q1 2011, and the net loss was €127 million. Given the highly seasonal nature of Colas' activities, first-quarter results are not representative of the year as a whole.

Good commercial activity, especially in international markets, took the order book to €7.3 billion, 4% higher than at end-March 2011.

TF1 grows its diversification activities

TF1 reported a 2% increase in first-quarter sales to €629 million, sustained by the growth of its diversification activities. The channel's programme choices meant that programming costs were higher than in Q1 2011, thus impacting current operating profit, which stood at €56 million. Net profit amounted to €35 million.

Bouygues Telecom adapts to new market conditions

Bouygues Telecom reported a 3% drop in sales to €1,366 and a 3% fall in sales from network to €1,220 million. Stripping out the effect of the cut in voice and SMS call termination rates, sales from network would have risen by 6%. EBITDA declined 8% to €296 million, which mainly reflected the cut in call termination rate differentials. Bouygues Telecom confirms that it expects sales to contract by 10% in 2012 and EBITDA to decrease by around €250 million. The company has embarked on a €300-million cost-cutting plan which will start to have an impact in 2013.

Bouygues Telecom lost 210,000 contract customers from its mobile phone base in Q1 2012¹. The market was particularly active after the arrival of a fourth operator on 10 January 2012, but since mid-March portability requests have gradually been returning to their previous level. Bouygues Telecom demonstrated its capacity to anticipate and respond to changing market conditions with the launch in summer 2011 of its B&YOU 'bare bones' offer, which had attracted 253,000 customers by end-March 2012. The strategy of expanding the community MVNO market is continuing to pay off, with a base of 1.9 million active customers² at end-March 2012. Bouygues Telecom is also continuing to grow on the fixed broadband market, recording a net increase of 88,000 customers in the first quarter and a base of 1.3 million customers³ at 31 March 2012.

¹ The number of pre-paid mobile customers fell by 169,000

² An estimate of the MVNO active customer base: customers who have carried out an outgoing operation during the last month

³ Includes both broadband and very-high-speed plans

Alstom

Alstom contributed €58 million to Bouygues' net profit in Q1 2012, compared with €23 million in Q1 2011. Alstom performed well in commercial terms in FY2011/12, with order intake rising by 14%, exceeding the increase in sales.

Alstom has announced that it expects sales to grow by more than 5% a year over the next three years (from FY 2012/13 to FY 2014/15). It expects its operating margin to improve steadily, reaching around 8% by March 2015. Free cash flow is also expected to be positive in each of the next three financial years.

Financial situation

Free cash flow¹ amounted to €84 million² in Q1 2012, the same level as in Q1 2011.

Cash flow generation resulted in a slight improvement in net debt compared with end-March 2011 (€3.3 billion), before factoring in the purchase of two blocks of 4G frequencies (€911 million) and the share repurchase tender offer (€1,250 million). Including these two transactions, net debt at end-March 2012 amounted to €5.3 billion.

The Group has a high level of liquidity (€7.8 billion) and a well-balanced debt repayment schedule.

¹ Before change in the working capital requirement

² Excluding a €683-million investment in 4G frequencies

Highlights since 1 January 2012

- 1 February 2012: Bouygues Immobilier concludes a contract to develop the Clarins Group's future headquarters in Paris.
- 22 March 2012: Bouygues Telecom announces it will start to roll out its 4G network and chooses Lyon as its pilot city.
- 27 March 2012: The CSA (French broadcasting authority) allocates six new DTT freeview channels, including HD1, a drama channel, for the TF1 group. This frequency means that the group now holds four free-to-air licences, like other leading media groups in Europe.
- 10 April 2012: Bouygues Construction acquires British building contractor Thomas Vale¹.
- 16 April 2012: Bouygues Construction concludes a €140-million contract to renovate the Ritz Hotel in Paris.
- 24 April 2012: Bouygues Thai, Bouygues Construction's subsidiary in Thailand, signs a contract worth nearly €100 million with local developer Noble Development Plc to build three up-market residential towers and an office building.
- 3 May 2012: Bouygues Telecom and Darty decide to join forces in order to offer their customers the best of digital services. Under the agreement:
 - Darty will distribute all Bouygues Telecom's fixed and mobile offers in its 226 stores,
 - Darty will provide all customer service for Bouygues Telecom subscriptions sold in its stores,
 - Bouygues Telecom acquires Darty Telecom¹, confirming its intention to step up its growth in the fixed market.

¹ Subject to approval by the competition authorities

2012 sales target

On the basis of first-quarter results, the 2012 sales target has been raised by €300 million to €32.7 billion, the same level as in 2011.

Sales by business area (€ million)	2011 actual	2012 target		% change
		Reported in March	Reported in May	
Bouygues Construction	9,802	10,000	10,100	+3%
Bouygues Immobilier	2,465	2,450	2,450	=
Colas	12,412	12,500	12,700	+2%
TF1	2,620	2,620	2,620	=
Bouygues Telecom	5,741	5,140	5,140	-10%
Holding company and other	120	120	120	=
Intra-Group elimination	(454)	(480)	(480)	nm
TOTAL	32,706	32,350	32,650	=
o/w France	22,601	22,050	21,950	-3%
o/w international	10,105	10,300	10,700	+6%

Financial calendar:

28 August 2012: first-half 2012 results (5.45pm CET)

29 August 2012: first-half 2012 results presentation

The financial statements have been subject to a limited review by the statutory auditors and the corresponding report has been issued.

Find the full financial statements and notes to the financial statements on www.bouygues.com.

Press contact:

+33 (0)1 44 20 12 01 - presse@bouygues.com

Investors and analysts contact:

+33 (0)1 44 20 10 79 - investors@bouygues.com

www.bouygues.com

**Condensed consolidated
income statement**
(€ million)

	First quarter		% change
	2011	2012	
Sales	6,686	6,985	+4%
Current operating profit	153	82	-46%
Other operating income and expenses	0	0	nm
Operating profit	153	82	-46%
Cost of net debt	(74)	(79)	+7%
Other financial income and expenses	(5)	(1)	nm
Income tax expense	(29)	(5)	-83%
Share of profits and losses from associates	24	62	+158%
Net profit	69	59	-14%
Minority interests	(35)	(24)	-31%
Net profit attributable to the Group	34	35	+3%

Sales by business area
(€ million)

	First quarter		% change	Change like-for-like and at constant exchange rates
	2011	2012		
Bouygues Construction	2,169	2,380	+10%	+3%
Bouygues Immobilier	443	472	+7%	+7%
Colas	2,119	2,209	+4%	+3%
TF1	614	629	+2%	+1%
Bouygues Telecom	1,404	1,366	-3%	-3%
Holding company and other	35	36	nm	nm
Intra-Group elimination	(98)	(107)	nm	nm
Total	6,686	6,985	+4%	+2%
<i>France</i>	<i>5,008</i>	<i>5,026</i>	=	=
<i>International</i>	<i>1,678</i>	<i>1,959</i>	+17%	+7%

Contribution of business areas to EBITDA (€ million)	First quarter		% change
	2011	2012	
Bouygues Construction	112	130	+16%
Bouygues Immobilier	25	24	-4%
Colas	(85)	(115)	nm
TF1	94	80	-15%
Bouygues Telecom	321	296	-8%
Holding company and other	(10)	(12)	nm
TOTAL	457	403	-12%

Contribution of business areas to Current operating profit (€ million)	First quarter		% change
	2011	2012	
Bouygues Construction	77	79	+3%
Bouygues Immobilier	36	35	-3%
Colas	(165)	(186)	nm
TF1	62	56	-10%
Bouygues Telecom	153	107	-30%
Holding company and other	(10)	(9)	nm
TOTAL	153	82	-46%

Contribution of business areas to Net profit attributable to the Group (€ million)	First quarter		% change
	2011	2012	
Bouygues Construction	46	52	+13%
Bouygues Immobilier	22	22	=
Colas	(113)	(123)	nm
TF1	20	15	-25%
Bouygues Telecom	89	59	-34%
Alstom	23	58	+152%
Holding company and other	(53)	(48)	nm
TOTAL	34	35	+3%

Net cash by business area (€ million)	First quarter		Change €m
	2011	2012	
Bouygues Construction	2,615	2,842	+€227m
Bouygues Immobilier	346	372	+€26m
Colas	(509)	(531)	-€22m
TF1	133	36	-€97m
Bouygues Telecom	(201)	(1,326)	-€1,125m
Holding company and other	(5,677)	(6,717)	-€1,040m
TOTAL	(3,293)	(5,324)	-€2,031m

Contribution of business areas to**Cash flow**

(€ million)

	First quarter		% change
	2011	2012	
Bouygues Construction	118	134	+14%
Bouygues Immobilier	34	33	-3%
Colas	(79)	(101)	nm
TF1	79	72	-9%
Bouygues Telecom	311	272	-13%
Holding company and other	(5)	(3)	nm
TOTAL	458	407	-11%

**Contribution of business areas to
Net capital expenditure**

(€ million)

	First quarter		Change €m
	2011	2012	
Bouygues Construction	44	35	-€9m
Bouygues Immobilier	2	2	=
Colas	71	53	-€18m
TF1	8	5	-€3m
Bouygues Telecom	148	145	-€3m
Holding company and other	0	(1)	-€1m
TOTAL EXCL. 4G FREQUENCIES (800 MHz)	273	239	-€34m
4G FREQUENCIES (800 MHz)	0	683	+€683m
TOTAL	273	922	+€649m