



Paris, 15 May 2014

Bouygues press release

First-quarter 2014

- **Good commercial momentum**
- **Net profit: €285 million, benefiting from exceptional items**
- **Operating performance outlook for 2014 confirmed**

As announced, 2013 reported figures have been restated for IFRS 11.

Key figures

(€ million)	First-quarter 2013 restated	First-quarter 2014	Change
Sales	6,645	6,841	+3%
Current operating profit/(loss)	(77)	(96)	-€19m
Operating profit/(loss)	(77)	100 ⁽¹⁾	+€177m
Net profit/(loss) attributable to the Group	(42)	285 ⁽²⁾	+€327m
Net debt ³	5,014	4,725	-€289m

¹ Including non-current operating income of €196 million related to Bouygues Telecom

² Including a net capital gain of €240 million on the sale by Colas of its stake in Cofiroute

³ At 31 March

In keeping with 2013, the Bouygues group maintained good commercial momentum.

As every year, first-quarter operating performances are not representative of full-year performance, mainly because of the highly seasonal nature of Colas' business.

Net profit attributable to the Group in the first quarter of 2014 amounted to €285 million and included two exceptional items: non-current operating income of €196 million related to Bouygues Telecom and a €240 million net capital gain on the sale by Colas of its stake in Cofiroute.

Excluding exceptional items, the Group would have reported a net loss similar to that in the first quarter of 2013 (a net loss of €56 million⁽⁴⁾ in the first quarter of 2014 versus a net loss of €42 million).

⁽⁴⁾ See page 8 for details

Good commercial momentum

The order book for the **construction businesses** remained at a record level, reaching €28.8 billion at end-March 2014, a year-on-year increase of 4%.

Bouygues Construction booked orders worth €3.0 billion, 7% more than in the first quarter of 2013. Order intake held up well in France and advanced strongly in international markets.

The order book at end-March 2014 was up 5% year-on-year to €18.2 billion, of which 48% was on international markets, and provides good visibility on future activity.

In a market where conditions remain very challenging, reservations at **Bouygues Immobilier** reached €364 million in the first quarter of 2014. Residential property reservations rose 6% to €324 million. Commercial property reservations, at €40 million, are not representative of the expected full-year level. The order book at end-March 2014 stood at €2.5 billion.

Colas' order book reached €8.1 billion at end-March 2014, 7% higher than at end-March 2013. As expected, the order book in mainland France was impacted by a wait-and-see attitude linked to local elections, falling 9% year-on-year. However, orders were strong in international markets and in French overseas territories, rising by 26% year-on-year, and including the contract for the New Coastal Road on Reunion Island.

At **TF1**, against a background of highly competitive programming by rival channels, especially the Winter Olympics, the group's four freeview channels achieved a satisfactory performance in the first quarter of 2014. The group's audience share amounted to 28.8% of individuals aged four and over, 0.8 points lower than in the first quarter of 2013 (source: Médiamétrie).

In keeping with 2013, **Bouygues Telecom's** commercial performance in the mobile segment reflected a loss of prepaid and basic plan customers and growth in value-added plans driven by 4G. The company had 11,064,000 mobile customers at end-March 2014, 79,000 fewer than at end-December 2013, and 9,940,000 plan customers, 30,000 more than at end-December 2013. There were 1.4 million 4G customers at end-March 2014, representing an increase of 400,000 in the quarter. 13%⁽¹⁾ of mobile customers had thus adopted 4G, compared with close to 10% at end-December 2013.

In the fixed broadband market, Bouygues Telecom gained 100,000 new customers in the first quarter of 2014, compared with 45,000 in the first quarter of 2013, particularly due to the notable success of the new triple-play offer at €19.99 a month, launched on 3 March 2014. The company had a total of 2,113,000 fixed broadband customers⁽²⁾ at end-March 2014. For the second consecutive quarter, Bouygues Telecom thus led the fixed broadband market in terms of net adds⁽³⁾.

⁽¹⁾ Customers with a 4G plan and a 4G-compatible handset

⁽²⁾ Encompasses both broadband and very-high-speed subscriptions

⁽³⁾ Company estimate for Q1 2014 and Arcep figures for Q4 2013

Operating performances not representative of full-year performance

Sales in the **construction businesses** increased 5% to €5.2 billion (6% like-for-like and at constant exchange rates). The current operating loss of €93 million was due to the seasonal nature of Colas' business. Excluding the effect of the sale of the stake in Cofiroute, the construction businesses would have generated a net loss attributable to the Group of €43 million⁽¹⁾, compared with a net loss of €46 million in the first quarter of 2013.

Sales at **TF1**⁽²⁾ were virtually stable at €556 million and advertising revenue amounted to €369 million, stable in relation to the first quarter of 2013. Current operating profit rose by €39 million due to timing differences in programming costs and the benefits of the optimisation plan.

Sales at **Bouygues Telecom** fell 5% to €1.1 billion in the first quarter of 2014 and sales from network fell 9% to €1.0 billion. EBITDA amounted to €163 million, €49 million less than in the first quarter of 2013, mainly due to ongoing repricing within the mobile customer base. The company reported a current operating loss of €19 million and operating profit of €181 million which includes non-current income and charges resulting in a positive amount of €200 million, related in particular to litigation settlements.

⁽¹⁾ See page 8 for details

⁽²⁾ As announced, at Bouygues group level, the sales and operating profit of Eurosport International will remain included in the results of TF1 until the sale of the additional 31% stake in Eurosport International to Discovery Communications becomes effective.

Alstom

Alstom contributed €53 million to the Group's net profit in the first quarter of 2014.

Financial situation

Net debt at end-March 2014 amounted to €4.7 billion versus €4.4 billion at end-December 2013. The difference reflects the usual seasonal effect of Colas' business as well as proceeds from the sale of the stake in Cofiroute (€780 million) and a temporary increase in the Group's working capital requirement.

Operating performance outlook for 2014 confirmed

The Group's sales in 2014 should be close to the 2013 level.

The operating performance of the construction businesses should remain robust over the year.

TF1's operating profit will be marked by two exceptional events, the FIFA Football World Cup and the sale of Eurosport International.

Bouygues Telecom has confirmed its objective of generating a slightly positive "EBITDA⁽¹⁾ minus capex" item in 2014 and will continue to pursue its three strategic priorities:

- develop data use by capitalising on 4G;
- launch multiple breakthroughs in order to accelerate growth in the fixed segment;
- transform the business with a new target of €300 million in annual savings on the total cost base by 2016.

⁽¹⁾ EBITDA = current operating profit + net depreciation and amortisation expense + net provisions and impairment losses - reversals of unutilised provisions and impairment losses

Highlights since 1 January 2014

- 21 January 2014: Bouygues Telecom broke down borders by including calls, texts and internet from Europe and French overseas departments in plans costing €29.99 a month and higher.
- 21 January 2014: Discovery Communications acquired the TF1 group's controlling interest in top sports platform Eurosport. The closing of the deal will depend on its approval by regulators.
- 22 January 2014: Bouygues Construction and the city of Grenoble signed a partnership agreement for the construction of a housing complex aiming for self-sufficiency in water and energy and optimised waste management.
- 31 January 2014: Bouygues Telecom and SFR concluded a strategic agreement to share a part of their mobile access networks.
- 31 January 2014: Colas sold its stake in Cofiroute to Vinci Autoroutes.
- 6 February 2014: Bouygues Immobilier inaugurated the Cap Azur eco-neighbourhood in Roquebrune-Cap-Martin on the French Riviera.
- 21 February 2014: Bouygues Telecom continued its advance in 4G, as the first operator to announce the commercial rollout of LTE Advanced in France and the first French operator to obtain a download speed of up to 182 Mbit/s.
- 26 February 2014: Bouygues Telecom launched a triple-play Internet-Television-Telephony offer for only €19.99 a month.
- 4 March 2014: Bouygues Telecom Entreprises and Telefónica expanded their partnership to create a joint offering for multinationals in France.
- 13 March 2014: TF1 announced that it had sub-licensed some of its rights to the 2014 FIFA Football World Cup to BeIN SPORTS.
- 2 April 2014: B&YOU introduced a capped plan for €4.99 a month.
- 3 April 2014: Work on the future Paris law courts complex resumed following a judgment by the Paris Administrative Appeal Court dismissing claims filed by a group of lawyers.
- 23 April 2014: Bouygues Immobilier started operations in Morocco with a development which includes over 400 apartments, an office building and ground-floor shops.
- 25 April 2014: Colas selected Kepler Capital Markets SA to act as market-maker in its shares under a liquidity contract for a one-year period from 28 April 2014, renewable by tacit agreement.

Financial calendar:

28 August 2014: First-half 2014 results

7.30am: press release

9.00am: press conference

11.00am: analysts' meeting

The financial statements have been subject to a limited review by the statutory auditors and the corresponding report has been issued.
You will find the full financial statements and notes to the financial statements on www.bouygues.com.

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First-quarter 2014 business activity

Order books at the construction businesses (€ million)	End-March		
	2012	2013	2014
Bouygues Construction	16,727	17,331	18,243
Bouygues Immobilier	3,005	2,890	2,485
Colas	7,254	7,531	8,064
TOTAL	26,986	27,752	28,792

Bouygues Construction order intake (€ million)	First-quarter		% change
	2013	2014	
France	1,675	1,497	-11%
International	1,112	1,487	+34%
TOTAL	2,787	2,984	+7%

Bouygues Immobilier reservations (€ million)	First-quarter		% change
	2013	2014	
Residential property	306	324	+6%
Commercial property	131	40	-69%
TOTAL	437	364	-17%

Colas order book (€ million)	End-March		% change
	2013	2014	
Mainland France	3,994	3,615	-9%
International and Fr. overseas territories	3,537	4,449	+26%
TOTAL	7,531	8,064	+7%

TF1 audience share ¹	First-quarter		Pts change
	2013	2014	
TF1	23.5%	22.8%	-0.7 pts
TMC	3.5%	3.2%	-0.3 pts
NT1	2.2%	1.9%	-0.3 pts
HD1	0.4%	0.9%	+0.5 pts
TOTAL	29.6%	28.8%	-0.8 pts

¹ Source: Médiamétrie, Individuals aged 4 and over

Bouygues Telecom customer base ('000 customers)	End-Dec 2013	End-March 2014	Change ('000 customers)
Plan subscribers	9,910	9,940	+30
<i>o/w B&YOU subscribers</i>	1,750	1,876	+126
Prepaid customers	1,233	1,124	-109
Total mobile customers	11,143	11,064	-79
Total fixed customers	2,013	2,113	+100

First-quarter 2014 financial performance

Condensed consolidated income statement (€ million)	First-quarter		% change
	2013 restated	2014	
Sales	6,645	6,841	+3%
Current operating profit/(loss)	(77)	(96)	-€19m
Other operating income and expenses	0	196 ⁽¹⁾	+€196m
Operating profit/(loss)	(77)	100	+€177m
Cost of net debt	(79)	(81)	-€2m
Other financial income and expenses	(9)	(3)	+€6m
Income tax expense	53	(5)	-€58m
Investments in joint ventures and associates	65	302 ⁽²⁾	+€237m
Net profit/(loss)	(47)	313	+€360m
Net (profit)/loss attributable to non-controlling interests ³	5	(28)	-€33m
Net profit/(loss) attributable to the Group	(42)	285	+€327m

¹ Including non-current operating income of €196 million related to Bouygues Telecom

² Including a net capital gain of €253 million on the sale by Colas of its stake in Cofiroute (at 100%)

³ Formerly "Minority interests"

Sales by business area (€ million)	First-quarter		% change	% change like- for-like and at constant exchange rates
	2013 restated	2014		
Bouygues Construction	2,449	2,596	+6%	+7%
Bouygues Immobilier	526	536	+2%	=
Colas	2,059	2,165	+5%	+6%
<i>Sub-total of construction businesses¹</i>	<i>4,942</i>	<i>5,208</i>	<i>+ 5%</i>	<i>+6%</i>
TF1	563	556	-1%	-1%
Bouygues Telecom	1,148	1,085	-5%	-5%
Holding company and other	32	38	nm	nm
Intra-Group elimination	(132)	(135)	nm	nm
TOTAL	6,645	6,841	+3%	+4%
<i>o/w France</i>	<i>4,715</i>	<i>4,719</i>	<i>=</i>	<i>=</i>
<i>o/w international</i>	<i>1,930</i>	<i>2,122</i>	<i>+10%</i>	<i>+12%</i>

¹ Total of the sales contributions (after eliminations within the construction businesses)

Contribution of business areas to EBITDA ¹ (€ million)	First-quarter		% change
	2013 restated	2014	
Bouygues Construction	111	86	-23%
Bouygues Immobilier	34	25	-26%
Colas	(160)	(156)	-3%
TF1	(9)	30	nm
Bouygues Telecom	212	163	-23%
Holding company and other	(10)	(12)	nm
TOTAL	178	136	-24%

¹ EBITDA = current operating profit + net depreciation and amortisation expense + net provisions and impairment losses - reversals of utilised provisions and impairment losses

Contribution of business areas to current operating profit (€ million)	First-quarter		% change
	2013 restated	2014	
Bouygues Construction	86	91	+6%
Bouygues Immobilier	39	31	-21%
Colas	(206)	(215)	+4%
<i>Sub-total of construction businesses</i>	<i>(81)</i>	<i>(93)</i>	<i>+15%</i>
TF1	(16)	23	nm
Bouygues Telecom	28	(19)	nm
Holding company and other	(8)	(7)	nm
TOTAL	(77)	(96)	+25%

Contribution of business areas to operating profit (€ million)	First-quarter		% change
	2013 restated	2014	
Bouygues Construction	86	91	+6%
Bouygues Immobilier	39	31	-21%
Colas	(206)	(215)	+4%
<i>Sub-total of construction businesses</i>	<i>(81)</i>	<i>(93)</i>	<i>+15%</i>
TF1	(16)	23	nm
Bouygues Telecom	28	181 ⁽¹⁾	nm
Holding company and other	(8)	(11) ¹	nm
TOTAL	(77)	100⁽¹⁾	nm

¹ Including non-current operating income of €196 million (o/w non-current operating income of €200 million at Bouygues Telecom and non-current charges of €4 million at Holding company level)

Contribution of business areas to net profit attributable to the Group (€ million)	First-quarter		% change
	2013 restated	2014	
Bouygues Construction	60	65	+8%
Bouygues Immobilier	20	20	=
Colas	(126)	236 ⁽¹⁾	nm
<i>Sub-total of construction businesses</i>	<i>(46)</i>	<i>321</i>	<i>nm</i>
TF1	(3)	6	nm
Bouygues Telecom	15	100	nm
Alstom	58	53	-9%
Holding company and other	(66)	(195) ¹	nm
TOTAL	(42)	285⁽¹⁾	nm

¹ Including €240 million at Group level related to the net capital gain on the sale by Colas of its stake in Cofiroute (€372 million net capital gain in the Colas line item minus goodwill of €132 million at Holding company level)

Impacts of exceptional items on net profit attributable to the Group (€ million)	First-quarter		Change (€m)
	2013 restated	2014	
Net profit/(loss) attributable to the Group	(42)	285	+€327m
Non-current operating income of €196 million related to Bouygues Telecom, net of taxes	-	(109)	-€109m
Net capital gain on the sale by Colas of its stake in Cofiroute	-	(240)	-€240m
Cofiroute's contribution to first-quarter 2013 net profit	-	8	+€8m
Net profit/(loss) attributable to the Group excl. exceptional items	(42)	(56)	-€14m

Impacts of exceptional items on net profit attributable to the Group of the construction businesses (€ million)	First-quarter		Change (€m)
	2013 restated	2014	
Net profit/(loss) attributable to the Group of the construction businesses	(46)	321	+€367m
Net capital gain on the sale by Colas of its stake in Cofiroute	-	(372)	-€372m
Cofiroute's contribution to first-quarter 2013 net profit	-	8	+€8m
Net profit/(loss) attributable to the Group of the construction businesses excl. exceptional items	(46)	(43)	+€3m

Impacts of the sale of the stake in Cofiroute on the income statement (€ million – First-quarter 2014)	Colas income statement	Colas contribution ¹	Bouygues income statement
	Net capital gain on disposal	385	385
- Goodwill at Holding company level	0	0	-132
Net capital gain on disposal after goodwill	385	385	253
- Net capital gain attributable to non-controlling interests ² (3.4%)	0	-13	-13
Net capital gain attributable to the Group	385	372	240

¹ Colas contribution to net profit attributable to the Group

² Calculated on net capital gain (at 100%) before goodwill

Net cash by business area (€ million)	At end-March		Change (€m)
	2013 restated	2014	
Bouygues Construction	3,215	2,787	-€428m
Bouygues Immobilier	292	157	-€135m
Colas	(768)	184 ⁽¹⁾	+€952m
TF1	248	254	+€6m
Bouygues Telecom	(802)	(894)	-€92m
Holding company and other	(7,199)	(7,213)	-€14m
TOTAL	(5,014)	(4,725)	+€289m

¹ Including €780 million related to the sale by Colas of its stake in Cofiroute

Contribution of business areas to net capital expenditure (€ million)	First-quarter		Change (€m)
	2013 restated	2014	
Bouygues Construction	24	40	+€16m
Bouygues Immobilier	2	4	+€2m
Colas	53	46	-€7m
<i>Sub-total of construction businesses</i>	<i>79</i>	<i>90</i>	<i>+€11m</i>
TF1	6	9	+€3m
Bouygues Telecom	209 ⁽¹⁾	180	-€29m
Holding company and other	0 ⁽¹⁾	0	nm
TOTAL EXCLUDING EXCEPTIONAL ITEMS	294⁽¹⁾	279	-€15m
Exceptional items	11	0	-€11m
TOTAL	305	279	-€26m

¹ Excluding capitalised interest related to 4G frequencies for €11 million at Group level (o/w €4 million at Bouygues Telecom level and €7 million at Holding company level)

Contribution of business areas to free cash flow ¹ Before change in working capital requirement (€ million)	First-quarter		Change (€m)
	2013 restated	2014	
Bouygues Construction	92	58	-€34m
Bouygues Immobilier	22	14	-€8m
Colas	(137)	(124)	+€13m
<i>Sub-total of construction businesses</i>	<i>(23)</i>	<i>(52)</i>	<i>-€29m</i>
TF1	4	26	+€22m
Bouygues Telecom	(30) ⁽²⁾	108	+€138m
Holding company and other	(59) ⁽²⁾	(57)	+€2m
TOTAL	(108)⁽²⁾	25	+€133m

¹ Free cash flow = cash flow - cost of net debt - income tax expense - net capital expenditure

² Excluding capitalised interest related to 4G frequencies for €11 million at Group level (o/w €4 million at Bouygues Telecom level and €7 million at Holding company level)