



Press release

Paris, 11 June 2014

Bouygues Telecom announces a transformation plan designed to secure an independent future

Today, Bouygues Telecom presented to its group works council a far-reaching plan to transform its organisation and reposition the company.

Bouygues Telecom has experienced difficulties in a telecoms market in upheaval since 2012, illustrated notably by a current operating loss of €19 million incurred in the first quarter of 2014.

With its shareholders' support, Bouygues Telecom has opted to completely rethink its corporate positioning around three main priorities:

- develop new usages and mobile internet by continuing to invest in the mobile network in order to maintain Bouygues Telecom's status as the benchmark operator for 4G and very-high-speed mobile;
- free up the internet and fixed telephony market by launching new, very aggressively-priced, technology-packed offers all year round, resetting the price benchmark for broadband and very-high-speed broadband services;
- strengthen its service commitment, offering customers the best of digital services, coupled with high-quality support. To this end:
 - the network of stores will be enhanced and modernised;
 - in-store employees and customer advisers in direct contact with customers will not be affected by the redundancy plan.

This strategic review of the company's future has culminated in a plan to simplify its organisation, processes, products and services in order to restore greater clarity and agility in a changing market. The transformation plan would lead to a reduction in the workforce of 1,516 employees. A support plan encouraging voluntary redundancies and internal job mobility has been presented to the group works council. It will be negotiated with employee representatives in the coming weeks.

Digital technology is a highly promising sector requiring substantial investment. This comprehensive transformation plan will give Bouygues Telecom the means to secure its future as an independent company. Bouygues Telecom will exist in its new configuration from 2015, a viable and credible player which will make things happen on the market, as has always been its ambition.

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About Bouygues Telecom - www.bouyguetelecom.fr

Bouygues Telecom wants its 11.1 million mobile customers and 2.1 million fixed broadband customers (which include 1.5 million business customers) to get the most out of the latest digital technologies. In July 2011, Bouygues Telecom invented B&YOU, the first Sim-Only/Web-Only operator, which now has 1.9 million customers. In June 2012, Bouygues Telecom launched the Bbox Sensation home gateway, packed with the most innovative technologies on the market to transform the digital home experience. In November 2013, it launched a new B&YOU double-play service, called "la Box Internet", which widens access to fixed broadband even further. In January 2014, Bouygues Telecom and SFR signed an agreement to share part of their mobile networks outside high population density areas in order to improve network coverage and the quality of the mobile experience for their respective customers.

For the benefit of the greatest number of people, our mobile network covers 99% of the population in 2G, 96% in 3G+ and 60% in H+. Bouygues Telecom is also developing its very-high-speed mobile broadband infrastructure and launched a nationwide 4G network on 1 October 2013 which now covers 69% of the population, equating to 43 million people in France. Each day, more than 9,000 employees develop and build solutions aligned with our customers' expectations. 2,000 customer relations advisers in six call centres in France and 2,500 sales advisers in a network of stores enthusiastically ensure optimum customer service on a daily basis.

Bouygues Telecom is a partner of TEDxParis 2014 and the project accelerator *L'Échappée Volée*.