This presentation contains forward-looking information and statements about the Bouygues group and its businesses. Forward-looking statements may be identified by the use of words such as “will”, “expects”, “anticipates”, “future”, “intends”, “plans”, “believes”, “estimates” and similar statements.

Forward-looking statements are statements that are not historical facts, and include, without limitation: financial projections, forecasts and estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to future operations, products and services; and statements regarding future performance of the Group. Although the Group’s senior management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Group, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and undue reliance should not be placed on such statements. The following factors, among others set out in the Group’s Registration Document (Document de Référence) in the chapter headed Risk factors (Facteurs de risques), could cause actual results to differ materially from projections: unfavourable developments affecting the French and international telecommunications, audiovisual, construction and property markets; the costs of complying with environmental, health and safety regulations and all other regulations with which Group companies are required to comply; the competitive situation on each of our markets; the impact of tax regulations and other current or future public regulations; exchange rate risks and other risks related to international activities; industrial and environmental risks; aggravated recession risks; compliance failure risks; brand or reputation risks; information systems risks; risks arising from current or future litigation. Except to the extent required by applicable law, the Bouygues group makes no undertaking to update or revise the projections, forecasts and other forward-looking statements contained in this presentation.
Creating value in the mobile and fixed businesses

Richard Viel
Deputy CEO, Head of Commercial Operations

Agenda

The world is increasingly becoming mobile and data centric

Creating value in mobile

Creating value in fixed
The world is increasingly becoming mobile and data centric

Creating value in mobile

Creating value in fixed

---

The world is increasingly becoming mobile (1/2)

Facebook advertising sales\(^a\) (in USD bn)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4</td>
<td>3.3</td>
<td>3.8</td>
</tr>
<tr>
<td>Q3</td>
<td>3.6</td>
<td>3.0</td>
</tr>
<tr>
<td>Q2</td>
<td>2.7</td>
<td>2.3</td>
</tr>
<tr>
<td>Q1</td>
<td>2.3</td>
<td>1.8</td>
</tr>
<tr>
<td>Q4</td>
<td>1.6</td>
<td>1.3</td>
</tr>
<tr>
<td>Q3</td>
<td>1.3</td>
<td>1.1</td>
</tr>
</tbody>
</table>

Non mobile sales

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4</td>
<td>7.6%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Q3</td>
<td>7.2%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Q2</td>
<td>6.8%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Q1</td>
<td>6.4%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Q4</td>
<td>6.0%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Q3</td>
<td>5.6%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Q2</td>
<td>5.2%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Q1</td>
<td>4.8%</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

---

Apple sales\(^a\) (in USD bn)

Mobile products

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>24</td>
<td>32</td>
<td>43</td>
<td>65</td>
<td>108</td>
<td>157</td>
<td>171</td>
<td>183</td>
</tr>
</tbody>
</table>

(\(^a\)) Companies data
The world is increasingly becoming mobile (2/2)

Time spent every day per device\(^a\)
(UK. hours per day)

- 2011: 0:31
- 2012: 0:53
- 2013: 1:22
- 2014: 1:59
- 2015: 2:26

(a) eMarketer, Millward Brown

The smartphone revolution: faster than ever

Time for equipment penetration\(^a\)
(United States)

- Smartphones: 7 y
- Internet: ~3 x faster
- Radio: ~3.5 x faster
- Video recorder: 20 y
- Micro waves: ~3 x faster
- PC: 76 y
- Mobile: ~3 x faster
- Color TV: 76 y
- Fridge: ~3 x faster
- Electricity: ~3 x faster
- Air conditioning: ~3 x faster
- Dryer: ~3 x faster
- Car: ~3 x faster
- Phone: ~3 x faster
- Washing-machine: 76 y

(a) Asymco
Empowered smartphones ‘mechanically’ drive data consumption up

iPhone screen and camera pixels evolution\(^a\)
(resolution pixel index, base 100)

<table>
<thead>
<tr>
<th></th>
<th>Screen</th>
<th>Camera</th>
</tr>
</thead>
<tbody>
<tr>
<td>iPhone 2G 2007</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>iPhone 4 2010</td>
<td>400</td>
<td>250</td>
</tr>
<tr>
<td>iPhone 6 2014</td>
<td>651</td>
<td>400</td>
</tr>
</tbody>
</table>

\(^a\) Apple data

Video as the main driver of data traffic boom

Mobile traffic\(^a\) generated by video usage in France
(Petabytes\(^b\) per month)

<table>
<thead>
<tr>
<th></th>
<th>Other usages</th>
<th>Video</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>32</td>
<td>45%</td>
</tr>
<tr>
<td>2019E</td>
<td>249</td>
<td>73%</td>
</tr>
</tbody>
</table>

\(^a\) Cisco \(^b\) 1 Petabyte = 10\(^15\) bytes, or 10\(^6\) gigabytes
Smartphone-related data consumption should continue to grow

Traffic per smartphone in top Western Europe countries\(^a\)
(GB/smartphone/month)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Data</td>
<td>0.2</td>
<td>0.2</td>
<td>0.3</td>
<td>0.5</td>
<td>0.7</td>
<td>1.0</td>
<td>1.5</td>
<td>2.3</td>
<td>3.5</td>
<td>4.8</td>
<td>6.4</td>
</tr>
</tbody>
</table>

Value creation relies on data

Trend of quarterly voice, text and data uses per subscriber\(^a\)
(France, Index 100)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Data</th>
<th>Voice</th>
<th>Text</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1-12</td>
<td>100</td>
<td>105</td>
<td>127</td>
</tr>
<tr>
<td>Q1-13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1-14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q1-15</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Average monthly usage in France per subscriber\(^a\)

- ~610 MB
- ~180 mn
- ~240 texts

\(^a\) Source: publication of Arcep in Q2 2015

\(^b\) Arthur D. Little, Exane, BNP Paribas
Multi SIM and multi device, a strong driver of customer base growth

Super-connected households
(France, million)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2014</td>
<td>8.3</td>
</tr>
<tr>
<td>Q4 2014</td>
<td>9.0</td>
</tr>
</tbody>
</table>

+700k in less than 1 year

Super-connected households: 10 screens vs. 6 on average

Mobile penetration
(France, penetration as a %)

- Q1 2014: 8.3%
- Q4 2014: 10.8%

Continued multi SIM penetration

---

The world is increasingly becoming mobile and data centric

Creating value in mobile

Creating value in fixed
Leveraging market trends and Bouygues Telecom’s competitive advantage to create value

1. Strong ability to capture customers thanks to 4G
2. Focusing on high-end customers while successfully stimulating and monetizing data usage
3. Increasing customer loyalty
4. Improving customer experience through innovation

Rapid penetration of 4G, especially among Bouygues Telecom’s customers

![Graph showing 4G penetration over time]

SK Telecom, a best in class LTE operator in the world reached 41% of LTE penetration 7 quarters after launch

(a) Mobile customer base excluding MtoM (b) Arcep publications, SIM cards excluding MtoM
Increasing mobile market share thanks to 4G and network extension

“Best value for money” with a differentiation thanks to 4G
- Leadership on network quality: towards 300 Mbit/s
- New positioning and attractive offerings

Incremental market share thanks to network extension
- Coverage improvement in non-dense areas
- From 15,000 to 20,000 sites by 2018

Households getting more and more connected

French household mix\(^\text{a}\) regarding appetite for technologies

<table>
<thead>
<tr>
<th>Household Type</th>
<th>Acquisition</th>
<th>Value</th>
<th>Loyalty</th>
<th>Innovation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservative family</td>
<td>-2.1 pts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Techno lover</td>
<td>-1.6 pts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Connected family</td>
<td>+1.6 pts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Techno minimalist</td>
<td>-1.0 pts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wannabee</td>
<td>-1.4 pts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Connected people</td>
<td>+4.5 pts</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- “Appetite” for information and communication technologies\(^\text{b}\)

(a) Bouygues Telecom market barometer: split of French households by category and trend H1 2015 vs H1 2013
(b) Segmentation (type of device, regular use of mobile internet and behaviour regarding ICT)
Bouygues Telecom is capturing more high-end “connected” customers

Bouygues Telecom’s household mix\(^a\) regarding appetite for technologies

- “Appetite” for information and communication technologies\(^b\)

- Connected family
  - +3.4 pts
  - 26% of ByTel subs.

- Connected people
  - +7.2 pts
  - 26% of ByTel subs.

Acquisition
Value
Loyalty
Innovation
Households with children
Households without children

- Connected family
- Connected people

- Acquisition
- Value
- Loyalty
- Innovation

\(^a\) Bouygues Telecom market barometer: split of French households by category and trend H1 2015 vs H1 2013
\(^b\) Segmentation (type of device, regular use of mobile internet and behaviour regarding ICT)

Effectively targeting data users

Average monthly data usage per customer

- Bouygues Telecom 4G customers\(^a\)
- All Bouygues Telecom customers\(^a\)
- Total market\(^b\)

- 0.3 GB/customer/month
- 0.6 GB/customer/month
- 1.2 GB/customer/month
- 2.4 GB/customer/month

\(^a\) Bouygues Telecom - Mobile customer base excluding MtoM
\(^b\) Arcep publications
Encouraging data use to create value

A “Bonus” service to be chosen with a premium plan

- Music streaming
- TV package
- SVoD service
- Unlimited access to a mobile game platform

Bouygues Telecom’s customers data usage\(^a\)

\[(\text{GB/customer/month})\]

- 2 GB
- ~4 GB

No bonus | Bonus
---|---

(a) Average data consumption from March to August 2015, on retail plans of 3GB and more

Encouraging data use to create value

- ~30% of 4G customers on 3GB plan reaching their data limit each month
- Outstanding performance of data top-up sales in only 12 months

Data top-up sales\(^a\)

\[(\text{thousand per month})\]

- ~500

(a) Bouygues Telecom
2 Encouraging data use to create value

- Facilitating 4G uses by giving access to new generation handsets with instalment plans
- More 4G than 3G handsets in the customer base since Q2 2015

Share of handset by generation in Bouygues Telecom mobile customer base

3 Increasing customer loyalty to create value

- Migration of all customers to new simplified offerings
- New positioning launched end-2014 #NosClientsDabord
- Service bundling (e.g. Spotify, etc.)
- Improved QoS
3 Achieving strong churn reduction

Mobile churn (excluding MtoM)

-15% churn rate vs 2011 (before Free Mobile’s commercial launch)

4 Improving customer experience through innovation


- Inventor of the mobile call plan
- The Millenium plans including unlimited WE & night calls
- The Neo plan, the first ever to include unlimited calls 24/7
- B&YOU, the first SIM-only/Web-only plan with unlimited voice and texts for less than €25/month
- First to launch a nationwide 4G network covering 63% of the population
- Commercial launch of 4G+
The world is increasingly becoming mobile and data centric

Creating value in mobile

Creating value in fixed

Shaking up the fixed market and opening the way for value creation

1. Continued acquisition strategy to quickly increase Bouygues Telecom’s market share
2. Aggressive offers and price entry points with strong value creation potential
3. Increasing customer loyalty
4. Improving customers’ digital life through innovation
**1 New fixed technologies, new challengers**

Market share in number of subscribers\(^a\) in France

**The PSTN Era**
- 1998: AOL 31%, Tiscali 14%, France Télécom 26%, Other 30%

**The ADSL Era**
- 2001: Free 35%, France Télécom 18%, Orange 12%, Other 9%
- 2007: Orange 21%, Free 19%, Bouygues Telecom 47%, Others 6%
- Q2 2015: Bouygues Telecom 2%, Free 5%, Orange 21%, Others 47%

**The FTTH Era**

---

**1 Continued acquisition strategy to quickly increase market share despite more mature markets**

**Net adds trend (’000)**
- 2013: 168
- 2014: 416
- H1 2015: 174

**Net adds share (as a %)**
- 2013: 0%
- 2014: 8%
- H1 2015: 10%

**Market share (in %)**
- 2013: 8%
- H1 2015: 10%

---

*Note: \(^a\) Operators*
Ability to generate growth and value: low entry points

Competition still with higher prices
- ADSL market prices €29.99 to €36.99
- NC-SFR cable plans €39.99 to €59.99
- Fibre market prices €35.98 to €45.99

Bouygues Telecom’s aggressive offers

Strong potential in terms of customers acquisition and upselling

Ability to generate value: selling additional services and bandwidth

Selling additional content
- TV packages
  - 40% of triple-play customers
  - +10 pts YoY in Q2 2015
- SVoD and VoD services

Selling additional speed and premium package
- Miami Box - extended to fibre: +€6 vs. entry price

Best value for money
- Upsell potential
Increasing customer loyalty to create value

- Target to reduce churn by 20% thanks to
  - Delivery system simplification
  - Improvement in customer base convergence
  - Fluent process for recovery, migration, relocation

Improving customers’ digital life through innovation

- 2008: Bouygues Telecom became an internet service provider with Bbox brand
- 2009: Bouygues Telecom invented the first quadruple play plan
- 2014: First French operator to include Netflix on its set-top box
- 2015: First set-top box using Android in France
## Conclusion: a strong position in mobile and an assumed challenger positioning on fixed

<table>
<thead>
<tr>
<th></th>
<th>Mobile</th>
<th>Fixed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Value</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Loyalty</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Innovation</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>