



PRESS RELEASE

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## FULL-YEAR 2017 RESULTS

- SHARP INCREASE IN GROUP RESULTS AND PROFITABILITY YEAR-ON-YEAR
- ALL 2017 TARGETS MET OR EXCEEDED
- DIVIDEND OF €1.70 PER SHARE FOR 2017, UP BY €0.10
- FURTHER IMPROVEMENT IN THE GROUP'S PROFITABILITY IN 2018

KEY FIGURES (€ million)	2016	2017	Change
Sales	31,768	32,904	+4% <sup>a</sup>
Current operating profit	1,121	1,420	+27%
Current operating margin	3.5%	4.3%	+0.8 pts
Operating profit	947 <sup>b</sup>	1,533 <sup>c</sup>	+62%
Net profit attributable to the Group	732 <sup>d</sup>	1,085	+48%
Net profit attributable to the Group excl. exceptional items <sup>e</sup>	632	936	+48%
Free cash flow	395	828	+€433m
Net debt (-)/net cash surplus (+) at 31 December	(1,866)	(1,914)	-€48m

(a) Up 4% like-for-like and at constant exchange rates

(b) Including non-current charges of €174m

(c) Including non-current income of €113m (see details on page 9)

(d) Including a capital gain of €189m on the sale of stakes in the highway concession companies Adelaç (A41) and Atlantes (A63)

(e) See reconciliation on page 10

### In line with the first nine months, the Group saw a sharp improvement in its results and profitability in 2017.

- Sales were up 4% versus 2016 at €32.9 billion.
- Current operating profit rose 27% year-on-year to €1,420 million.
- The current operating margin rose 0.8 points to 4.3% in 2017, driven by good operating performances in all three of the Group's activities (Construction, Media and Telecoms).
- Operating profit rose 62% year-on-year to €1,533, and included non-current income of €113 million (versus non-current charges of €174 million in 2016).
- Net profit attributable to the Group was €1,085 million, a year-on-year increase of 48%.
- Group free cash flow more than doubled versus 2016 to €828 million, to the same level as in 2013. 2017 therefore confirms a return to durable growth.



### All the Group's businesses contributed to this performance by meeting or exceeding their targets:

- As expected, the current operating margin of the construction businesses improved by 0.2 points in 2017 (up 0.1 points excluding Nextdoor<sup>a</sup>).
- TF1's savings plan generated €27 million of recurring savings in 2017, compared with an annual target of €25-30 million.
- Bouygues Telecom had an excellent 2017 and met or exceeded all the targets disclosed at the October 2015 Capital Markets Day. The company added 1.7 million mobile plan customers excluding MtoM and 1 million new fixed customers between end-2014 and end-2017, compared with a target of 1 million in each of these two markets. Its EBITDA margin was 27.2%, growing strongly by 4.6 points versus 2016 and significantly outperforming the target of 25%, which had been raised to between 26% and 27% at the nine-month 2017 results release.

### The Group's businesses strengthened their positions in their respective markets in 2017:

- The construction businesses posted excellent commercial performances both in France and on international markets while remaining highly selective. The backlog reached a record level at end-December 2017. In particular, they strengthened their key position in the sustainable neighborhood and smart city markets. They also continued to expand in countries where the Group has a long-term presence, such as Canada and Australia.
- TF1 developed its production activity at the European level and accelerated its growth in digital media, in particular with the ongoing acquisition of aufeminin.
- Bouygues Telecom increased market share in fixed and is ramping up the roll-out of its FTTH network and the marketing of its fiber offers.

### The Group maintained a very robust financial structure and therefore has all the means to ensure its development.

Net debt was €1.9 billion at end-December 2017, stable year-on-year. That stability notably reflects the sharp improvement in cash flow year-on-year, up €380 million. Net debt at 31 December 2017 does not include the ongoing acquisition of Miller and McAsphalt group by Colas and of aufeminin by TF1.

## DIVIDEND

As a result of these good results, the Group is able to offer its shareholders a **dividend increase of €0.10 per share** for the 2017 financial year. The Board of Directors will therefore ask the Annual General Meeting of 26 April 2018 to approve a **dividend payment of €1.70 per share**.

The ex-date, record date and payment date have been set at 2, 3 and 4 May 2018 respectively.

## OUTLOOK

Martin Bouygues, Chairman and CEO of Bouygues, said: "The Group is very well positioned in high-growth potential activities, which ensures a promising outlook for all its businesses".

The Group expects to continue to **gradually improve its profitability** in 2018.

- Benefiting from an upbeat environment in France and on international markets, the **construction businesses** will continue to be selective and focus on profitability rather than volumes. The current operating profit<sup>a</sup> and current operating margin<sup>a</sup> of the construction businesses are expected to improve versus 2017.

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(a) Excluding a capital gain of €28 million in 2017 on the sale of 50% of Nextdoor and remeasurement of the residual interest



- **TF1** confirmed its targets to improve profitability:
  - In 2018, a higher **current operating margin**, excluding major sporting events;
  - In 2019, a **double-digit current operating margin** and the non-advertising activities of the five unencrypted channels that should contribute at least one third of consolidated sales;
  - The **annual average cost of programs** reduced to **€960 million<sup>a</sup>** over the 2018-2020 period for the five unencrypted channels.
- **Bouygues Telecom** is experiencing a profitable growth momentum with a free cash flow target of €300 million for 2019. Sales from services are expected to grow by more than 3% in 2018 versus 2017, with a higher EBITDA/sales from services margin than in 2017 and gross capex of around €1.2 billion.

## DETAILED ANALYSIS BY SECTOR OF ACTIVITY

### CONSTRUCTION BUSINESSES

The backlog in the construction businesses at end-December 2017 reached a record level of €31.9 billion, up 6% year-on-year and up 8% at constant exchange rates, offering them good visibility on future activity.

In **France**, the good commercial momentum continued, with the backlog up 9% year-on-year.

The backlog was at the highest level in three years, rising 8% and 9% respectively at **Bouygues Construction and Colas** versus 2016. Bouygues Construction won contracts worth over €1 billion for the Grand Paris Express rapid transit project in 2017, plus a €128-million contract in fourth-quarter 2017 for the extension of the 3 Fontaines shopping center in Cergy. Higher order intake at Colas was driven by the recovery of the roads activity and substantial orders for railway maintenance.

**Bouygues Immobilier** increased market share in 2017, recording a 14% rise in residential property reservations, outperforming growth in the market sustained by the Pinel tax incentive, extension of the zero-interest loan program and low interest rates.

The Group has strong **international presence**, while applying a highly selective approach to its choice of projects. The backlog at end-2017 was up 3% year-on-year (up 7% at constant exchange rates). It includes a number of significant orders booked in fourth-quarter 2017, including the €1.1 billion contract for the construction of the Melbourne metro tunnel in Australia, won by **Bouygues Construction**, major road and rail projects for **Colas**, which won three motorway contracts in Hungary worth a total of €330 million and a seven-year rail maintenance contract in the UK worth €255 million.

International business represented 57% of the backlog at Bouygues Construction and Colas at end-December 2017.

The **construction businesses** reported sales of €25.8 billion, up 3% versus 2017 and up 4% at constant exchange rates.

Current operating profit was €948 million, up €69 million year-on-year. The current operating margin improved 0.2 points to 3.7% (up 3.6% excluding Nextdoor).

The current operating margins at **Bouygues Immobilier** and **Bouygues Construction** improved significantly in 2017, reaching 7.2% excluding Nextdoor (up 0.7 points year-on-year) and 3.1% (up 0.3 points year-on-year) respectively.

At **Colas**, current operating profit growth in fourth-quarter 2017 (up 26% year-on-year) offset part of the delay in activity in the first nine months of 2017, versus the first nine months of 2016, which was the result of the late start of operations in North America caused by adverse weather conditions especially in Canada, and of the difficulties in the rail activity. However, the current operating margin in 2017 was still lower than in 2016.

Operating profit was €943 million, €162 million more than in 2016. It includes non-current charges of €5 million in 2017 versus €98 million in 2016.

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(a) Excluding major sporting events



## TF1

**TF1** continued to roll out its multi-channel, multi-business, multi-media strategy in 2017. The five unencrypted channels (TF1, TMC, TFX, TF1 Séries Films, LCI) scored a combined audience share of 32.3% among women under 50 who are purchasing decision-makers, up 0.2 points year-on-year.

**TF1** reported sales of €2,125 million, up 3% versus 2016, driven by a 2% year-on-year increase in advertising sales and a 6% rise in sales from other activities.

Current operating profit was €185 million, up €56 million year-on-year. The current operating margin grew strongly by 2.4 points year-on-year to 8.7%. This increase is a result of the strategy pursued since the fall of 2016, savings on recurring costs and the absence of any major sporting event during the period.

Operating profit was €162 million, and included non-current charges of €23 million related to amortization of audiovisual rights remeasured as part of the acquisition of Newen Studios.

## BOUYGUES TELECOM

**Bouygues Telecom** had an excellent year due to the strategy pursued since 2014 and met or exceeded all the targets disclosed at the October 2015 Capital Markets Day.

The company had 14.4 million mobile customers at end-December 2017. It added 500,000 mobile plan customers excluding MtoM in 2017, including 150,000 in fourth-quarter 2017. Bouygues Telecom added 1.7 million mobile plan customers excluding MtoM over a three-year period, considerably outperforming the target of 1 million new mobile customers excluding MtoM at end-2017 versus end-2014. 4G penetration within Bouygues Telecom's customer base continued, with 7.9 million users at end-December 2017, 1 million more than at end-December 2016.

**Bouygues Telecom** posted a very good commercial performance in the fixed market, adding 340,000 new customers in 2017, including 98,000 in the fourth quarter, for a total of 3.4 million customers at end-December 2017. The company therefore achieved its target of 1 million additional fixed customers by end-2017 versus end-2014.

FTTH recruitment accelerated, accounting for 58% of net growth in fourth-quarter 2017, the best quarter since the launch of fiber offers. Bouygues Telecom had 265,000 FTTH customers at end-December 2017, up 2.2 times year-on-year.

The company also stepped up its roll-out of FTTH, with 20 million premises secured at end-December 2017, up 11 million versus end-2016, and 4 million premises marketed, up 2 million versus end-2016. Bouygues Telecom confirms its target of 12 million premises marketed at end-2019 and of 20 million by 2022.

**Bouygues Telecom** reported sales of €5,086 million in 2017, 7% more than in 2016. Sales from network rose 5% to €4,272 million (up 6% excluding incoming traffic). This reflected growth in the customer base and the full impact of price increases on Premium mobile offers and all fixed offers introduced at the end of May 2017.

EBITDA was €1,162 million, up €246 million year-on-year. The EBITDA margin rose 4.6 points year-on-year to 27.2%, exceeding the target set for 2017.

Operating profit was €470 million, up €301 million year-on-year. It included non-current income of €223 million related to the capital gain on the sale of sites to Cellnex and non-current charges of €79 million related to network sharing.

Net profit attributable to the Group was €260 million, up €168 million versus 2016, and included a charge of €33 million due to an exceptional income tax payment.

Gross capex in 2017 stood at €1,208 million.



## ALSTOM

As announced on 14 November 2017, Alstom's financial contribution to the Group's net profit was €105 million in 2017, after a contribution of €36 million in 2016.

## BOARD OF DIRECTORS

The Board of Directors will ask at the Annual General Meeting of 26 April 2018 to renew the terms of office of Martin Bouygues and Anne-Marie Idrac as directors.

## REMUNERATION OF CORPORATE OFFICERS

In accordance with Afep-Medef recommendations, information about the remuneration of corporate officers and stock options granted is released today on the [www.bouygues.com](http://www.bouygues.com) website under Finance/Shareholders, Regulated information.

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## FINANCIAL CALENDAR:

- **26 April 2018:** Bouygues Annual General Meeting
- **4 May 2018:** Dividend payment
- **17 May 2018:** First-quarter 2018 results (7.30am CET)
- **30 August 2018:** First-half 2018 results (7.30am CET)
- **15 November 2018:** Nine-month 2018 results (7.30am CET)

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The financial statements have been audited and the statutory auditors have issued a report certifying them without reserve.

Please find the full financial statements and notes to the financial statements on [www.bouygues.com](http://www.bouygues.com)

The full-year results presentation to financial analysts will be webcast live on 22 February 2018 at 11am (CET) on [www.bouygues.com](http://www.bouygues.com)

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## 2017 BUSINESS ACTIVITY

BACKLOG AT THE CONSTRUCTION BUSINESSES (€ million)	End-December		
	2016	2017	Change
Bouygues Construction	20,177	21,177	+5%
Bouygues Immobilier	2,966	3,162	+7%
Colas	7,058	7,584	+7%
<b>Total</b>	<b>30,201</b>	<b>31,923</b>	<b>+6%</b>

BOUYGUES CONSTRUCTION ORDER INTAKE (€ million)			
	2016	2017	Change
France	5,761	6,175	+7%
International	6,872	6,955	+1%
<b>Total</b>	<b>12,633</b>	<b>13,130</b>	<b>+4%</b>

BOUYGUES IMMOBILIER RESERVATIONS (€ million)			
	2016	2017	Change
Residential property	2,343	2,636	+13%
Commercial property	495	429	-13%
<b>Total</b>	<b>2,838</b>	<b>3,065</b>	<b>+8%</b>

COLAS BACKLOG (€ million)	End-December		
	2016	2017	Change
Mainland France	2,891	3,161	+9%
International and French overseas territories	4,167	4,423	+6%
<b>Total</b>	<b>7,058</b>	<b>7,584</b>	<b>+7%</b>

TF1 AUDIENCE SHARE			
	2016	2017	Change
<b>Total</b>	<b>32.1%</b>	<b>32.3%</b>	<b>+0.2 pts</b>

(a) Source: Médiamétrie – women under 50 who are purchasing decision-makers

BOUYGUES TELECOM CUSTOMER BASE ('000)	End-Dec		Change
	2016	2017	
Plan customers	12,130	13,706	+1,576
Prepaid customers	866	681	-185
<b>Total mobile customers</b>	<b>12,996</b>	<b>14,387</b>	<b>+1,391</b>
<b>Total fixed customers</b>	<b>3,101</b>	<b>3,442</b>	<b>+341</b>

## 2017 FINANCIAL PERFORMANCE

<b>CONDENSED CONSOLIDATED INCOME STATEMENT (€ million)</b>	<b>2016</b>	<b>2017</b>	<b>Change</b>
Sales	31,768	32,904	+4% <sup>a</sup>
Current operating profit	1,121	1,420	+€299m
Other operating income and expenses <sup>b</sup>	(174)	113	+€287m
Operating profit	947	1,533	+€586m
Cost of net debt	(222)	(226)	-€4m
Other financial income and expenses	41 <sup>c</sup>	38	-€3m
Income tax	(249)	(303)	-€54m
Share of net profit of joint ventures and associates	267 <sup>d</sup>	163	-€104m
<i>o/w Alstom</i>	36	105	+€69m
Net profit from continuing operations	784	1,205	+€421m
Net profit attributable to non-controlling interests	(52)	(120)	-€68m
Net profit attributable to the Group	732	1,085	+€353m
Net profit attributable to the Group excl. exceptional items <sup>e</sup>	632	936	+€304m

(a) Up 4% like-for-like and at constant exchange rates

(b) In 2016, including non-current charges of €84m at TF1, €62m at Colas, €23m at Bouygues Construction, €13m at Bouygues Immobilier and non-current income of €20m at Bouygues Telecom (of which non-current charges of €84m related to the roll-out of network sharing and non-current income of €104m related to the capital gain on the sale of towers). In 2017, including non-current charges of €23m at TF1, €5m at Colas and non-current income of €141m at Bouygues Telecom (of which mainly non-current charges of €79m essentially related to network sharing and non-current income of €223m related to the capital gain on the sale of sites)

(c) Including the impact of the sale of Colas' stake in the A63 highway concession company

(d) Including the impact of the sale of Bouygues Construction's and Colas' stake in the A41 highway concession company

(e) See reconciliation on page 11

<b>CALCULATION OF EBITDA (€ million)</b>	<b>2016</b>	<b>2017</b>	<b>Change</b>
Current operating profit	<b>1,121</b>	<b>1,420</b>	<b>+€299m</b>
Net depreciation and amortization expense	1,599	1,655	+€56m
Charges to provisions and impairment losses, net of reversals due to utilization	461	330	-€131m
Reversals of unutilized provisions and impairment losses	(424)	(437)	-€13m
<b>EBITDA</b>	<b>2,757</b>	<b>2,968</b>	<b>+€211m</b>



SALES BY SECTOR OF ACTIVITY (€ million)	2016	2017	Change	Forex effect	Scope effect	lfl & consta nt fx
<b>Construction businesses<sup>a</sup></b>	<b>25,001</b>	<b>25,753</b>	<b>+3.0 %</b>	<b>+0.9 %</b>	<b>0.0 %</b>	<b>+3.9 %</b>
<i>o/w Bouygues Construction</i>	11,815	11,660	-1.3 %	+1.3 %	+0.3 %	+0.3 %
<i>o/w Bouygues Immobilier</i>	2,568	2,712	+5.6 %	0.0 %	+0.1%	+5.7 %
<i>o/w Colas</i>	11,006	11,705	+6.4 %	+0.6 %	-0.3 %	+6.7 %
<b>TF1</b>	<b>2,063</b>	<b>2,125</b>	<b>+3.0 %</b>	<b>0.0 %</b>	<b>-1.5 %</b>	<b>+1.5 %</b>
<b>Bouygues Telecom</b>	<b>4,761</b>	<b>5,086</b>	<b>+6.8 %</b>	-	-	<b>+6.8 %</b>
<b>Holding company and other</b>	<b>133</b>	<b>142</b>	<b>Ns</b>	-	-	<b>ns</b>
<b>Intra-Group eliminations<sup>b</sup></b>	<b>(578)</b>	<b>(526)</b>	<b>Ns</b>	-	-	<b>ns</b>
<b>Group sales</b>	<b>31,768</b>	<b>32,904</b>	<b>+3.6 %</b>	<b>+0.7 %</b>	<b>-0.1 %</b>	<b>+4.2 %</b>
<i>o/w France</i>	20,071	20,989	+4.6 %	0.0 %	0.0 %	+4.6 %
<i>o/w international</i>	11,697	11,915	+1.9 %	+1.9 %	-0.2 %	+3.6 %

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

(b) Includes intra-Group eliminations of the construction businesses

CONTRIBUTION TO GROUP EBITDA BY SECTOR OF ACTIVITY (€ million)	2016	2017	Change
<b>Construction businesses</b>	<b>1,516</b>	<b>1,439</b>	<b>-€77m</b>
<i>o/w Bouygues Construction</i>	537	472	-€65m
<i>o/w Bouygues Immobilier</i>	178	231	+€53m
<i>o/w Colas</i>	801	736	-€65m
<b>TF1</b>	<b>364</b>	<b>392</b>	<b>+€28m</b>
<b>Bouygues Telecom</b>	<b>916</b>	<b>1,162</b>	<b>+€246m</b>
<b>Holding company and other</b>	<b>(39)</b>	<b>(25)</b>	<b>+€14m</b>
<b>Group EBITDA</b>	<b>2,757</b>	<b>2,968</b>	<b>+€211m</b>

CONTRIBUTION TO GROUP CURRENT OPERATING PROFIT BY SECTOR OF ACTIVITY (€ million)	2016	2017	Change
<b>Construction businesses</b>	<b>879</b>	<b>948</b>	<b>+€69m</b>
<i>o/w Bouygues Construction</i>	326	363	+€37m
<i>o/w Bouygues Immobilier</i>	167	223	+€56m
<i>o/w Colas</i>	386	362	-€24m
<b>TF1</b>	<b>129</b>	<b>185</b>	<b>+€56m</b>
<b>Bouygues Telecom</b>	<b>149</b>	<b>329</b>	<b>+€180m</b>
<b>Holding company and other</b>	<b>(36)</b>	<b>(42)</b>	<b>-€6m</b>
<b>Group current operating profit</b>	<b>1,121</b>	<b>1,420</b>	<b>+€299m</b>



<b>CONTRIBUTION TO GROUP OPERATING PROFIT BY SECTOR OF ACTIVITY (€ million)</b>	<b>2016</b>	<b>2017</b>	<b>Change</b>
<b>Construction businesses</b>	<b>781</b>	<b>943</b>	<b>+€162m</b>
<i>o/w Bouygues Construction</i>	<i>303<sup>a</sup></i>	<i>363</i>	<i>+€60m</i>
<i>o/w Bouygues Immobilier</i>	<i>154<sup>a</sup></i>	<i>223</i>	<i>+€69m</i>
<i>o/w Colas</i>	<i>324<sup>a</sup></i>	<i>357<sup>b</sup></i>	<i>+€33m</i>
<b>TF1</b>	<b>45<sup>a</sup></b>	<b>162<sup>b</sup></b>	<b>+€117m</b>
<b>Bouygues Telecom</b>	<b>169<sup>a</sup></b>	<b>470<sup>b</sup></b>	<b>+€301m</b>
<b>Holding company and other</b>	<b>(48)</b>	<b>(42)</b>	<b>+€6m</b>
<b>Group operating profit</b>	<b>947</b>	<b>1,533</b>	<b>+€586m</b>

(a) In 2016, including non-current charges of €84m at TF1, €62m at Colas, €23m at Bouygues Construction, €13m at Bouygues Immobilier and non-current income of €20m at Bouygues Telecom (of which non-current charges of €84m related to the roll-out of network sharing and non-current income of €104m related to the capital gain on the sale of towers)

(b) In 2017, including non-current charges of €23m at TF1 corresponding to amortization of audiovisual rights remeasured as part of the acquisition of Newen Studios and of €5m at Colas related to preliminary works for the dismantling of the Dunkirk site and non-current income of €141m at Bouygues Telecom (of which mainly non-current charges of €79m essentially related to network sharing and non-current income of €223m related to the capital gain on the sale of sites)

<b>CONTRIBUTION TO NET PROFIT ATTRIBUTABLE TO THE GROUP BY SECTOR OF ACTIVITY (€ million)</b>	<b>2016</b>	<b>2017</b>	<b>Change</b>
<b>Construction businesses</b>	<b>754</b>	<b>761</b>	<b>+€7m</b>
<i>o/w Bouygues Construction</i>	<i>320</i>	<i>319</i>	<i>-€1m</i>
<i>o/w Bouygues Immobilier</i>	<i>91</i>	<i>125</i>	<i>+€34m</i>
<i>o/w Colas</i>	<i>343</i>	<i>317</i>	<i>-€26m</i>
<b>TF1</b>	<b>18</b>	<b>60</b>	<b>+€42m</b>
<b>Bouygues Telecom</b>	<b>83</b>	<b>236</b>	<b>+€153m</b>
<b>Alstom</b>	<b>36</b>	<b>105</b>	<b>+€69m</b>
<b>Holding company and other</b>	<b>(159)</b>	<b>(77)</b>	<b>+€82m</b>
<b>Net profit attributable to the Group</b>	<b>732<sup>a</sup></b>	<b>1,085</b>	<b>+€353m</b>
<b>Net profit attributable to the Group excl. exceptional items<sup>b</sup></b>	<b>632</b>	<b>936</b>	<b>+€304m</b>

(a) Including the capital gains on the sale of stakes in the A63 and A41 highway concession companies and on the sale of towers

(b) See reconciliation on page 10

<b>IMPACT OF EXCEPTIONAL ITEMS ON NET PROFIT ATTRIBUTABLE TO THE GROUP (€ million)</b>	<b>2016</b>	<b>2017</b>	<b>Change</b>
<b>Net profit attributable to the Group</b>	<b>732</b>	<b>1,085</b>	<b>+€353m</b>
<i>o/w non-current income/charges related to the construction businesses (net of taxes)</i>	69	3	-€66m
<i>o/w non-current income/charges related to TF1 (net of taxes)</i>	24	7	-€17m
<i>o/w non-current income/charges related to Holding company (net of taxes)</i>	8	0	-€8m
<i>o/w non-current income/charges related to Bouygues Telecom (net of taxes)</i>	(12)	(72)	-€60m
<i>o/w net capital gains on the sale of Bouygues Construction' stakes in the A41 motorway</i>	(110)	0	+€110m
<i>o/w net capital gains on the sale of Colas' stakes in the A63 and A41 motorways</i>	(79) <sup>a</sup>	0	+€79m
<i>o/w reimbursement of the 3% tax on dividends</i>	0	(87)	-€87m
<b>Net profit attributable to the Group excl. exceptional items</b>	<b>632</b>	<b>936</b>	<b>+€304m</b>

(a) The capital gain on the A41 motorway concession company includes a €9m restatement at Group level

**NET SURPLUS CASH/(NET DEBT)  
BY BUSINESS SEGMENT  
(€ million)**

	<b>End-December</b>		
	<b>2016</b>	<b>2017</b>	<b>Change</b>
Bouygues Construction	3,387 <sup>a</sup>	3,409	+€22m
Bouygues Immobilier	(124) <sup>a</sup>	(86)	+€38m
Colas	517 <sup>a</sup>	433	-€84m
TF1	187	257	+€70m
Bouygues Telecom	(1,012)	(976)	+€36m
Holding company and other	(4,821) <sup>b</sup>	(4,951)	-€130m
<b>TOTAL</b>	<b>(1,866)</b>	<b>(1,914)</b>	<b>-€48m</b>

(a) Including a 2016 interim dividend of €250m paid by Bouygues Construction, of €178m by Colas and of €90m by Bouygues Immobilier

(b) Including a 2016 interim dividend of €512m

CONTRIBUTION TO NET CAPITAL EXPENDITURE BY SECTOR OF ACTIVITY (€ million)	2016	2017	Change
<b>Construction businesses</b>	<b>585</b>	<b>488</b>	<b>-€97m</b>
<i>o/w Bouygues Construction</i>	173	119	-€54m
<i>o/w Bouygues Immobilier</i>	28	14	-€14m
<i>o/w Colas</i>	384	355	-€29m
<b>TF1</b>	<b>209</b>	<b>198</b>	<b>-€11m</b>
<b>Bouygues Telecom</b>	<b>802</b>	<b>830</b>	<b>+€28m</b>
<b>Holding company and other</b>	<b>42</b>	<b>11</b>	<b>-€31m</b>
<b>TOTAL</b>	<b>1,638</b>	<b>1,527</b>	<b>-€111m</b>

CONTRIBUTION TO GROUP FREE CASH FLOW BY SECTOR OF ACTIVITY (€ million)	2016	2017	Change
<b>Construction businesses</b>	<b>530</b>	<b>712</b>	<b>+€182m</b>
<i>o/w Bouygues Construction</i>	256	274	+€18m
<i>o/w Bouygues Immobilier</i>	80	118	+€38m
<i>o/w Colas</i>	194	320	+€126m
<b>TF1</b>	<b>51</b>	<b>127</b>	<b>+€76m</b>
<b>Bouygues Telecom</b>	<b>3</b>	<b>17<sup>a</sup></b>	<b>+€14m</b>
<b>Holding company and other</b>	<b>(189)</b>	<b>(28)</b>	<b>+€161m</b>
<b>TOTAL</b>	<b>395</b>	<b>828</b>	<b>+€433m</b>

(a) Stripping out exceptional income tax of €33m, Bouygues Telecom's free cash flow is €50m

IMPACT OF IFRS 15 ON 2017 FINANCIAL STATEMENTS (M€)	2017 reported	o/w Bouygues Immobilier	o/w Bouygues Telecom	o/w TF1	2017 restated
<b>Sales</b>	<b>32,904</b>	+37	-26	+7	<b>32,923</b>
<b>Current operating profit</b>	<b>1,420</b>	-5	-9	0	<b>1,406</b>
<b>Operating profit</b>	<b>1,533</b>	-5	-9	0	<b>1,519</b>
<b>Income tax</b>	<b>(303)</b>	0	+4	0	<b>(299)</b>
<b>Share of net profit of joint ventures and associates</b>	<b>163</b>	+6	0	0	<b>169</b>
<b>Net profit from continuing operations</b>	<b>1,205</b>	+1	-5	0	<b>1,201</b>
<b>Net profit attributable to non- controlling interests</b>	<b>(120)</b>	0	+1	0	<b>(119)</b>
<b>Net profit attributable to the Group</b>	<b>1,085</b>	+1	-4	0	<b>1,082</b>



## GLOSSARY

**4G consumption:** data consumed on 4G cellular networks, excluding Wi-Fi.

**4G users:** customers who have used the 4G network during the last three months (Arcep definition).

**ARPU (Average Revenue Per User) – quarterly mobile:** the monthly sales figure per customer. It is calculated by dividing:

- the quarterly sales generated from incoming and outgoing calls (voice, texts and data), commissioning expenses, value-added services;

- by the weighted average number of customers (excluding machine to machine customers) in the quarter. The weighted average number of customers is the average of monthly averages during the period under consideration. The monthly average is the daily average number of customers over the month.

**ARPU (Average Revenue Per User) – quarterly fixed:** the monthly sales figure per customer. It is calculated by dividing:

- the sales generated by incoming and outgoing calls, broadband services, television services (mainly VOD and Catch-up TV) and sales from commissioning expenses and equipment rental;

- by the weighted average number of connections in the quarter.

The weighted average number of connections is the average of the monthly averages over the period under consideration. The monthly average is the arithmetical average of the number of connections at the beginning and end of the month.

**BtoB (business to business):** involves a situation where one business makes a commercial transaction with another.

**Backlog (Bouygues Construction, Colas):** the amount of work still to be done on projects for which a firm order has been taken, i.e. the contract has been signed and has taken effect (after notice to proceed has been issued and suspensory clauses have been lifted)

**Backlog (Bouygues Immobilier):** sales outstanding from notarized sales plus total sales from signed reservations that have still to be notarized.

Under IFRS 11, Bouygues Immobilier's backlog does not include sales from reservations taken via companies accounted for by the equity method (co-promotion companies where there is joint control).

**Construction businesses:** Bouygues Construction, Bouygues Immobilier and Colas.

**EBITDA:** current operating profit before net depreciation and amortization expense, net provisions and impairment losses, reversals of unutilized provisions and impairment losses and before effects of acquisition/loss of control

**EBITDA margin (Bouygues Telecom):** EBITDA/sales from network.

**Free cash flow:** cash flow minus cost of net debt minus income tax expense minus net capital expenditures. It is calculated before changes in WCR. The calculation of free cash flow by business segment is set out in Note 16 "Segment information" to the consolidated financial statements at 31 December 2017, available on the [www.bouygues.com](http://www.bouygues.com) website.

**FTTH (Fiber to the Home):** optical fiber from the central office (where the operator's transmission equipment is installed) all the way to homes or business premises (Arcep definition).



**FTTH premises secured:** the horizontal deployed, being deployed or ordered up to the concentration point.

**FTTH premises marketed:** the connectable sockets, i.e. the horizontal and vertical deployed and connected via the concentration point.

**Growth in sales like-for-like and at constant exchange rates:**

- at constant exchange rates: change after translating foreign-currency sales for the current period at the exchange rates for the comparative period;
- on a like-for-like basis: change in sales for the periods compared, adjusted as follows:
  - for acquisitions, by deducting from the current period those sales of the acquired entity that have no equivalent during the comparative period;
  - for divestments, by deducting from the comparative period those sales of the divested entity that have no equivalent during the current period.

**MtoM:** machine to machine communication. This refers to direct communication between machines or smart devices or between smart devices and people via an information system using mobile communications networks, generally without human intervention.

**Net surplus cash/(net debt):** the aggregate of; cash and cash equivalents, overdrafts and short-term bank borrowings, non-current and current debt, and financial instruments. A positive figure represents net surplus cash and a negative one represents net debt.

**Order intake (Bouygues Construction, Colas):** Order intake (Bouygues Construction, Colas): a project is included under order intake when the contract has been signed and has taken effect (the notice to proceed has been issued and all suspensory clauses have been lifted) and the financing has been arranged. The amount recorded corresponds to the sales the project will generate.

**Sales from network (Bouygues Telecom) comprise:**

- in the mobile segment: sales from incoming (voice and texts) and outgoing calls (voice, texts and data), commissioning expenses, value-added services, machine to machine (MtoM) sales, roaming sales and sales generated from mobile virtual network operators (MVNOs);
- in the fixed segment: sales from incoming and outgoing calls, fixed broadband services, television services (especially VOD and Catch-up TV) and sales from commissioning expenses and equipment rental.

**Other sales (Bouygues Telecom):** difference between Bouygues Telecom's book sales and sales from network. It includes sales of handsets, accessories, blind spot roaming, non-telecom services and the co-financing of advertising.

**Following the first-time application of the revenue recognition principles of IFRS 15, "sales from services" will replace "sales from network" from 1 January 2018.**

**Sales from services (Bouygues Telecom) comprises:**

- Sales billed to customers, which includes:
  - In Mobile:
    - For B2C customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services.
    - For B2B customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services, plus sales from business services.
    - Machine-To-Machine (M2M) sales.
    - Visitor roaming sales.



- Sales generated with Mobile Virtual Network Operators (MVNOs).
- In Fixed:
  - For B2C customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire.
  - For B2B customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire, plus sales from business services.
  - Sales from bulk sales to other fixed line operators.
- Sales from incoming Voice and Texts.
- Spreading of handset subsidies over the projected life of the customer account, required to comply with IFRS 15.
- Capitalisation of connection fee sales, which are then spread over the projected life of the customer account.

**PIN:** Public-Initiative Network.

**Reservations by value (Bouygues Immobilier):** the € amount of the value of properties reserved over a given period.

- Residential properties: the sum of the value of unit and block reservation contracts signed by customers and approved by Bouygues Immobilier, minus registered cancellations.
- Commercial properties: these are registered as reservations on notarized sale.

For co-promotion companies:

- if Bouygues Immobilier has exclusive control over the co-promotion company (full consolidation), 100% of amounts are included in reservations;
- if joint control is exercised (the company is accounted for by the equity method), commercial activity is recorded according to the amount of the equity interest in the co-promotion company.

**Very-high-speed:** subscriptions with peak downstream speeds higher or equal to 30 Mbit/s. Includes FTTH, FTTLA, 4G box and VDSL2 subscriptions (Arcep definition).