NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 30/06/2018

BOUYGUES

CONTENTS

(figures in millions of euros unless otherwise indicated)

Declaration of compliance:

The interim condensed consolidated financial statements of Bouygues and its subsidiaries ("the Group") for the six months ended 30 June 2018 were prepared in accordance with IAS 34, "Interim Financial Reporting", a standard issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. Because they are condensed, these financial statements do not include all the information required under the standards issued by the IASB, and should be read in conjunction with the full-year financial statements of the Bouygues group for the year ended 31 December 2017.

They were prepared in accordance with the standards issued by the IASB as endorsed by the European Union and applicable as of 30 June 2018. Those standards (collectively referred to as "IFRS") comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), and interpretations issued by the IFRS Interpretations Committee – previously the International Financial Reporting Interpretations Committee (IFRIC), itself the successor body to the Standing Interpretations Committee (SIC). The Group has not early adopted as of 30 June 2018 any standard or interpretation not endorsed by the European Union.

The financial statements are presented in millions of euros (unless otherwise indicated) and comprise the balance sheet, the income statement, the statement of recognised income and expense, the statement of changes in shareholders' equity, the cash flow statement, and the notes to the financial statements.

The comparatives presented are from the consolidated financial statements for the year ended 31 December 2017 (restated for the application of IFRS 9 and IFRS 15) and from the interim condensed consolidated financial statements for the six months ended 30 June 2017 (restated for the application of IFRS 15).

NOTE 1 SIGNIFICANT EVENTS

1.1 Significant events of the first half of 2018

The principal corporate actions and acquisitions of the first half of 2018 are presented below:

- On 12 January 2018, the French government and Arcep (French telecoms regulator) reached an agreement with the four mobile operators to increase mobile coverage in France between now and 2031 (especially on the road and rail networks), and in dead zones and fringe zones between now and 2025. Once finalised, this agreement is expected to result in Bouygues Telecom installing a further 5,000 sites (sharing with the other operators) in dead and fringe zones, and several thousand additional sites on the strategic road and rail networks. In return for this investment, Bouygues Telecom will have its current licences extended for a further ten years, and will be granted a five-year exemption from the flat-rate tax on network operators (*IFER*) for some of the new sites. In addition, Bouygues Telecom will benefit from measures to streamline network roll-out administrative procedures. To implement the agreement, Arcep has launched a public consultation on the reallocation of the 900, 1800 and 2100 MHz frequencies that are due to expire between 2022 and 2024. The agreement to increase mobile coverage by 2031 cannot be implemented until the consultation has been completed.

- On 17 January 2018, an agreement was signed for the acquisition by the TF1 group of the Axel Springer group's majority equity interest of 78.07% in the aufeminin group, which in its financial year ended 31 December 2017 generated sales of €113 million and an operating profit of €12 million. The acquisition was completed on 27 April 2018 at a price of €39.47 per share, or €292 million in total. On 22 May 2018, TF1 filed a mandatory simplified tender offer for the remaining shares at the same price; by 30 June 2018, TF1 held an equity interest of 82.99% in aufeminin (93.28% as of 4 July 2018, the closing date of the tender offer). As of the date control was obtained, provisional goodwill of €249 million was recognised and net debt increased by €332 million, including the commitment to buy out the remaining shares not held by TF1. The contribution to first-half sales and current operating profit is immaterial.

- In line with the memorandum of understanding signed on 30 August 2017, Colas completed the acquisition of the entire share capital of the Miller McAsphalt group on 28 February 2018. The Miller McAsphalt group is a major player in road construction and bitumen distribution in Canada, with a particularly strong presence in Ontario. Over the last three years, it has generated average annual sales of approximately CAD 1.3 billion; it employs 3,300 people. The provisional purchase price paid on the completion date was CAD 913 million, equivalent to €585 million, of which €410 million was financed by debt. Provisional goodwill of €585 million has been recognised pending finalisation of the purchase price allocation. The Miller McAsphalt group contributed €243 million to sales over the last four months of the first half. The impact on current operating profit is immaterial.

- On 26 March 2018, Bouygues Construction and Colas announced the acquisition of Alpiq Engineering Services, which specialises in hard and soft services in construction and in energy, industrial and transport infrastructures. Alpiq employs nearly 7,650 people and generated sales of approximately CHF 1.7 billion in 2017, mainly in Switzerland (57%), Germany (24%) and Italy (12%). The acquisition was completed on the basis of an enterprise value of CHF 850 million (CHF 700 million for Bouygues Construction, CHF 150 million for Colas Rail).

- Under the agreement of 31 January 2017 between Bouygues Telecom and Cellnex (Spain), transfers of the 1,800 existing telecoms sites continued during the first half of 2018. As of 31 December 2017, 715 sites were presented in the balance sheet as "Held-for-sale assets", at a carrying amount of €38 million. During the first half of 2018, 503 sites were transferred to Cellnex for a total of €143 million. "Held-for-sale assets" was reduced to €16 million to reflect the reduction in the number of sites still held by Bouygues; the resulting gain of €104 million was recognised in "Other operating income" in the consolidated income

statement for the first half of 2018. The sale of the 1,200 new sites is being spread over a five-year period as and when the sites are constructed.

- The TF1 group and the non-controlling shareholders of Newen Studios, a 70%-owned subsidiary of TF1, signed an agreement on 5 April 2018 with a view to the acquisition by TF1 of the remaining 30% of the share capital and voting rights, which would give TF1 100% of Newen Studios. This transaction, which remained subject to clearance from the French Competition Authority as of 30 June 2018, will be treated as a transaction between shareholders in the third-quarter 2018 financial statements. The related commitment, which was already recognised as a financial liability as of 31 December 2017, has been adjusted as of 30 June 2018 to the actual amount that will be paid. All the costs associated with the completion of this transaction are provided for in the financial statements for the six months ended 30 June 2018.

- On 28 May 2018, Bouygues Construction announced the acquisition of AW Edwards, a well-established Australian construction company. The acquisition marks a further step in the Group's development strategy in Australia, and strengthens its position in the construction market. Bouygues Bâtiment International, a Bouygues Construction subsidiary, will buy all the shares of AW Edwards. AW Edwards is a family business, founded in 1921 and based in Sydney. Specialising in the building sector, it is a well-established independent player in the Australian market. The company generated sales of AUD 277 million in 2017 and employs 250 people.

1.2 Significant events of the first half of 2017

The principal corporate actions and acquisitions of the first half of 2017 are presented below:

- On 30 January 2017, TF1 accepted a conditional offer from Mediawan SA to buy the TF1 group's 33.5% equity interest in Groupe AB. As of 30 June 2017, the conditions had been met and the divestment of the equity interest took effect, generating a provisional gain of €7 million. The final purchase price was determined in September 2017, and the resulting gain of €14 million was recognised in "Share of net profits/losses of joint ventures and associates" in the consolidated income statement for the year ended 31 December 2017.

- On 31 January 2017, Bouygues Telecom signed an agreement with Cellnex (Spain) covering 3,000 telecoms sites in France, for a total amount of €854 million. The transaction involves the transfer by Bouygues Telecom of an initial batch of 1,800 existing sites to Cellnex over a two-year period for €500 million, followed by the construction of 1,200 new sites over a five-year period for €354 million. In addition, Bouygues Telecom and Cellnex signed a renewable 15-year hosting and services agreement. As of 30 June 2017, 350 sites had been transferred to Cellnex for a total of €99 million. "Held-for-sale assets" was reduced to €90 million to reflect the reduction in the number of sites still held by Bouygues; the resulting gain of €72 million was recognised in "Other operating income" in the consolidated income statement for the first half of 2017. As of 31 December 2017, 1,085 sites had been transferred for a total of €307 million. "Held-for-sale assets" was reduced to €38 million to reflect the reduction in the number of sites still held by Bouygues; the resulting gain of €223 million was recognised in "Other operating income" in the consolidated income statement for the year ended 31 December 2017.

1.3 Significant events and changes in scope of consolidation subsequent to 30 June 2018

- On 5 July 2018, the TF1 group completed the buyout of the remaining 30% of the share capital and voting rights of Newen Studios from the non-controlling shareholders, giving TF1 100% of the company's shares and voting rights. This transaction followed clearance from the French Competition Authority, obtained on 3 July 2018.
- On 5 July 2018, the acquisition of AW Edwards was finalised.
- On 17 July 2018, the Alstom shareholders approved resolutions relating to the proposed merger between Alstom and the Siemens Mobility businesses. The merger is subject to clearance from the competition authorities, and is expected to be finalised in the first half of 2019. The Alstom shareholders also approved the renewal of the terms of office as Directors of Olivier Bouygues and Bouygues SA (standing representative: Philippe Marien). On 17 July 2018, the commitment by Bouygues to retain its Alstom shares (as described in the consolidated financial statements for the year ended 31 December 2017) ended.
- On 31 July 2018, closing occurred on the acquisition of Alpiq Engineering Services, following clearance from the European and Swiss competition authorities on 11 July 2018. A provisional purchase price of €682 million was paid to acquire the entire share capital.

NOTE 2 GROUP ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

The interim condensed consolidated financial statements of the Bouygues group include the financial statements of Bouygues SA and its five business segments, along with its investments in joint ventures and associates and its joint operations. The financial statements are presented in millions of euros, the currency in which the majority of the Group's transactions are denominated, and take account of the recommendations on the presentation of financial statements (Recommendation 2016-01) issued on 2 December 2016 by the Autorité des Normes Comptables (ANC), the French national accounting standard-setter.

They were closed off by the Board of Directors on 29 August 2018.

The interim condensed consolidated financial statements for the six months ended 30 June 2018 were prepared in accordance with IFRS using the historical cost convention, except for certain financial assets and liabilities measured at fair value where this is required under IFRS. They include comparatives as of and for the year ended 31 December 2017 and the six months ended 30 June 2017, restated to take account of the first-time application of IFRS 9 and IFRS 15 as of 1 January 2018 (see Note 14 to the financial statements).

Accounting policies specific to the interim condensed consolidated financial statements are as follows:

- Income taxes of consolidated entities for interim periods are assessed in accordance with IAS 34: the income taxes of each entity are recognised on the basis of the best estimate of the average annual effective income tax rate for the financial year (except in the case of holding companies, which recognise income taxes on the basis of the actual tax position at the end of the period).

- Employee benefit expenses for interim periods are recognised pro rata based on the estimated expense for the full year, calculated using the actuarial assumptions and projections applied as of 31 December 2017. An increase of 70 basis points in the discount rate (1.50% as of 31 December 2017) would increase the provision for retirement benefit obligations by €47 million. That impact would be recognised in the statement of recognised income and expense.

2.2 New accounting standards and interpretations

The Bouygues group applied the same standards, interpretations and accounting policies for the six months ended 30 June 2018 as were applied in its consolidated financial statements for the year ended 31 December 2017, except for changes required to meet new IFRS requirements applicable from 1 January 2018 as described below.

- Principal new standards, amendments and interpretations effective within the European Union and mandatorily applicable or permitted for early adoption with effect from 1 January 2018:

  - **IFRS 9: Financial Instruments**

    On 24 July 2014, the IASB issued a new standard on financial instruments that replaces most of the previous IFRS pronouncements on this subject, in particular IAS 39. The new standard was endorsed by the European Union on 22 November 2016 and is mandatorily applicable from 1 January 2018. Bouygues did not early adopt IFRS 9.

    The Group has applied the classification, measurement and impairment principles of IFRS 9 retrospectively, with no restatement of prior period comparatives. The hedge accounting principles of IFRS 9 are being applied using a prospective approach in accordance with the standard.

    The impact of applying IFRS 9 as of 1 January 2018 is not material, and is presented in Note 14 to the consolidated financial statements.

- **IFRS 15: Revenue from Contracts with Customers**

  On 28 May 2014, the IASB issued a new standard on revenue recognition that replaces most of the previous IFRS pronouncements on this subject, in particular IAS 11 and IAS 18. The new standard was endorsed by the European Union on 29 October 2016, and is applicable from 1 January 2018. Bouygues did not early adopt IFRS 15. The Group has applied IFRS 15 retrospectively with effect from 1 January 2018, with the 2017 first-half and full-year comparatives restated to reflect the impacts of the new standard.

  The impacts of applying IFRS 15 on the financial statements for the six months ended 30 June 2017 and the year ended 31 December 2017 are presented in Note 14 to the consolidated financial statements.

- Standard effective within the European Union and mandatorily applicable from 1 January 2019:

  - **IFRS 16: Leases**

    On 13 January 2016, the IASB issued IFRS 16, "Leases". IFRS 16 will replace IAS 17, along with the associated IFRIC and SIC interpretations, and for lessees will end the distinction previously made between operating leases and finance leases. Lessees will be required to account for all leases with a term of more than one year in a manner similar to that currently specified for finance leases under IAS 17, involving the recognition of an asset for the rights, and a liability for the obligations, arising under the lease. The new standard was endorsed by the European Union on 31 October 2017 and is applicable from 1 January 2019.

    Bouygues has not early adopted IFRS 16, and for first-time application has elected the retrospective approach with presentation of a comparative year.

    The impact of IFRS 16 is currently under review. Given the expected changes in lease accounting and various uncertainties (including determination of the term of some leases), the detailed information on leases as provided in the notes to the consolidated financial statements for the year ended 31 December 2017 is not indicative of the actual impact that IFRS 16 might have on those financial statements.

- Essential interpretation issued by the IASB but not yet endorsed by the European Union:

  - **IFRIC 23: Uncertainty Over Income Tax Treatments**

    On 7 June 2017, the IFRS Interpretations Committee issued IFRIC 23, which is mandatorily applicable from 1 January 2019 and has not yet been endorsed by the European Union. IFRIC 23 clarifies the accounting treatments used to recognise the fiscal consequences of uncertainties relating to income taxes. The Bouygues group has not elected early adoption of IFRIC 23, and is reviewing the potential consequences of applying it.

2.3 Seasonal fluctuations

Sales and operating profit are subject to strong seasonal fluctuations due to low activity levels during the first half of the year, primarily at Colas due to weather conditions. The extent of those fluctuations varies from year to year. In accordance with IFRS, sales for interim accounting periods are recognised on the same basis as full-year sales.

NOTE 3 NON-CURRENT ASSETS

Analyses by business segment of the carrying amount of property, plant and equipment and intangible assets, and of the share of net profits/losses of joint ventures and associates, are provided in Note 11, "Segment information".

3.1 Goodwill

3.1.1 Movement in the carrying amount of goodwill in the period

	Gross value	Impairment	Carrying amount
31/12/2017 restated	**5,457**	**(72)**	**5,385**
Changes in scope of consolidation	857 a		857
Other movements (including translation adjustments)	8	(1)	7
Impairment losses			
30/06/2018	**6,322**	**(73)**	**6,249**

(a) Includes €585m of provisional goodwill on the acquisition of the Miller McAsphalt group by Colas and €249m of provisional goodwill on the acquisition of the aufeminin group.

3.1.2 Split of goodwill by Cash Generating Unit (CGU)

CGU	30/06/2018		31/12/2017 restated	
	Total	% Bouygues	Total	% Bouygues
Bouygues Construction [a]	458	99.97%	457	99.97%
Colas [b]	1,736	96.61%	1,131	96.60%
TF1 [b]	1,407	43.81%	1,149	43.81%
Bouygues Telecom [b]	2,648	90.53%	2,648	90.53%
Total	**6,249**		**5,385**	

(a) Only includes goodwill on subsidiaries acquired by the CGU.
(b) Includes goodwill on subsidiaries acquired by the CGU and on acquisitions made at parent company (Bouygues SA) level for the CGU.

As regards TF1, the recoverable amount used for goodwill impairment testing purposes as of 31 December 2017, determined on the basis of discounted cash flows, exceeded the carrying amount. The quoted share price has fallen since that date, but actual operating performance to 30 June 2018 does not invalidate the assumptions retained in the end-2017 business plan. The recoverable amount will be reassessed at the end of the year on the basis of the forthcoming business plan prepared by management.

For the other CGUs, given the absence of any evidence of impairment, the goodwill recognised as of 30 June 2018 has not been subject to further impairment testing.

3.2 Investments in joint ventures and associates

	Carrying amount
31/12/2017 restated	**2,502 a**
Share of net profit/(loss) for the period	89
Translation adjustments	(18)
Other income and expense recognised directly in equity	6
Net profit/(loss) and other recognised income and expense	**77**
Changes in scope of consolidation	(11)
Other movements (dividends, etc.)	(26)
30/06/2018	**2,542**

(a) Includes Alstom: €2,028m.

The profit contribution from Alstom recognised in the Bouygues group's financial statements for the first half of 2018 is based on the results published by Alstom on 16 May 2018 for its 2017/18 financial year. Given the time-lag between the accounting year-ends of Alstom (31 March) and Bouygues (31 December), Alstom's net profit contribution to the Bouygues group for the first half of Alstom's 2017/18 financial year was recognised in the Bouygues financial statements for the nine months ended 30 September 2017.

Alstom's contribution to the net profit of Bouygues for the first half of 2018 was €73 million, compared with €45 million in the first half of 2017.

The €2,093 million carrying amount of the interest in Alstom in the Bouygues consolidated balance sheet as of 30 June 2018 was calculated on the basis of Alstom's equity before applying IFRS 9 and IFRS 15, which are expected to reduce the amount of Alstom's equity. The impact of this change as of the transition date (1 April 2017) will be recognised in equity by the Bouygues group as of 30 September 2018.

NOTE 4 CONSOLIDATED SHAREHOLDERS' EQUITY

Share capital of Bouygues SA

As of 30 June 2018, the share capital of Bouygues SA consisted of 365,793,396 shares with a par value of €1.

		Change		
	31/12/2017	**Increases**	**Reductions**	**30/06/2018**
Shares	366,125,285	825,955 a	(1,157,844) b	365,793,396
NUMBER OF SHARES	**366,125,285**	**825,955**	**(1,157,844)**	**365,793,396**
Par value	€1			€1
SHARE CAPITAL (€)	**366,125,285**	**825,955**	**(1,157,844)**	**365,793,396**

(a) The increase of 825,955 shares was due to new shares being issued on exercise of stock options.
(b) Cancellation of treasury shares acquired by Bouygues SA on 8 January 2018, which reduced share capital and share premium by €47m.

NOTE 5 NON-CURRENT AND CURRENT PROVISIONS

5.1 Non-current provisions

	Long-term employee benefits [a]	Litigation and claims [b]	Guarantees given [c]	Other non-current provisions [d]	Total	
31/12/2017 restated	**772**	**323**	**383**	**580**	**2,058**	
Translation adjustments	1				1	
Changes in scope of consolidation	1	1			2	
Charges to provisions	21	26	31	15	93	
Reversals of provisions (utilised or unutilised)	(15)	(35)	(36)	(49)	(135)	e
Actuarial gains and losses				1	1	
Transfers and other movements		1	(3)	11	9	
30/06/2018	**780**	**316**	**375**	**558**	**2,029**	

(a) Long-term employee benefits	**780**	**Principal segments involved:**	
Lump-sum retirement benefits	525	Bouygues Construction	207
Long-service awards	155	Colas	433
Other long-term employee benefits	100	TF1	38
		Bouygues Telecom	64
(b) Litigation and claims	**316**	Bouygues Construction	131
Provisions for customer disputes	114	Bouygues Immobilier	29
Subcontractor claims	60	Colas	96
Employee-related and other litigation and claims	142	Bouygues Telecom	53
(c) Guarantees given	**375**	Bouygues Construction	287
Provisions for 10-year construction guarantees	291	Bouygues Immobilier	23
Provisions for additional building/civil engineering/civil works guarantees	84	Colas	65
(d) Other non-current provisions	**558**	Bouygues Construction	75
Provisions for risks related to official inspections	139	Colas	297
Provisions for miscellaneous foreign risks	22	Bouygues Telecom	157
Provisions for subsidiaries and affiliates	33		
Dismantling and site rehabilitation	301		
Other non-current provisions	63		
(e) Including reversals of unutilised provisions during the first half of 2018	**(66)**		

5.2 Current provisions

Provisions related to the operating cycle	Provisions for customer warranties	Provisions for project risks and project completion	Provisions for expected losses to completion	Other current provisions	Total
31/12/2017 restated	**42**	**335**	**274**	**234**	**885**
Translation adjustments	1	3	(1)		3
Changes in scope of consolidation		(2)		1	(1)
Charges to provisions	4	51	69	37	161
Reversals of provisions (utilised or unutilised)	(5)	(82)	(118)	(80)	(285)[a]
Transfers and other movements		8	(9)	3	2
30/06/2018	**42**	**313**	**215**	**195**	**765**

(a) Includes reversals of unutilised provisions in the first half of 2018: €(95)m.

NOTE 6 NON-CURRENT AND CURRENT DEBT

6.1 Breakdown of debt

	Current debt		Non-current debt	
	Total 30/06/2018	Total 31/12/2017 restated	Total 30/06/2018	Total 31/12/2017 restated
Bond issues	119	620	4,812	4,806
Bank borrowings	139	87	1,899	811
Finance lease obligations	7	6	7	9
Other borrowings	194	23	68	165
TOTAL DEBT	**459**	**736**	**6,786**	**5,791**

Non-current debt rose by €995 million, the main movements being at Colas (increase of €1,103 million including the impact of the acquisition of the Miller McAsphalt group, €410 million of which was financed by debt) and at TF1 (reclassification as current debt of the €103 million commitment to buy out the remaining 30% equity interest in Newen Studios).

Current debt decreased by €277 million, the main movements being at Bouygues SA (redemption on 12 February 2018 of the €500 million February 2010 bond issue) and at TF1 (reclassification as current debt of the €103 million commitment to buy out the remaining 30% equity interest in Newen Studios, and recognition of the commitment to buy out the remaining shares of the aufeminin group not held by TF1 as of 30 June 2018).

6.2 Covenants and trigger events

All bond issues other than that maturing in 2020 contain a change of control clause relating to Bouygues SA.

The bank credit facilities contracted by Bouygues SA contain no financial covenants or trigger event clauses. The same applies to Bouygues SA subsidiaries, except for the €410 million financing of the acquisition of the Miller McAsphalt group by Colas in Canada which temporarily includes a leveraged covenant clause based on the debt to EBITDA ratio.

NOTE 7 CHANGE IN NET DEBT

	31/12/2017 restated	Cash flows	Changes in scope of consolidation	Translation adjustments	Fair value adjustments	Other movements	30/06/2018
Cash and cash equivalents	4,820	(2,405)	77	12		1	2,505
Overdrafts and short-term bank borrowings	(209)	(87)	(17)	19		(1)	(295)
NET CASH POSITION	**4,611**	**(2,492) a**	**60 a**	**31 a**	**a**	**a**	**2,210**
Non-current debt	5,791	1,069 b	41	12	(2)	(125)	6,786
Current debt	736	(473) b	2			194	459
Financial instruments, net	1				6		7
TOTAL DEBT	**6,528**	**596**	**43**	**12**	**4**	**69**	**7,252**
NET DEBT	**(1,917)**	**(3,088)**	**17**	**19**	**(4)**	**(69)**	**(5,042)**

(a) Net cash outflow of €2,401m for the first half of 2018, as reported in the cash flow statement.

(b) Net cash inflow of €596m for the first half of 2018, as reported in the cash flow statement.

The amount payable to the non-controlling shareholders of aufeminin was recognised in current debt on the date of the decision by TF1 to initiate a public tender offer. At the same time, an escrow account was set up at Rothschild Martin Maurel to ensure TF1 met its commitment to settle the shares tendered into the offer up to and including 4 July 2018, the closing date of the tender offer. As of 30 June 2018, the €76 million balance on the escrow account was included in “Cash and cash equivalents”.

Following completion of the public tender offer for the aufeminin group on 4 July 2018, the TF1 group holds 93.28% of the shares, and part of the financial liability recognised as of 30 June 2018 for the buyout commitment was reversed out. That part amounts to €26 million and corresponds to the interests held by shareholders who did not tender their shares into the offer.

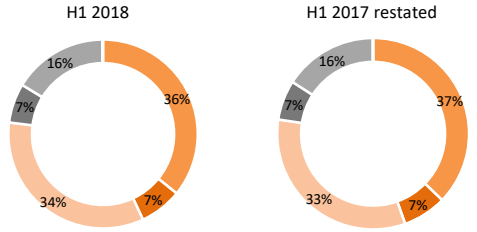
“Other movements” comprise (i) the reclassification of TF1’s commitment to buy out the remaining 30% equity interest in Newen Studios from non-current debt to current debt; (ii) the commitment to buy out the non-controlling shareholders of aufeminin and its subsidiaries; and (iii) the remeasurement of the put options relating to Newen and its subsidiaries.

NOTE 8 ANALYSIS OF SALES – FRANCE & INTERNATIONAL

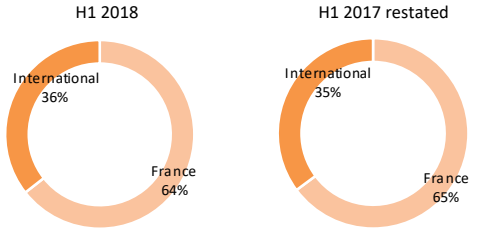
	1st half of 2018				1st half of 2017 restated			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	2,664	2,978	5,642	36	2,582	3,040	5,622	37
Bouygues Immobilier	1,086	53	1,139	7	1,068	44	1,112	7
Colas	2,830	2,504	5,334	34	2,767	2,190	4,957	33
TF1	1,009	53	1,062	7	982	33	1,015	7
Bouygues Telecom	2,551	0	2,551	16	2,395	0	2,395	16
Bouygues SA & other	3	12	15		3	4	7	
CONSOLIDATED SALES	**10,143**	**5,600**	**15,743**	**100**	**9,797**	**5,311**	**15,108**	**100**

Split of total sales

By business segment



By geographical area

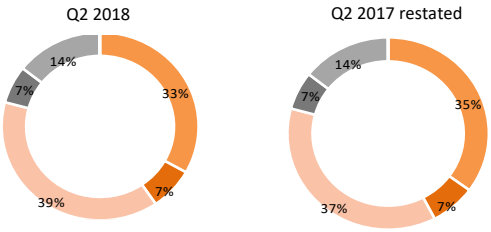


Bouygues Construction Bouygues Immobilier Colas
TF1 Bouygues Telecom Bouygues SA & other

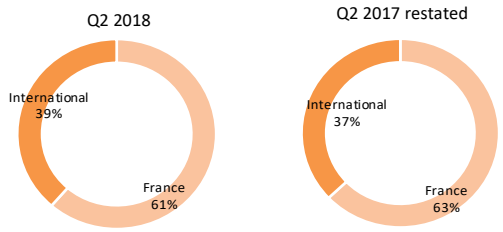
	2nd quarter of 2018				2nd quarter of 2017 restated			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	1,365	1,589	2,954	33	1,309	1,590	2,899	35
Bouygues Immobilier	615	37	652	7	580	24	604	7
Colas	1,678	1,773	3,451	39	1,605	1,442	3,047	37
TF1	540	36	576	7	519	8	527	7
Bouygues Telecom	1,275	0	1,275	14	1,192	0	1,192	14
Bouygues SA & other	1	8	9		1	1	2	
CONSOLIDATED SALES	**5,474**	**3,443**	**8,917**	**100**	**5,206**	**3,065**	**8,271**	**100**

Split of total sales

By business segment



By geographical area



Bouygues Construction Bouygues Immobilier Colas
TF1 Bouygues Telecom Bouygues SA & other

NOTE 9 OPERATING PROFIT AND EBITDA

	1st half				2nd quarter	
	2018		2017 restated		2018	2017 restated
CURRENT OPERATING PROFIT/(LOSS)	**303**		**347**		**414**	**422**
Other operating income	109	a	81	b	38	75
Other operating expenses	(29)	a	(49)	b	(13)	(26)
OPERATING PROFIT/(LOSS)	**383**		**379**		**439**	**471**

See Note 11, "Segment information", for an analysis by business segment.

(a) Relates to:
Bouygues Telecom: €91 million, comprising a €104 million gain on the transfer of 503 sites to Cellnex plus €5 million of other operating income, partly offset by an €18 million expense on the roll-out of network sharing.
TF1: Amortisation of €11 million charged against the fair value of rights remeasured as part of the Newen Studios purchase price allocation.

(b) Relates to:
Bouygues Telecom: €48 million, mainly comprising a €72 million gain on the transfer of 350 sites to Cellnex plus an €8 million net reversal of provisions, partly offset by a €33 million expense on the roll-out of network sharing.
TF1: Amortisation of €12 million charged against the fair value of rights remeasured as part of the Newen Studios purchase price allocation.
Colas: Costs of €4 million incurred on the discontinuation of the Dunkirk refinery (SRD).

The Bouygues group reported EBITDA of €932 million for the first half of 2018, up €18 million relative to the first half of 2017. EBITDA is calculated on the basis of current operating profit, to which the following adjustments are made:

	1st half		2nd quarter	
	2018	2017 restated	2018	2017 restated
CURRENT OPERATING PROFIT/(LOSS)	**303**	**347**	**414**	**422**
Elimination of net depreciation and amortisation expense and net charges to provisions and impairment losses				
• Net depreciation & amortisation expense	803	721	437	361
• Charges to provisions and impairment losses, net of reversals due to utilisation	34	2	51	22
Elimination of items included in other income from operations:				
• Reversals of unutilised provisions and impairment and other items	(208)	(156)	(107)	(72)
EBITDA	**932**	**914**	**795**	**733**

For a breakdown of EBITDA by business segment see Note 11, "Segment Information".

NOTE 10 INCOME TAXES

	1st half		2nd quarter	
	2018	2017 restated	2018	2017 restated
Tax payable to the tax authorities	(116)	(101)	(94)	(97)
Deferred taxes, net	59	17	(17)	(33)
INCOME TAX GAIN/(EXPENSE)	**(57)**	**(84)**	**(111)**	**(130)**

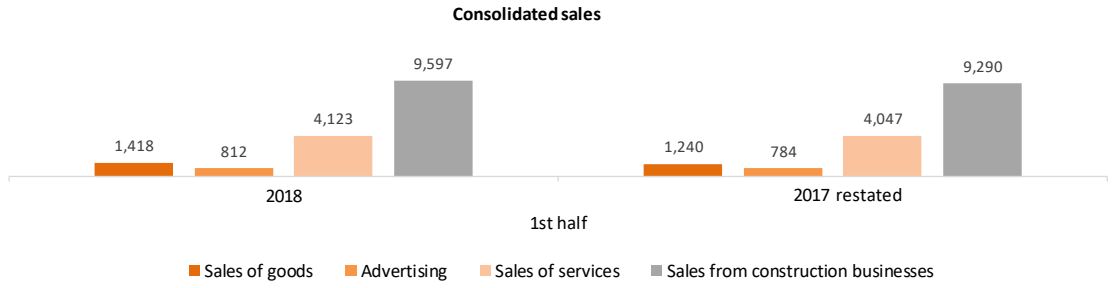
The effective tax rate for the first half of 2018 was 20%, versus 31% for the first half of 2017 (including €17 million of the 3% tax on dividends in France, which was abolished in 2018). After stripping out the tax on dividends, the effective tax rate for the first half of 2017 was 25%.

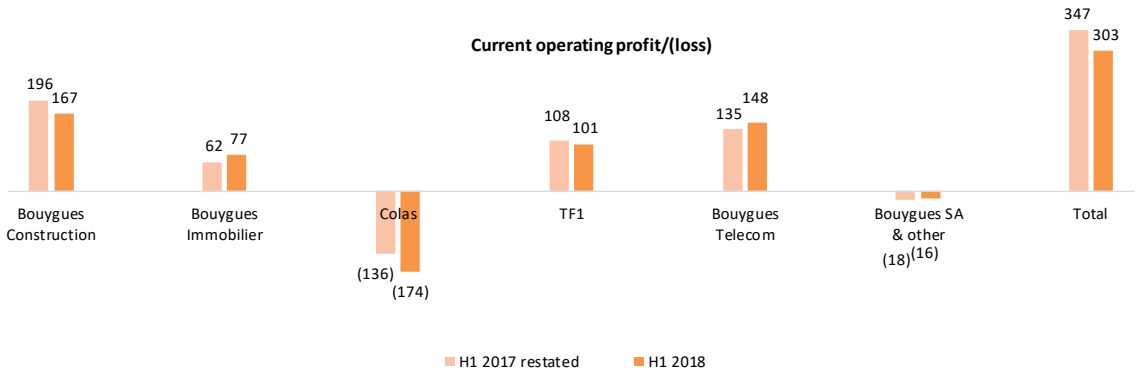
The net cash outflow for income taxes paid within the cash flow statement has been restated for the first half of 2017 and full year 2017 to exclude movements related to tax credits, which are now presented within “Changes in working capital related to operating activities”.

NOTE 11 SEGMENT INFORMATION

The tables below show the contribution made by each business segment to key items in the income statement, balance sheet and cash flow statement:

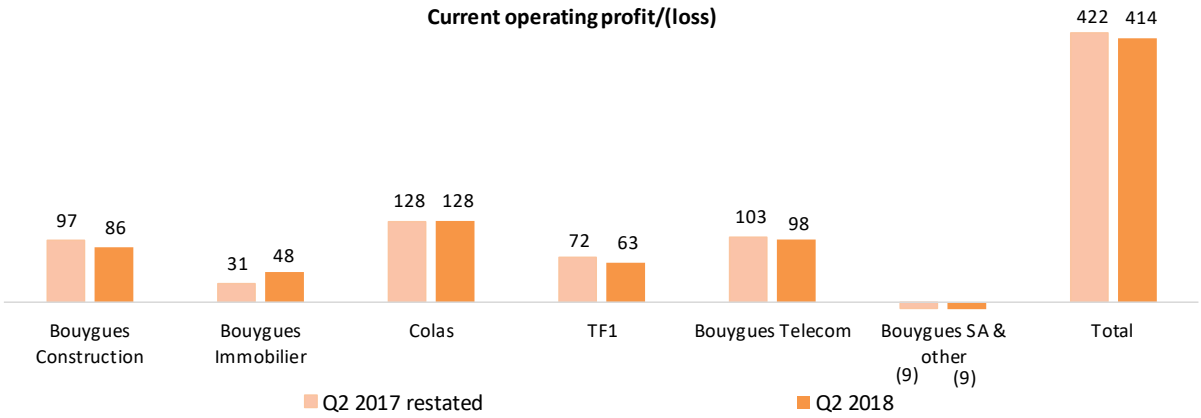
	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Income statement: 1st half of 2018							
Sales of goods	76		951	53	338		1,418
Advertising				812			812
Sales of services	1,415	19	169	219	2,225	76	4,123
Other sales from construction businesses	4,235	1,121	4,241				9,597
Total sales	5,726	1,140	5,361	1,084	2,563	76	15,950
Inter-segment sales	(84)	(1)	(27)	(22)	(12)	(61)	(207)
Third-party sales	**5,642**	**1,139**	**5,334**	**1,062**	**2,551**	**15**	**15,743**
Current operating profit/(loss)	**167**	**77**	**(174)**	**101**	**148**	**(16)**	**303**
Operating profit/(loss)	**167**	**77**	**(174)**	**90**	**239**	**(16)**	**383**
Share of net profits/(losses) of joint ventures and associates	**1**	**(1)**	**17**			**72**	**89**
Net profit/(loss) attributable to the Group	**139**	**42**	**(126)**	**29**	**141**	**35**	**260** [a]
Income statement: 1st half of 2017 restated							
Sales of goods	64		801	54	321		1,240
Advertising				784			784
Sales of services	1,483	25	176	205	2,085	73	4,047
Other sales from construction businesses	4,167	1,098	4,025				9,290
Total sales	5,714	1,123	5,002	1,043	2,406	73	15,361
Inter-segment sales	(92)	(11)	(45)	(28)	(11)	(66)	(253)
Third-party sales	**5,622**	**1,112**	**4,957**	**1,015**	**2,395**	**7**	**15,108**
Current operating profit/(loss)	**196**	**62**	**(136)**	**108**	**135**	**(18)**	**347**
Operating profit/(loss)	**196**	**62**	**(140)**	**96**	**183**	**(18)**	**379**
Share of net profits/(losses) of joint ventures and associates		**(1)**	**33**	**7**		**46**	**85**
Net profit/(loss) attributable to the Group	**159**	**30**	**(85)**	**33**	**108**	**(25)**	**220** [b]





(a) Net profit attributable to the Group excluding exceptional items for the first half of 2018 amounts to €209m, and corresponds to the net profit attributable to the Group adjusted by €(51)m to exclude non-current income net of taxes.
(b) Net profit attributable to the Group excluding exceptional items for the first half of 2017 amounts to €197m, and corresponds to the net profit attributable to the Group adjusted by €(23)m to exclude non-current income net of taxes.

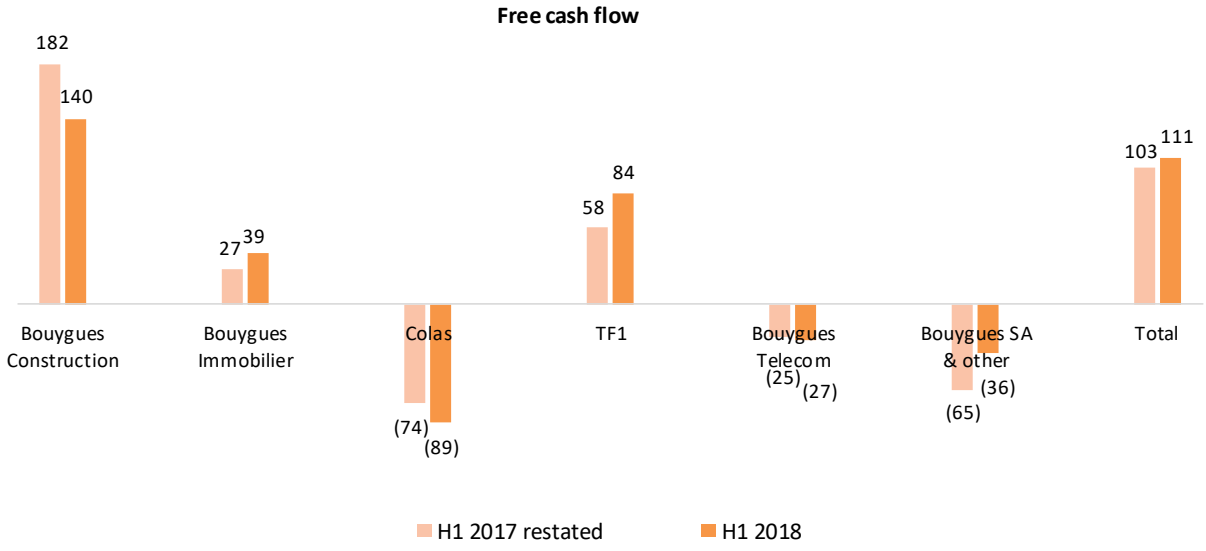
	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total	
Income statement: 2nd quarter of 2018								
Sales of goods	47		658	28	162		**895**	
Advertising				443			**443**	
Sales of services	731	10		114	1,120	39	**2,014**	
Other sales from construction businesses	2,209	643	2,805				**5,657**	
Total sales	2,987	653	3,463	585	1,282	39	**9,009**	
Inter-segment sales	(33)	(1)	(12)	(9)	(7)	(30)	**(92)**	
Third-party sales	**2,954**	**652**	**3,451**	**576**	**1,275**	**9**	**8,917**	
Current operating profit/(loss)	**86**	**48**	**128**	**63**	**98**	**(9)**	**414**	
Operating profit/(loss)	**86**	**48**	**128**	**58**	**128**	**(9)**	**439**	
Share of net profits/(losses) of joint ventures and associates		**(1)**	**8**			**(1)**	**6**	
Net profit/(loss) attributable to the Group	**76**	**25**	**85**	**18**	**73**	**(29)**	**248**	a
Income statement: 2nd quarter of 2017 restated								
Sales of goods	35		500	28	153		**716**	
Advertising				418			**418**	
Sales of services	748	13	73	94	1,043	32	**2,003**	
Other sales from construction businesses	2,163	596	2,501				**5,260**	
Total sales	2,946	609	3,074	540	1,196	32	**8,397**	
Inter-segment sales	(47)	(5)	(27)	(13)	(4)	(30)	**(126)**	
Third-party sales	**2,899**	**604**	**3,047**	**527**	**1,192**	**2**	**8,271**	
Current operating profit/(loss)	**97**	**31**	**128**	**72**	**103**	**(9)**	**422**	
Operating profit/(loss)	**97**	**31**	**128**	**66**	**158**	**(9)**	**471**	
Share of net profits/(losses) of joint ventures and associates			**10**				**10**	
Net profit/(loss) attributable to the Group	**80**	**14**	**104**	**21**	**94**	**(52)**	**261**	b



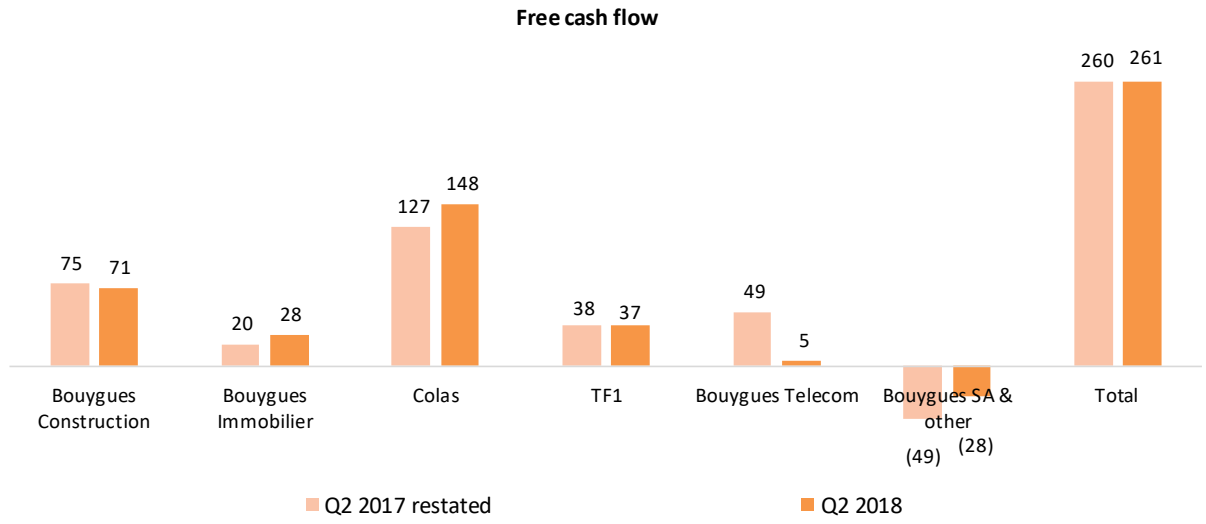
(a) Net profit attributable to the Group excluding exceptional items for the second quarter of 2018 amounts to €232m, and corresponds to the net profit attributable to the Group adjusted by €(16)m to exclude non-current income net of taxes.
(b) Net profit attributable to the Group excluding exceptional items for the second quarter of 2017 amounts to €230m, and corresponds to the net profit attributable to the Group adjusted by €(31)m to exclude non-current income net of taxes.

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Balance sheet: 30 June 2018							
Property, plant and equipment	**546**	**21**	**2,405**	**180**	**3,578**	**167**	**6,897**
Intangible assets	**37**	**34**	**100**	**216**	**1,648**	**53**	**2,088**
Net debt	**2,993**	**(491)**	**(1,314)**	**(122)**	**(1,201)**	**(4,907)**	**(5,042)**
Balance sheet: 31 December 2017 restated							
Property, plant and equipment	**573**	**20**	**2,383**	**178**	**3,338**	**166**	**6,658**
Intangible assets	**40**	**37**	**90**	**231**	**1,682**	**52**	**2,132**
Net debt	**3,409**	**(86)**	**433**	**257**	**(976)**	**(4,954)**	**(1,917)**

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 1st half of 2018							
Cash flow after cost of net debt and income tax (I)	**204**	**43**	**63**	**172**	**434**	**(34)**	**882**
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	**(64)**	**(4)**	**(152)**	**(88)**	**(461)**	**(2)**	**(771)**
Free cash flow (I) + (II)	**140**	**39**	**(89)**	**84**	**(27)**	**(36)**	**111**
Cash flow	**239**	**68**	**35**	**201**	**513**	**(10)**	**1,046**
EBITDA	**173**	**53**	**(47)**	**223**	**549**	**(19)**	**932**
Other financial indicators: 1st half of 2017 restated							
Cash flow after cost of net debt and income tax (I)	**216**	**38**	**64**	**149**	**380**	**(60)**	**787**
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	**(34)**	**(11)**	**(138)**	**(91)**	**(405)**	**(5)**	**(684)**
Free cash flow (I) + (II)	**182**	**27**	**(74)**	**58**	**(25)**	**(65)**	**103**
Cash flow	**263**	**62**	**45**	**183**	**440**	**(7)**	**986**
EBITDA	**200**	**53**	**(1)**	**187**	**490**	**(15)**	**914**



	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 2nd quarter of 2018							
Cash flow after cost of net debt and income tax (I)	**115**	**30**	**221**	**85**	**242**	**(29)**	**664**
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	**(44)**	**(2)**	**(73)**	**(48)**	**(237)**	**1**	**(403)**
Free cash flow (I) + (II)	**71**	**28**	**148**	**37**	**5**	**(28)**	**261**
Cash flow	**129**	**48**	**267**	**106**	**286**	**(8)**	**828**
EBITDA	**122**	**50**	**207**	**122**	**302**	**(8)**	**795**
Other financial indicators: 2nd quarter of 2017 restated							
Cash flow after cost of net debt and income tax (I)	**91**	**25**	**217**	**77**	**191**	**(46)**	**555**
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	**(16)**	**(5)**	**(90)**	**(39)**	**(142)**	**(3)**	**(295)**
Free cash flow (I) + (II)	**75**	**20**	**127**	**38**	**49**	**(49)**	**260**
Cash flow	**115**	**39**	**248**	**101**	**243**	**(3)**	**743**
EBITDA	**106**	**40**	**211**	**113**	**271**	**(8)**	**733**



NOTE 12 OFF BALANCE SHEET COMMITMENTS

For changes in off balance sheet commitments relating to Alstom, refer to Note 1.3 to the consolidated financial statements.

For changes in off balance sheet commitments relating to Colas and the acquisition of the entire share capital of the Miller McAsphalt group, refer to Note 1.1 to the consolidated financial statements.

There have been no material changes in the Bouygues group's other off balance sheet commitments since 31 December 2017.

NOTE 13 RELATED PARTY DISCLOSURES

Transactions with: *(€ million)*	Expenses		Income		Receivables		Payables	
	H1 2018	H1 2017 restated	H1 2018	H1 2017 restated	30/06/2018	31/12/2017 restated	30/06/2018	31/12/2017 restated
Parties with an ownership interest	3	3						
Joint operations	53	45	114	156	230	260	296	268
Joint ventures and associates	12	14	65	48	207	145	30	29
Other related parties	14	21	55	62	77	91	47	51
Total	**82**	**83**	**234**	**266**	**514**	**496**	**373**	**348**
. Maturity								
less than 1 year					472	457	373	345
1 to 5 years						22		3
more than 5 years					42	17		
. of which impairment of doubtful receivables								
(mainly non-consolidated companies)					72	71		

NOTE 14 IMPACTS OF FIRST-TIME APPLICATION OF IFRS 15, "REVENUE FROM CONTRACTS WITH CUSTOMERS" AND IFRS 9, "FINANCIAL INSTRUMENTS"

This note presents the effect of first-time application of IFRS 15 and IFRS 9 on the consolidated financial statements and key performance indicators of the Bouygues group.

The Bouygues group is applying IFRS 15 with effect from 1 January 2018, with retrospective application and presentation of comparatives. The impacts on the balance sheet as of 31 December 2016, and on the financial statements as of 30 June 2017 and 31 December 2017, are presented below.

The principal restatements arising from the first-time application of IFRS 15 relate to:

- Construction businesses (Bouygues Construction, Bouygues Immobilier and Colas), and especially at Bouygues Immobilier, in particular off-plan sales under "VEFA" (*Ventes en l'État Futur d'Achèvement*) contracts in France. The principle of recognising revenue and margin over time is not called into question by IFRS 15. However, the calculation of the percentage of completion on residential and commercial property development projects now incorporates land-related costs. This means that more revenue and margin are recognised at the start of the project as compared with previous practice. The resulting restatement increases shareholders' equity as of 31 December 2016 by €64 million, net of deferred taxes.

  For Bouygues Construction and Colas, the method used to recognise revenue over time is consistent with IFRS 15.

- Bouygues Telecom, as a result of the identification of two performance obligations on business and consumer contracts that combine a subscription with a subsidised handset; such contracts have to be split into separate components. Under IFRS 15, there are changes to (i) the split between the sale of the handset and the supply of the service and (ii) the revenue recognition pattern. This leads to accelerated revenue recognition on sales of handsets, resulting in a trade receivable being reported in the balance sheet for the difference between (i) the price paid by the customer on initial subscription and (ii) the transaction price. This asset is charged to profit or loss over the average life of the contract. Further impacts relate to certain contract origination and execution costs previously recognised as an expense in the period or capitalised, which under IFRS 15 are recognised in "Customer contract assets" and "Customer contract liabilities" in the balance sheet on signature of the contract and then charged as an operating expense over the average life of the contract. The resulting restatement increases shareholders' equity as of 31 December 2016 by €165 million, net of deferred taxes.

- TF1, where IFRS 15 changes the accounting treatment of distribution contracts, and the date of recognition of revenue generated by rights sales (especially TV and SVoD[a]), but with no material impact.

In addition, two new line items have been added to the consolidated balance sheet:

- **"Customer contract assets"**, which consists of the following items:
  - Customer contract origination and execution costs, previously recognised as an expense in the period or capitalised.
  - Differences relating to the percentage of completion on a contract, previously recognised in "Trade receivables".

(a) Subscription Video on Demand, where users have unlimited access to a video catalogue in return for a monthly subscription.

- **"Customer contract liabilities"**, which consists of the following items:
  - Advances and down-payments received on orders, previously reported as a separate line item on the liabilities side of the balance sheet.
  - Differences relating to the percentage of completion on a contract, previously recognised in "Other current liabilities".

	30/06/2018	31/12/2017 restated
Customer contract origination costs	196	190
Customer contract execution costs	223	186
Differences relating to percentage of completion on a contract	1,618	1,194
CUSTOMER CONTRACT ASSETS	**2,037**	**1,570**

	30/06/2018	31/12/2017 restated
Advances and down-payments received on orders	1,361	959 [a]
Differences relating to percentage of completion on a contract	2,470	2,225
CUSTOMER CONTRACT LIABILITIES	**3,831**	**3,184**

(a) "Advances and down-payments received on orders" amounts to €959m, after IFRS 15 restatements.

The Bouygues group is applying the classification, measurement and impairment principles of IFRS 9 retrospectively with effect from 1 January 2018, with no restatement of prior period comparatives on first-time application. The hedge accounting principles of IFRS 9 are also being applied with effect from 1 January 2018, using a prospective approach in accordance with the standard.

The principal restatements arising from the first-time application of IFRS 9 as of 31 December 2017 relate to:

- Investments in non-consolidated companies measured at fair value, for which the Group may elect, for each investment, to recognise changes in fair value either in shareholders' equity or in profit or loss.

- Impairment charged against trade receivables, which are based on expected losses.

The finalisation of the transition project confirmed the income statement impacts as presented in Note 23 to the consolidated financial statements for the year ended 31 December 2017, and led to a few reclassifications in the interim balance sheets within line items that impact on working capital related to operating activities.
Finally, shareholders' equity as of 31 December 2017 after application of IFRS 9 and IFRS 15 amounts to €10,416 million, compared with €10,409 million as presented in Note 23 to the consolidated financial statements for the year ended 31 December 2017. The difference is due to the finalisation of the IFRS 9 transition project.

Consolidated financial statements as of 31 December 2016, restated for IFRS 15

Balance sheet

ASSETS	31/12/2016 published	Construction businesses [a]	Bouygues Telecom	TF1 & other	Total IFRS 15 impacts	31/12/2016 restated
Property, plant and equipment	6,566		(154)		(154)	6,412
Intangible assets	2,180					2,180
Goodwill	5,367					5,367
Investments in joint ventures and associates	2,429					2,429
Other non-current financial assets	523					523
Deferred tax assets and non-current tax receivable	367	(19)			(19)	348
NON-CURRENT ASSETS	**17,432**	**(19)**	**(154)**		**(173)**	**17,259**
Inventories	2,955	(191)			(191)	2,764
Advances and down-payments made on orders	395					395
Trade receivables	6,367	(777)	229		(548)	5,819
Customer contract assets		1,128	311		1,439	1,439
Tax asset (receivable)	285					285
Other current receivables and prepaid expenses	2,509	(19)			(19)	2,490
Cash and cash equivalents	4,749					4,749
Financial instruments – Hedging of debt	17					17
Other current financial assets	24					24
CURRENT ASSETS	**17,301**	**141**	**540**		**681**	**17,982**
Held-for-sale assets and operations	121					121
TOTAL ASSETS	**34,854**	**122**	**386**		**508**	**35,362**
LIABILITIES AND SHAREHOLDERS' EQUITY	**31/12/2016 published**	**Construction businesses [a]**	**Bouygues Telecom**	**TF1 & other**	**Total IFRS 15 impacts**	**31/12/2016 restated**
Share capital	355					355
Share premium and reserves	6,925	64	149		213	7,138
Translation reserve	128					128
Treasury shares						
Consolidated net profit/(loss)	732					732
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	**8,140**	**64**	**149**		**213**	**8,353**
Non-controlling interests	1,280		16	(1)	15	1,295
SHAREHOLDERS' EQUITY	**9,420**	**64**	**165**	**(1)**	**228**	**9,648**
Non-current debt	6,180					6,180
Non-current provisions	2,199	(21)			(21)	2,178
Deferred tax liabilities and non-current tax liabilities	159	15	118		133	292
NON-CURRENT LIABILITIES	**8,538**	**(6)**	**118**		**112**	**8,650**
Advances and down-payments received on orders	1,010	(1,002)	(5)	(3)	(1,010)	
Current debt	265					265
Current taxes payable	109					109
Trade payables	7,140	124			124	7,264
Customer contract liabilities		3,221	210	17	3,448	3,448
Current provisions	1,002		(8)		(8)	994
Other current liabilities	7,159	(2,279)	(94)	(13)	(2,386)	4,773
Overdrafts and short-term bank borrowings	168					168
Financial instruments – Hedging of debt	19					19
Other current financial liabilities	24					24
CURRENT LIABILITIES	**16,896**	**64**	**103**	**1**	**168**	**17,064**
Liabilities related to held-for-sale operations						
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**34,854**	**122**	**386**		**508**	**35,362**
Net surplus cash/(net debt)	**(1,866)**					**(1,866)**

(a) Comprises Bouygues Construction, Bouygues Immobilier and Colas.

Consolidated financial statements as of 30 June 2017, restated for IFRS 15

Balance sheet

ASSETS	30/06/2017 published	Construction businesses [a]	Bouygues Telecom	TF1 & other	Total IFRS 15 impacts	30/06/2017 restated
Property, plant and equipment	6,689		(163)		(163)	6,526
Intangible assets	2,171					2,171
Goodwill	5,391					5,391
Investments in joint ventures and associates	2,449					2,449
Other non-current financial assets	566					566
Deferred tax assets and non-current tax receivable	403	(15)			(15)	388
NON-CURRENT ASSETS	**17,669**	**(15)**	**(163)**		**(178)**	**17,491**
Inventories	3,363	(183)			(183)	3,180
Advances and down-payments made on orders	413					413
Trade receivables	7,372	(1,168)	219		(949)	6,423
Customer contract assets		1,499	320		1,819	1,819
Tax asset (receivable)	285					285
Other current receivables and prepaid expenses	2,682	(16)			(16)	2,666
Cash and cash equivalents	3,149					3,149
Financial instruments – Hedging of debt	16					16
Other current financial assets	22					22
CURRENT ASSETS	**17,302**	**132**	**539**		**671**	**17,973**
Held-for-sale assets and operations	90					90
TOTAL ASSETS	**35,061**	**117**	**376**		**493**	**35,554**
LIABILITIES AND SHAREHOLDERS' EQUITY	**30/06/2017 published**	**Construction businesses [a]**	**Bouygues Telecom**	**TF1 & other**	**Total IFRS 15 impacts**	**30/06/2017 restated**
Share capital	357					357
Share premium and reserves	7,186	64	149		213	7,399
Translation reserve	101					101
Treasury shares						
Consolidated net profit/(loss)	240	(7)	(13)		(20)	220
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	**7,884**	**57**	**136**		**193**	**8,077**
Non-controlling interests	1,289		14		14	1,303
SHAREHOLDERS' EQUITY	**9,173**	**57**	**150**		**207**	**9,380**
Non-current debt	6,182					6,182
Non-current provisions	2,110	(21)			(21)	2,089
Deferred tax liabilities and non-current tax liabilities	193	15	106	(1)	120	313
NON-CURRENT LIABILITIES	**8,485**	**(6)**	**106**	**(1)**	**99**	**8,584**
Advances and down-payments received on orders	1,061	(1,051)	(4)	(6)	(1,061)	
Current debt	758					758
Current taxes payable	83					83
Trade payables	6,966	119			119	7,085
Customer contract liabilities		3,141	225	29	3,395	3,395
Current provisions	842		(8)		(8)	834
Other current liabilities	7,192	(2,143)	(93)	(22)	(2,258)	4,934
Overdrafts and short-term bank borrowings	473					473
Financial instruments – Hedging of debt	17					17
Other current financial liabilities	11					11
CURRENT LIABILITIES	**17,403**	**66**	**120**	**1**	**187**	**17,590**
Liabilities related to held-for-sale operations						
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**35,061**	**117**	**376**		**493**	**35,554**
Net surplus cash/(net debt)	**(4,265)**					**(4,265)**

(a) Comprises Bouygues Construction, Bouygues Immobilier and Colas.

Income statement

	H1 2017 published	Construction businesses [a]	Bouygues Telecom	TF1 & other	Total IFRS 15 impacts	H1 2017 restated
SALES	**15,162**	**(32)**	**(28)**	**6**	**(54)**	**15,108**
Other revenues from operations	68					68
Purchases used in production	(6,993)	17			17	(6,976)
Personnel costs	(3,673)	2			2	(3,671)
External charges	(3,488)	4	(29)	(5)	(30)	(3,518)
Taxes other than income tax	(365)					(365)
Net depreciation & amortisation expense	(750)		30	(1)	29	(721)
Charges to provisions & impairment losses, net of reversals due to utilisation	(2)					(2)
Change in production and property development inventories	107	(2)			(2)	105
Other income from operations	649					649
Other expenses on operations	(330)					(330)
CURRENT OPERATING PROFIT/(LOSS)	**385**	**(11)**	**(27)**		**(38)**	**347**
Other operating income	81					81
Other operating expenses	(49)					(49)
OPERATING PROFIT/(LOSS)	**417**	**(11)**	**(27)**		**(38)**	**379**
Financial income	10					10
Financial expenses	(125)					(125)
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)	**(115)**					**(115)**
Other financial income	41					41
Other financial expenses	(34)					(34)
Income tax	(100)	4	12		16	(84)
Share of net profits/losses of joint ventures and associates	85					85
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	**294**	**(7)**	**(15)**		**(22)**	**272**
Net profit/(loss) from discontinued and held-for-sale operations						
NET PROFIT/(LOSS)	**294**	**(7)**	**(15)**		**(22)**	**272**
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**240**	**(7)**	**(13)**		**(20)**	**220**
Net profit/(loss) attributable to non-controlling interests	54		(2)		(2)	52
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (€)	**0.67**					**0.62**
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (€)	**0.67**					**0.61**
EBITDA	**981**	**(11)**	**(57)**	**1**	**(67)**	**914**

(a) Comprises Bouygues Construction, Bouygues Immobilier and Colas.

Cash flow statement

	H1 2017 published	Construction businesses [a]	Bouygues Telecom	TF1 & other	Total IFRS 15 impacts	H1 2017 restated
I - CASH FLOW FROM CONTINUING OPERATIONS						
A - NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES						
Net profit/(loss) from continuing operations	294	(7)	(15)		(22)	272
Adjustments:						
Share of profits/losses reverting to joint ventures and associates, net of dividends received	(56)					(56)
Dividends from non-consolidated companies	(14)					(14)
Net charges to/(reversals of) depreciation, amortisation and non-current impairment and provisions	746		(30)	1	(29)	717
Gains and losses on asset disposals	(124)					(124)
Miscellaneous non-cash charges	(8)					(8)
Cash flow after income from net surplus cash/(cost of net debt) and income tax	**838**	**(7)**	**(45)**	**1**	**(51)**	**787**
Reclassification of (income from net surplus cash)/cost of net debt	115					115
Elimination of income tax	100	(4)	(12)		(16)	84
Cash flow	**1,053**	**(11)**	**(57)**	**1**	**(67)**	**986**
Income taxes paid	(64)					(64)
Changes in working capital related to operating activities (including current impairment and provisions)	(1,915)	11	18		29	(1,886)
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES	**(926)**		**(39)**	**1**	**(38)**	**(964)**
B - NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES						
Purchase price of property, plant & equipment and intangible assets	(911)		39	(1)	38	(873)
Proceeds from disposals of property, plant & equipment and intangible assets	189					189
Net liabilities related to property, plant & equipment and intangible assets	(93)					(93)
Purchase price of non-consolidated companies and other investments	(33)					(33)
Proceeds from disposals of non-consolidated companies and other investments	10					10
Net liabilities related to non-consolidated companies and other investments	67					67
Purchase price of investments in consolidated activities	(124)					(124)
Proceeds from disposals of consolidated activities	87					87
Net liabilities related to consolidated activities	(3)					(3)
Other effects of changes in scope of consolidation: cash of acquired or divested companies	5					5
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies	(10)					(10)
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	**(816)**		**39**	**(1)**	**38**	**(778)**
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES						
Capital increases/(reductions) paid by shareholders & non-controlling interests and other transactions between shareholders	64					64
Dividends paid to shareholders of the parent company	(568)					(568)
Dividends paid by consolidated companies to non-controlling interests	(39)					(39)
Change in current and non-current debt	508					508
Income from net surplus cash/(cost of net debt)	(115)					(115)
Other cash flows related to financing activities	42					42
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	**(108)**					**(108)**
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	**(56)**					**(56)**
CHANGE IN NET CASH POSITION (A + B + C + D)	**(1,906)**					**(1,906)**
NET CASH POSITION AT START OF PERIOD	**4,581**					**4,581**
Net cash flows	(1,906)					(1,906)
Other non-monetary flows	1					1
NET CASH POSITION AT END OF PERIOD	**2,676**					**2,676**
FREE CASH FLOW	**116**	**(7)**	**(6)**		**(13)**	**103**

(a) Comprises Bouygues Construction, Bouygues Immobilier and Colas.

Consolidated financial statements as of 31 December 2017, restated for IFRS 15 and IFRS 9

Balance sheet

ASSETS	31/12/2017 published	Construction businesses [a]	Bouygues Telecom	TF1 & other	Total IFRS 15 impacts	IFRS 9 impacts	31/12/2017 restated
Property, plant and equipment	6,858		(199)	(1)	(200)		6,658
Intangible assets	2,132						2,132
Goodwill	5,385						5,385
Investments in joint ventures and associates	2,502						2,502
Other non-current financial assets	563			(1)	(1)	6	568
Deferred tax assets and non-current tax receivable	337	(14)			(14)		323
NON-CURRENT ASSETS	**17,777**	**(14)**	**(199)**	**(2)**	**(215)**	**6**	**17,568**
Inventories	3,037	(215)			(215)		2,822
Advances and down-payments made on orders	432						432
Trade receivables	6,732	(812)	233		(579)	(23)	6,130
Customer contract assets		1,194	376		1,570		1,570
Tax asset (receivable)	331						331
Other current receivables and prepaid expenses	2,581	(21)		2	(19)		2,562
Cash and cash equivalents	4,820						4,820
Financial instruments – Hedging of debt	15						15
Other current financial assets	15						15
CURRENT ASSETS	**17,963**	**146**	**609**	**2**	**757**	**(23)**	**18,697**
Held-for-sale assets and operations	38						38
TOTAL ASSETS	**35,778**	**132**	**410**		**542**	**(17)**	**36,303**

LIABILITIES AND SHAREHOLDERS' EQUITY	31/12/2017 published	Construction businesses [a]	Bouygues Telecom	TF1 & other	Total IFRS 15 impacts	IFRS 9 impacts	31/12/2017 restated
Share capital	366						366
Share premium and reserves	7,488	64	149		213	(23)	7,678
Translation reserve	(88)						(88)
Treasury shares							
Consolidated net profit/(loss)	1,085	1	(4)		(3)		1,082
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP	**8,851**	**65**	**145**		**210**	**(23)**	**9,038**
Non-controlling interests	1,359		15		15	4	1,378
SHAREHOLDERS' EQUITY	**10,210**	**65**	**160**		**225**	**(19)**	**10,416**
Non-current debt	5,788					3	5,791
Non-current provisions	2,085	(27)			(27)		2,058
Deferred tax liabilities and non-current tax liabilities	147	20	113		133	(1)	279
NON-CURRENT LIABILITIES	**8,020**	**(7)**	**113**		**106**	**2**	**8,128**
Advances and down-payments received on orders	1,101	(1,093)	(4)	(4)	(1,101)		
Current debt	736						736
Current taxes payable	115						115
Trade payables	7,349	140			140		7,489
Customer contract liabilities		2,895	266	23	3,184		3,184
Current provisions	889	1	(5)		(4)		885
Other current liabilities	7,109	(1,869)	(120)	(19)	(2,008)		5,101
Overdrafts and short-term bank borrowings	209						209
Financial instruments – Hedging of debt	16						16
Other current financial liabilities	24						24
CURRENT LIABILITIES	**17,548**	**74**	**137**		**211**		**17,759**
Liabilities related to held-for-sale operations							
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**35,778**	**132**	**410**		**542**	**(17)**	**36,303**
NET SURPLUS CASH/(NET DEBT)	**(1,914)**					**(3)**	**(1,917)**

(a) Comprises Bouygues Construction, Bouygues Immobilier and Colas.

The impacts of IFRS 9 relate primarily to Colas, and to the recognition of impairment of trade receivables on the basis of expected losses.

Non-current financial assets

The tables below show financial assets by category and impairment losses, included in "Other non-current financial assets", in accordance with IFRS 9:

	Available-for-sale financial assets			Financial assets at fair value through profit or loss	Held-to-maturity assets	Loans and receivables	Total
31/12/2016 published	**187**				**78**	**258**	**523**
Movements during 2017					13	27	40
31/12/2017 published	**187**			**0**	**91**	**285**	**563**
Due within less than 1 year	1					14	15
Due within 1 to 5 years						80	80
Due after more than 5 years	186				91	191	468
31/12/2017 restated	**Fair value through OCI [a]**	**Fair value through profit or loss**	**Amortised cost**	**Fair value through profit or loss**	**Amortised cost**	**Amortised cost**	**Total**
CARRYING AMOUNT	129	57	7	0	91	284	568

31/12/2017 restated	Total fair value through OCI [a]	Total fair value through profit or loss	Total amortised cost	Total
CARRYING AMOUNT	129	57	382	568

(a) Movements recognised in "Other Comprehensive Income" (consolidated statement of recognised income and expense).

Current financial assets

	31/12/2017 published		
	Gross value	**Impairment**	**Carrying amount**
Trade receivables	7,313	(581)	6,732
Current tax assets (tax receivable)	333	(2)	331
Other current receivables			
• Employees, social security, government and other	1,440	(10)	1,43
• Other receivables	1,051	(198)	853
• Prepaid expenses	298		298
TOTAL OTHER CURRENT RECEIVABLES & PREPAID EXPENSES	**2,789**	**(208)**	**2,581**
TOTAL	**10,435**	**(791)**	**9,644**

	31/12/2017 restated		
	Gross value	**Impairment**	**Carrying amount**
Trade receivables	6,734	(604)	6,13
Customer contract assets	1,570		1,57
Current tax assets (tax receivable)	333	(2)	331
Other current receivables & prepaid expenses			
• Employees, social security, government and other	1,421	(10)	1,411
• Other receivables	1,051	(198)	853
• Prepaid expenses	298		298
TOTAL OTHER CURRENT RECEIVABLES & PREPAID EXPENSES	**2,770**	**(208)**	**2,562**
TOTAL	**11,407**	**(814)**	**10,593**

Income statement

	2017 published	Construction businesses [a]	Bouygues Telecom	TF1 & other	Total IFRS 15 impacts	2017 restated
SALES	**32,904**	**37**	**(26)**	**8**	**19**	**32,923**
Other revenues from operations	150					150
Purchases used in production	(15,287)	(16)			(16)	(15,303)
Personnel costs	(7,336)					(7,336)
External charges	(7,280)		(39)	(8)	(47)	(7,327)
Taxes other than income tax	(668)	(1)		1		(668)
Net depreciation & amortisation expense	(1,655)		59		59	(1,596)
Charges to provisions & impairment losses, net of reversals due to utilisation	(330)					(330)
Change in production and property development inventories	85	(25)			(25)	60
Other income from operations	1,672		(3)	(1)	(4)	1,668
Other expenses on operations	(835)					(835)
CURRENT OPERATING PROFIT/(LOSS)	**1,420**	**(5)**	**(9)**		**(14)**	**1,406**
Other operating income	233					233
Other operating expenses	(120)					(120)
OPERATING PROFIT/(LOSS)	**1,533**	**(5)**	**(9)**		**(14)**	**1,519**
Financial income	25					25
Financial expenses	(251)					(251)
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)	**(226)**					**(226)**
Other financial income	113					113
Other financial expenses	(75)					(75)
Income tax	(303)		4		4	(299)
Share of net profits/losses of joint ventures and associates	163	6			6	169
NET PROFIT/(LOSS) FROM CONTINUING OPERATIONS	**1,205**	**1**	**(5)**		**(4)**	**1,201**
Net profit/(loss) from discontinued and held-for-sale operations						
NET PROFIT/(LOSS)	**1,205**	**1**	**(5)**		**(4)**	**1,201**
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**1,085**	**1**	**(4)**		**(3)**	**1,082**
Net profit/(loss) attributable to non-controlling interests	120		(1)		(1)	119
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (€)	**3.03**					**3.02**
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (€)	**3.01**					**3.00**
EBITDA	**2,968**	**(5)**	**(65)**		**(70)**	**2,898**

(a) Comprises Bouygues Construction, Bouygues Immobilier and Colas.

Cash flow statement

	2017 published	Construction businesses [a]	Bouygues Telecom	TF1 & other	Total IFRS 15 impacts	2017 restated
I - CASH FLOW FROM CONTINUING OPERATIONS						
A - NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES						
Net profit/(loss) from continuing operations	1,205	1	(5)		(4)	1,201
Adjustments:						
Share of profits/losses reverting to joint ventures and associates, net of dividends received	(87)	(6)			(6)	(93)
Dividends from non-consolidated companies	(19)					(19)
Net charges to/(reversals of) depreciation, amortisation and non-current impairment and provisions	1,638		(59)		(59)	1,579
Gains and losses on asset disposals	(367)					(367)
Miscellaneous non-cash charges	(15)					(15)
Cash flow after income from net surplus cash/(cost of net debt) and income tax	**2,355**	**(5)**	**(64)**		**(69)**	**2,286**
Reclassification of (income from net surplus cash)/cost of net debt	226					226
Elimination of income tax	303		(4)		(4)	299
Cash flow	**2,884**	**(5)**	**(68)**		**(73)**	**2,811**
Income taxes paid	(236)					(236)
Changes in working capital related to operating activities (including current impairment and provisions)	(484)	5	(36)	(1)	(32)	(516)
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES	**2,164**		**(104)**	**(1)**	**(105)**	**2,059**
B - NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES						
Purchase price of property, plant & equipment and intangible assets	(2,036)		104	1	105	(1,931)
Proceeds from disposals of property, plant & equipment and intangible assets	509					509
Net liabilities related to property, plant & equipment and intangible assets	6					6
Purchase price of non-consolidated companies and other investments	(43)					(43)
Proceeds from disposals of non-consolidated companies and other investments	33					33
Net liabilities related to non-consolidated companies and other investments	65					65
Purchase price of investments in consolidated activities	(191)					(191)
Proceeds from disposals of consolidated activities	121					121
Net liabilities related to consolidated activities	(2)					(2)
Other effects of changes in scope of consolidation: cash of acquired or divested companies	(9)					(9)
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies	(39)					(39)
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES	**(1,586)**		**104**	**1**	**105**	**(1,481)**
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES						
Capital increases/(reductions) paid by shareholders & non-controlling interests and other transactions between shareholders	326					326
Dividends paid to shareholders of the parent company	(568)					(568)
Dividends paid by consolidated companies to non-controlling interests	(38)					(38)
Change in current and non-current debt	123					123
Income from net surplus cash/(cost of net debt)	(226)					(226)
Other cash flows related to financing activities	21					21
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES	**(362)**					**(362)**
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	**(187)**					**(187)**
CHANGE IN NET CASH POSITION (A + B + C + D)	**29**					**29**
NET CASH POSITION AT START OF PERIOD	**4,581**					**4,581**
Net cash flows	29					29
Other non-monetary flows	1					1
NET CASH POSITION AT END OF PERIOD	**4,611**					**4,611**
FREE CASH FLOW	**828**	**(5)**	**40**	**1**	**36**	**864**

(a) Comprises Bouygues Construction, Bouygues Immobilier and Colas.