



## Press Release

PARIS

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## RESULTS FOR THE FIRST NINE MONTHS OF 2018

- **VERY GOOD COMMERCIAL PERFORMANCE IN ALL BUSINESSES**
- **STRONG GROWTH IN RESULTS AT BOUYGUES TELECOM**
- **NET PROFIT UP YEAR-ON-YEAR**
- **CONFIRMATION OF THE OUTLOOK ANNOUNCED IN OCTOBER 2018**

*The condensed consolidated interim financial statements at 30 September 2018 are presented in comparison with the financial statements at 30 September 2017, restated to take account of the adoption of IFRS 15 on 1 January 2018.*

KEY FIGURES (€ million)	9-month 2017 Restated	9-month 2018	Change
Sales	23,752	25,219	+6% <sup>a</sup>
Current operating profit	933	820	-€113m
Operating profit	1,015 <sup>b</sup>	1,018 <sup>c</sup>	+€3m
Net profit attributable to the Group	689	772	+€83m
Net debt (-)/Net surplus cash (+) at 30 September	(3,707)	(5,498)	-€1,791m

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

(b) Including non-current charges of €17m at TF1 and €5m at Colas and non-current income of €105m at Bouygues Telecom

(c) Including non-current charges of €16m at TF1 and non-current income of €214m at Bouygues Telecom

Highlights of the first nine months of 2018:

- **Very good commercial performance in all businesses:**
  - At Bouygues Telecom, 452,000 new mobile plan customers excluding MtoM, and 201,000 new FTTH customers in the first nine months of 2018 (199,000 and 76,000 new customers respectively in third-quarter 2018);
  - Backlog in the construction businesses at a record level of €33.8 billion at end-September 2018, up 13% year-on-year and up 15% at constant exchange rates;
  - 7% increase in third-quarter 2018 advertising revenue at TF1 and up 2.5% in the first nine months of 2018.
- **Strong growth in results at Bouygues Telecom:**
  - Increase of 6.5% in total sales and 5% in sales from services year-on-year in a particularly competitive market;
  - EBITDA margin of 29.4% in the first nine months of 2018, up 2.7 points in the first nine months of 2017.



The Group reported **current operating profit** of €820 million in the first nine months of 2018, versus €933 million in the first nine months of 2017. This is due to:

- a significant rise in profitability at Bouygues Telecom and good results at TF1 despite the cost of screening the Soccer World Cup;
- a decline in current operating profit in the construction businesses, affected by difficulties in completing three projects at Bouygues Energies & Services, and in Colas' specialized activities in France (strikes at French rail operator SNCF, which affected Colas Rail, and additional costs incurred in the handover of a pipe-laying project). The Group's current operating profit also includes costs of €16 million related to acquisitions (acquisition costs and purchase price allocation<sup>1</sup>).

The Group's **operating profit** remained stable at €1,018 million versus €1,015 million over the first nine months of 2017. It included non-current income of €198 million, of which non-current income at Bouygues Telecom of €110 million related to the cancellation of fees paid for the use of 1800 MHz frequencies prior to 2018, and €120 million related to the capital gain on the sale of sites to Cellnex.

**Net profit attributable to the Group** in the first nine months of 2018 was €772 million, up €83 million year-on-year.

## Outlook

The outlook announced in the press release of 18 October 2018 is confirmed.

**For 2018, the Group expects stable or slightly lower current operating profit versus 2017.**

- For the **construction businesses**, current operating profit<sup>2</sup> and current operating margin<sup>2</sup> are expected to decline in 2018 versus 2017 (by a few dozen basis points for the current operating margin). The Group is confident in the strengths and the good positioning of its construction businesses in a market exhibiting strong worldwide demand over the long term.
- **TF1** confirmed its targets during its results presentation on 30 October 2018. In 2018, TF1 should deliver a higher current operating margin than in 2017, excluding major sporting events.
- **Bouygues Telecom** is continuing its 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 an EBITDA/sales from services margin higher than in 2017 and gross capex of around €1.2 billion.

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(1) Amortization of intangible assets recognized as part of the allocation of the acquisition price

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



## DETAILED ANALYSIS BY SECTOR OF ACTIVITY

### CONSTRUCTION BUSINESSES

The backlog in the construction businesses at end-September 2018 reached a record €33.8 billion, up 13% versus end-September 2017, and up 15% at constant exchange rates. The backlog also offers greater visibility. At Bouygues Construction, for example, nearly half the projects booked at 30 September 2018 are due for completion in more than two years, versus 41% at end-September 2013 and 35% at end-September 2008.

In **France**, good commercial momentum continued, with the backlog in the **construction businesses** at 30 September 2018 up 5% year-on-year at €15.2 billion.

The backlog at **Bouygues Construction** at end-September 2018 was €9.4 billion, up 8% year-on-year. In third-quarter 2018, it included the CO'Met project in Orleans (conference center, sports hall and exhibition center) for €107 million and the 17 boulevard Morland renovation project in Paris for €146 million.

**Bouygues Immobilier** recorded a 1% year-on-year increase in backlog to €2.4 billion at 30 September 2018.

The backlog at **Colas** was €3.4 billion, up 3% on 30 September 2017, driven by a growing roads market and new rail contracts. The latter included a €108-million contract for the track, rigid overhead catenary and linear equipment for Line 15 South (East sector) of the Grand Paris Express rapid transport link.

In **international markets**, the Group is well-positioned in expanding markets and delivered a good commercial performance. The backlog at 30 September 2018 was €18.5 billion, up 20% year-on-year and up 24% at constant exchange rates (up 20% at constant exchange rates and excluding the Miller McAsphalt group). Bouygues Construction won several contracts, including one for the construction of a physics laboratory for the University of Cambridge in the United Kingdom for €281 million and the WestConnex tunnel in Australia for around €650 million.

At end-September 2018, international business represented 59% of the backlog at Bouygues Construction and Colas, versus 56% at end-September 2017.

The **construction businesses** reported sales of €19.7 billion in the first nine months of 2018, up 6% versus the first nine months of 2017. Like-for-like and at constant exchange rates, sales were up 4%.

Current operating profit was €406 million, versus €579 million in the first nine months of 2017.

In the first nine months of 2018, current operating profit at **Bouygues Immobilier** rose €17 million and the current operating margin was up 0.9 points to 6.5%, excluding the effect of the sale of Nextdoor<sup>1</sup> (€28 million in third-quarter 2017).

At **Bouygues Construction**, the building and civil works activities delivered a very good performance over the first nine months of 2018, recording a 0.4-point year-on-year rise in the margin to 4.1%. Overall, current operating profit fell €138 million year-on-year due to difficulties in completing three energies and services projects in Ireland and the United Kingdom.

**Colas** reported good results in its roads business in mainland France, where the current operating margin rose by 0.4 points over the first nine months of 2018, versus the first nine months of 2017. However, Colas experienced difficulties in its specialized activities in France due to strikes at the French rail operator SNCF and additional costs related to the handover of a pipe-laying project. As a result, current operating profit at Colas was down €24 million year-on-year.

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(1) Sale of 50% of Nextdoor and remeasurement of the residual interest



## TF1

Over the first nine months of 2018, the audience share at **TF1** advanced by 0.4 points for both of its target audiences, reaching 32.4% of women under 50 who are purchasing decision-makers and 29.2% of 25-49 year-olds.

**TF1** reported sales of €1,576 million, up 7% versus the first nine months of 2017, reflecting a good performance in advertising revenues linked to the success of the Soccer World Cup and the autumn programming schedules. Sales were also boosted by distribution of the TF1 Premium service and a diversification strategy that is beginning to pay off, especially with the consolidation of the digital activities.

Current operating profit in the first nine months of 2018 was €124 million, up €8 million year-on-year, reflecting integration of the new revenue streams and the Group's ability to optimize profitability by adapting its cost structure. The current operating margin held steady year-on-year at 7.9%. Excluding the cost of the Soccer World Cup, the current operating margin was 12.4%.

Operating profit in the first nine months of 2018 was €108 million, up €9 million year-on-year after factoring in non-current charges of €16 million related to the amortization of audiovisual rights remeasured as part of the acquisition of Newen Studios.

## BOUYGUES TELECOM

**Bouygues Telecom** continued its very good commercial momentum in the first nine months of 2018 and recorded robust growth in its financial results.

The company added 1.4 million mobile customers in the first nine months of 2018, of which 475,000 were in third-quarter 2018, for a total of 15.8 million mobile customers at end-September 2018. Mobile plan customers excluding MtoM reached 10.8 million, with 452,000 new adds in the first nine months of 2018, of which 199,000 were in third-quarter 2018.

According to the 2018 Arcep survey<sup>1</sup>, Bouygues Telecom ranked number 1 in rural areas for voice, text and data services and second on average nationwide, thanks to the quality of its mobile network and its coverage. In less dense areas, 87% of the shared network had already been rolled out by end-September 2018, with 95% planned for end-2018. Network densification continued in very dense areas with 2,000 additional mobile sites planned by 2022. 98% of the population had 4G coverage at end-September 2018. The target is to cover 99% of the population by the end of the year.

In the fixed segment, Bouygues Telecom added 162,000 customers in the first nine months of 2018, of which 71,000 were in third-quarter 2018, for a total of 3.6 million fixed customers at end-September 2018. Growth was driven by FTTH, with 201,000 new adds in the first nine months of 2018, of which 76,000 were in third-quarter 2018. Bouygues Telecom had 467,000 FTTH customers at 30 September 2018.

Bouygues Telecom reported sales of €3,934 million in the first nine months of 2018, up 6.5% year-on-year. Sales from services rose 5% to €3,172 million in a highly competitive market. This growth reflects the positive impact of the launch of a new range of fixed and mobile offers in second-quarter 2018.

EBITDA reached €931 million, up 15% on the first nine months of 2017. The EBITDA margin was 29.4%, up 2.7 points year-on-year. Excluding the cancellation of fees paid for the use of 1800 MHz frequencies, the EBITDA margin was up 2.1 points year-on-year.

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(1) Source: 19th Arcep annual quality of service survey of mobile operators in mainland France, published on 17 October 2018



Current operating profit in the first nine months of 2018 was €314 million, up 19% year-on-year.

Operating profit was €528 million in the first nine months of 2018, up 44% year-on-year. It included non-current income of €120 million related to the capital gain on the sale of sites to Cellnex and €110 million related to the cancellation of fees paid for the use of 1800 MHz frequencies accounted for prior to 2018.

Bouygues Telecom spent €920 million gross capex in the first nine months of 2018, in line with its plan of €1.2 billion gross capex for 2018.

As announced on 25 October 2018, Bouygues Telecom Entreprises has opened exclusive negotiations with a view to acquiring Keyyo Communications (listed on Euronext Growth Paris) in line with its strategy to increase its share of the fixed and mobile market in the fast-growing small-business sector. Completion of the transaction is subject to the usual conditions and closing of the public tender offer is expected during the first half of 2019.

## **ALSTOM**

As announced on 14 November, Alstom's contribution to the Group's net profit in the first nine months of 2018 was €230 million, versus a contribution of €105 million in the first nine months of 2017.

## **FINANCIAL SITUATION**

The Group maintained a robust financial position.

Net debt at 30 September 2018 was €5.5 billion, versus €3.7 billion at 30 September 2017 and €1.9 billion at 31 December 2017. The difference mainly reflects recent acquisitions (including the Miller McAsphalt group, aufeminin and Alpiq Engineering Services) and, versus end-2017, the usual seasonal effects.



## **HIGHLIGHTS SINCE 30 JUNE 2018**

- 5 July 2018: Bouygues Construction completed the acquisition of AW Edwards, a well-established, independent Australian building firm.
- 9 July 2018: Colas inaugurated Prism' at Issy-les-Moulineaux, its new headquarters building developed by Bouygues Immobilier.
- 11 July 2018: Colas reinforced its aggregates business in western France.
- 30 August 2018: Bouygues Construction was selected to renovate 17 boulevard Morland, one of the flagship sites of the "Réinventer Paris" initiative.
- 20 September 2018: The Belgian transport operator (OTW) chose the Tram'Ardent consortium, whose members include Colas Projects, Colas Belgium and Colas Rail Belgium, as preferred bidder for a public-private partnership contract for the design, financing, construction and maintenance of the first tramway line in Liège.
- 8 October 2018: At the annual congress of social housing federation l'Union Sociale pour l'Habitat (USH), Bouygues Construction presented Wizom, an offer of solutions available through all its building subsidiaries, designed to meet all the challenges of the housing of tomorrow.
- 10 October 2018: TF1 completed the acquisition of Doctissimo from the Lagardère group.
- 17 October 2018: The University of Cambridge chose Bouygues Construction to build the Cavendish III physics laboratory.
- 9 November 2018: Olivier Roussat and Richard Viel appointed Chairman of the Board of Directors and Chief Executive Officer of Bouygues Telecom, respectively
- 12 November 2018: TF1 group announces the acquisition of gamned!
- 15 November 2018: Bouygues Construction chosen to construct the Westconnex motorway link in Australia

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## **FINANCIAL CALENDAR:**

- **21 February 2019:** Full-year 2018 results (7.30am CET)

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The financial statements have been subject to a limited review by the statutory auditors and the corresponding report has been issued. Please find the full financial statements and notes to the financial statements on [www.bouygues.com](http://www.bouygues.com)

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## 9-MONTH 2018 BUSINESS ACTIVITY

BACKLOG AT THE CONSTRUCTION BUSINESSES (€ million)	End-September		
	2017 restated	2018	Change
Bouygues Construction	19,669	22,518	+14%
Bouygues Immobilier	2,602	2,567	-1%
Colas	7,666	8,688	+13%
<b>Total</b>	<b>29,937</b>	<b>33,773</b>	<b>+13%</b>

BOUYGUES CONSTRUCTION ORDER INTAKE (€ million)	9-month		
	2017	2018	Change
France	4,151	4,365	+5%
International	3,938	5,816	+48%
<b>Total</b>	<b>8,089</b>	<b>10,181</b>	<b>+26%</b>

BOUYGUES IMMOBILIER RESERVATIONS (€ million)	9-month		
	2017	2018	Change
Residential property	1,717	1,527	-11%
Commercial property	194	218	+12%
<b>Total</b>	<b>1,911</b>	<b>1,745</b>	<b>-9%</b>

COLAS BACKLOG (€ million)	End-September		
	2017	2018	Change
Mainland France	3,290	3,395	+3%
International and French overseas territories	4,376	5,293	+21%
<b>Total</b>	<b>7,666</b>	<b>8,688</b>	<b>+13%</b>

TF1 AUDIENCE SHARE <sup>a</sup>	End-September		
	2017	2018	Change
<b>Total</b>	<b>32.0%</b>	<b>32.4%</b>	<b>+0.4 pts</b>

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

BOUYGUES TELECOM CUSTOMER BASE ('000)	End-September		
	End-Dec 2017	End-Sept 2018	Change
Mobile customer base excl. MtoM	10,998	11,343	+345
Mobile plan base excl. MtoM	10,317	10,769	+452
<b>Total mobile customers</b>	<b>14,387</b>	<b>15,764</b>	<b>+1,377</b>
<b>Total fixed customers</b>	<b>3,442</b>	<b>3,604</b>	<b>+162</b>



## 9-MONTH 2018 FINANCIAL PERFORMANCE

CONDENSED CONSOLIDATED INCOME STATEMENT (€ million)	9-month 2017 restated	9-month 2018	Change
<b>Sales</b>	<b>23,752</b>	<b>25,219</b>	<b>+6%<sup>a</sup></b>
<b>Current operating profit</b>	<b>933</b>	<b>820</b>	<b>-€113m</b>
Other operating income and expenses	82 <sup>b</sup>	198 <sup>c</sup>	+€116m
<b>Operating profit</b>	<b>1,015</b>	<b>1,018</b>	<b>+€3m</b>
Cost of net debt	(170)	(163)	+€7m
Other financial income and expenses	12	25	+€13m
Income tax	(239)	(266)	-€27m
Share of net profit of joint ventures and associates	151	253	+€102m
<i>o/w Alstom</i>	<i>105</i>	<i>230</i>	<i>+€125m</i>
<b>Net profit from continuing operations</b>	<b>769</b>	<b>867</b>	<b>+€98m</b>
Net profit attributable to non-controlling interests	(80)	(95)	-€15m
<b>Net profit attributable to the Group</b>	<b>689</b>	<b>772</b>	<b>+€83m</b>

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

(b) Including non-current charges of €17m 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 €105m at Bouygues Telecom (of which non-current income of €144m related to the capital gain on the sale of sites and non-current charges of €48m essentially related to network sharing)

(c) Including non-current charges of €16m at TF1 corresponding to amortization of audiovisual rights remeasured as part of the acquisition of Newen Studios and non-current income of €214m at Bouygues Telecom (of which non-current income of €120m related to the capital gain on the sale of sites, €110m related to the cancellation of fees paid for the use of 1800 MHz frequencies prior to 2018 and non-current charges of €28m related to network sharing)



CALCULATION OF EBITDA (€ million)	9-month 2017 restated	9-month 2018	Change
<b>Current operating profit</b>	<b>933</b>	<b>820</b>	<b>-€113m</b>
Net depreciation and amortization expense	1,135	1,244	+€109m
Charges to provisions and impairment losses, net of reversals due to utilization	76	112	+€36m
Reversals of unutilized provisions and impairment losses and other	(247)	(252)	-€5m
<b>EBITDA</b>	<b>1,897</b>	<b>1,924</b>	<b>+€27m</b>

SALES BY SECTOR OF ACTIVITY (€ million)	9-month 2017 restated	9-month 2018	Change	Forex effect	Scope effect	lfi & constant fx
<b>Construction businesses<sup>a</sup></b>	<b>18,628</b>	<b>19,736</b>	<b>+5.9%</b>	<b>+2.2%</b>	<b>-4.2%</b>	<b>+3.9%</b>
<i>o/w Bouygues Construction</i>	8,521	8,589	+0.8%	+2.6%	-0.7%	+2.7%
<i>o/w Bouygues Immobilier</i>	1,695	1,716	+1.2%	0.0%	+1.5%	+2.7%
<i>o/w Colas</i>	8,617	9,602	+11.4%	+2.1%	-8.6%	+4.9%
<b>TF1</b>	<b>1,474</b>	<b>1,576</b>	<b>+6.9%</b>	<b>0.0%</b>	<b>-4.4%</b>	<b>+2.4%</b>
<b>Bouygues Telecom</b>	<b>3,695</b>	<b>3,934</b>	<b>+6.5%</b>	-	-	<b>+6.5%</b>
<b>Holding company and other</b>	<b>104</b>	<b>118</b>	<b>nm</b>	-	-	<b>nm</b>
<b>Intra-Group eliminations<sup>b</sup></b>	<b>(354)</b>	<b>(316)</b>	<b>nm</b>	-	-	<b>nm</b>
<b>Group sales</b>	<b>23,752</b>	<b>25,219</b>	<b>+6.2%</b>	<b>+1.7%</b>	<b>-3.5%</b>	<b>+4.3%</b>
<i>o/w France</i>	14,911	15,646	+4.9%	0.0%	-0.1%	+4.8%
<i>o/w international</i>	8,841	9,573	+8.3%	+4.5%	-9.3%	+3.5%

(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)	9-month 2017 restated	9-month 2018	Change
<b>Construction businesses</b>	<b>850</b>	<b>715</b>	<b>-€135m</b>
<i>o/w Bouygues Construction</i>	317	222	-€95m
<i>o/w Bouygues Immobilier</i>	110	85	-€25m
<i>o/w Colas</i>	423	408	-€15m
<b>TF1</b>	<b>257</b>	<b>299</b>	<b>+€42m</b>
<b>Bouygues Telecom</b>	<b>808</b>	<b>931</b>	<b>+€123m</b>
<b>Holding company and other</b>	<b>(18)</b>	<b>(21)</b>	<b>-€3m</b>
<b>Group EBITDA</b>	<b>1,897</b>	<b>1,924</b>	<b>+€27m</b>



CONTRIBUTION TO GROUP CURRENT OPERATING PROFIT BY SECTOR OF ACTIVITY (€ million)	9-month 2017 restated	9-month 2018	Change
<b>Construction businesses</b>	<b>579</b>	<b>406</b>	<b>-€173m</b>
<i>o/w Bouygues Construction</i>	277	139	-€138m
<i>o/w Bouygues Immobilier</i>	123	112	-€11m
<i>o/w Colas</i>	179	155	-€24m
<b>TF1</b>	<b>116</b>	<b>124</b>	<b>+€8m</b>
<b>Bouygues Telecom</b>	<b>263</b>	<b>314</b>	<b>+€51m</b>
<b>Holding company and other</b>	<b>(25)</b>	<b>(24)</b>	<b>+€1m</b>
<b>Group current operating profit</b>	<b>933</b>	<b>820</b>	<b>-€113m</b>

CONTRIBUTION TO GROUP OPERATING PROFIT BY SECTOR OF ACTIVITY (€ million)	9-month 2017 restated	9-month 2018	Change
<b>Construction businesses</b>	<b>574</b>	<b>406</b>	<b>-€168m</b>
<i>o/w Bouygues Construction</i>	277	139	-€138m
<i>o/w Bouygues Immobilier</i>	123	112	-€11m
<i>o/w Colas</i>	174	155	-€19m
<b>TF1</b>	<b>99</b>	<b>108</b>	<b>+€9m</b>
<b>Bouygues Telecom</b>	<b>368</b>	<b>528</b>	<b>+€160m</b>
<b>Holding company and other</b>	<b>(26)</b>	<b>(24)</b>	<b>+€2m</b>
<b>Group operating profit</b>	<b>1,015<sup>a</sup></b>	<b>1,018<sup>b</sup></b>	<b>+€3m</b>

(a) Including non-current charges of €17m 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 €105m at Bouygues Telecom (of which non-current income of €144m related to the capital gain on the sale of sites and non-current charges of €48m essentially related to network sharing)

(b) Including non-current charges of €16m at TF1 corresponding to amortization of audiovisual rights remeasured as part of the acquisition of Newen Studios and non-current income of €214m at Bouygues Telecom (of which non-current income of €120m related to the capital gain on the sale of sites, €110m related to the cancellation of fees paid for the use of 1800 MHz frequencies prior to 2018 and non-current charges of €28m related to network sharing)

CONTRIBUTION TO NET PROFIT ATTRIBUTABLE TO THE GROUP BY SECTOR OF ACTIVITY (€ million)	9-month 2017 restated	9-month 2018	Change
<b>Construction businesses</b>	<b>457</b>	<b>278</b>	<b>-€179m</b>
<i>o/w Bouygues Construction</i>	233	109	-€124m
<i>o/w Bouygues Immobilier</i>	70	62	-€8m
<i>o/w Colas</i>	154	107	-€47m
<b>TF1</b>	<b>37</b>	<b>36</b>	<b>-€1m</b>
<b>Bouygues Telecom</b>	<b>216</b>	<b>311</b>	<b>+€95m</b>
<b>Alstom</b>	<b>105</b>	<b>230</b>	<b>+€125m</b>
<b>Holding company and other</b>	<b>(126)</b>	<b>(83)</b>	<b>+€43m</b>
<b>Net profit attributable to the Group</b>	<b>689</b>	<b>772</b>	<b>+€83m</b>

NET DEBT (-)/NET SURPLUS CASH (+) BY BUSINESS SEGMENT (€ million)	End-Dec 2017 restated	End-Sept 2018	Change
Bouygues Construction	3,409	2,356	-€1,053m
Bouygues Immobilier	(86)	(458)	-€372m
Colas	433	(1,293)	-€1,726m
TF1	257	(51)	-€308m
Bouygues Telecom	(976)	(1,173)	-€197m
Holding company and other	(4,954)	(4,879)	+€75m
<b>TOTAL</b>	<b>(1,917)</b>	<b>(5,498)</b>	<b>-€3,581m</b>

CONTRIBUTION TO NET CAPITAL EXPENDITURE BY SECTOR OF ACTIVITY (€ million)	9-month 2017 restated	9-month 2018	Change
<b>Construction businesses</b>	<b>270</b>	<b>314</b>	<b>+€44m</b>
<i>o/w Bouygues Construction</i>	65	97	+€32m
<i>o/w Bouygues Immobilier</i>	12	6	-€6m
<i>o/w Colas</i>	193	211	+€18m
<b>TF1</b>	<b>154</b>	<b>145</b>	<b>-€9m</b>
<b>Bouygues Telecom</b>	<b>534</b>	<b>714</b>	<b>+€180m</b>
<b>Holding company and other</b>	<b>5</b>	<b>6</b>	<b>+€1m</b>
<b>TOTAL</b>	<b>963</b>	<b>1,179</b>	<b>+€216m</b>

CONTRIBUTION TO GROUP FREE CASH FLOW BY SECTOR OF ACTIVITY (€ million)	9-month 2017 restated	9-month 2018	Change
<b>Construction businesses</b>	<b>524</b>	<b>327</b>	<b>-€197m</b>
<i>o/w Bouygues Construction</i>	227	63	-€164m
<i>o/w Bouygues Immobilier</i>	56	56	€0m
<i>o/w Colas</i>	241	208	-€33m
<b>TF1</b>	<b>54</b>	<b>107</b>	<b>+€53m</b>
<b>Bouygues Telecom</b>	<b>76</b>	<b>87</b>	<b>+€11m</b>
<b>Holding company and other</b>	<b>(92)</b>	<b>(52)</b>	<b>+€40m</b>
<b>TOTAL</b>	<b>562</b>	<b>469</b>	<b>-€93m</b>

IMPACT OF IFRS 15 ON 2017 FINANCIAL STATEMENTS (€ million)	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>



## IMPACT OF IFRS 15 ON 2017 INTERIM RESULTS

(€ million)	Q1			Q2			Q3			Q4		
	Reported	Impact	Restated	Reported	Impact	Restated	Reported	Impact	Restated	Reported	Impact	Restated
<b>Sales</b>	<b>6,847</b>	-10	<b>6,837</b>	<b>8,315</b>	-44	<b>8,271</b>	<b>8,666</b>	-22	<b>8,644</b>	<b>9,076</b>	+95	<b>9,171</b>
<i>o/w Bouygues Telecom</i>	1,222	-12	1,210	1,212	-16	1,196	1,293	-4	1,289	1,359	+6	1,365
<i>o/w Bouygues Immobilier</i>	517	-3	514	638	-29	609	591	-19	572	966	+88	1,054
<i>o/w TF1</i>	499	+4	503	538	+2	540	429	+2	431	659	-1	658
<b>Current operating profit</b>	<b>(67)</b>	-8	<b>(75)</b>	<b>452</b>	-30	<b>422</b>	<b>591</b>	-5	<b>586</b>	<b>444</b>	+29	<b>473</b>
<i>o/w Bouygues Telecom</i>	41	-9	32	121	-18	103	128	0	128	39	+18	57
<i>o/w Bouygues Immobilier</i>	31	0	31	42	-11	31	66	-5	61	84	+11	95
<b>Operating profit</b>	<b>(84)</b>	-8	<b>(92)</b>	<b>501</b>	-30	<b>471</b>	<b>641</b>	-5	<b>636</b>	<b>475</b>	+29	<b>504</b>
<i>o/w Bouygues Telecom</i>	34	-9	25	176	-18	158	185	0	185	75	+18	93
<i>o/w Bouygues Immobilier</i>	31	0	31	42	-11	31	66	-5	61	84	+11	95
<b>Net profit attributable to the Group</b>	<b>(38)</b>	-3	<b>(41)</b>	<b>278</b>	-17	<b>261</b>	<b>473</b>	-4	<b>469</b>	<b>372</b>	+21	<b>393</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).

**ABPU (Average Billing Per User):**

- In the mobile segment, it is equal to the total of mobile sales billed to customers (B2C or B2B) divided by the average number of customers over the period. It excludes MtoM SIM cards and free SIM cards.

- In the fixed segment, it is equal to the total of fixed sales billed to customers (excluding B2B) divided by the average number of customers over the period.

**BtoB (business to business):** when 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 services.

**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 11 "Segment information" to the consolidated financial statements at 30 September 2018, available at [bouygues.com](http://bouygues.com).

**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. The main components of change in net debt are presented in Note 7 to the consolidated financial statements at 30 September 2018, available at [bouygues.com](http://bouygues.com).

**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.

**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.

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

- Sales billed to customers, which include:
  - In Mobile:
    - For BtoC customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services.
    - For BtoB customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services, plus sales from business services.
    - Machine-To-Machine (MtoM) sales.
    - Visitor roaming sales.
    - Sales generated with Mobile Virtual Network Operators (MVNOs).
  - In Fixed:
    - For BtoC 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 BtoB 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.
- Capitalization of connection fee sales, which is then spread over the projected life of the customer account.



**Other sales (Bouygues Telecom):** difference between Bouygues Telecom's total sales and sales from services. It comprises:

- Sales from handsets, accessories and other
- Roaming sales
- Non-telecom services (construction of sites or installation of FTTH lines)
- Co-financing of advertising

**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).