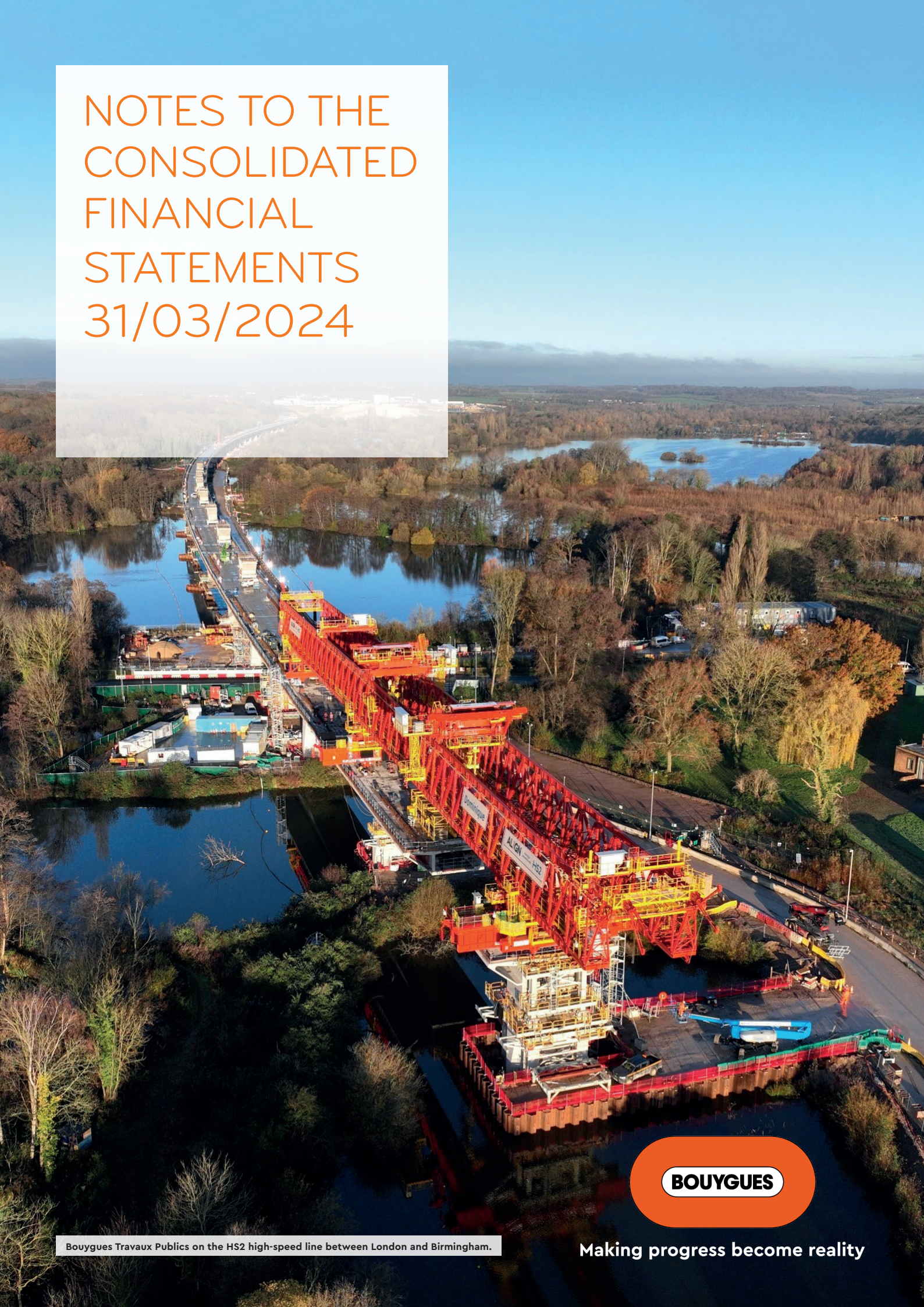


NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 31/03/2024



BOUYGUES

Bouygues Travaux Publics on the HS2 high-speed line between London and Birmingham.

Making progress become reality

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Note 1 Significant events

1.1 Significant events of the first quarter of 2024

The principal corporate actions of the first quarter of 2024 are described below:

- On 22 February 2024, Bouygues Telecom signed an exclusive memorandum of understanding with the La Poste group with a view to (i) acquiring 100% of its subsidiary La Poste Telecom, France's leading virtual operator (currently held 51% by the La Poste group and 49% by SFR) and (ii) entering into an exclusive distribution partnership involving the La Poste group, La Banque Postale and La Poste Telecom. La Poste Telecom employs 400 people, and generated sales of €318 million in 2023. The purchase price for the shares is €950 million, subject to adjustment depending on the timescale to completion of the deal, and corresponding to an enterprise value of €963 million.

Bouygues Telecom expects to incur integration costs in 2025 and 2026 to ensure optimal conditions for customer migration. On completion of the migration, which would take place in 2027, the contribution from the La Poste Telecom acquisition would reach approximately €140 million a year in EBITDA after Leases from 2028 onwards. The transaction requires consultation with employee representative bodies, and is expected to be completed by the end of 2024 subject to the necessary administrative clearances (in particular from the competition authorities) and to SFR choosing not to exercise its pre-emptive rights.

- On 27 February 2024, Bouygues Telecom announced that it would not exercise during 2024 the call option, exercisable between 15 March 2024 and 15 June 2024, that would enable it to hold a 51% equity interest in SDAIF, the joint venture between Bouygues Telecom and Vauban Infrastructure Partners.

1.2 Significant events of 2023

The principal corporate actions and acquisitions of 2023 are described below:

- On 4 January 2023, Bouygues Construction transferred to Equans all of its shares comprising the capital of its Energies & Services operations (i.e. the entities Bouygues Energies & Services and Kraftanlagen Energies & Services GmbH). All the Equans shares received by Bouygues Construction as consideration for the transfer were distributed to its shareholders (i.e. Bouygues SA and SFPG).

The Energies & Services operations of Bouygues, which were part of Bouygues Construction during the 2022 financial year, have been included within the "Equans" IFRS 8 operating segment since the beginning of January 2023. The contribution of the Equans operating segment to the Bouygues group consolidated financial statements for the first quarter of 2023 is disclosed in Note 11.

The transfer was carried out on the basis of the historical carrying amount of the Energies & Services operations in the books of Bouygues Construction as a business combination under common control, and has no impact on the Bouygues consolidated financial statements.

- In October 2019, Free Mobile brought an unfair competition action against Bouygues Telecom in the Paris Commercial Court, alleging that some of Bouygues Telecom's former mobile telephony offers combining a phone plan and the purchase of a handset were allegedly consumer credit transactions and misleading practices. On 9 February 2023, the Paris Commercial Court ordered Bouygues Telecom to pay Free Mobile €308 million in damages and also stated that there must be immediate execution of the ruling; Bouygues Telecom argued that this was incorrect, as the proceedings had been initiated prior to 1 January 2020. Free Mobile decided to enforce the immediate execution of the ruling.

As a result, on 16 May 2023 Bouygues Telecom paid Free Mobile the sum of €308 million plus statutory interest and other items, making a total of €310 million (funded out of debt). Bouygues Telecom contests the ruling of the Paris Commercial Court and its immediate execution, and has lodged an appeal with the Paris Court of Appeal.

The amount paid was classified within “Other non-current financial assets” in the balance sheet as of 31 December 2023, and the cash outflow is presented within “Other cash flows from investing activities” in the consolidated cash flow statement. Free Mobile has also lodged an appeal against the ruling, and increased the amount claimed in damages to €742 million.

- On 15 February 2023, the France Télévisions, M6 and TF1 groups announced that they had decided to shut down the Salto platform, and to initiate winding-up proceedings with a view to dissolving the company. Salto discontinued its service on 27 March 2023. As of 31 December 2022, the accumulated losses arising since the incorporation of Salto were offset in the first instance against the short-term cash advances held in its shareholder current account (regarded as a component of the investment in Salto), with the residual losses recognised as a provision for charges. This position did not change during 2023 or the first quarter of 2024.
- On 27 June 2023, Bouygues carried out a capital increase of €150 million (inclusive of share premium) in connection with the Bouygues Confiance n°12 employee share ownership plan. The capital increase was reserved for employees of French companies belonging to the Group; it was effected via a dedicated mutual fund (“FCPE”), the units in which are subject to a lock-up period of five years except in circumstances where early release is allowed under the law. It led to the issuance of 6,845,564 new Bouygues shares at a subscription price of €21.912.
- On 3 July 2019, the Singapore Appeal Court upheld the decision at first instance ordering Bouygues Construction subsidiary Dragages Singapore to meet the costs of refurbishing all the cladding on the facades of the Centennial Tower (delivered in 1997) following incidents in 2004, and again in 2011, when cladding panels fell from the tower. On 19 April 2023, Dragages Singapore was ordered by the Singapore High Court to pay €39 million. On 26 June 2023, under the terms of an appeal procedure and negotiations with the customer, Dragages Singapore signed an agreement in final settlement of the dispute for an amount of €37 million, which was paid during the second quarter of 2023. The consolidated financial statements for the first quarter of 2023 included an additional provision to cover management’s estimate of the risk as of 31 March 2023.
- Further to the selection of the TF1 channel by Arcom on 22 February 2023 in the call for bids for a DTT broadcasting licence, TF1 signed a new agreement with Arcom on 27 April 2023 under which it will be able to use the DTT spectrum for a period of ten years starting on 6 May 2023.
- Following a Competition Council ruling on 9 May 2007, the Île-de-France Regional Authority (the “Region”) led a series of proceedings in 2008 seeking compensation for losses it claimed to have incurred as a result of anti-competitive practices by construction companies in connection with the award of public works contracts for the renovation of secondary school buildings in the region.

As the Conflicts Court decided on 16 November 2015 that this dispute came within the jurisdiction of the Administrative Courts, the Region brought a case in the Paris Administrative Court on 28 March 2017, with claims for damages for each school, and for all jointly liable defendants to jointly and severally pay an indemnity of 16.4% of the price paid for each secondary school (representing a total amount of €293.3 million before interest). The Paris Administrative Court ruled that the indemnity claims were time-barred in several judgments dated 29 July 2019.

The Region appealed, and the Administrative Court of Appeal held in two rulings dated 19 February 2021 that the Region’s claim was not time-barred and ordered the losses to be assessed by a court-appointed expert. In two rulings dated 17 May 2023, the Conseil d’État (Supreme Administrative Court) rejected appeals lodged by Bouygues group companies against the aforementioned rulings from the Administrative Court of Appeal. The expert assessment ordered by the Administrative Court of Appeal in 2021, which had been suspended pending a decision from the Conseil d’État ruling, has resumed.

- On 2 May 2023, the Equans Board of Directors implemented a one-off Management Incentive Plan (MIP) designed to incentivise selected Equans managers and to align their interests with the financial objectives set by Bouygues for Equans through to 2027. The terms of the plan, and its accounting impacts, are described in Note 2.13.3 and Note 20.4 to the consolidated financial statements for the year ended 31 December 2023.
- On 30 May 2023, Bouygues announced that it had successfully placed a bond issue of €1 billion with an 8-year maturity (maturing 17 July 2031), bearing interest at 3.875%.
- During 2023, Bouygues repaid in full the €2,450 million syndicated loan contracted in connection with the financing of the Equans acquisition.
- As mentioned in Note 1.2.2 to the consolidated financial statements for the year ended 31 December 2023, on 3 November 2015 Bouygues E&S Contracting UK Limited (BYES Contracting) and Full Circle Generation Limited (FCG) signed (i) an engineering, procurement and construction contract (EPCC) and (ii) an operation & maintenance contract (OMC) relating to an Energy from Waste facility in the port of Belfast. The facility was commissioned on 26 March 2020. FCG considers that performance tests conducted since then have proved inconclusive. FCG terminated the EPCC for breach of contract on 5 July 2021, and terminated the OMC on the same grounds on 6 July 2021. BYES Contracting is contesting FCG's right to terminate.

On 28 March 2022, FCG initiated arbitration seeking compensation for underperformance of the facility. In a submission to the arbitration tribunal on 30 June 2023, FCG valued that compensation at €323.8 million for the EPCC and €88.5 million for the OMC, excluding interest. Proceedings are ongoing, and BYES Contracting contests the FCG claim.

- On 15 September 2023, Equans signed an agreement with the Swiss Life Asset Managers and Schroders Greencoat consortium for the sale of its district heating and cooling networks activities in the UK for a cumulative enterprise value of approximately £260 million (£270 million including IFRS 16 liabilities). The business to be sold, which operates under the name Equans Urban Energy, comprises East London Energy Limited and Equans DE Holding Company Limited. Humber Energy was also to be sold. The sale is in line with the Equans strategic plan presented at the Capital Markets Day on 23 February 2023, under which its asset-based activities were to be divested. It has no impact on the revenue and current operating profit from activities (COPA) trajectory of Equans as presented at the Capital Markets Day.

The sale of those activities, excluding Humber Energy, was completed on 31 December 2023 at a cumulative enterprise value of approximately £255 million excluding IFRS 16 liabilities (£284 million, of which €139 million was the selling price for the equity interests), after clearance was obtained from the European Commission and the Cabinet Office. The sale of Humber Energy is expected to be finalised during 2024.

On 10 October 2023, Equans signed an agreement with Essent for the sale of its Aquifer Thermal Energy Storage (ATES) activities in the Netherlands. The sale of those activities was completed on 1 December 2023 at an enterprise value of €55 million excluding IFRS 16 liabilities, of which €53 million was the selling price for the equity interests.

- On 20 September 2023, following a Board meeting held on 17 September 2023, Bouygues filed with the Autorité des Marchés Financiers (AMF) a draft public tender offer followed by a squeeze-out for the Colas shares not already held by Bouygues at a price of €175 per share, and a draft offer document (collectively the "Offer"). The price of €175 per Colas share, representing a total amount of approximately €180 million and payable exclusively in cash, builds in the following levels of premium:
 - 54.2% to the quoted market price of Colas shares at close of business on 15 September 2023; and
 - 52.2%, 50.1% and 50.4% to the volume-weighted average price of Colas shares on the last 60, 120 and 240 trading days respectively preceding announcement of the Offer.

This transaction is intended to simplify the ownership structure of Colas and of the Bouygues group.

As of 30 September 2023, a commitment to buy out the remaining non-controlling interests of Colas was recognised within current debt, with the corresponding entry recognised within “Acquisitions and disposals with no change of control” in the consolidated statement of changes in shareholders’ equity.

On 21 November 2023, the AMF validated the draft public tender offer followed by a squeeze-out and draft offer documents that had been filed.

The buyout of the non-controlling interests of Colas was recognised in “Acquisitions and disposals with no change of control” in the consolidated statement of changes in shareholders’ equity, and in “Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders” in the consolidated cash flow statement.

Following completion of the squeeze-out on 22 December 2023, the Bouygues group owns 100% of the capital of Colas, which has been withdrawn from listing. The net profit of Colas is consolidated on a 100% basis in the Bouygues consolidated financial statements with effect from 1 October 2023.

- On 2 October 2023, Bouygues raised €450 million via tap issues from two existing bonds, with effect from 9 October 2023 (€250 million of nominal value tapped from the bond issue maturing 7 June 2027, and €200 million in nominal value tapped from the bond issue maturing 11 February 2030). The total cash proceeds were €390 million, after a discount of €60 million reflecting movements in interest rates since the initial issue. As of 31 March 2024, the average maturity of the Group’s bond issues was 8.4 years, at an average interest rate of 3.02% (and an average effective interest rate of 2.25%). The maturity schedule is well spread over time.

1.3 Significant events and changes in scope of consolidation subsequent to 31 March 2024

- On 8 April 2024, Bouygues Immobilier began a process of informing and consulting the employee representative bodies prior to implementing an employment protection plan, prioritising voluntary redundancies and internal redeployment, and affecting 225 jobs. Negotiations with employee representatives about the plan will take place over the coming weeks. Bouygues Immobilier must continue to adapt to the potential of its market, and to its backlog and development portfolio, with one key objective: planning for the future in a profoundly changing world, at a time when housing remains an essential need for many in France.

Note 2 Group accounting policies

2.1 Declaration of compliance

The interim condensed consolidated financial statements of Bouygues and its subsidiaries (“the Group”) for the three months ended 31 March 2024 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 consolidated financial statements of the Bouygues group for the year ended 31 December 2023 as presented in the Universal Registration Document filed with the AMF on 22 March 2024.

The financial statements were prepared in accordance with the standards issued by the IASB as endorsed by the European Union and applicable as of 31 March 2024. 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 31 March 2024 any standard or interpretation not endorsed by the European Union.

Unless otherwise indicated, the financial statements are presented in millions of euros, the currency in which the majority of the Group’s transactions are denominated; they 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.

2.2 Basis of preparation of the financial statements

The Bouygues group condensed interim consolidated financial statements include the financial statements of Bouygues SA and its six business segments.

They were closed off by the Board of Directors on 6 May 2024.

The interim condensed consolidated financial statements for the three months ended 31 March 2024 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 with the financial statements for the year ended 31 December 2023 and the three months ended 31 March 2023.

In preparing the interim condensed consolidated financial statements, management used estimates and assumptions as described in Note 2.2 to the consolidated financial statements for the year ended 31 December 2023.

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

- Income tax expense for interim periods is measured in accordance with IAS 34 by applying the best estimate of the average annual effective income tax rate for the full year to the pre-tax profit of the interim period (except for French entities in the Bouygues SA group tax election, for which income tax expense is measured 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 2023. Employee headcount, salaries and actuarial assumptions may be revised where the impact is material.

2.3 New IFRS standards and interpretations

The Bouygues group applied the same standards, interpretations and accounting policies in the three months ended 31 March 2024 as were applied in its consolidated financial statements for the year ended 31 December 2023, except for changes required to meet new IFRS requirements applicable as of 1 January 2024 (see below).

- Principal amendments effective within the European Union and mandatorily applicable as of 1 January 2024
 - Lease Liability in a Sale and Leaseback – Amendment to IFRS 16

On 22 September 2022 the IASB issued an amendment to IFRS 16 on the initial recognition and subsequent measurement of the right-to-use asset and lease liability in a sale and leaseback.
This amendment was endorsed by the European Union on 20 November 2023, and has no impact on the consolidated financial statements for the three months ended 31 March 2024.
 - Classification of Liabilities as Current or Non-Current – Amendments to IAS 1

Between January 2020 and October 2022, the IASB issued amendments to IAS 1 relating to classification of liabilities as current or non-current, in cases where the liability is subject to covenants or is a convertible debt instrument.
The amendments were endorsed by the European Union on 19 December 2023, and have no impact on the consolidated financial statements for the three months ended 31 March 2024.
- Standards, amendments and interpretations effective not endorsed by the European Union and mandatorily applicable as of 1 January 2024
 - Supplier Finance Arrangements – Amendment to IAS 7 and IFRS 7

On 25 May 2023, the IASB issued an amendment to IAS 7 and IFRS 7 relating to disclosures on the effects of supplier finance arrangements (such as reverse factoring) on an entity's financial position, cash flows and exposure to liquidity risk.

At this stage of analysis, the impacts on the Group appear to be immaterial in light of the disclosures already made in the notes to the financial statements.

Note 3 Non-current assets

3.1 Goodwill

3.1.1 Movement in the carrying amount of goodwill in the first three months of 2024

	Carrying amount
31/12/2023	12,658
Changes in scope of consolidation	4
Impairment losses charged during the period	
Other movements (including translation adjustments)	(5)
31/03/2024	12,657

The goodwill of €5,205 million recognised on the Equans acquisition became final in 2023, following finalisation of the Equans opening balance sheet in the third quarter of 2023. As indicated in the notes to the consolidated financial statements for the year ended 31 December 2023, the interim consolidated financial statements as of 31 March 2023 and 30 June 2023 were not republished following the final review of the Equans purchase price allocation. The main impacts are disclosed in Note 3.2.4 to the consolidated financial statements for the year ended 31 December 2023.

3.1.2 Allocation of goodwill by Cash Generating Unit (CGU)

CGU	31/03/2024		31/12/2023	
	Total	% Bouygues or subsidiaries	Total	% Bouygues or subsidiaries
Bouygues Construction ^a	255	100.00	257	100.00
Colas ^b	1,544	100.00	1,545	100.00
Equans ^b	6,147	100.00	6,148	100.00
TF1 ^b	1,310	45.51	1,307	45.40
Bouygues Telecom ^b	3,401	90.53	3,401	90.53
TOTAL	12,657		12,658	

(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.

In the absence of any indication of potential impairment, the goodwill as of 31 March 2024 was not subject to any further impairment testing.

3.2 Investments in joint ventures and associates

An analysis by business segment of the share of net profits/losses of joint ventures and associates is provided in Note 11.

	Carrying amount
31/12/2023	1,758
Share of net profit/(loss) for the period	(4)
Translation adjustments	1
Other income and expense recognised directly in equity	3
Net profit/(loss) and other recognised income and expense	
Appropriation of prior-year profit, dividends distributed, acquisitions and capital increases, disposals, transfers and other movements	24 ^a
31/03/2024	1,782

(a) Mainly comprises an equity injection of €28m into Nexloop by Bouygues Telecom.

Note 4 Consolidated shareholders' equity

4.1 Share capital of Bouygues SA

As of 31 March 2024, the share capital of Bouygues SA consisted of 379,032,942 shares with a par value of €1. That includes 1,385,648 treasury shares, of which 600,000 (valued at €22 million) are being held with a view to cancellation, and 785,648 (valued at €27 million) are being held to service performance share plans. During the first quarter of 2024, a total of 750,000 treasury shares were acquired for €28 million.

	31/12/2023	Movements during the first quarter of 2024		31/03/2024
		Increases	Reductions	
Shares	382,273,297	84,645	(3,325,000)	379,032,942
NUMBER OF SHARES	382,273,297	84,645	(3,325,000)	379,032,942
Par value	€1			€1
SHARE CAPITAL (€)	382,273,297	84,645	(3,325,000)	379,032,942

Increases in capital of €3 million correspond to the exercise of stock subscription options for 84,645 shares during the first quarter of 2024. Reductions in share capital of €102 million correspond to the cancellation of 3,325,000 treasury shares on 26 February 2024.

4.2 Dividend

The meeting of the Board of Directors of 26 February 2024, after closing off the parent company accounts for the year ended 31 December 2023, decided to propose that the Annual General Meeting of 25 April 2024 approve the distribution of a dividend of €1.90 per share in respect of the 2023 financial year. Following the Annual General Meeting of 25 April 2024, the dividend was paid on 3 May 2024, and represented a total payout of €717 million.

Note 5 Non-current and current provisions

5.1 Non-current provisions

	Employee benefits ^a	Litigation and claims ^b	Guarantees given ^c	Other non-current provisions ^d	Total
31/12/2023	792	329	617	658	2,396
Translation adjustments	(1)		3	(1)	1
Charges to provisions	34	5	12	15	66
Reversals of utilised provisions	(26)	(12)	(8)	(18)	(64)
Reversals of unutilised provisions	(1)	(3)	(3)	(5)	(12)
Actuarial gains and losses	9				9 ^e
Transfers and other movements	(1)	3		4	6
31/03/2024	806	322	621	653	2,402 ^f

Provisions are measured on the basis of management's best estimate of the risk. Provisions for litigation and claims relate mainly to Bouygues Telecom, Bouygues Construction, Colas and Equans. Individual project provisions are not disclosed for confidentiality reasons.

(a) Employee benefits	806
Lump-sum retirement benefits	535
Long-service awards	159
Other long-term employee benefits	112
(b) Litigation and claims	322
Provisions for customer disputes	64
Subcontractor claims	54
Employee-related and other litigation and claims	204
(c) Guarantees given	621
Provisions for 10-year construction guarantees	514
Provisions for additional building/civil engineering/civil works guarantees	107
(d) Other non-current provisions	653
Provisions for miscellaneous foreign risks	31
Provisions for risks on non-controlled entities	152
Dismantling and site rehabilitation	309
Provisions for social security inspections	77
Other non-current provisions	84

(e) Actuarial gains and losses on post-employment benefits as shown in the consolidated statement of recognised income and expense represent a net loss of €9m.

(f) Contingent liabilities of Equans included in "Non-current provisions" amounted to €62m as of 31 March 2024 (versus €60m as of 31 December 2023); the movement during the quarter was due to currency translation differences. The balance comprises €53m of provisions for guarantees given, and €9m of provisions for litigation and claims.

5.2 Current provisions

Provisions related to the operating cycle	Provisions for customer warranties	Provisions for project risks and project completion	Provisions for losses to completion	Other current provisions ^a	Total
31/12/2023	103	535	774	590	2,002
Translation adjustments	(1)	1	(2)	(3)	(5)
Charges to provisions	8	24	128	61	221
Reversals of utilised provisions	(5)	(37)	(113)	(97)	(252)
Reversals of unutilised provisions		(13)	(25)	(11)	(49)
Transfers and other movements	3			(5)	(2)
31/03/2024	108	510	762	535	1,915 ^b

Provisions for project risks and project completion, and for losses to completion, relate mainly to Bouygues Construction, Colas and Equans. Individual project provisions are not disclosed for confidentiality reasons.

(a) Other current provisions:	535
Reinsurance provisions	61
Restructuring provisions	12
Site rehabilitation (current portion)	29
Miscellaneous current provisions	433

(b) Contingent liabilities of Equans included within "Current provisions" amounted to €79m as of 31 March 2024 (versus €81m as of 31 December 2023); the movement during the quarter was due to currency translation differences. The balance comprises €1m of provisions for customer warranties; €19m of provisions for project risks and project completion; €13m of provisions for losses to completion; and €46m of miscellaneous current provisions.

Note 6 Non-current and current debt

6.1 Breakdown of debt

	Current debt		Non-current debt	
	31/03/2024	31/12/2023	31/03/2024	31/12/2023
Bond issues	151	102	8,766	8,749
Bank borrowings	268	275	1,649	1,644
Other borrowings	161	155	253	251
TOTAL NON-CURRENT AND CURRENT DEBT	580	532	10,668	10,644

Non-current debt and current debt amounted to €11,248 million in aggregate as of 31 March 2024, stable relative to the level as of 31 December 2023.

6.2 Covenants and trigger events

All bond issues 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 facilities used by Bouygues SA subsidiaries.

6.3 Receivables assignment and reverse factoring programmes

The Bouygues group has implemented a number of receivables assignment programmes. An analysis of the risks and rewards as defined in IFRS 9 (mainly where the risk of debtor insolvency, late payment and dilution are substantively transferred to a third party) has led the Group to derecognise virtually all of the receivables assigned under those programmes. The amount of receivables derecognised was €114 million as of 31 March 2024 (€100 million as of 31 March 2023), compared with €437 million as of 31 December 2023 (€426 million as of 31 December 2022). In the cash flow statement, these programmes are presented within "Changes in working capital requirements related to operating activities".

The Group also operates a trade receivables securitisation programme, primarily via its subsidiary Bouygues Telecom, the amount of which (recognised within “Other borrowings”) was €639 million as of 31 March 2024 (€698 million as of 31 March 2023), compared with €623 million as of 31 December 2023 (€531 million as of 31 December 2022). Because this programme does not require deconsolidating, it has no impact on the net debt of the Bouygues group. The cash proceeds received are presented within “Change in current and non-current debt” in the cash flow statement.

At Bouygues Telecom, the Group has implemented reverse factoring programmes, in which trade payables are assigned to financial institutions. Such programmes allow for (i) suppliers to be paid early, sometimes in return for a discount and/or (ii) a negotiated extension of the payment term initially agreed with the supplier. The amount of those programmes was €88 million as of 31 March 2024 (€283 million as of 31 December 2023), of which €38 million comprised invoices issued less than 60 days previously (€69 million as of 31 December 2023) and €50 million comprised invoices issued more than 60 days previously (€214 million as of 31 December 2023). The comparative amounts as of 31 March 2023 and 31 December 2022 respectively were €129 million and €260 million. The liabilities covered by those programmes are recognised within “Trade payables”. These programmes have no impact on the consolidated cash flow statement. When the trade payables are extinguished, the payment is presented within “Changes in working capital requirements related to operating activities”.

Note 7 Change in net debt

	31/12/2023	Translation adjustments	Changes in scope of consolidation	Cash flows	Fair value adjustments	Other movements	31/03/2024
Cash and cash equivalents	5,548	(18)		(1,459)		1	4,072
Overdrafts and short-term bank borrowings	(641)	37		21		(1)	(584)
NET CASH POSITION (A) ^a	4,907	19		(1,438)			3,488
Non-current debt	10,644	31		(23) ^c	16 ^b		10,668
Current debt	532	(1)	1	46 ^c		2	580
Financial instruments, net	(18)	(3)		^c	(14)		(35)
TOTAL DEBT (B)	11,158	27	1	23	2	2	11,213
NET DEBT (A) - (B)	(6,251)	(8)	(1)	(1,461)	(2)	(2)	(7,725)

(a) Decrease of €1,438m in the net cash position in the first quarter of 2024 as analysed in the consolidated cash flow statement.

(b) Includes €17m representing the difference between (i) the interest paid on bond issues at the coupon rate and (ii) the cost of net debt recognised at the hedged rate as presented in the cash flow statement after cost of net debt, interest expense on lease obligations and taxes paid.

(c) Net cash inflow from financing activities of €23m in the first quarter of 2024 as analysed in the consolidated cash flow statement, comprising total inflows of €95m and total outflows of €72m.

Further to the final Equans purchase price allocation, restated net debt as of 31 March 2023 amounted to €8,794 million, representing an impact of €15 million relative to the published net debt figure of €8,779 million (see Note 3.1).

Note 8 Sales

8.1 Analysis by business segment

Sales by business segment is presented after eliminating inter-segment sales.

	1st quarter of 2024				1st quarter of 2023			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	930	1,482	2,412	20	945	1,335	2,280	19
Bouygues Immobilier	253	28	281	2	309	22	331	3
Colas	1,285	1,347	2,632	22	1,286	1,312	2,598	22
Equans	1,569	3,016	4,585	37	1,502	2,880	4,382	36
TF1	448	55	503	4	417	55	472	4
Bouygues Telecom	1,888		1,888	15	1,930		1,930	16
Bouygues SA & other	1	12	13		1	13	14	
CONSOLIDATED SALES	6,374	5,940	12,314	100	6,390	5,617	12,007	100

Refer to Note 11 for an analysis of sales by category and business segment.

8.2 Analysis by type of business activity

	First-quarter 2024 sales	First-quarter 2023 sales
Bouygues Construction	2,444	2,310
Bouygues Immobilier	281	331
o/w residential property	276	321
o/w commercial property	5	10
Colas	2,644	2,613
Equans	4,602	4,398
TF1	512	480
o/w media	453	419
o/w Newen Studios	59	61
Bouygues Telecom	1,899	1,937
o/w sales from services ^a	1,523	1,462
o/w other sales	376	475
Bouygues SA & other	51	58
Inter-segment sales	(119)	(120)
CONSOLIDATED SALES	12,314	12,007

(a) Sales billed to customers included in "sales from services" (Bouygues Telecom) totalled €1,522m in the first quarter of 2024 and €1,444m in the first quarter of 2023.

8.3 Order backlog

	31/03/2024	31/03/2023	31/12/2023
Construction businesses	30,440	29,368	28,420
o/w Bouygues Construction	15,693	15,040	15,007
o/w Bouygues Immobilier	966	1,367	985
o/w Colas	13,781	12,961	12,428
Equans	26,188	26,657	24,777

Note 9 Operating profit/(loss)

	1st quarter	
	2024	2023
CURRENT OPERATING PROFIT/(LOSS)	3	(14)
Other operating income		10
Other operating expenses	(42)	(34)
OPERATING PROFIT/(LOSS)	(39)	(38)

Refer to Note 11 for an analysis of current operating profit/(loss) and operating profit/(loss) by segment.

First quarter of 2024

Net other operating expenses for the first three months of 2024 amounted to €42 million at Group level and mainly comprise €11 million of reorganisation and integration costs and €26 million of costs relating to performance-related incentive plans.

Net other operating income and expenses by segment are as follows:

- €23 million in charges relating to the Management Incentive Plan (see Note 1.2) at Equans and Bouygues SA, and €2 million of integration costs at Equans;
- €5 million of restructuring costs at Bouygues Immobilier, relating to staff departures decided in the first quarter of 2024;
- €4 million of reorganisation costs, €3 million of costs relating to tax inspections, and €2 million of other costs at Bouygues Telecom; and
- €3 million of costs relating to the one-off performance-related incentive plan at TF1.

First quarter of 2023

Net other operating expenses for the first quarter of 2023 amounted to €24 million and related to Bouygues Telecom, Bouygues Construction, Colas, Equans and TF1. The main items at Group level were €18 million of provisions for risks, and €14 million of restructuring and integration costs.

Other operating income and expenses by business segment were as follows:

- Bouygues Telecom: €10 million of reversals of impairment losses recognised in the fourth quarter of 2022 against rights of use, partly offset by €1 million of network sharing costs;
- Bouygues Construction: €18 million of provisions for risks (including an additional provision of €14 million for the Centennial litigation in Singapore), and €1 million of other operating expenses;
- Colas: €4 million of restructuring costs;
- Equans: €5 million of integration costs; and
- TF1: €5 million of costs relating to the initiation of a digital acceleration strategy accompanied by resource optimisation in 2023.

Note 10 Income taxes

Bouygues recognised a net income tax expense of €7 million in the first quarter of 2024.

	1st quarter	
	2024	2023
INCOME TAX GAIN/(EXPENSE)	(7)	(3)

The first-quarter effective tax rates for 2024 and 2023 are not representative of the full-year rate. The absence of any tax gain is explained mainly by tax losses outside France for which no deferred tax asset was recognised.

The tax charge for the first quarter of 2024 includes an estimated additional charge of €3 million associated with the Global Minimum Tax (Pillar 2).

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	Equans	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 1st quarter 2024								
Advertising					363			363
Sales of services	189	11	121	1,094	137	1,523	51	3,126
Other sales from construction businesses	2,215	270	2,041	3,430				7,956
Other revenues	40		482	78	12	376		988
Total sales	2,444	281	2,644	4,602	512	1,899	51	12,433
Inter-segment sales	(32)		(12)	(17)	(9)	(11)	(38)	(119)
THIRD-PARTY SALES	2,412	281	2,632	4,585	503	1,888	13	12,314
CURRENT OPERATING PROFIT/ (LOSS) FROM ACTIVITIES	62	(26)	(300)	133	37	130	(10)	26
Amortisation and impairment of intangible assets recognised in acquisitions (PPA)			(2)			(6)	(15)	(23)
CURRENT OPERATING PROFIT/(LOSS)	62	(26)	(302)	133	37	124	(25)	3
OPERATING PROFIT/(LOSS)	62	(31)	(302)	111	34	115	(28)	(39)
Share of net profits/(losses) of joint ventures and associates	3	2	1	6	1	(16)	(1)	(4)
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	61	(24)	(255)	80	14	38	(60)	(146)

	Bouygues Construction	Bouygues Immobilier	Colas	Equans	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 1st quarter 2023								
Advertising					341			341
Sales of services	197	13	143	1,211	128	1,462	58	3,212
Other sales from construction businesses	2,091	318	1,974	3,078				7,461
Other revenues	22		496	109	11	475		1,113
Total sales	2,310	331	2,613	4,398	480	1,937	58	12,127
Inter-segment sales	(30)		(15)	(16)	(8)	(7)	(44)	(120)
THIRD-PARTY SALES	2,280	331	2,598	4,382	472	1,930	14	12,007
CURRENT OPERATING PROFIT/ (LOSS) FROM ACTIVITIES	58		(301)	98	40	126	(12)	9
Amortisation and impairment of intangible assets recognised in acquisitions (PPA)			(2)		(1)	(7)	(13)	(23)
CURRENT OPERATING PROFIT/(LOSS)	58		(303)	98	39	119	(25)	(14)
OPERATING PROFIT/(LOSS)	39		(307)	93	34	128	(25)	(38)
Share of net profits/(losses) of joint ventures and associates		4	13	6		(9)	1	15
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	24	1	(245)	62	13	65	(54)	(134)

	Bouygues Construction	Bouygues Immobilier	Colas	Equans	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	62	(26)	(302)	133	37	124	(25)	3
• Interest expense on lease obligations	(1)		(10)	(4)	(1)	(9)		(25)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:								
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	26	2	50	40	79	311	18	526
• Charges to provisions and impairment losses, net of reversals due to utilisation	(28)	4	(7)		(4)	11	(2)	(26)
Elimination of items included in other income from operations:								
• Reversals of unutilised provisions and impairment and other items	(34)	(3)	(24)	(13)	(5)	(8)		(87)
EBITDA AFTER LEASES:								
1st quarter 2024	25	(23)	(293)	156	106	429	(9)	391

	Bouygues Construction	Bouygues Immobilier	Colas	Equans	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	58		(303)	98	39	119	(25)	(14)
• Interest expense on lease obligations	(1)		(6)	(3)	(1)	(7)		(18)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:								
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	39	2	59	46	69	286	17	518
• Charges to provisions and impairment losses, net of reversals due to utilisation	1	6	(5)	(6)	(3)	8	3	4
Elimination of items included in other income from operations:								
• Reversals of unutilised provisions and impairment and other items	(29)	(17)	(20)		(3)	(7)		(76)
EBITDA AFTER LEASES:								
1st quarter 2023	68	(9)	(275)	135	101	399	(5)	414

	Bouygues Construction	Bouygues Immobilier	Colas	Equans	TF1	Bouygues Telecom	Bouygues SA & other	Total
Financial indicators: balance sheet at 31/03/2024								
NET SURPLUS CASH/(NET DEBT)		3,165	(336)	(8)	1,087	565	(3,066)	(9,132)
Financial indicators: balance sheet at 31/12/2023								
NET SURPLUS CASH/(NET DEBT)		3,435	(150)	623	981	505	(2,625)	(9,020)

	Bouygues Construction	Bouygues Immobilier	Colas	Equans	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 1st quarter 2024								
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	101	(27)	(271)	197	92	430	(45)	477
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(22)		(40)	(34)	(62)	(474)	(1)	(633)
Repayment of lease obligations (III)	(11)	(2)	(47)	(36)	(2)	(46)	(1)	(145)
FREE CASH FLOW (I) + (II) + (III)	68	(29)	(358)	127	28	(90)	(47)	(301)
CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)								
	(328)	(157)	(237)	(27)	41	(233)	(25)	(966)

	Bouygues Construction	Bouygues Immobilier	Colas	Equans	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 1st quarter 2023								
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	105	1	(271)	148	90	396	(42)	427
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	12	(1)	(14)	(62)	(63)	(521)	26	(623)
Repayment of lease obligations (III)	(11)	(2)	(39)	(45)	(6)	(41)		(144)
FREE CASH FLOW (I) + (II) + (III)	106	(2)	(324)	41	21	(166)	(16)	(340)
CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)								
	(513)	(92)	(132)	(138)	132	(170)	94	(819)

Note 12 Off balance sheet commitments

There have been no material changes in off balance sheet commitments since 31 December 2023.

Note 13 Related party information

There have been no material changes in the nature of transactions with related parties since 31 December 2023.

Note 14 Claims and litigation

During the first quarter of 2024, there were no material developments in respect of claims and litigation as disclosed in Note 23.1.3 of the consolidated financial statements for the year ended 31 December 2023, except for the matters described below:

14.1 **Bouygues Construction**

14.1.1 **France – Tax procedures**

In April 2024, Bouygues Construction received a new proposed adjustment in respect of the 2021 financial year, relating to brand licences and covering the same issues as previous adjustments; the new adjustment will be challenged in the same way as the previous ones.

In December 2023, the National and International Audit department of France’s Public Finances Directorate notified a Bouygues Construction subsidiary of a proposed adjustment in respect of the 2020 financial year, challenging the deductibility of an impairment charge for risk of non-recovery of a current account advance to one of its foreign subsidiaries. The Group regards the adjustment as unfounded, and initiated an administrative appeal process in April 2024.

14.2 **TF1**

14.2.1 **France – Canal+**

On 29 March 2024, the Canal+ group filed a claim against TF1 in the Paris Judicial Court in respect of the use of the TF1+ trademark on the launch of the new streaming platform, and seeking damages of €57 million for infringement and reputational damage in respect of the “+” trademark, unfair competition, and as a subsidiary claim, passing-off. The TF1 group is contesting this claim.

14.3 **Bouygues Telecom**

14.3.1 **Access to the local copper loop**

On 14 February 2024, Bouygues Telecom lodged an appeal on grounds of ultra vires, seeking to overturn the market analysis decision issued by Arcep on 14 December 2023 under no 2023-2802 relating to the rise in copper loop tariffs in certain zones.

14.3.2 **Access to FTTH infrastructure**

The claims lodged by Bouygues Telecom and SDAIF on 24 February 2023 in connection with the action brought against Orange in the Paris Commercial Court have been updated, and now stand at €152 million.

14.3.3 **Impact of 5G radio-electric frequencies**

On 20 March 2024, the *Cour de Cassation* (the French Supreme Court) rejected the appeal lodged by a group of the original litigants against the ruling issued by the Paris Court of Appeal, which had declared itself to lack jurisdiction. This case is therefore closed.

14.3.4 **Misleading commercial practices by Free Mobile**

On 31 October 2023, Bouygues Telecom filed a claim against Free Mobile in the Paris Commercial Court alleging various misleading commercial practices relating to Free Mobile’s rental plan and Free Flex offer and to the communication around its 5G network, leading to unfair competition for Bouygues Telecom. An expert valuation of the loss suffered by Bouygues Telecom is ongoing.