

## Bouygues press release

### First quarter 2013

- **Good commercial performance for all the business areas in a challenging environment**
- **Adaptation plans stepped-up**
- **Operating results do not reflect full-year performance**
- **Outlook for 2013 confirmed**

### Key figures

(€ million)	First quarter 2012	First quarter 2013	Change
Sales	6,985	6,698	-4%
Current operating profit/(loss)	82	(76)	-€158m
Net profit/(loss) att. to the Group	35	(42)	-€77m
Net debt <sup>1</sup>	5,324	5,007	-€317m
Net gearing <sup>1</sup>	55%	50%	-5 pts

<sup>1</sup> End of period

**In the first quarter of 2013, in a challenging economic and competitive environment, the Bouygues group put in a good commercial performance and stepped up its adaptation plans. As every year, first-quarter operating results do not reflect full-year performance and do not change the Group's outlook for 2013.**

**Net debt is under control, leading to an improvement in net gearing. The Group has a high level of liquidity (€8.7 billion) and an evenly-spread debt repayment schedule.**

### Good commercial performance

Order intake at **Bouygues Construction** was good. The company booked orders worth €2.8 billion, comparable to the first quarter of 2012 excluding the €823-million Paris Law Courts contract. The order book at end-March 2013 was up 4% year-on-year to €17.3 billion, with international contracts accounting for 43%, thus giving good visibility on future activity.

Reservations at **Bouygues Immobilier** were satisfactory, rising 7% to €437 million, although market conditions remained tough as expected. Residential property reservations rose 4% to €306 million in a market in which individual investors are reluctant to participate. Commercial property reservations again reflected Bouygues Immobilier's green property expertise, rising 13% to €131 million. The order book at end-March 2013 stood at €2.9 billion, 4% lower than at end-March 2012, representing 14 months' sales.

**Colas** made a good start to the year. The order book at end-March 2013 grew 4% year-on-year to €7.5 billion, up 12% in mainland France and down 4% on international markets. The railway business continued to expand with the conclusion of two major contracts: the RFR rapid transit rail network in Tunis for €86 million and Morocco's first high-speed rail line for €124 million, the latter not being included in the order book at end-March 2013.

Overall, the order book for the **construction businesses** at end-March 2013 was excellent, reaching €27.8 billion, up 3% versus end-March 2012.

At **TF1**, viewing figures for the group's four freeview TV channels continued to rise over the first three months of the year, reaching an audience share of 29.6%<sup>1</sup>, up 1.1 points year-on-year. The audience share of the core TF1 TV channel rose 0.6 points to 23.5%<sup>1</sup> versus first-quarter 2012.

In the first quarter of 2013, the mobile market saw strong growth in entry-level Sim-Only/Web-Only plans and significant cuts in the price of plans with services. In this context, **Bouygues Telecom** showed good commercial resilience, gaining 20,000 new mobile customers and 190,000 new plan customers. B&YOU continued its momentum, attracting 335,000 new customers bringing its total customer base to 1,413,000 at end-March 2013.

Bouygues Telecom continued to grow on the fixed broadband market, signing up 68,000 new customers under the Bouygues Telecom brand and acquiring 45,000 customers overall in the first quarter of 2013, giving a base of 1.9 million subscribers<sup>2</sup>.

<sup>1</sup> Target: individuals aged four years and over. Source: Médiamétrie

<sup>2</sup> Includes broadband and very-high-speed subscriptions

### **Adaptation plans stepped-up**

In keeping with 2012, the Bouygues group proved itself highly responsive, rolling out major adaptation plans.

The reorganisation of **Colas**' roads activity in France is being implemented according to plan.

**TF1** is stepping up implementation of Phase II of its optimisation plan aimed at generating €85 million of recurrent savings in 2014. In response to the deteriorating advertising market in the first quarter, further cost reductions are being prepared to benefit 2013.

At **Bouygues Telecom**, the measures taken in 2012 will secure savings of €400 million in the mobile business in 2013, instead of the €300 million initially planned. The additional measures decided in the first quarter of 2013 to further transform Bouygues Telecom are in progress and have still not paid off.

### **Operating results are not indicative of full-year performance**

As each year, first-quarter results are not indicative of full-year performance, mainly because of the highly seasonal nature of Colas' business.

Sales in the **construction businesses** were stable at €5 billion. Bouygues Construction and Bouygues Immobilier maintained their current operating margin at a good level of 3.5% and 7.4% respectively. Colas reported a current operating loss of €203 million and was down €17 million due to poor weather in France and northern Europe.

**TF1** saw a 10% decrease in sales to €566 million and a 12% decline in advertising revenue. It reported a current operating loss of €16 million, the difference with the previous year's figure being attributable to lower advertising revenue and the recognition of a €27-million tax reimbursement in the first quarter of 2012.

As expected, first-quarter results at **Bouygues Telecom** suffered from a particularly unfavourable comparison base, because first-quarter results in 2012 had not yet been hit by the disruption in the mobile market. Bouygues Telecom reported first-quarter sales of €1,148 million, down 16%, and sales from network of €1,063 million, down 13%. EBITDA stood at €212 million and current operating profit at €28 million.

**Alstom**'s contribution to the Group's net profit remained stable at €58 million.

## Outlook for 2013 confirmed

The sales target of €33.45 billion is confirmed.

The Group's priority is to continue and step up action plans in all its business areas. Under these conditions, 2012 should mark the low point in the Group's profitability.

Sales by business area (€ million)	2012 actual	2013 target		% change
		Reported in February	Reported in May	
Bouygues Construction	10,640	10,700	10,750	+1%
Bouygues Immobilier	2,396	2,500	2,500	+4%
Colas	13,036	13,200	13,200	+1%
TF1	2,621	2,540	2,500	-5%
Bouygues Telecom	5,226	4,850	4,850	-7%
Holding company and other	123	120	120	nm
Intra-Group elimination	(495)	(460)	(470)	nm
<b>TOTAL</b>	<b>33,547</b>	<b>33,450</b>	<b>33,450</b>	=
o/w France	22,308	22,250	22,250	=
o/w international	11,239	11,200	11,200	=

## Highlights since 1 January 2013

- 14 January 2013: Colas Ltd, as part of a consortium, won an 8-year contract worth €208 million to upgrade and maintain the main roads of central London.
- 4 February 2013: Colas Rail, as part of a consortium, won an €86-million contract to build the first two lines of the RFR rapid transit rail network in Tunis.
- 27 February 2013: Bouygues Construction won a €124-million contract to build Incity, the tallest skyscraper in Lyon.
- 5 March 2013: Challenger, the head office of Bouygues Construction, won an award for its excellent rating under BREEAM®, one of the highest levels of environmental certification, from design to construction and operation.
- 14 March 2013: Arcep authorised Bouygues Telecom to refarm its 1800 MHz spectrum to 4G from 1 October 2013.
- 22 March 2013: Bouygues Immobilier inaugurated the new Paris Bar Law School in Issy-les-Moulineaux.
- 4 April 2013: Colas Rail won a €124-million contract to design and build Morocco's first high-speed rail line.
- 10 April 2013: Bouygues Construction concluded its first contract in Myanmar, a €74-million project to design and build a major residential complex.
- 18 April 2013: TF1's Board of Directors reappointed Nonce Paolini as Chairman and CEO.
- 29 April 2013: Bouygues Telecom announced the commercial launch of its 4G network.

**Financial calendar:**

28 August 2013: first-half 2013 results

7am: press release

9am: press conference

11am: analysts' meeting

The financial statements have been subject to a limited review by the statutory auditors and the corresponding report has been issued.

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

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**Condensed consolidated  
income statement**  
(€ million)

	First quarter		% change
	2012	2013	
<b>Sales</b>	<b>6,985</b>	<b>6,698</b>	<b>-4%</b>
<b>Current operating profit/(loss)</b>	<b>82</b>	<b>(76)</b>	<b>nm</b>
Other operating income and expenses	0	0	nm
<b>Operating profit/(loss)</b>	<b>82</b>	<b>(76)</b>	<b>nm</b>
Cost of net debt	(79)	(79)	=
Other financial income and expenses	(1)	(8)	nm
Income tax expense	(5)	52	nm
Share of profits and losses from associates	62	64	+3%
Net profit/(loss)	59	(47)	nm
Net profit/(loss) attributable to non-controlling interests <sup>1</sup>	(24)	5	nm
<b>Net profit/(loss) attributable to the Group</b>	<b>35</b>	<b>(42)</b>	<b>nm</b>

<sup>1</sup> Formerly "Minority interests"

**Sales  
by business area**  
(€ million)

	First quarter		% change	Change like-for-like and at constant exchange rates
	2012	2013		
Bouygues Construction	2,380	2,451	+3%	+1%
Bouygues Immobilier	472	526	+11%	+11%
Colas	2,209	2,109	-5%	-5%
TF1	629	566	-10%	-10%
Bouygues Telecom	1,366	1,148	-16%	-16%
Holding company and other	36	30	nm	nm
Intra-Group elimination	(107)	(132)	nm	nm
<b>Total</b>	<b>6,985</b>	<b>6,698</b>	<b>-4%</b>	<b>-5%</b>
<i>o/w France</i>	<i>5,026</i>	<i>4,726</i>	<i>-6%</i>	<i>-6%</i>
<i>o/w international</i>	<i>1,959</i>	<i>1,972</i>	<i>+1%</i>	<i>-2%</i>

**Contribution of business areas to EBITDA**  
(€million)

	First quarter		% change
	2012	2013	
Bouygues Construction	130	110	-15%
Bouygues Immobilier	24	34	+42%
Colas	(115)	(154)	nm
TF1	80	(9)	nm
Bouygues Telecom	296	212	-28%
Holding company and other	(12)	(11)	nm
<b>TOTAL</b>	<b>403</b>	<b>182</b>	<b>-55%</b>

**Contribution of business areas to current operating profit**  
(€million)

	First quarter		% change
	2012	2013	
Bouygues Construction	79	85	+8%
Bouygues Immobilier	35	39	+11%
Colas	(186)	(203)	nm
TF1	56	(16)	nm
Bouygues Telecom	107	28	-74%
Holding company and other	(9)	(9)	nm
<b>TOTAL</b>	<b>82</b>	<b>(76)</b>	<b>nm</b>

**Contribution of business areas to net profit attributable to the Group**  
(€million)

	First quarter		% change
	2012	2013	
Bouygues Construction	52	60	+15%
Bouygues Immobilier	22	20	-9%
Colas	(123)	(126)	nm
TF1	15	(3)	nm
Bouygues Telecom	59	15	-75%
Alstom	58	58	=
Holding company and other	(48)	(66)	nm
<b>TOTAL</b>	<b>35</b>	<b>(42)</b>	<b>nm</b>

**Net cash by business area**  
(€million)

	At end-March		Change €m
	2012	2013	
Bouygues Construction	2,842	3,215	+€373m
Bouygues Immobilier	372	292	-€80m
Colas	(531)	(763)	-€232m
TF1	36	249	+€213m
Bouygues Telecom	(1,326)	(802)	+€524m
Holding company and other	(6,717)	(7,198)	-€481m
<b>TOTAL</b>	<b>(5,324)</b>	<b>(5,007)</b>	<b>+€317m</b>

**Contribution of business areas to free cash flow<sup>1</sup>**

Before change in working capital requirement  
(€ million)

	First quarter		Change €m
	2012	2013	
Bouygues Construction	72	91	+€19m
Bouygues Immobilier	20	22	+€2m
Colas	(105)	(140)	-€35m
TF1	47	4	-€43m
Bouygues Telecom	87 <sup>2</sup>	(30) <sup>3</sup>	-€117m
Holding company and other	(37)	(59) <sup>3</sup>	-€22m
<b>TOTAL</b>	<b>84<sup>2</sup></b>	<b>(112)<sup>3</sup></b>	<b>-€196m</b>

<sup>1</sup>Free cash flow = cash flow - cost of net debt - income tax expense - net capital expenditure

**Contribution of business areas to net capital expenditure**

(€ million)

	First quarter		Change €m
	2012	2013	
Bouygues Construction	35	24	-€11m
Bouygues Immobilier	2	2	=
Colas	53	56	+€3m
TF1	5	6	+€1m
Bouygues Telecom	145 <sup>2</sup>	209 <sup>3</sup>	+€64m
Holding company and other	(1)	0 <sup>3</sup>	+€1m
<b>TOTAL EXCL. 4G FREQUENCIES</b>	<b>239</b>	<b>297<sup>3</sup></b>	<b>+€58m</b>
<b>4G FREQUENCIES</b>	<b>683</b>	<b>11</b>	<b>-€672m</b>
<b>TOTAL</b>	<b>922</b>	<b>308</b>	<b>-€614m</b>

<sup>2</sup>Excluding the acquisition of 4G frequencies in the 800 MHz band for €683 million

<sup>3</sup>Excluding capitalised interest related to 4G frequencies for €11 million at Group level (for €4 million at Bouygues Telecom level and €7 million at Holding company level)