BOUYGUES 2001

Telecoms & medias | Services | Construction

Annual Meeting
31 May 2001

Chairman's Statement

"SOLID RESULTS AND CLEAR STRATEGIES ENABLE US TO LOOK FORWARD TO THE FUTURE WITH CONFIDENCE"

The Bouygues Group generated total sales of € 19 billion in 2000, 20% more than in 1999, including € 7 billion on international markets. Operating income rose by 68% to € 812 million and **net earnings increased ninefold to € 421 million.** Before non-recurring items worth € 206 million connected with the Colas/Bouygues stock swap in August 2000, net earnings attributable to the Group amounted to € 215 million, almost five times more than in 1999. Stockholders' equity rose by € 2.9 billion to € 5.2 billion. A € 2.2 billion fall in net debt to € 1 billion gave a debt-to-equity ratio of 19%. As a result, **Bouygues is one of the least indebted of all the firms engaged in the telecommunications** business. We will therefore be able to raise the necessary capital to implement our business development strategy if opportunities for profitable investment arise.

All our business areas contributed to the Group's progress in 2000.

- **Bouygues Telecom**, which has over 5.6 million customers in March 2001, recorded strong growth in personalised services and reported positive Ebitda from sales of € 2 billion. We decided not to bid for a UMTS licence in January 2001 for several reasons: the asking price for the licences was too high, there was considerable uncertainty as to the availability of equipment, and rapid progress in digital compression technology means that the transmission speeds offered by UMTS are no longer necessary. We shall assess whether or not to submit a fresh bid when a new call for tenders is made.
- **TF1**, Europe's most successful general interest TV channel with a 33.4% share of the French audience, has enjoyed an exceptional year in terms of both business and profits. Strengthening its core business assets and developing special interest channels, TF1 increased its stake in Eurosport and created TF6.
- **Saur** is a utilities management company wholly-owned by Bouygues following EDF's disposal of its 14% stake in the business at the beginning of 2001. Growing steadily across all its lines of business, it has annual sales of € 2.4 billion.
- **Bouygues Construction**, spun off in 2000, took record orders. Its offering has been extended to span the entire value chain from analysis of customer needs to project operation, including financial engineering, design-build and construction and maintenance services. Bouygues Construction, the Group's original core business, has annual sales of some € 6 billion and generates over half of that amount on international markets.
- **Bouygues Immobilier**, France's top private sector property developer, enjoyed a good year and no longer carries any debt.
- **Colas**, of which Bouygues now owns 96%, reported a further increase in both sales and earnings. The world's leading roads company, it does 41% of its business outside France. As well as being the world's largest producer of emulsions and binders, it owns major quarries which, with 2.1 billion tons of aggregates, represent an extremely important industrial asset.

Projected sales for the Bouygues Group **in 2001** amount to € 20.4 billion, 7% up on 2000, including € 7.5 billion on international markets. The Group also expects profitability to improve. **Forecasts for both sales and earnings are excellent in all our lines of business.** We have never been so well placed. Among our strategic advantages, we intend to emphasize our unique position as an operator in three complementary areas through TF1, Eurosport and Bouygues Telecom, our worldwide reputation as a builder with acknowledged skills and know-how, and our capacity to create new businesses.

Our entrepreneurial approach in the Bouygues Group has its roots in a distinctive corporate culture which has been one of our main strengths for fifty years. We owe our success to clear strategies, to the mind-set and professionalism of our workforce and to the trust of our stockholders which is the result. Our aim at Bouygues is to focus on satisfying our customers, because satisfied customers make for satisfied stockholders.

25 April 2001

Martin Bouygues

This document is a free translation of the "Document de référence" registred by the Commissions des Opérations de Bourse on 15 May 2001.

Key Figures

1 - KEY CONSOLIDATED FIGURES

	1998 (1) FF m	1999 (1) FF m	1999 pro forma FF m	2000 FF m	2000 € m	2000/1999 Variation
Consolidated sales	97,006	104,014	104,014	125,028	19,060	+20%
of which International	34,923	37,944	37,944	46,322	7,062	+22%
EBITDA						
• excluding Bouygues Telecom	6,138	7,260	7,540	9,552	1,456	+26%
• including Bouygues Telecom	5,402	6,112	6,386	9,668	1,474	+51%
Operating earnings (EBIT)						
• excluding Bouygues Telecom	3,448	4,494	4,565	6,013	917	+32%
• including Bouygues Telecom	2,782	3,111	3,175	5,325	812	+68%
Net earnings attributable to the Group						
• excluding Bouygues Telecom	1,288	951	872	3,737	570	x4
• including Bouygues Telecom	530	405	292	2,762	421	x9
Operating cash flow	4,074	4,250	4,433	7,959	1,213	+80%
Stockholders' equity	13,109	19,913	18,875	33,899	5,168	+80%
Net debt	5,763	11,184	14,443	6,349	967	–56%
Market capitalisation at 31 December 2000	30,217	126,774	126,774	106,934	16,302	–16%
Adjusted net dividend (FF and €)	1.70	1.70		2.36	0.36	+39%
Employees (number)	103,350	111,352		118,892		+7%

(1) After reclassification of employee profit-sharing in operating expenses

All the key figures for the Bouygues group except market capitalisation moved favourably in 2000. Sales and the various measures of earnings all increased. Net debt decreased, and stockholders' equity rose sharply. Dividends also increased.

In 2000 Bouygues implemented the new accounting methods called for by CRC Regulation 99-02, which mainly entail recognition on the consolidated balance sheet of provisions for retirement benefits and finance lease obligations. Pro forma financial statements are provided for 1998 and 1999 to permit comparison with 2000.

2 - KEY CONSOLIDATED BALANCE SHEET ITEMS

	31/12/99 FF m	31/12/99 pro forma FF m	31/12/00 FF m	31/12/00 € m	2000/1999 Variation
Stockholders' equity	19,913	18,875	33,899	5,168	+80%
Provisions	11,214	12,175	13,129	2,002	+8%
Financial liabilities	17,324	20,587	19,864	3,028	– 4%
Long-term capital	48,451	51,637	66,892	10,198	+30%
Fixed assets	43,840	47,366	54,974	8,381	+16%
Working capital	4,611	4,271	11,918	1,817	x2.8
Cash and equivalents	6,140	6,144	13,515	2,061	x2.2
Financial liabilities net of cash	11,184	14,443	6,349	967	– 56%
Net debt/Stockholders' equity	56%	77%	19%	19%	

Bouygues strengthened its capital structure in 2000 by dint of

- a very substantial increase in equity (up 80%), resulting mainly from the € 1.5 billion capital increase in April 2000 and the € 421 million of earnings during the year, and
- a very significant reduction in debt (down 56%).

The Group's financial structure is well balanced, with more than € 1.8 billion in working capital, € 2.1 billion in cash and a debt-equity ratio at year-end of just 19%.

3 - SALES BY BUSINESS SEGMENT

	1998 FF m	1999 FF m	2000 FF m	1999/2000 Variation	2001(f) FF m	2000/2001 Variation	2000 € m	2001(f) € m
Telecoms – Media	**12,002**	**15,637**	**21,656**	**+38%**	**26,500**	**+22%**	**3,301**	**4,040**
Telecommunications (1)	1,309	3,793	7,153		10,100		1,090	1,540
(Bouygues Telecom at 100%)	3,892	8,368	13,317	+59%	18,800	+41%	2,030	2,870
Media	10,693	11,844	14,503	+22%	16,400	+13%	2,211	2,500
Utilities – Saur	**13,988**	**14,914**	**15,665**	**+5%**	**16,400**	**+5%**	**2,388**	**2,500**
Construction	**68,743**	**73,280**	**87,541**	**+19%**	**91,100**	**+4%**	**13,346**	**13,880**
Building & civil works	34,299	33,432	39,016	+17%	40,000	+3%	5,948	6,100
France	*16,699*	*15,370*	*17,698*	*+15%*	*17,700*		*2,698*	*2,700*
International	*17,600*	*18,062*	*21,318*	*+18%*	*22,300*		*3,250*	*3,400*
Roads	28,591	34,444	42,471	+23%	44,500	+5%	6,475	6,780
France	*17,211*	*20,767*	*24,864*	*+20%*	*26,000*		*3,790*	*3,960*
International	*11,380*	*13,677*	*17,607*	*+29%*	*18,500*		*2,684*	*2,820*
Property development	5,853	5,404	6,054	+12%	6,600	+9%	923	1,000
Other	**2,273**	**183**	**166**		**200**		**25**	**30**
Total sales	**97,006**	**104,014**	**125,028**	**+20%**	**134,200**	**+7%**	**19,060**	**20,450**
of which International	34,923	37,944	46,322	+22%	49,100	+6%	7,062	7,490

(1) Group share of Bouygues Telecom sales: 33.7% until 30 June 1999, 53.7% thereafter.

In 2000 the Group achieved continued growth in all segments of its business, in France and internationally. Sales increased by more than 20% to € 19.1 billion.

Like-on-like at constant exchange rates, the increase in consolidated sales was 13%. Growth was particularly strong in Telecoms-Media (38%) and Construction (19%).

Outside France, sales were up more than 22% to € 7.1 billion, with notable growth in Roads (29%) and Building and Civil Works (18%).

The ample backlog of orders in the Construction segment and the favourable outlook for the Telecoms-Media and Utilities activities should make for a further rise in sales in 2001.

Sales first quarter 2001

	First quarter 2001 € m	First quarter 2000 € m	Variation
Telecoms – Media	**902**	**728**	**+24%**
Telecommunications	326	228	+43%
(Bouygues Telecom at 100%)	608	424	+43%
Media	576	500	+15%
Utilities – Saur	**601**	**563**	**+7%**
Construction	**2,668**	**2,421**	**+10%**
Building & civil works	1,285	1,247	+3%
Roads	1,204	1,006	+20%
Property development	179	168	+7%
Other	**5**	**8**	NS
Total sales	**4,176**	**3,720**	**+12%**
of which International	1,302	1,197	+9%

Consolidated sales in the first quarter of 2001 amounted to € 4.2 billion, up 12% on the same period in 2000. Like-on-like at constant exchange rates, consolidated sales rose by 8%. This good first quarter confirms forecast sales of € 20.4 billion for 2001.

4 - SALES BY GEOGRAPHIC AREA

	Public Utilities Management	Building & civil works	Roads	Total Construction	Other	Total FF m	Total € m
1998							
Africa	2,418	4,550	1,682	6,232	206	8,856	1,350
Asia-Pacific	3	5,245	98	5,343	4	5,350	816
United States & Canada	34	461	5,376	5,837	3	5,874	895
Western Europe	1,968	4,932	3,143	8,237	868	11,073	1,688
Eastern Europe	213	1,538	1,074	2,612	22	2,847	434
Other	11	874	7	881	31	923	141
Total 1998 (FF m)	**4,647**	**17,600**	**11,380**	**29,142**	**1,134**	**34,923**	**-**
Total 1998 (€ m)	708	2,683	1,735	4,443	173	-	5,324
1999							
Africa	2,782	5,627	1,505	7,132	-	9,914	1,511
Asia-Pacific	42	4,764	188	4,952	2	4,996	762
United States & Canada	41	115	7,042	7,157	1	7,199	1,097
Western Europe	2,121	4,438	3,648	8,543	433	11,097	1,692
Eastern Europe	269	2,005	1,276	3,281	30	3,580	546
Other	16	1,113	18	1,131	11	1,158	177
Total 1999 (FF m)	**5,271**	**18,062**	**13,677**	**32,196**	**477**	**37,944**	**-**
Total 1999 (€ m)	803	2,754	2,085	4,909	73	-	5,785
2000							
Africa	2,897	4,830	1,930	6,760	2	9,659	1,473
Asia-Pacific	30	6,317	264	6,581	143	6,754	1,030
United States & Canada	58	44	9,615	9,659	50	9,767	1,489
Western Europe	2,277	4,669	4,061	9,169	1,084	12,530	1,910
Eastern Europe	296	4,590	1,718	6,308	62	6,666	1,016
Other	16	868	19	887	43	946	144
Total 2000 (FF m)	**5,574**	**21,318**	**17,607**	**39,364**	**1,384**	**46,322**	**-**
Total 2000 (€ m)	850	3,250	2,684	6,001	211	-	7,062
2001 (f)							
Africa	3,060	5,044	1,950	6,994	10	10,064	1,534
Asia-Pacific	60	5,642	450	6,092	120	6,272	956
United States & Canada	175	110	10,100	10,210	50	10,435	1,591
Western Europe	2,455	6,504	4,250	11,304	1280	15,039	2,298
Eastern Europe	300	4,062	1,750	5,812	140	6,252	953
Other	50	938	-	938	50	1,038	158
Total 2001 (FF m)	**6,100**	**22,300**	**18,500**	**41,350**	**1,650**	**49,100**	**-**
Total 2001 (€ m)	930	3,400	2,820	6,300	260	-	7,490

5 - OPERATING EARNINGS BY BUSINESS SEGMENT

	1999 pro forma FF m	2000 FF m	1999 pro forma € m	2000 € m
Operating earnings (EBIT)				
Media	1,918	2,770	292	422
Public utilities management	702	763	107	116
Building & civil works	803	764	123	117
Roads	977	1,454	149	222
Property development	353	384	54	59
Other	(128)	(63)	(20)	(10)
Holding company	(60)	(59)	(9)	(9)
Total operating earnings excl. Bouygues Telecom	**4,565**	**6,013**	**696**	**917**
Bouygues Telecom	(1,390)	(688)	(212)	(105)
Total operating earnings incl. Bouygues Telecom	**3,175**	**5,325**	**484**	**812**
Net financial items	(930)	(98)	(142)	(15)
Net exceptional items	(184)	99	(28)	15
Income tax	(307)	(994)	(47)	(152)
Share in earnings of equity affiliates	(19)	41	(3)	7
Amortisation of goodwill	(276)	(263)	(42)	(40)
Net earnings before minority interests	**1,459**	**4,110**	**222**	**627**
Net earnings attributable to the Group	**292**	**2,762**	**45**	**421**

The growth in sales brought a very strong rise in operating earnings, which were up 68% to € 812 million. The increase in EBIT contribution was particularly significant in Roads (Colas), up 49%, and Media (TF1), up 45%. The negative impact of Bouygues Telecom's operating losses was reduced by half, from € 212 million in 1999 to € 105 million in 2000.

Strong growth in operating earnings naturally led to improved net earnings. Before non-recurring items associated with the public exchange offer for Colas stock, net earnings attributable to the Bouygues group came to € 215 million, nearly five times the 1999 figure. The Colas transaction generated a non-recurring net gain of € 206 million, booked as financial income of € 119 million and deferred tax (+ € 87 million).

The Bouygues SA parent company recorded a profit of € 478 million (FF 3,136 million) in 2000, compared with € 185 million in 1999 (see Note 1 to the unconsolidated balance sheet of Bouygues SA).

6 - CONSOLIDATED EARNINGS PER SHARE (adjusted)

	After impact of Bouygues Telecom			Before impact of Bouygues Telecom		
	1998 pro forma	1999 pro forma	2000	1998 pro forma	1999 pro forma	2000
Earnings before exceptional items, tax, amortisation of goodwill and minority interests						
aggregate (FF m)	**2,337**	**2,245**	**5,227**	**3,099**	**3,953**	**6,475**
per share (average) (FF)	9.0	8.2	16.3	11.9	14.4	20.2
per share (year end) (FF)	8.9	7.4	15.7	11.8	13.0	19.5
per share (year end) (€)	1.4	1.1	2.4	1.8	2.0	3.0
Net earnings before tax, amortisation of goodwill and minority interests						
aggregate (FF m)	**2,667**	**2,042**	**5,367**	**3,428**	**3,761**	**6,637**
per share (average) (FF)	10.3	7.4	16.8	13.2	13.7	20.8
per share (year end) (FF)	10.2	6.7	16.1	13.1	12.4	19.9
per share (year end) (€)	1.6	1.0	2.5	2.0	1.9	3.0
Net earnings before amortisation of goodwill and minority interests						
aggregate (FF m)	**1,522**	**1,735**	**4,373**	**2,284**	**2,322**	**5,347**
per share (average) (FF)	5.9	6.3	13.7	8.8	8.5	16.7
per share (year end) (FF)	5.8	5.7	13.1	8.7	7.5	16.1
per share (year end) (€)	0.9	0.9	2.0	1.3	1.2	2.4
Net earnings attributable to the Group						
aggregate (FF m)	**459**	**292**	**2,762**	**1,221**	**872**	**3,737**
per share (average) (FF)	1,8	1,1	8,6	4,7	3,2	11.7
per share (year end) (FF)	1.7	1,0	8,3	4,7	2,9	11.2
per share (year end) (€)	0.3	0,2	1,3	0,7	0,4	1.7
Group share of earnings after dilution (1)	**459**	**292**	**2,762**	**1,221**	**872**	**3,737**
per share (average) (FF)	1.7	1.0	8.1	4.5	3,0	11.0
per share (year end) (FF)	1.7	0.9	7.8	4.5	2,7	10.6
per share (year end) (€)	0.3	0.1	1.2	0.7	0.4	1.6

(1) including stock options and convertible bonds.

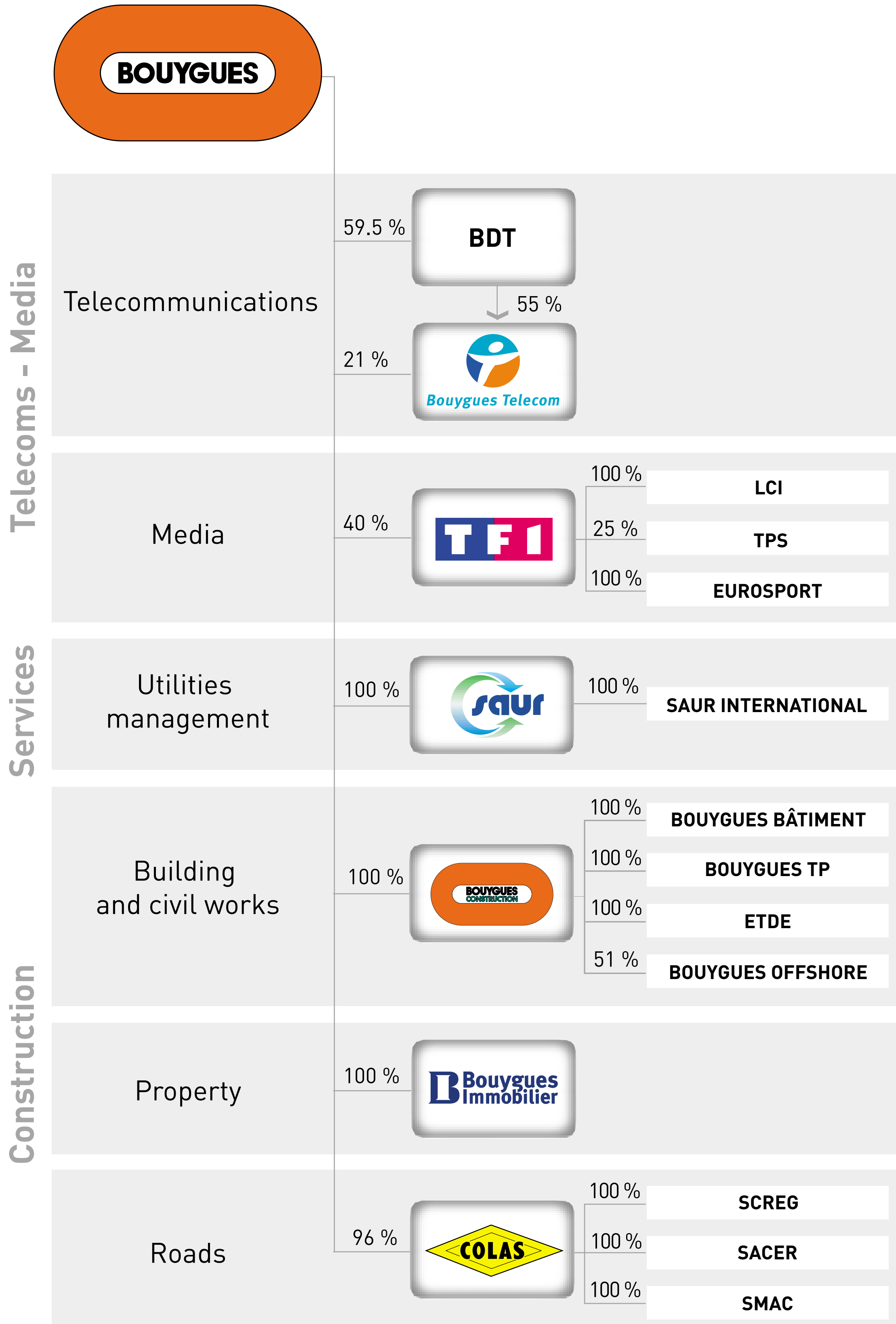
7 - INVESTMENTS

	1998 Total FF m	1999 Total FF m	2000 Capital expenditure FF m	2000 Acquisitions FF m	2000 Total FF m	2000 Total € m
Telecoms – Media	**2,089**	**2,397**	**4,414**	**768**	**5,182**	**790**
Bouygues Telecom	1,759	1,666	3,777	2	3,779	576
Media	330	731	637	766	1,403	214
Utilities – Saur	**2,597**	**1,173**	**910**	**504**	**1,414**	**216**
Construction	**2,715**	**4,182**	**3,573**	**1,524**	**5,097**	**777**
Building & civil works	917	1,833	1,389	21	1,410	215
Roads	1,463	2,033	2,134	1,481	3,615	551
Property development	335	316	50	22	72	11
Bouygues SA & other	**1,341**	**6,144**	**14**	**5,676**	**5,690**	**867**
TOTAL	**8,742**	**13,896**	**8,911**	**8,472**	**17,383**	**2,650**

2000 was a year of substantial investment outlays by the Bouygues group. Operating investment was up 49% over 1999 to € 1.4 billion (FF 8.9 billion). Capital expenditure increased notably at Bouygues Telecom, which continued to expand its network, and at Colas.

Financial investments were up 8% to € 1.3 billion (FF 8.5 billion). Of this amount, € 0.9 billion was expended by the parent company on the acquisition of Colas shares.

8- SIMPLIFIED BOUYGUES GROUP ORGANISATIONAL CHART (March 2001)



Bouygues, TF1, Colas and Bouygues Offshore are listed on the Paris Stock Exchange.
Bouygues Offshore is listed on the New York Stock Exchange.

Section 1

Business Activities

Telecommunications

Bouygues Telecom

Bouygues owns 53.7% of Bouygues Telecom, 21% directly and the rest indirectly through its 59.5% stake in BDT, which in turn owns 55% of Bouygues Telecom.

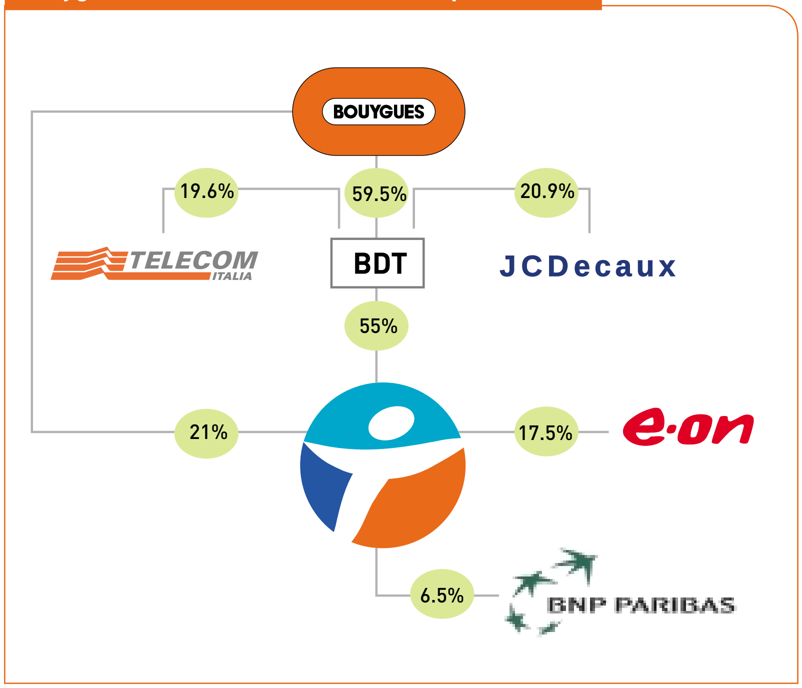
Growth on the French mobile phone market slowed in 2000 while remaining relatively vigorous: the penetration rate in France rose from 34% to over 49% by year-end, compared with a forecast of 53%.

Bouygues Telecom signed up 1,960,000 new customers in 2000, to end the year with a customer base of 5.2 million and a market share of 17.6%, as against 15.7% at the end of 1999.

Bouygues Telecom kept prices for bundles and prepaid cards stable. Any changes were designed to make offerings clearer and more attractive to users without sacrificing profitability. Three rates for Nomad recharge cards were introduced. Customers were able to opt at any time for the "no commitment" package (one hour of airtime over a period of thirty days directly debited by bank card) or for "Spot", an offer that gave users free airtime paid for by advertisements during the call. Bouygues Telecom refocused its bundle offering on two categories (traditional bundles and business packages comprising 12 services), and launched an offer targeted at young people.

Bouygues Telecom also launched WAP services that can be customised from the www.6sens.com, Internet portal. More than 200 services are available, such as TF1 TV schedules, train timetables, cinema listings, restaurants and e-mail. Access to the WAP portal was included in all Bouygues Telecom bundle offerings using compatible handsets, in particular with the Nomad card.

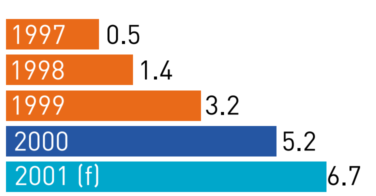
Bouygues Telecom's stock ownership structure



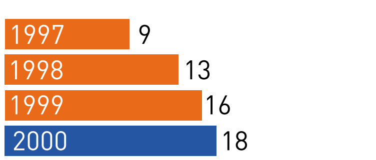
In 2000, the three mobile operators lost the control they had hitherto been able to exercise over rates for incoming calls. As of November 2000, call rates to mobiles are set by fixed-line operators, France Telecom chief among them, who then pay mobile operators a fee negotiated in the interconnection agreement. France Telecom Mobiles and SFR, identified as operators exercising significant influence over the national interconnection market, were required to set cost-based interconnection rates.

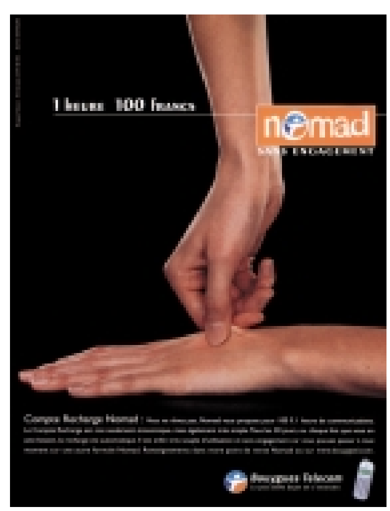
Bouygues Telecom continued to roll out its network, though at a slower pace than in previous years, nationwide coverage having been achieved in November 1998. Nevertheless, it covered 98.5% of the population by the end of 2000, and was thus in a position to offer a network of comparable quality to those of its competitors.

Customer base (in millions)



Aggregate market share (in %)





Bouygues Telecom formed or acquired stakes in several specialist companies.

The creation of a new network of proprietary sales outlets, launched in 1998, is a key element of Bouygues Telecom's distribution strategy. A subsidiary, DRB, was set up to develop the network which, with 120 points of sale at end-2000, distributes Bouygues Telecom products and services on an exclusive basis and provides high-quality support and advice.

The company's Caribbean arm, a wholly-owned subsidiary, markets Bouygues Telecom products and services in the French West Indies (Martinique and Guadeloupe) and Guyana. The company attracted more than 20,000 customers in its first month, following the network launch in December 2000.

120 proprietary sales outlets distribute Bouygues Telecom's products and services on an exclusive basis.

Mobile Direct.fr, a distance sales company in which Bouygues Telecom has a 75% stake, also markets Bouygues Telecom products and services on an exclusive basis. This innovative online distribution channel enabled Bouygues Telecom to increase its market share in the bundle segment in particular.

Bouygues Telecom's Caribbean network was launched in December 2000.

In 2000, Bouygues Telecom's stockholders provided approximately € 1,220 million (FF 8 billion) of additional equity in the form of an increase in participating loans amounting to approximately € 152.5 million (FF 1 billion), carried out on 4 July 2000, and a capital increase in cash amounting to € 1,070 million (FF 7 billion), fully subscribed by the stockholders.

During 2000, the company drew down a total of € 533 million under the facility agreement concluded in 1997, bringing the total amount of bank debt to € 2,090 million excluding accrued interest. Sales for the year ending 31 December 2000 amounted to € 2,037 million and other operating revenue amounted to € 1,637 million. The company reported an operating loss of € 195 million, a net financial loss of € 152 million and an exceptional loss of € 11 million. A deferred tax asset of € 82 million was recorded. Overall, the net loss in 2000 attributable to the Group amounted to € 277 million. Stockholders' equity at end-2000 amounted to € 1,799 million, including € 713 million of participating loans from stockholders.

UMTS

The Bouygues and Bouygues Telecom boards, meeting on 30 January 2001, decided not to apply for a UMTS licence in France.

Bouygues and Bouygues Telecom considered that the bid conditions were dissuasive. UMTS looks promising, but initially uncertain and exposed to considerable risks. Requiring all four operators to pay the same fee despite the fact that their customer bases are not comparable is discriminatory and strengthens the dominant position of the former monopoly. Bouygues and Bouygues Telecom lodged a complaint with the European Commission on the issue. The licence fee, already excessive, is not the only cost: there is also the expense of rolling out the network. The total cost is such that a return on the capital invested cannot be expected within a credibly foreseeable timeframe.

Equipment delays are piling up. Requiring all the operators to make their investment at the same time results in equipment becoming unavailable and makes the launch of UMTS in 2002 unrealistic. Moreover, equipment manufacturers have announced a considerable time lag in handset deliveries. These delays, coupled with the length of time it takes for any new technology to penetrate the market, reduce the actual term of the licence.

Mobile multimedia is a highly promising mass market if operators are able to offer simple services at competitive prices and if they have the wisdom not to bring products and services to market too soon, as was the case with WAP, launched prematurely. Customers say they are interested in mobile multimedia, but they want ease of use, attractive prices and useful services. Bouygues Telecom wants to offer access to the new media, but at the lowest cost so that it is accessible to the greatest number.

Bouygues Telecom believes that GSM and its evolved GPRS and EDGE technologies, combined with the recent major advances in digital compression, can provide an alternative solution for mobile multimedia. This places Bouygues Telecom in a better position to offer the general public highly satisfactory services in terms of both quality and speed, at costs that clearly bear no relation to those of UMTS.

This choice leaves Bouygues Telecom with three other possible options for the future: it can bid for a UMTS licence at a later date if a new call for tenders is organised under reasonable conditions; it can become a MVNO (mobile virtual network operator), ie, an operator using another operator's network; or it can wait for fourth generation technologies to be developed. This therefore gives Bouygues Telecom the freedom to take the technological decisions which it considers best suited to its future development.

Development of digital compression (in Kb/s)

		1995	Today	2002	
SOUND	CD Quality	256	60	4	MOBILES
VIDEO	Mobile phone quality	-	64	20	MOBILES
VIDEO	PDA quality	-	100	30	MOBILES
VIDEO	TV quality	6,000	800	200	TV

Outlook

Bouygues Telecom expects its customer base to reach 6.7 million by the end of 2001, and to post sales of over € 2.8 billion (excluding the billing of calls between GSM networks).
Bouygues Telecom will continue to enhance its network coverage by installing around 1,500 additional base stations, intended to extend geographical coverage, improve the quality of calls inside buildings and take account of high demand.
Bouygues Telecom must successfully meet two challenges in 2001:

- positioning itself on the portal and e-commerce market,
- preparing to enter the high-speed segment by developing GPRS, to be launched in early 2002.

Bouygues Telecom's contribution to Bouygues Group results (1)

	FF m 1998 pro forma	FF m 1999 pro forma	FF m 2000	FF m 2001 (f)	€ m 2000	€ m 2001 (f)
Sales	**1,309**	**3,793**	**7,153**	**10,100**	**1,090**	**1,540**
(Bouygues Telecom 100 %)	3,892	8,368	13,363	18,800	2,037	2,870
Operating loss	**(670)**	**(1,389)**	**(689)**	**–**	**(105)**	**–**
Investments	**1,759**	**1,666**	**3,779**	**–**	**576**	**–**
Employees (number)	**4,232**	**5,131**	**6,626**	**–**	**–**	**–**

(1) Bouygues Group 34% until 30 June 1999, 54% thereafter.

Media

TF1, in which Bouygues has a 40% stake, posted excellent results in 2000, confirming its leading position in an increasingly competitive environment. With an audience share of 33.4% of individuals aged four years and over and 35.9% of women under fifty, TF1's achievements were in line with its objectives for the year.

By scoring 91 of the top 100 audience ratings in 2000, the channel once again demonstrated its viewers' loyalty. The previous audience record was broken on Sunday, 2 July 2000, when 21.4 million viewers - the largest audience ever recorded since systematic measurement began - tuned in to watch France's footballers beat Italy in the Euro 2000 final.

28 feature films shown on TF1 were among the top 100 audiences in 2000, a considerable improvement on the previous year's score of 20 films. Drama also continues to make an important contribution to TF1's success, with 42 television films appearing among the top 100 audiences in 2000.

News coverage remains a major attraction. The lunchtime bulletin attracts an average of 6.7 million viewers daily (51% of individuals aged 4 and over), while an average of 8.3 million viewers tune in to the evening news, that is 40% of individuals aged 4 and over.

Multiple media advertising rose sharply again in 2000, up 9.5% over the year (source Secodip). Gross spending on French TV advertising increased by 6.1%. In this high-growth environment, TF1 reported a 16.3% rise in net advertising revenue to € 1,571 million, representing an increase of over 28% in two years, compared with an average weighted growth rate for advertising revenue between 1989 and 1998 of 5.9%. The advertising market for thematic channels increased by more than 75% in the year 2000 as a whole, and TF1's advertising arm recorded a 97.1% increase in revenue from advertising linked to its thematic channels.

In 2000, the TF1 group reported a 22.4% rise in total operating income to € 2,270 million. Like-on-like, with Eurosport International consolidated at 50.5% and TV Sport at 36%, the increase would have been 19.9%.

Operating income from diversification and other activities increased by 38.9% to € 699.4 million, driven by all of TF1's activities and boosted by a change in the structure of the Eurosport group. In 2000, TF1 and Canal+ jointly acquired ESPN's interest in Eurosport, taking equal shares. TF1 completed its takeover of the channel on 30 January 2001, when it bought out Canal+ and Havas Images. Like-on-like, with Eurosport International consolidated at 50.5% and TV Sport at 36%, the increase in operating income would have been 29.9%.

The thematic channels' activity was boosted by strong growth in European and French pay TV networks, rising advertising revenue and the launch of new channels.

Les Misérables recorded a 44.3% audience share on 4 September 2000.

2000 was a year of growth for the majority of TF1's activities:

EUROSPORT

- **Eurosport**, broadcast in 17 different languages, is received by 92 million households (including 38 million direct paying subscribers) in 54 countries. Sales, up 29% to € 242.5 million, generated pre-tax earnings of € 24.2 million, a margin of 10%. In a year rich in sporting events, advertising revenue rose 42%, representing 35% of total sales.

LCI

- **LCI**, a rolling news channel, was received by 3.6 million households at the end of 2000, representing a 13% rise in one year. LCI generated pre-tax earnings of € 1.6 million.

TV BREIZH

- **TV Breizh**, a Breton language channel launched on 1 September 2000, is broadcast by cable and satellite in France and had 2.6 million subscribers at 31 December 2000.

TF6

- **TF6** was launched on 18 December 2000 as a joint venture between TF1 and M6. The new channel targets young adults and has an annual budget of around € 23 million.

TPS

- 1,150,000 subscribers had signed up with **TPS** by the end of 2000, including about one million direct-to-home subscribers. One feature of 2000 was the development of interactive services, including the creation of a portal to group all TPS's interactive services on the TPS Interactif channel. The TPS group reported a 36% increase in sales to € 384.8 million in 2000. Operating income before depreciation, amortisation and provisions was positive and the net loss of € 122.4 million was 16% less than in 1999.

TF1 bought out 100% of Eurosport.

- Since 1 January 2000, TF1's Internet interests have been housed within **e-tf1**, a wholly-owned subsidiary. The www.tf1.fr portal is France's leading online media site with 42.5 million pages viewed in December 2000, more than three times as many as at the same time in 1999, representing 4.7 million visits, two-and-a-half times as many.

This year, TF1 has once again demonstrated its ability to keep tight control over programme costs, which grew by only 2.4%. Higher sales combined with strict cost controls enabled TF1 to generate operating income of € 423.3 million with an operating margin of 18.6%, up 2.9 points on 1999. Net financial items amounted to € 18 million. Losses of companies consolidated by the equity method were down 12.9%, mainly due to the 16% reduction in losses at TPS. Net earnings attributable to the Group were up 58%. Cash and cash equivalents rose by 19.7% to € 345.2 million at 31 December 2000. The TF1 group had long-term capital of € 896.3 million and a balance sheet total of € 2,142 million.

Outlook

As part of its development strategy, the TF1 group intends to secure TF1's position as France's leading general interest channel on a long-term basis, extend its special interest offerings, step up content production and develop Internet services.

The expected increase in revenue from diversification activities in 2001 is partly due to the full consolidation of Eurosport.

TF1's contribution to Bouygues Group results

	FF m				€ m	
	1998 pro forma	1999 pro forma	2000	2001 (f)	2000	2001 (f)
Sales	**10,693**	**11,844**	**14,503**	**16,400**	**2,211**	**2,500**
Advertising TF1	8,046	8,864	10,304	10,500	1,571	1,600
Diversification	2,647	2,980	4,199	5,900	640	900
Operating income	**1,410**	**1,918**	**2,770**	–	**422**	–
Investments	**330**	**731**	**1,403**	–	**214**	–
Employees (number)	**2,380**	**2,507**	**2,829**	–	–	–

Services

Utilities Management

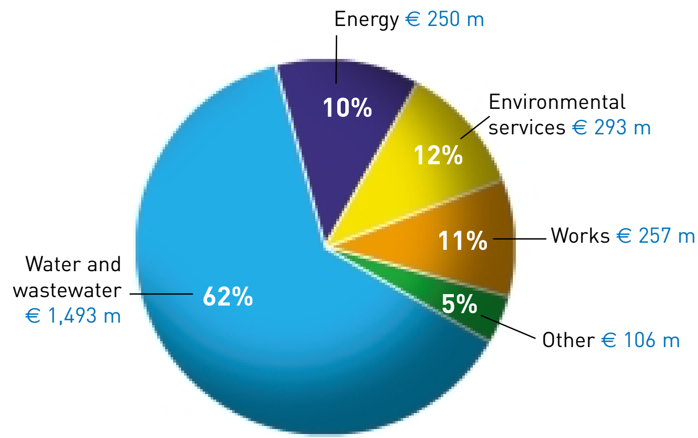
Saur has been a wholly-owned subsidiary since 3 January 2001, when Bouygues bought the 14% stake held by EDF, the French power utility.

Saur, which operates in 21 countries and has more than 23,000 employees, is a major player in public utilities management worldwide. While water-cycle activities account for three-quarters of its business, the group is also branching out into other services to communities. It aims to meet their water, energy and waste management needs while preserving resources and improving living environments. Drawing on its experience, Saur is extending its services to include facilities management and maintenance.

In 2000, Saur reported sales of € 2,399 million (FF 15,737 million), up 5.2% on 1999. International business accounted for 36% of total sales.

In 2000, Saur reported net earnings attributable to the group of € 32 million (FF 211 million).

Breakdown by business area



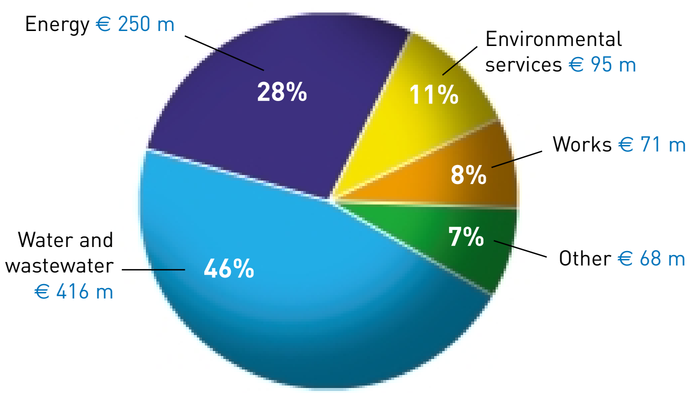
Gien incineration plant (France).

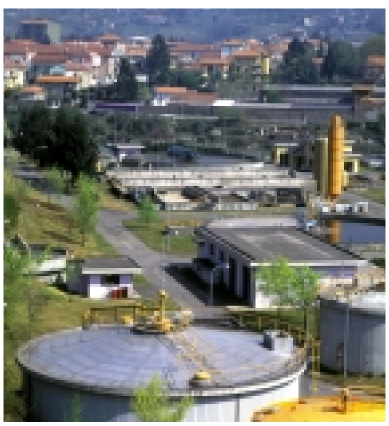
Water and wastewater business generated sales of almost € 1.2 billion (FF 8 billion) in France, up 3% on 1999. Half of this increase was due to a rise in prices, the other half to the growth in the number of customers and to contract renewals.

Stéreau, a design and construction subsidiary, reported a 23% increase in sales to € 47 million (FF 307 million), of which more than a third was generated on international markets, including the construction of wastewater treatment plants in Glasgow, Scotland, and Jiaozuo in China. The level of orders was adversely affected by the postponement of numerous projects to 2001. In the environmental segment, Coved and its subsidiary Cideme, which builds and manages incineration plants, reported an 11% increase in sales to € 199 million (FF 1,303 million). Coved is looking to expand in business areas with higher added value, such as sorting centres, landfill sites and incineration plants. Administrative permits were secured to operate a household waste incineration plant in Perpignan processing 190,000 tonnes a year.

Saur International reported sales of € 899 million (FF 5,900 million) in 2000, up 7% on 1999.

Breakdown of international sales





Verbania wastewater treatement plant in Italy.

Water, gas and electricity in Côte d'Ivoire.

In the UK, sales in all business areas remained stable at € 255 million (FF 1,675 million). The 16% cut in water prices ordered by the water regulator OFWAT was offset by higher consumption. Lower demand for works was offset by a higher level of business in the maintenance sector.

In Italy, the acquisition of Créa in the second quarter of 2000 lifted sales to € 48 million (FF 312 million) compared with € 21 million (FF 140 million) in 1999. The merger with Sigesa is underway. Non-strategic assets were sold.

Sales in the rest of Europe (Spain, Poland, Russia) amounted to € 88 million (FF 574 million). Total sales in Europe, excluding France, amounted to € 406 million (FF 2,664 million).

In Côte d'Ivoire, the Group's water distribution, gas supply and power generation and distribution businesses generated sales of € 360 million (FF 2,363 million). In Senegal, sales amounted to € 52 million (FF 3 44 million). At the end of 2000, Saur acquired a 40% stake in Mali's newly privatised water and power distribution company.

Total sales in Africa amounted to € 431 million (FF 2,826 million), up 5% on 1999.

Outlook

Saur group sales are expected to rise to € 2.5 billion (FF 16.4 billion) in 2001, up 4% on 2000.

Saur's contribution to Bouygues Group results

	FF m				€ m	
	1998 pro forma	1999 pro forma	2000	2001 (f)	2000	2001 (f)
Sales	**13,988**	**14,914**	**15,665**	**16,400**	**2,388**	**2,500**
France	9,341	9,643	10,091	10,300	1,538	1,570
International	4,647	5,271	5,574	6,100	850	930
Operating income	**750**	**702**	**763**	**–**	**116**	**–**
Investments	**2,597**	**1,173**	**1,414**	**–**	**216**	**–**
Employees (number)	**22,223**	**22,182**	**23,449**	**–**	**–**	**–**

Building and civil works

Bouygues Construction houses all the Bouygues group's construction activities, including building, civil works, oil and gas contracting and electrical contracting.

In 2000, Bouygues Construction generated sales of € 6.2 billion (FF 40.8 billion), up 16.5% like-on-like on 1999. Growth rates were similar for both domestic and international sales: 15.8% and 17.1% respectively. International sales account for more than half of Bouygues Construction's total sales (52% in 2000). After stripping out intra-group movements, Bouygues Construction contributed € 5.9 billion (FF 39 billion) to Bouygues Group sales.

Building and civil works

The building and civil works division reported sales of € 4.5 billion (FF 29.5 billion) in 2000, up 19.6% on 1999, including € 2.1 billion (FF 14.1 billion) in France and € 2.4 billion (FF 15.5 billion) on international markets.

The French construction market continued to thrive in 2000, boosted by building activities. The recovery in the industrial building and business property markets which began in 1999 was confirmed, while activity in the housing market remained stable at a relatively high level. In contrast, the civil works market was flat, dampened by the lack of major projects. In France, Bouygues Construction carries out its building and civil works activities through three operational entities: Bouygues Bâtiment for the Paris region, a network of regional subsidiaries involved in building and civil works, and Bouygues Travaux Publics, which focuses mainly on major projects and specialist works.

Building in France generated sales of € 1.8 billion (FF 12.4 billion) in 2000, up 13.8% on 1999.

Cœur Défense office towers (France).

In the Paris region, business was sustained by major projects under construction, including the Coeur Défense development project (€ 350 million) and the Nortel headquarters at Chateaufort (€ 49 million). Completed projects included the SFP Buttes Chaumont operation, the Maisons-Alfort housing development scheme and the 25 Matignon project. In view of the orders booked in 2000, sales are likely to increase in 2001 despite completion of the Coeur Défense development. Agreements for a number of major projects were concluded towards the end of the year, including the Pas-du-Lac development at Saint Quentin en Yvelines (€ 46 million), the Carré Sénart shopping centre (€ 60 million) and the BMS headquarters at Rueil (€ 34 million).

Regional subsidiaries in France, which operate on both building and civil works markets, recovered strongly in 2000. Projects under way include St Luc hospital in Lyon (€ 44 million), an office development project for Toyota (€ 20 million), the Zénith in Grand Quevilly (€ 15 million) and the law courts in Besançon (€ 14 million).

Transporting pre-fabricated caissons for the Monaco breakwater.

In France, **Bouygues Travaux Publics** generated sales of € 200 million in 2000, up 17.3% on 1999. Market conditions were still difficult due to the lack of major projects. The main projects under way are the Monaco breakwater (€ 22 million), the Andra underground research laboratory (€ 29 million) and earthworks on the A87 and A89 motorways (€ 38 million and € 20 million respectively). Significant sales were recorded in La Réunion and in Mauritius.

Losinger builds tunnels in Switzerland.

On international markets, Bouygues Construction operates either through local subsidiaries or temporary establishments. It does most of its international business in the European Union, Central and Eastern Europe, the Far East and Africa.

In Western Europe, markets are growing under the combined effect of an economic upturn and factors of a more structural nature, including investment in infrastructure in Southern Europe (Spain, Portugal and Greece), European water and transportation policies, and the development of new forms of financing such as Private Finance Initiatives in the UK. Some local subsidiaries – Losinger in Switzerland, Bouygues UK in Great Britain and Aceroïd in Spain – reported a sharp rise in sales. Bouygues Construction generated sales of € 0.7 billion in its Building and Civil Works activities in Western Europe outside France, and the number of major projects is growing. The group has eight contracts worth over € 15 million in Switzerland, including the Ferden lateral adit (€ 183 million) and the Utlieber tunnel (€ 38 million). Other large-scale projects include the 552 Kings Road luxury housing project in the UK (€ 65 million) and the Rostock tunnel in Germany (€ 155 million).

In central and eastern Europe, Bouygues Construction consolidated its position in 2000. Major projects under way include the CPC oil terminal and pipeline project in Russia (€ 153 million), Katerinska hotels in the Czech Republic (€ 32 million) and a ministry in Turkmenistan (€ 95 million). Orders already booked, including two contracts with the French hypermarket group Auchan, suggest that the outlook for 2001 will remain bright.

Laying pipelines in Russia.

In the Far East, sales exceeded € 910 million. Major infrastructure projects included a metro station in Hong Kong, Kuala Lumpur central train station, housing developments in Hong Kong and office projects in Singapore. Sales are likely to remain high in 2001 despite increased competition.

In Africa, the picture was more patchy. 2000 was a difficult year in Côte d'Ivoire, where the Riviera-Marcory bridge project was postponed, and South Africa, where the economic climate is not favourable. Conversely, business in Nigeria and the countries round the Gulf of Guinea has picked up as a result of higher oil prices. Building and civil works activities generated sales of € 0.3 billion in 2000 in Africa.

For 2001, the outlook in the Building and Civil Works division is good and should confirm the strong growth recorded over the last two years.

FPSO floating production unit for the Girassol project in Angola.

Electrical contracting

ETDE, a wholly-owned subsidiary of Bouygues Construction, reported sales of € 382 million (FF 2.5 billion), up 4% on 1999.

In France, the Energy Networks branch generated sales of € 300 million (FF 1.7 billion), up 13.3% on 1999, and the market trend points to further significant growth in 2001. Sales by the Networks and Communication branch continued to decline, falling from € 60 million in 1999 to € 45 million in 2000, and the downturn on the telecommunications market means that the trend in France is not likely to be reversed in 2001.

International sales remained stable at € 45 million and are likely to rise in 2001 as a result of the development of energy networks and the roll-out of telecommunications networks. ETDE's sales should continue to rise in 2001 despite the difficulties of the networks and communication division

Oil and gas contracting

Bouygues Offshore, of which Bouygues Construction owns 51%, is a leading international contractor providing integrated solutions for the offshore and onshore oil and gas industry. Its activity also includes maintenance services, maritime and river works, and the design and construction of turnkey projects for the liquefied gas, refining, chemicals, energy and manufacturing sectors.

Bouygues Offshore reported sales of € 1.1 billion (FF 6.9 billion) in 2000, up 8% on 1999.

Bouygues Offshore, a group with a strong international dimension, does 79% of its business abroad, including 34% in Africa (mainly deep offshore projects in Angola) and 42% in Europe (mainly Russia). More than half of its workforce, representing 28 different nationalities, is based in 25 countries outside France.

The tramway in Nantes (France).

The Fullerton complex in Singapour.

Offshore and onshore projects for the oil and gas industry accounted for 74% of the division's business. With the Girassol project in Angola and construction of the Saibos FDS, a dynamically positioned vessel for installing deep offshore equipment, Bouygues Offshore has acquired the experience and highly competitive skills which make it a leading player in the deep offshore business. Traditional offshore activities also picked up in 2000.

Onshore projects have become Bouygues Offshore's leading source of revenue, accounting for over 45% of sales in 2000. The CPC project in Russia is a major reference for the company, demonstrating its ability to manage large-scale onshore pipeline projects. In one year, and in difficult weather conditions, more than 750 km of pipeline were laid, linking the Tenguiz field in Kazakhstan to the Black Sea. In addition, design, supply and construction work has started on the largest gas compression station ever built, at Beregovaya in Russia, as part of the Blue Stream project.

SN Technigaz, a leader on the liquefied gas market, was awarded the Bilbao harbour gas terminal project in 2000.

Drawing on its experience and innovative concepts in maritime and river works, Bouygues Offshore has participated in high value added maritime projects. The Beirut seafront redevelopment project was completed in 2000.

Through its subsidiary Sofresid, Bouygues Offshore is increasingly involved in downstream technology-intensive industries. Maintenance and operation are the last link in the value chain and enable Bouygues Offshore through Camom and its subsidiaries in France and abroad, to offer a full range of services to the oil industry.

Orders at year-end amounted to € 1 billion (FF 6.5 billion), 11% higher than at the same time in 1999. This figure includes the Blue Stream contract which came into effect at the end of 2000.

Outlook for Bouygues Construction

Orders at 31 December 2000 amounted to € 5.9 billion, significantly higher than in the previous year (€ 5.3 billion at 31 December 1999), mainly driven by international business. Bouygues Construction's sales are likely to rise in 2001.

Bouygues Construction's contribution to Bouygues Group results

	FF m			€ m	
	1999 pro forma	2000	2001 (f)	2000	2001 (f)
Sales					
Building and Civil Works	24,733	29,487	30,000	4,495	4,570
France	12,313	13,970	14,100	2,129	2,150
International	12,420	15,517	15,900	2,366	2,420
Bouygues Offshore	6,398	6,905	7,400	1,053	1,130
ETDE	2,301	2,624	2,600	400	400
Total sales	**33,432**	**39,016**	**40,000**	**5,948**	**6,100**
France	15,370	17,698	17,700	2,698	2,700
International	18,062	21,318	22,300	3,250	3,400
Operating income	**803**	**764**	**–**	**117**	**–**
Investments	**1,833**	**1,410**	**–**	**215**	**–**
Orders booked	**40,118**	**41,406**	**–**	**6,312**	**–**
France	18,885	19,646	–	2,995	–
International	21,233	21,760	–	3,317	–
Employees (number)	**38,722**	**36,857**	**–**	**–**	**–**

Roads

On 25 July 2000, Bouygues launched a one-for-one exchange offer for Colas stock. As a result, in September 2000 Bouygues increased its stake in Colas from 56% to 96.47%.

Colas is the world leader in road construction and maintenance. From quarries and coating plants to emulsions and binders, of which the Group is the number one producer worldwide, Colas spans the whole range of upstream industrial activities and operates across the entire roads and transport infrastructure sector. It is a major group with more than 1,000 establishments in over 50 countries and 53,000 employees.

The Colas group is continuing to pursue a development strategy based on strong and profitable growth in transport infrastructure construction and maintenance, alongside the expansion of its industrial activities. 86 million tonnes of aggregates were extracted from its quarries in 2000, while its plants produced 1.4 million tonnes of emulsion and binders and 51 million tonnes of asphalt mixes. Colas has 20 to 25-year reserves of materials, which it is constantly renewing and increasing.

2000 was an exceptional year for Colas in terms of both sales and earnings. It reported a 23% rise in consolidated sales to € 6.67 billion in 2000, compared with € 5.43 billion in 1999. Business was better than expected in metropolitan France; other positive factors included rising prices for oil and oil by-products, and a number of new acquisitions both in France and elsewhere. Like-on-like and at comparable exchange rates, sales increased by 11%.

Business outside France (including French overseas departments and territories) accounted for 43% of sales. Europe (including France) and North America together accounted for 96% of total sales. There was relatively little change in the geographical breakdown of sales.

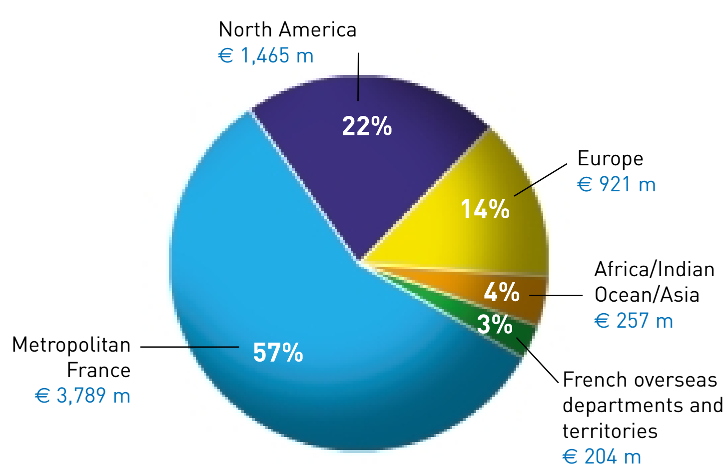
The tramway in Lyons.

Metropolitan France

Sales in metropolitan France rose by 19% to € 3,789 million. Like-on-like, the rise was 13%. Despite lower central government spending, road-building was stimulated by a number of factors including a high level of local authority spending and private sector investment (property, commercial), generally favourable weather conditions except in the latter part of the year (especially October), and major ongoing urban public transport projects (tramways in Lyons, Orléans, Nancy, Caen and Montpellier).

These broadly favourable conditions were tempered by the rise in oil prices, a number of postponed projects and unsuccessful tenders, and the reluctance of some clients to accept the inevitable increase in the price of works.

Geographical breakdown of sales



Renovation of runway at Strasbourg's Entzheim airport (France).

Colas continued to secure its sources of materials, especially aggregates, through major acquisitions. It bought Perrier in the Rhône-Alpes region and a number of medium-sized quarrying companies and acquired a stake in Someca in the south of France.

Highlights of 2000 included the construction of major projects requiring considerable human and physical resources; increasing involvement in urban development (public transport, cycle paths, pedestrian precincts with paving or coloured asphalt mixes, landscaping, silent asphalts); participation in industrial and commercial projects (logistics hubs, port development, industrial flooring, car parks, car test tracks); road maintenance across all the local, national and motorway networks, offering clients high-performance technologies, products and procedures developed by the group's technical labs (porous and silent asphalts, cold micro asphalt, clean emulsions, surfacing with ultra-high skid resistance to meet safety standards and high-performance products to withstand heavy traffic, materials recycling, etc.).

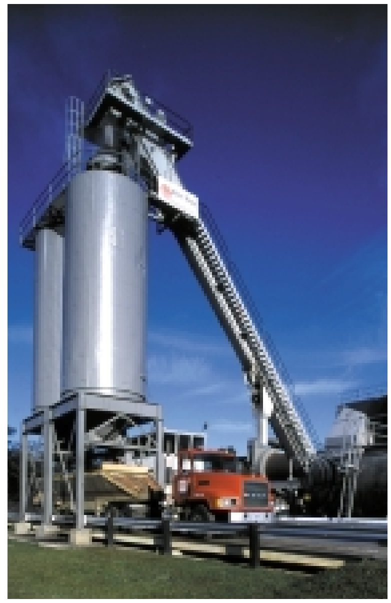
Major projects included renovation of the runway at Strasbourg's Entzheim airport, upgrading of the Centre Europe Atlantique highway, construction of tram lines in Nancy, the upstream waterproofing membrane of the Galaube dam in the Aude department, dockside development for Dunkirk port, and the laying of the "Artère du Centre" pipeline.

Colétanche upstream waterproofing membrane of Galaube dam (France).

International markets

Outside France, Colas generated sales of € 2,887 million, up 28% on 1999. Like-on-like and at comparable exchange rates, sales were up 7%. Growth was mainly attributable to a high level of activity in western and central Europe, where demand for road-building was particularly buoyant.

Several factors contributed to the sharp increase in sales, including numerous acquisitions in the United States and Canada, in line with the strategy pursued for a number of years now, the full-year consolidation of companies acquired in 1999, higher oil prices, and the dollar's rise against the euro in 2000. Although subsidiaries in the United States achieved solid results in terms of both sales and earnings, figures were lower than expected.



The Knox-Rivers plant neer Augusta in the US.

Further acquisitions in Belgium, the Slovak Republic and Poland strengthened the permanent business network in these countries. A new plant came on stream in Ireland, producing Colétanche reinforced bituminous membranes used to protect ground water and soil.

In West Africa, the high level of activity in Benin, Mali, Nigeria and Togo offset the downturn elsewhere (Côte d'Ivoire and above all Gabon). In the Indian Ocean region, sales rose due to a higher level of activity in civil works and building and an increase in private sector investment. In southern Africa, a network of emulsion plants was acquired in 2000. In Asia, the strategic acquisition of a stake in Tasco, a Thai company which has been a Colas partner for eight years, opened up new opportunities in bitumen distribution and the manufacture and sale of emulsions in Thailand and neighbouring countries, particularly China.

Major projects included upgrading the RN2 highway in Romania, earthworks on the D2/D61 motorway in the Czech Republic, upgrading Interstates 5 and 12 in New York State and Interstate 57 in Illinois, redeveloping Raleigh airport, starting work on a motorway linking

Ketchikan bypass in Alaska.

The RN2 highway in Romania.

Salazie road in La Reunion.

Casablanca and Settat in Morocco, upgrading two airport runways in Vanuatu, and earthworks on the RN2 highway in Guyana.

Outlook

Both local authority spending and private sector investment may be expected to remain at a relatively high level in both France and Europe. On a wider front, the economic slowdown in the US, if confirmed, is likely to be offset by the works generated under the 6-year programme to upgrade the roads networks, the full effect of which should begin to be felt. Business development priorities remain unchanged:

- reinforcing our industrial activities, especially the production of construction materials (aggregates, asphalt mixes, emulsions);
- expanding and strengthening our permanent international business network.

Demand, and therefore sales, may be expected to continue rising in 2001, though probably not as fast as in 2000. At the start of 2001 Colas acquired Branscome, an American company with annual sales of US$ 70 million.

Colas' contribution to Bouygues Group results

	FF m				€ m	
	1998 pro forma	1999 pro forma	2000	2001 (f)	2000	2001 (f)
Sales	**28,591**	**34,444**	**42,471**	**44,500**	**6,475**	**6,780**
France	17,211	20,767	24,864	26,000	3,791	3,960
International	11,380	13,677	17,607	18,500	2,684	2,820
Operating income	**627**	**977**	**1,454**	–	**222**	–
Investments	**1,463**	**2,033**	**3,615**	–	**551**	–
Employees (number)	**37,214**	**41,569**	**47,785**	–	–	–

Property

Bouygues Immobilier, a wholly-owned subsidiary of Bouygues, is involved in the whole range of property development activities, from apartments, cluster housing, offices, shops and hotels to fully-equipped development sites. New developments are sold exclusively under the Bouygues Immobilier name.

The Group's property business continued to perform well in 2000, with reservation-based sales rising 8% on the previous year.

In the housing sector, an increase in market share partly offset a drop in sales as private investors held back following the end of the Périssol tax incentives. Reservations were taken for 4,080 housing units, generating sales of € 533 million (FF 3.5 billion), 3.5% lower than in 1999.

The Espace Seine in Levallois-Perret (France).

Growth picked up strongly in the business and commercial property segment, in a context of rising demand and supply shortages. 209,000 sq. m. of offices, shops, hotels and business premises were reserved under notarial instruments, generating sales of € 504 million (FF 3.3 billion), a 29% increase on 1999.

Consolidated books sales, which are recorded on completion for sales of individual housing units and according to the percentage of completion method for block sales, amounted to € 926 million (FF 6.1 billion), up 12% on 1999. The debt level was considerably reduced in 2000, mainly through the disposal of office buildings held in portfolio and financed under leasing arrangements.

Bouygues Immobilier's contribution to Bouygues Group results

	FF m				€ m	
	1998 pro forma	1999 pro forma	2000	2001 (f)	2000	2001 (f)
Sales	5,853	5,404	6,054	6,600	923	1,000
Operating income	252	353	384	–	59	–
Investments	335	316	72	–	11	–
Employees (number)	794	725	793	–	–	–

Human Resources

People

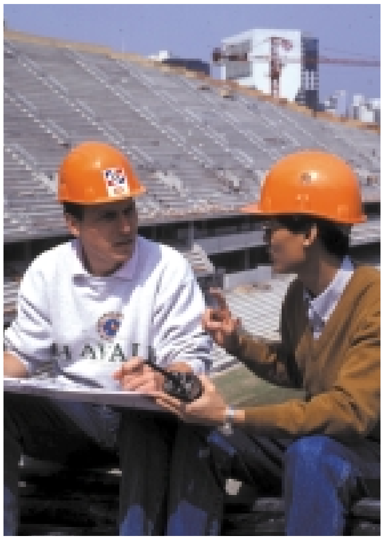
The Bouygues Group has 118,892 employees, of whom 18% are managerial, 31% supervisory, technical and clerical and 51% site workers. It has 64,676 employees in France and 54,216 outside France.

The "Compagnons du Minorange", a company guild, was founded to encourage exemplary conduct and pride in good workmanship by distinguishing an elite. From its origins in the Building & Civil Works division, this unique institution has also been taken up in the Roads and Public Utilities Management branches. It now has 1,653 members in 18 orders and is beginning to expand outside France.

The Group's corporate culture, shared by all its employees in all its lines of business, is rooted in people, trust, responsibility, excellence and an appetite for challenges.

Recruitment

The Bouygues Group continues to play a vigorous part on the employment market, having hired 11,600 employees in France in 2000, 40% more than in the previous year and twice as many as in 1998. The majority of new recruits were under 30 years of age. Growth rates were highest among managerial staff, reflecting the increasing importance of the Group's new business areas.



The number of employees outside France has increased substantially and now represents almost half the total workforce; the number of expatriates has remained more or less stable. This trend reflects both the Group's expansion on international markets and the value placed on local staff.

Pay

The driving force behind the Bouygues Group's pay policy is the link with individual performance and profit sharing. Under the policy, the Group can introduce a variable element into its pay structure. Based on both quantitative and qualitative criteria, it will increasingly take account, for executives, not only of managerial aspects, including value creation, but also of the progress of their staff, as reflected for example in inter-company mobility.

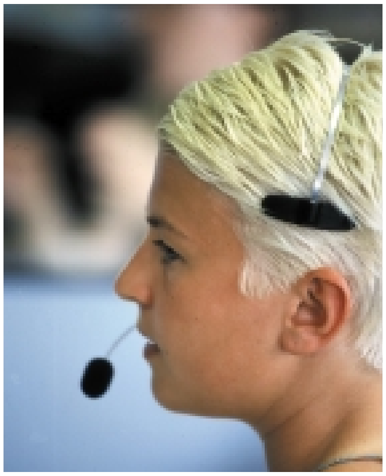
Employee stock ownership

At 31 March 2001, Group employees owned 6.7% of Bouygues stock and 10% of the voting rights. According to IAS, the proportion of Bouygues stock owned by employee stockholders is higher than for any other non-privatised company in the CAC 40. Employee stock ownership has steadily expanded since the policy was introduced in 1970, as shown by the success of the capital increase reserved for employees through the "Bouygues Confiance" mutual fund.

Mobility

Many employees have said that they would like to be able to pursue their careers in the Group as a whole. In response, the Group has introduced a dynamic policy of mobility, whether professional, geographical or sectoral. Vacancies are advertised on the company intranet both by the Group and by each line of business, and a Group careers guidance unit is available to assist employees in their career choices.

Corporate performance and self-realisation are entirely dependent on each other and are two of the Group's priorities.



Number of employees by division

	1999	2000
TELECOMS - MEDIA	**7,638**	**9,786**
Bouygues Telecom	5,131	6,957
TF1	2,507	2,829
SERVICES		
Saur	**22,182**	**23,449**
CONSTRUCTION	**81,016**	**85,330**
Bouygues Construction	38,722	36,752
Colas	41,569	47,785
Bouygues Immobilier	725	793
HOLDING COMPANY AND OTHERS	**516**	**327**
TOTAL	**111,352**	**118,892**
of which International	52,881	54,216

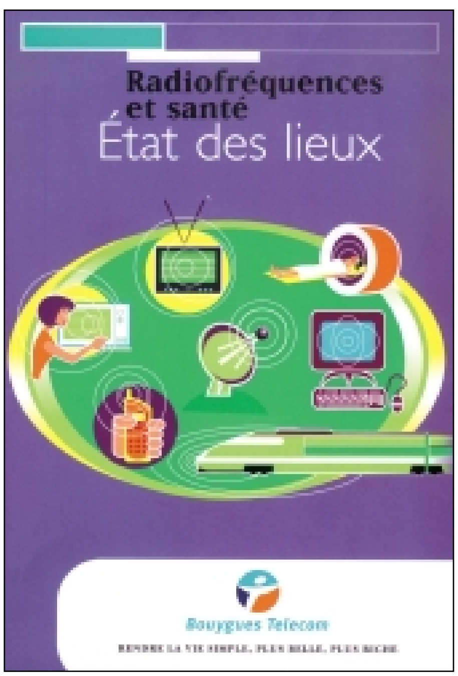
Research & Development

About 230 members of the Group's staff work in Research & Development.

Bouygues Telecom

In compliance with the terms of the licence granted to the company in 1994, Bouygues Telecom spent € 13 million on research, training and standardisation in 2000, bringing its aggregate investment in this area since 1996 to € 71 million.

Bouygues Telecom has also helped to finance research into the health effects of electromagnetic radiation, having decided to adopt a policy of complete transparency on the subject.



Information brochure issued by Bouygues Telecom.

Saur

Saur is researching and developing the use of ultrafiltration membranes, a modern solution for combating parasites and bacteria. It is also continuing its research into combating pesticides by absorption on active carbon. Defluoridation processes for drinking water and wastewater treatment using membrane bioreactors have also been developed. Processes for oxidising ammonia-laden effluents and rainwater have entered their final phase of testing.

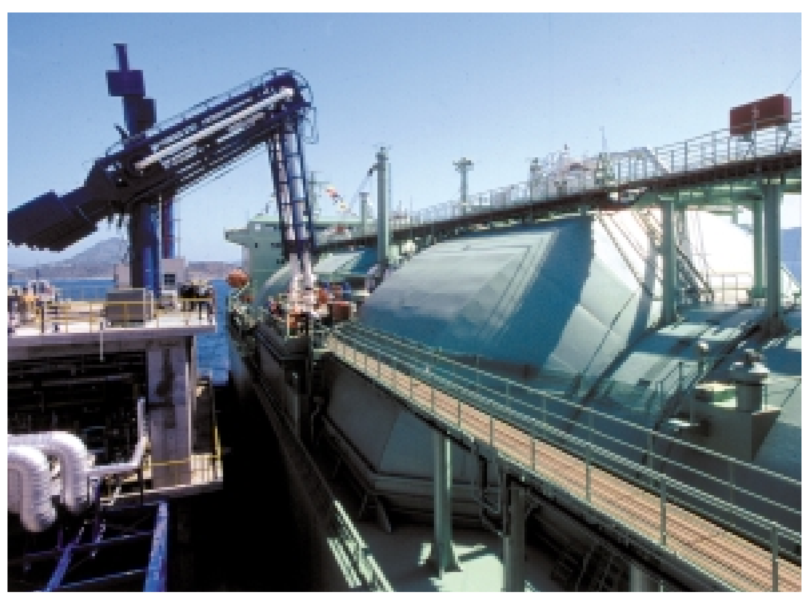
Saur spent € 3.2 million on research and development in 2000.

Bouygues Construction

Bouygues Construction is continuing its research into special concretes. The first industrial placements of self-compacting concrete (SCC) were a key feature of 2000. Bouygues Construction is also researching improvements for tunnel boring machines, particularly their guidance systems, and active structural monitoring to prevent bridges from resonating in the event of vibration.

Ultrafiltration membrane.

Bouygues Offshore continued to focus its research and development activities on deepwater work and liquefied gas. A € 6.6 million R&D budget was allocated to these segments in 2000, compared to € 5.7 million in 1999. Engineering expenses incurred in cost estimating and project construction help to advance this research.



The Revithoussa liquefied natural gas terminal in Greece, constructed by Bouygues Offshore.

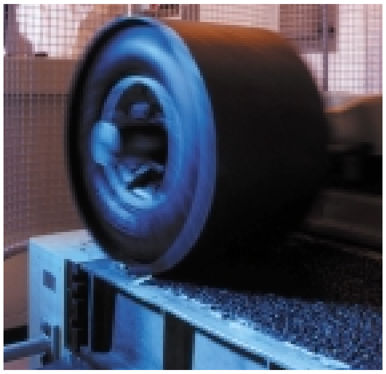
Colas

Considering research to be of the utmost importance, Colas has brought its researchers and technical experts together on a single site at Magny les Hameaux.

Colas plants in Ireland produce a wide range of high-performance road-quality emulsifiers and Colétanche bituminous membranes. Colétanche CS (Chemical Safe), a new kind of bituminous membrane that resists even the most aggressive chemical attack, will enter production in 2001. These products give Colas a new lead in environmental protection, detention basins, water storage, landfill sites and dams.

Other newly qualified Colas products in 2000 included a super-porous asphalt for conditions of exceptionally heavy use, such as race tracks; a range of kerosene-resistant surfacings with no toxic products, much in demand at airports, service stations and industrial facilities; a new range of asphalts with more environmentally-friendly emulsifiers; modified bitumens with extra-high resistance to extreme temperatures; a new hydraulic binder that cuts binder consumption by 20%; and a new roadmarking paint.

Colas is also pursuing its research into noise abatement, a field in which it has established a firm lead over its rivals in terms of both surfacings and the design of new noise barriers. Colas spent € 32 million on research and development in 2000.



Parent company

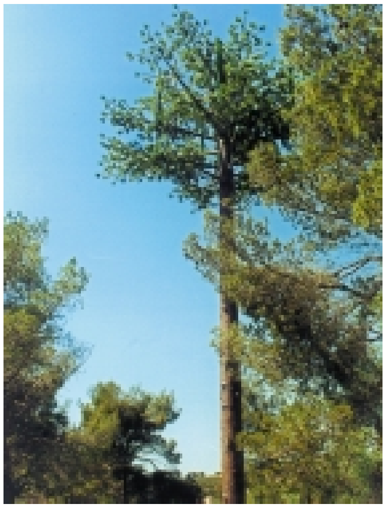
The parent company of the Bouygues Group also carries out research and development work for the benefit of its subsidiaries. A highlight of 2000 was the establishment of an "e-laboratory" as part of a more general programme called "e-Bouygues" designed to help the whole Group accomplish its Internet revolution.

The Bouygues "e-lab" will enable Internet and e-commerce R&D to circulate in the Group's different lines of business. It has three objectives:

- to help develop innovative Internet services that can be integrated into the websites and portals of companies within the Group;
- to differentiate Group companies from their rivals through technological innovation with the aim of becoming an international centre of excellence;
- and to become a magnet for new talent.

Bouygues Telecom

In order to protect the environment, Bouygues Telecom systematically seeks to install its radio aerials on existing high structures such as buildings, water towers and power pylons. Special equipment is used to conceal the aerials or to give a trompe l'œil effect on old buildings or at special interest sites. In July 1999, Bouygues Telecom signed a "National Charter of Environmental Recommendations" with the Environment and Culture Ministries. The charter lays down environmental priorities, procedures for consulting local and national authorities and steps for integration. Since then, Bouygues Telecom has been involved in a number of local initiatives (Lorraine National Park, Haute Savoie region, etc.).



Bouygues Telecom conceals its aerials with tree camouflage, for example.

Saur

The environment is a key aspect of the Saur Group's quality drive. In 1998, Saur evaluated the use of ISO standard 14001 on eight pilot sites. Based on this evaluation and a risk analysis, the company developed a policy, objectives and a programme and implemented an environmental management system. The eight pilot sites, including the Marseilles wastewater treatment plant (1.5 million pop. eq.) and a drinking water plant in Poland, have been awarded combined ISO 9001-ISO 14001 certification. Drawing on its acquired experience, the company is developing an environmental management system that can eventually be applied to a whole fleld of activities or range of sites.

The Orleans wastewater treatment plant has ISO 14001 certification.

Bouygues Construction

Bouygues Construction is continuing to increase its acknowledged expertise in environmental protection, especially nuclear power plant decommissioning and asbestos removal. Bouygues Construction was awarded the Safety and Environment certificate for construction of the large-scale Groene Hart tunnel in the Netherlands.

A Bouygues Construction subsidiary was chosen to treat the 200,000 tonnes of waste collected from beaches after the sinking of oil tanker Erika because of the technical and environmental efficiency of its processes. Bouygues Construction also builds "green buildings" in which thermal and sound insulation are included in the design from the outset with the aim of reducing power consumption.

Substantial efforts are made to limit environmental nuisances from job-sites, such as noise, dust, duration of works and traffic disruption. The firm is also working on the recovery, isolation, storage and recycling of waste.

Colas

Whether in rehabilitating quarries, implementing waste recovery processes, reducing sound pollution from works or traffic, recycling road materials on-site, preserving the quality of soil and water, etc., Colas subsidiaries have launched numerous initiatives and gained extensive expertise in environmental protection. Colas is now formally defining its environmental policy, based on three main aspects: ensuring that Group activities comply with regulations, earning ISO 14001 certification for sites producing road-building materials, and enhancing environment-friendly product features.

Colsoft, recycled rubber-based asphalt.

Section 2

Financial and Legal information

Board of Directors – Management – Auditors

1 - BOARD OF DIRECTORS

The Board of Directors normally holds four ordinary meetings a year, in March, July, September and December. At the March meeting, the Board closes the accounts for the previous financial year. At the July meeting, it reviews the company's performance during the first half of the year and considers the strategic options for each line of business and for the Group as a whole. In September, the Board considers the half-year accounts, and in December it reviews the company's performance and estimated results for the past year and the outlook for the year to come. Other Board meetings are held when the Group's business requires them. The Board met six times in 2000.

The Board of Directors currently has 22 members, of whom:

- 20 are appointed by the Annual Meeting from among the stockholders for a six-year term,
- 2 are appointed by the Annual Meeting for a two-year term from among the members of the Supervisory Boards of the Group's Profit-Sharing, Investment and Corporate Savings Plan mutual funds, as representatives of employee stockholders.

Board of Directors at 31 March 2001

CHAIRMAN AND CHIEF EXECUTIVE OFFICER:

Martin Bouygues

Appointed 21 January 1982.
Term of office renewed in 2000, runs until 2006.
Other significant appointments: director of TF1.

EXECUTIVE DIRECTORS:

Michel Derbesse
Chief Operating Officer

Appointed 5 June 1984.
Term of office renewed in 2000, runs until 2001.
Other significant appointments: director of Bouygues Construction, Bouygues Immobilier, Bouygues Offshore, Colas and TF1.

Olivier Bouygues
Executive Vice-President, Utilities Management

Standing representative of SCDM, appointed 22 October 1991.
Term of office renewed in 1995, runs until 2001.
Other significant appointments: Chairman and Chief Executive Officer of Saur, director of Bouygues Telecom, Colas and Esso France.

Philippe Montagner
Executive Vice-President, Telecommunications

Appointed 17 October 1985.
Term of office renewed in 1997, runs until 2003.
Other significant appointments: Chairman of Bouygues Telecom, director of Saur and TF1.

DIRECTORS:

Pierre Barberis
Chairman and Chief Executive Officer of VEV

Appointed 24 June 1997, term runs until 2003.
Other significant appointments: Chairman and Chief Executive Officer of Lainière Holding, Wilson Gestion, SGQ, and Wyde Inc., director of Alliance Internationale, Boostworks and Vendome Rome.

Patricia Barbizet
Managing Director of Artémis

Standing representative of Artémis, appointed 22 December 1998, term runs until 2002
Other significant appointments: member of the Supervisory Board of Gucci, Guilbert, Pinault Printemps-Redoute and Yves Saint-Laurent Parfums, director of Fnac, Rexel, Christies and TF1.

Madame Francis Bouygues

Appointed 19 October 1993
Term of office renewed in 2000, runs until 2006.

Georges Chodron de Courcel
Member of the Executive Committee of BNP Paribas

Appointed 30 January 1996.
Term of office renewed in 2000, runs until 2006.
Other significant appointments: member of the Supervisory Board of Lagardère and Sommer Allibert, director of Scor.

Jean-Pierre Combot
Chairman and Chief Executive Officer of Bouygues Construction

Appointed 18 April 1985.
Term of office renewed in 1998, runs until 2004.
Other significant appointments: director of Bouygues Offshore and Bouygues Immobilier.

Lucien Douroux
Chairman of the Supervisory Board of Crédit Agricole Indosuez

Appointed 30 March 1999, term runs until 2001.
Other significant appointments: Chairman of the Supervisory Board of Fonds de Garantie des Dépôts, member of the Supervisory Board of Suez, Chairman and Chief Executive Officer of Banque de Gestion Privée, Vice-Chairman of the Board of Directors of Wafabank, director of Euris.

Alain Dupont
Chairman and Chief Executive Officer of Colas

Appointed 7 October 1997, term runs until 2002.
Other significant appointments: director of Sacer and Screg.

Patrick Le Lay
Chairman and Chief Executive Officer of TF1

Appointed 24 April 1986.
Term of office renewed in 1996, runs until 2002.
Other significant appointments: Chairman and Chief Executive Officer of Télévision Par Satellite Gestion (TPS) and TV Breizh, director of Colas.

Patrick Leleu
Chief Executive Officer of Bouygues Telecom

Appointed 25 May 2000, term runs until 2006.
Other significant appointments: director of e AuctionRoom Ltd

Jean Peyrelevade
Chairman and Chief Executive Officer of Crédit Lyonnais

Appointed 25 January 1994.
Term of office renewed in 1995, runs until 2001.
Other significant appointments: director of AGF, Club Méditerranée, Air Liquide, LVMH, Suez, Power Corporation of Canada and MK2, standing representative of Crédit Lyonnais on the Board of Directors of Lagardère Groupe.

François-Henri Pinault
Member of the Supervisory Board of Pinault Printemps Redoute.

Standing representative of Société Financière Pinault, appointed 22 December 1998, term runs until 2004.
Other significant appointments: executive director of Artémis, director of Fnac, Rexel and TV Breizh, manager of Financière Pinault, member of the Management Board of Château Latour.

Olivier Poupart-Lafarge
Chief Financial Officer of Bouygues

Appointed 17 October 1985.
Term of office renewed in 1997, runs until 2003.
Other significant appointments: director of Bouygues Telecom, Colas, Saur, TF1 and Bic.

Alain Pouyat
Executive Vice-President, Information Systems and New Technologies of Bouygues

Appointed 21 September 1999, term runs until 2004.
Other significant appointments: director of TF1.

Ivan Replumaz
Chairman and Chief Executive Officer of Bouygues Bâtiment

Appointed 10 June 1998, term runs until 2004.
Other significant appointments: director of Bouygues Construction and Bouygues Offshore.

Michel Rouger
Former President of Paris Commercial Court

Appointed 30 January 1996.
Term of office renewed in 1999, runs until 2005.
Other significant appointments: Chairman of Angelynvest, member of the Supervisory Board of Lagardère Groupe and De Boeck University, manager of Michel Rouger Conseil.

Serge Weinberg
Chairman of Pinault Printemps-Redoute

Standing representative of Tennessee, appointed 22 December 1998. Term of office renewed in 2000, runs until 2006.
Other significant appointments: Chairman of the Supervisory Board of Conforama Holding, France Printemps and Guilbert, member of the Supervisory Board of Gucci, Yves Saint-Laurent Parfums and Boucheron Holding, director of Fnac and Rexel.

REPRESENTATIVES OF EMPLOYEE MUTUAL FUNDS

Daniel Devillebichot
Representative of Bouygues employee stockholders

Appointed 24 June 1997.
Term of office renewed in 1999, runs until 2001.

Carmelina Formond
Representative of Bouygues employee stockholders

Appointed 24 June 1997.
Term of office renewed in 1999, runs until 2001.

SUPERVISOR (NON-VOTING MEMBER)

A supervisor attends Board meetings.

Jacques-Henri Gougenheim
Appointed 17 October 1985.

Term of office renewed in 1998, runs until 2004.
Other significant appointments: director of Corifrance.

Renewal of terms of office

The Annual Meeting on 31 May 2001 will be asked to renew the terms of office of Jean Peyrelevade, Lucien Douroux and SCDM for a six-year period. The Annual Meeting will also be asked to renew the terms of office of Carmelina Formond and Daniel Devillebichot, representatives of Bouygues employee mutual funds, for a two-year period.

Corporate governance

The Board of Directors has set up four committees.

- The Accounts Committee, created in 1995, reviews the half-year and annual accounts before they are put to the Board, ensures that the accounting methods used to draw up the accounts are both relevant and consistent, and verifies the internal reporting procedures that provide the information on which the accounts are based. The Accounts Committee, chaired by Michel Rouger, met twice in 2000.

- Each year the Remuneration Committee, created in 1996, sets the remuneration of corporate officers. Chaired by Pierre Barberis, it met once in 2000.

- The Selection Committee was created in July 1997. Chaired by Jean Peyrelevade, it met once in 2000.

- The Ethics and Sponsorship Committee, created in March 2001, will monitor compliance with the Group's values and rules of good conduct and issue opinions on corporate sponsorship projects. It is chaired by Lucien Douroux.

Membership of the committees may change during the year.

2 - MANAGEMENT

Bouygues Group management

Martin Bouygues
Chairman and Chief Executive Officer

Michel Derbesse
Vice Chairman and Chief Operating Officer

Olivier Poupart-Lafarge
Chief Financial Officer

Alain Pouyat
Executive Vice-President, Information Systems and New Technologies

Michel Maître
Executive Vice-President, Human Resources

Line Divisions

Philippe Montagner
Executive Vice-President, Telecommunications

Patrick Le Lay
Executive Vice-President, Media

Olivier Bouygues
Executive Vice-President, Public Utilities Management

Jean-Pierre Combot
Executive Vice-President, Building & Civil Works

Alain Dupont
Executive Vice-President, Roads

François Bertière
Executive Vice-President, Property

Support divisions

Lionel Verdouck
Senior Vice-President and Treasurer

Jean-François Guillemin
Company Secretary

Jean-Claude Tostivin
Senior Vice-President and Comptroller

Jacques Bernard
Director, Strategy and Business Development

Michel Buxeraud
Director, Consolidation

Blandine Delafon
Director, Corporate Communications

Ariel Dubois de Montreynaud
Director, Internal Communication

Jean-Pierre Rousseau
Director, Labour Relations

Gérard Bucourt
Director, Human Resources

The company has not concluded any agreements with directors or senior executives other than those relating to the day-to-day business of the company (see Auditors' Report on regulated agreements). No significant new agreements have been concluded since 1 January 2001.

Remuneration – Remuneration policy

Senior executives' pay is determined with reference to remuneration practice in comparable groups and is performance-related, since it includes a variable component linked to the performance of the business area for which the executive is responsible.

The Group's 14 senior executives received a total of € 8.19 million (FF 53.7 million) in respect of direct and indirect emoluments of all kinds from French and foreign companies, including € 5.41 million (FF 35.5 million) in basic pay and € 2.77 million (FF 18.2 million) in bonuses, paid at the beginning of 2001 on the basis of performance in 2000.

Total emoluments paid to Bouygues directors in 2000 amounted to € 625,041 (FF 4.1 million).

3 - AUDITORS

Statutory auditors

Mazars et Guérard, Le Vinci, 4 allée de l'Arche, 92075 Paris La Défense, represented by Jacques Villary and Michel Rosse, appointed at the Annual Meeting on 10 June 1998 for a six-year term (first appointment).

Salustro Fournet & associés, 3 rue Boutard 92200 Neuilly sur Seine, appointed at the Annual Meeting on 24 June 1997 for a six-year term (Salustro Fournet & Associés has taken over SFA & Associés).

Alternate auditors

Thierry Colin, appointed at the Annual Meeting on 25 May 2000 for the same term of office as Mazars et Guérard.

Michel Savioz, appointed at the Annual Meeting on 25 May 2000 for the same term of office as Salustro Fournet & Associés.

Stockholders

1 - MAJOR STOCKHOLDERS

The main stockholders known to the company at 31 March 2001 were as follows:

	Interest (1) %	Number of shares	Voting rights %	Number of voting rights
SCDM	15.7	52,236,302	17.8	63,823,352
Artémis	14.2	47,199,500	13.2	47,199,500
Bouygues Group employees	6.7	22,408,967	10.0	35,782,048
Groupe Arnault (1)	9.8	32,687,795	9.1	32,687,795
Caisse Nationale de Crédit Agricole	2.5	8,336,225	2.3	8,336,225
M^{me} Francis Bouygues	1.7	5,607,360	1.6	5,607,360
BNP Paribas	1.3	4,154,330	1.1	4,154,330
Crédit Lyonnais	0.2	619,773	0.2	619,773
Public	47.9	159,525,966	44.7	160,371,685
TOTAL	**100**	**332,776,218**	**100**	**358,582,068**

(1) The Group Arnault stated that its holding had fallen below the 10% threshold.

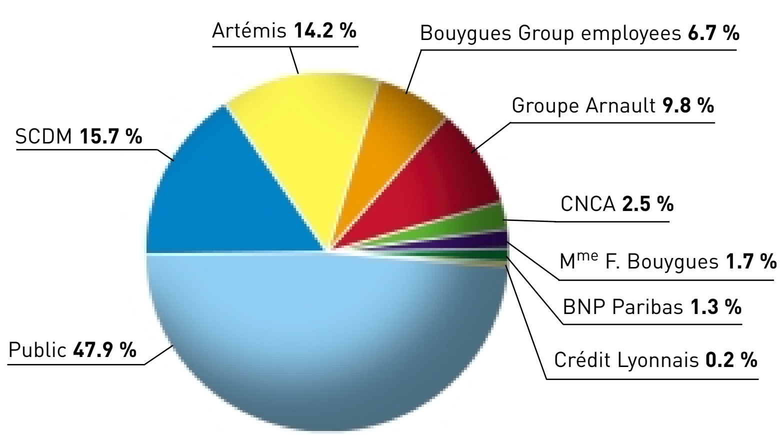
SCDM is a holding company controlled by Martin and Olivier Bouygues.

Artémis is a Pinault group company that controls Tennessee and Amark, the direct stockholders of Bouygues.

To the best of the company's knowledge, there are no stockholders other than those mentioned above that directly or indirectly hold 5% or more of the capital and voting rights.

Bouygues held no treasury stock at 31 March 2001.

Stock ownership structure at 31/03/01



2 - STOCKHOLDER AGREEMENTS

The terms of the stockholder agreement between SCDM and Artémis relating to their holdings in Bouygues were published by the Conseil des Marchés Financiers (financial markets regulator) in a notice of 9 December 1998.

In accordance with the regulations, the parties acting in concert stated their intentions to the Conseil des Marchés Financiers in the following terms:

- "Concerted policy within the Company: under the terms of a stockholder agreement concluded on 4 December 1998 for a three-year period, they intend to conduct a concerted business policy for the Company and consult each other before taking any decisions that might cause a significant and lasting change in the strategy, legal structure or financial resources of the Company or its major subsidiaries. To this end, Artémis will have three seats on the Board of Directors. The parties have undertaken to approve all the resolutions put by the Board of Directors to Annual Meetings.
- Shareholdings: they [the parties] do not rule out buying and selling shares but have agreed to limit their shareholdings such that they do not exceed 17.5% for SCDM and 15.5% for Artemis and such that the total number of shares or voting rights held by the parties, acting in concert, does not exceed one third of the share capital or voting rights.

The parties have agreed to restrict their option of selling their shares for two years and have granted each other a reciprocal right of pre-emption."

A stockholder agreement exists between Bouygues, Jean-Claude Decaux International and Telecom Italia, the three stockholders of BDT, which owns 55% of Bouygues Telecom. A stockholder agreement also exists between Bouygues, BDT, E-On Telecom and BNP Paribas, the stockholders of Bouygues Telecom.

3 - INVESTOR INFORMATION

Michel Madesclaire
Financial Director

Tel. : (33) 1.30.60.35.72 - Fax : (33) 1.30.60.31.40
E-mail : mmd@dgtfg-challenger.bouygues.fr

Investors can find information about the company, its business and its financial situation on the Bouygues group's Web site: **http://www.bouygues.com**

Calendar for publication of financial information:

9 May 2001	First quarter sales figures (press release)
31 May 2001	Annual Meeting
8 August 2001	Second quarter sales figures (press release)
18 September 2001	Board of Directors meeting. Half-year sales figures and financial statements (press release)
19 September 2001	Presentation of half-year financial statements to analysts and the press
9 November 2001	Third quarter sales figures (press release)
February 2002	Fourth quarter sales figures (press release)
Mid-March 2002	Board of Directors meeting Sales and earnings 2001, forecasts for 2002 (press release)
Mid-March 2002	Presentation to analysts and the press of financial statements 2001 and outlook for 2002

Capital

1 - GENERAL INFORMATION

Amount of share capital

The Joint Annual Meeting on 25 May 2000 decided to express the amount of the authorised capital in euros and to increase the par value of shares to 10 euros. It then decided a ten-for-one stock split in order to increase the stock's market liquidity. Following these operations, Bouygues had share capital at 3 July 2000 of € 325,182,890, divided into 325,182,890 shares of € 1 par. 641,130 shares were divided into the same number of investment certificates and voting certificates.

Bouygues had share capital at 31 December 2000 of € 332,694,688, divided into 332,694,688 shares of € 1 par. 619,720 shares were divided into the same number of investment certificates and voting certificates. There were 367,521,656 voting rights at 31 December 2000.

Bouygues had share capital at 31 March 2001 of € 332,776,218. There were 358,582,068 voting rights.

There are no founder's shares.

Capital increases in 2000 and 2001

- A capital increase was carried out in December 1999 and January 2000 for € 228,717,261 (FF 1,500,286,886) at a price per share of € 250.91 (FF 1,645.86). 911,551 new shares were issued. The capital increase was subscribed by a leveraged mutual fund, named Bouygues Confiance, belonging to the Corporate Savings Plan.

- A capital increase with preferential subscription rights was carried out in April 2000 for € 1,507,268,695 (FF 9,887,034,514) at a price per share of € 745 (FF 4,886.88). 2,022,061 new shares and 4,125 new investment certificates were issued. The capital increase was undertaken to enable Bouygues to develop its telecommunications and Internet business. It was given COB certification (00-243) on 1 March 2000.

- On 25 July 2000, Bouygues launched a simplified exchange offer for Colas shares. There were two main reasons for the transaction: to continue the consolidation of Bouygues' construction business and to enable Colas stockholders to benefit from the large and active market in Bouygues stock. Colas stockholders were asked to exchange, between 25 July and 31 August 2000, one Colas share for one Bouygues share, bearing dividend from 1 January 2000. A prospectus (COB certification number 00-1328) published on 25 July 2000 described the terms and conditions for the exchange. Before remittance of the Bouygues shares, an exceptional dividend of € 5 net per Colas share was paid from reserves and issue premiums. Following the transaction, Bouygues increased its equity interest in Colas from 55.8% to 96.74%. A capital increase without preferential subscription rights was carried out in September 2000 for € 490,670,398 (premium included) on the basis of one Bouygues share for one Colas share. 6,984,632 new shares were issued and 4,057,540 repurchased shares and 1,021,390 treasury shares were used to remunerate Colas stockholders who took part in the exchange offer.

- The share capital of Bouygues was also increased following the exercise of stock options granted to Group employees or by conversion of Océane bonds issued in 1999.

Five-year changes in the share capital

All figures in the following table are expressed in French francs until 25 May 2000 and in euros from that date. Following various operations, the par value of shares was divided by 10 as of 3 July 2000.

Capital increases in the last 5 years		Amount of changes in share capital		Amount of share capital	Aggregate number of shares and investment certificates
		Par	Premiums and incorporation of reserves		
1996	• Exercise of options for 310,057 shares	FF 15,502,850	FF 93,116,963	FF 1,176,216,550	23,524,331
	• Subscription by the Corporate Savings Plan of 204,227 shares	FF 10,211,350	FF 70,673,562	FF 1,186,427,900	23,728,558
	• Payment of dividend in shares: 467,388 shares	FF 23,369,400	FF 206,585,496	FF 1,209,793,300	24,195,946
	• Merger/acquisition (Frémoulin): 2,916 shares	FF 145,800		FF 1,209,943,100	24,198,862
1997	• Exercise of options for 579,820 shares	FF 28,991,000	FF 192,290,280	FF 1,238,934,100	24,778,682
	• Subscription by the Corporate Savings Plan of 308,211 shares	FF 15,410,550	FF 113,071,546	FF 1,254,344,650	25,086,833
	• Payment of dividend in shares: 579,308 shares	FF 28,965,400	FF 228,247,352	FF 1,283,310,050	25,666,201
1998	• Exercise of options for 369,675 shares	FF 18,483,750	FF 149,750,922	FF 1,301,793,800	26,035,876
	• Subscription by the Corporate Savings Plan of 194,014 shares	FF 9,700,700	FF 130,853,634	FF 1,311,494,500	26,229,890
1999	• Exercise of options for 592,359 shares	FF 29,617,950	FF 273,090,480	FF 1,341,112,450	26,822,249
	• Subscription by the Corporate Savings Plan of 49,962 shares	FF 2,498,100	FF 46,764,432	FF 1,343,610,550	26,872,211
	• July capital increase: 2,406,218 shares	FF 120,310,900	FF 3,444,917,772	FF 1,463,921,450	29,278,429
	• December capital increase: 911,551 shares	FF 45,577,550	FF 1,454,709,336	FF 1,509,499,000	30,189,980
	• Océane conversion: 150,492 shares	FF 7,524,600	FF 248,179,058	FF 1,517,023,600	30,340,472
2000 until 25 May	• Exercise of options for 47,914 shares	FF 2,395,700	FF 21,211,423	FF 1,519,419,300	30,388,386
	• Océane conversion: 14,500 shares	FF 725,000	FF 23,861,703	FF 1,520,144,300	30,402,886
	• April capital increase: 2,026,186 shares	FF 101,309,300	FF 9,785,725,214	FF 1,621,453,600	32,429,072

Five-year changes in the share capital (contd.)

Capital increases in the last 5 years		Amount of changes in share capital		Amount of share capital	Aggregate number of shares and investment certificates
		Par	Premiums and incorporation of reserves		
25 May 2000	• Conversion of the share capital into euros by converting the par value per share to 8 euros (after rounding up); par value then raised to 10 euros			€ 324,290,720	32,429,072
from 25 May to 3 July 2000	• Exercise of options for 8,251 shares of € 10 par	€ 82,510	€ 530,617	€ 324,373,230	32,437,323
	• Océane conversion: 80,966 shares of € 10 par	€ 809,660	€ 20,059,914	€ 325,182,890	32,518,289
3 July 2000	• Reduction of the par value of shares from € 10 to € 1			€ 325,182,890	325,182,890
from 3 July to 31 December 2000	• Exercise of options for 159,700 shares of € 1 par	€ 159,700	€ 1,151,374	€ 325,342,590	325,342,590
	• Océane conversion: 367,466 shares of € 1 par	€ 367,466	€ 9,104,300	€ 325,710,056	325,710,056
	• September capital increase (simplified exchange offer for Colas shares): 6,984,632 shares of € 1 par	€ 6,984,632	€ 483,685,766	€ 332,694,688	332,694,688
2001 1st quarter	• Exercise of options for 81,530 shares of € 1 par	€ 81,530	€ 524,962	€ 332,776,218	332,776,218

Authorisations relating to capital increases and securities issues

The table below lists the securities issues that the company may undertake pursuant to the authorisations given at the Annual Meeting on 25 May 2000 or at annual meetings in previous years.

€ million	Maximum nominal amount	Annual meeting	Term
Shares reserved for employees, without preferential subscription rights.		10/06/1998	5 years
Shares, investment certificates and all other other transferable securities, during a tender offer for the company's securities, with or without preferential subscription rights.	150	25/05/2000	Until the meeting to approve the accounts for 2000
Shares, investment certificates and all other other transferable securities (including share and investment certificate warrants), with preferential subscription rights.	150 4,000 (debt securities)	25/05/2000	26 months
Shares, investment certificates and all other other transferable securities (including share and investment certificate warrants), without preferential subscription rights.	150 4,000 (debt securities)	25/05/2000	26 months
New shares to remunerate securities tendered in an exchange offer.	150	25/05/2000	26 months
Shares to be issued under stock option plans, without preferential subscription rights.		25/05/2000	5 years
Bond issues.	4,000	25/05/2000	5 years
Purchase by the company of its own shares or investment certificates.	600	25/05/2000	18 months

2 - EMPLOYEE STOCK OWNERSHIP

At 31 March 2001, Group employees held 6.7% of Bouygues' share capital and 10% of voting rights, through a number of mutual funds.

The Employee Mutual Fund, created in 1968, invests in Bouygues shares bought on the market. The Fund has received € 13 million (FF 85.5 million) in contributions in the last five years.

The Corporate Savings Plan mutual fund invests employees' voluntary savings and top-up payments from the company in Bouygues shares bought directly on the market. A total of € 142 million (FF 935 million) in employee savings and company payments has been paid into the Corporate Savings Plan in the last five years, including € 96 million (FF 633 million) in employee contributions and € 46 million (FF 302 million) in company top-up payments.

Following the capital increase in January 2000, a new leveraged mutual fund named Bouygues Confiance held 8,161,430 shares at 31 March 2001, representing 2.5% of the share capital.

3 - STOCK OPTIONS

Currently valid options to subscribe shares (stock options) granted under the terms of authorisations given at Extraordinary Annual Meetings, if they were exercised, would represent a maximum of 7,578,680 new shares as of 31 March 2001

(for convenience, all of the following figures take the stock split into account)

Stock options by category of beneficiary

	Number of beneficiaries	Number of options granted	Number of currently valid options
Senior executives	20	(1) 6,126,297	4,207,770
Others beneficiaries	686	7,533,872	3,453,124
Total	**706**	**13,660,169**	**7,660,894**

(1) 1,876,582 (1995 plan); 1,856,405 (1997 plan); 2,003,310 (1999 plan); 390,000 (2000 plan).

Number of options per plan

Plan	Annual meeting authorising plan	Number of options granted per plan (1)	Exercise price (1)			Number of beneficiaries	Number of options exercised per plan (1)	Number of currently valid options per plan at 31/12/00 (1)	Options exercised during the year (1)	Maturity
			F	€	Discount					
24/01/95	22/06/93	4,836,980	48.63	7.41	5 %	130	4,398,570	146,230	1,202,400	24/01/02
1996	-	-	-	-	-	-	-	-	3,100,570	-
28/01/97	27/06/95	4,102,050	48.82	7.44	5 %	96	1,145,560	2,823,370	5,798,200	28/01/04
1998	-	-	-	-	-	-	-	-	3,696,750	-
20/04/99	27/06/95	2,187,700	141.63	21.59	5 %	105	7,130	2,174,044	5,923,590	20/04/06
06/07/99	27/06/95	982,030	162.17	24.72	5 %	70	-	972,690	-	06/07/06
04/11/99	27/06/95	311,609	194.42	29.64	5 %	37	-	304,760	-	04/11/06
04/07/00	25/05/00	1,239,800	453.46	69.13	5 %	627	-	1,239,800	721,350	05/07/07
TOTAL		**13,660,169**						**7,660,894**		

(1) after adjustment

4 - BONDS CONVERTIBLE INTO NEW SHARES AND/OR EXCHANGEABLE FOR EXISTING SHARES

1,905,490 Océane bonds with a par value of € 262.4 (FF 1,721.23) at 1.7% per annum were issued, bearing interest from 4 February 1999. They are redeemable in full on 1 January 2006 and may be converted at any time after 4 February 1999 into new shares or exchanged for existing shares at a rate of one Bouygues share for one bond, without prejudice to any subsequent adjustment. The bonds are redeemable at Bouygues' discretion from 1 January 2003.

Following the capital increases with preferential subscription rights carried out in July 1999 and April 2000, the conversion and/or exchange parity of the Océane bonds was revised from 1 Bouygues share to 1.013 Bouygues shares, then from 1.013 to 1.018 Bouygues shares. Following the stock split, this parity is now 10.18 Bouygues shares.

278,479 Océane bonds had been converted by 31 March 2001, entailing the creation of 2,827,046 new shares (this figure takes account of the stock split). 1,627,011 Océane bonds remained in issue at the same date.

If all the Océane bonds were converted, 16,562,972 new shares would be created.

5 - BUY-BACK OF BOUYGUES STOCK

By using the authorisation granted by the Annual Meeting on 10 June 1999, the company held 46,108 Bouygues shares at 1 January 2000.

In January 2000, the company took advantage of a market opportunity to purchase 385,350 shares. 25,704 treasury shares were sold in March 2000. The company held 405,754 shares at 31 March 2000, representing 1.33% of the share capital at that date.

These 4,057,540 shares (after the stock split) were exchanged as part of the simplified exchange offer for Colas stock.

The Annual Meeting on 25 May 2000 authorised a programme for the company to buy back its shares. A memorandum relating to the buy-back programme, certified by the COB (00-672), was published on 4 May 2000.

The Board of Directors decided, pursuant to the authorisation given by the Annual Meeting on 25 May 2000, to launch a programme for the company to buy back its own stock, up to a maximum number of 201,000 shares, so as to be able to provide Bouygues shares to those Colas employees with stock options who wished to exercise them. No Bouygues shares have been purchased under the programme to date.

At 31 March 2001, no Bouygues shares had been purchased under this programme.

1 - BOUYGUES ON THE STOCK MARKET IN 2000

Stock

Bouygues is listed on the first market (Deferred Settlement Market, SRD) of Euronext Paris SA.

There were 332,694,688 shares and investment certificates in issue at 31 December 2000.

There were 30,340,472 shares and investment certificates in issue at 31 December 1999, before the ten-for-one stock split on 3 July 2000.

Bearing in mind that all the figures given below take the stock split into account, 29,289,968 shares and investment certificates were created in 2000, including:

- 721,350 shares as a result of stock options;
- 20,261,860 shares and investment certificates as a result of the capital increase in April 2000;
- 6,984,632 shares on the capital increase resulting from the exchange offer for Colas shares;
- 1,322,126 shares by the conversion of Océane bonds.

An average of 319,800,000 shares and investment certificates were in issue in 2000.

The market in Bouygues stock was particularly lively in 2000 with an average of over 1,113,000 shares traded daily, representing an average monthly turnover in capital ownership of 7%.

Bouygues, regarded as a construction industry stock until 1997, has gradually come to be perceived as a telecommunications stock. The Bouygues share price has risen strongly on the back of Bouygues Telecom's undoubted success, reaching an all-time high in March 2000. It has since suffered from the general downturn in telecom and new technology stocks.

It closed the year at € 49 (FF 321.42), 23% down on the price at 31 December 1999.

Five-year trends in the number of shares bearing dividend, dividends and yields are as follows:

(for convenience, all of the following figures take the stock split into account)

	Number of shares	Dividend (in €)			Market price (in €)			Dividend yield based on last price %
		Net	Tax credit	Total	Highest	Lowest	Last	
1996	240,936,760	0.259	0.13	0.389	8.95	6.88	8.86	4.8
1997	255,731,080	0.259	0.13	0.389	11.01	7.29	10.49	3.7
1998	261,671,780	0.259	0.13	0.389	19.15	10.38	17.56	2.2
1999	302,783,920	0.259	0.13	0.389	67.50	17.53	63.70	0.6
2000	332,074,968	0.360	0.18	0.540	97.90	45.60	49.00	1.1

The market price of share at 31 March 2001 was € 36.43.

Investment certificates

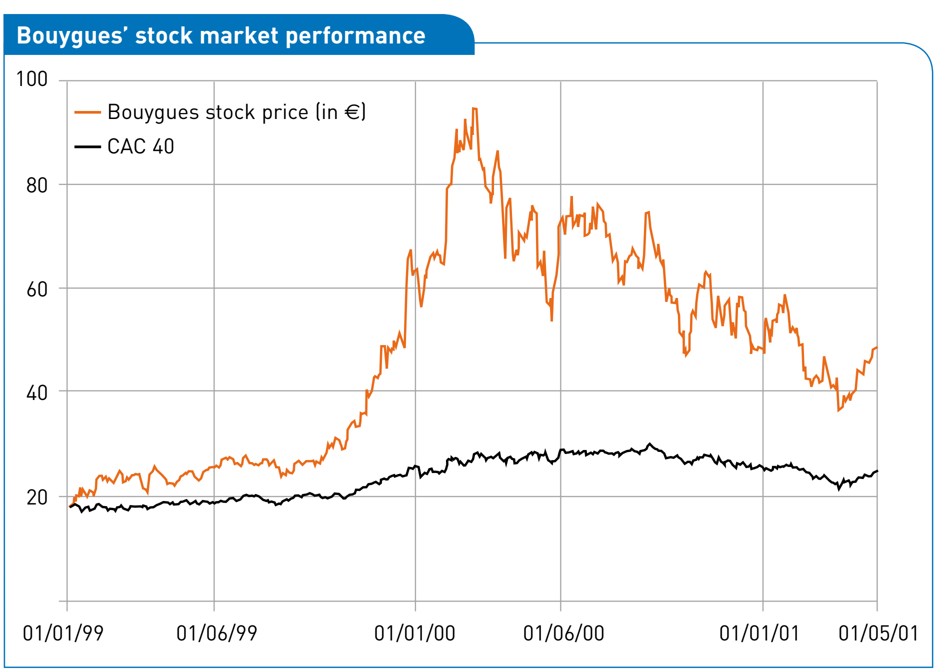
Bouygues investment certificates are listed on the first market of Euronext Paris.

Five-year trends in the number of investment certificates (a form of non-voting preference stock first issued in 1986), dividends and yields are as follows:

(for convenience, all of the following figures take the stock split into account)

	Number of investment certificates bearing dividend	Dividend (in €)			Market price (in €)			Dividend yield based on last price %
		Net	Tax credit	Total	Highest	Lowest	Last	
1996	1,051,860	0.259	0.13	0.389	7.91	5.36	7.17	5.4
1997	930,930	0.259	0.13	0.389	9.15	6.92	8.57	4.5
1998	627,120	0.259	0.13	0.389	16.16	9.16	15.55	2.5
1999	620,800	0.259	0.13	0.389	24.11	14.52	24.10	1.6
2000	619,720	0.360	0.18	0.540	54.20	26.10	45.20	1.2

The market price of investment certificates at 31 March 2001 was € 33.93.



2 - STOCK PRICE AND NUMBER OF SHARES TRADED

Bouygues stock price in the last 18 months

(for convenience, all of the following figures take the stock split into account)

	Highest (in €)	Lowest (in €)	Number of shares traded	Capital (€ million)
1999				
July	28.3	25.4	14,068,720	371
August	26.9	23.4	16,394,960	415
September	30.3	25.3	19,214,760	520
October	34.7	28.3	33,728,850	1,084
November	49.8	32.3	30,759,830	1,258
December	68.9	43.1	28,751,570	1,490
2000				
January	68.4	54.1	23,325,710	1,475
February	94.7	64.9	27,036,760	2,233
March	97.9	77.2	27,381,730	2,397
April	84.0	59.3	22,198,400	1,548
May	78.0	52.6	32,278,940	2,070
June	77.8	67.0	23,866,460	1,721
July	76.5	64.1	19,279,374	1,429
August	73.6	59.7	20,201,869	1,312
September	76.6	55.7	19,897,371	1,291
October	61.3	44.8	28,554,208	1,491
November	65.0	48.6	19,778,475	1,125
December	59.7	47.0	19,428,964	1,029
2001				
January	59.5	46.2	37,463,922	2,002
February	53.7	39.8	30,710,362	1,403
March	46.5	35.0	49,457,378	1,990

Price of investment certificates

	Highest (in €)	Lowest (in €)	Number of investment certificates traded
4th quarter 1999	24.11	22.10	3,000
1st half 2000	54.20	26.10	19,530
2nd half 2000	43.76	54.20	10,394
1st quarter 2001	33.40	47.47	15,137

Price of Convertible and/or exchangeable bonds

	Highest (in €)	Lowest (in €)	Number of bonds traded
1st quarter 2000	964.0	571.0	50,050
2nd quarter 2000	840.0	542.1	100,086
3rd quarter 2000	780.8	585.0	86,526
4th quarter 2000	660.0	469.5	100,274
1st quarter 2001	610.0	403.1	42,376

1 - GENERAL INFORMATION

Company name:	BOUYGUES
Registered office:	90, avenue des Champs-Elysées 75008 Paris - France
Registration number:	572 015 246 Paris
APE code:	452 B
Form:	Société Anonyme (joint stock corporation)
Creation date:	15 October 1956
Expiry date:	14 October 2089
Financial year	1 January to 31 December
Governing law	French

2 - HISTORY

Bouygues was founded by Francis Bouygues in 1952 as a building contractor working in the Paris region. The company gradually expanded its activities to include property development, public works and civil engineering, both in France and in other countries, and has since branched out into new, strongly growing lines of business.

1970 • Bouygues was floated on the Paris stock market.

1974 • Establishment of Bouygues Offshore (oil-related and maritime works).

1984 • Acquisition of Saur (water distribution) and ETDE (electrical contracting).

1986 • Acquisition of the Screg group, specialising in roadworks.

1987 • Bouygues named as operator and principal stockholder of TF1, France's leading TV channel, following privatisation.

1989 • Martin Bouygues appointed as Group Chairman and Chief Executive Officer.

1991 • Extension of Saur's activities to include power distribution.

1994 • Bouygues named as operator of the third French mobile phone network.

1995 • Colas strengthens its presence in Europe.
• Strategic alliance between Saipem (Italy) and Bouygues Offshore.

1996 • Creation and launch of TPS, a digital satellite TV service.
• Launch of Bouygues Telecom.
• Reorganisation of the roads division.
• 40% of the share capital of Bouygues Offshore floated on the Paris and New York stock markets.

1997 • Acquisition of Cise, a company specialising in public utilities management, and merger of Cise with Saur.
• Reorganisation of Bouygues' share ownership structure.

1998 • Bouygues Telecom completes nationwide coverage and passes the one million subscriber mark.
• Colas strengthens its presence in the United States.

1999 • The Group spins off its building and civil works activities.
• Bouygues raises its stake in Bouygues Telecom from 34% to 54%.

2000 • Bouygues raises its stake in Colas from 56% to 96%.
• Bouygues Telecom passes the five million subscriber mark.

• Bouygues and Bouygues Telecom decide not to bid for a UMTS licence in January 2001.

3 - BY-LAWS

The company has as its purpose in all countries:

- the acquisition, directly or indirectly, of interests in all French or foreign companies or groupings, whatever their purpose or business, and the management and disposal as appropriate of such interests,
- the creation, acquisition, operation and disposal as appropriate of all French or foreign undertakings, in any field of business, whether industrial, commercial or financial, including in particular in the construction sector (building, civil works, roads, property) and the service sector (public utilities management, media, telecommunications),
- and in general all industrial, commercial, financial, mining and agricultural operations or transactions and all operations or transactions involving movable or real property relating directly or indirectly to the purpose set forth above or to all similar or related purposes that may enable or facilitate the achievement or pursuit thereof.

Appropriation of earnings

At least 5% of net earnings for the year, minus prior losses if any, are retained in order to constitute the legal reserve. This requirement ceases to be mandatory when the legal reserve equals one tenth of the share capital.

The sum necessary to pay the stockholders and holders of investment certificates a first dividend equal to 5% of the paid-up share capital is retained from distributable earnings. After appropriations to other reserves and to retained earnings decided by the Annual Meeting, the balance of distributable earnings is divided between the shareholders and holders of investment certificates.

Annual meetings

Annual meetings of stockholders are called in accordance with the formalities required by law. They consist of all shareholders and holders of voting certificates, whatever the number of shares or certificates they hold.

Special meetings of holders of investment certificates and of bonds issued by the company may be called in the cases provided for by the laws and regulations in force.

All documents required in order to vote at annual meetings must reach the company at the latest on the third day before the date of the meeting.

Double voting rights

Double voting rights are allocated to all fully paid-up shares that are proved to have been registered for at least two years in the name of the same holder.

In the event of a capital increase by incorporation of reserves, profits or premiums, double voting rights are conferred as of issue on registered shares allocated as a bonus to shareholders in respect of existing shares conferring such entitlement. Double voting rights attached to registered shares will be lost if such shares are converted into bearer shares or if title to them is transferred, except in cases where the law provides otherwise.

Thresholds

Persons holding directly or indirectly at least 1% of the capital or voting rights are required to inform the company of the total number of shares or voting certificates they own. Notification must be made by registered letter with acknowledgment of receipt sent to the registered office within fifteen days of conclusion of the transaction, on or off the stock market, irrespective of delivery of the securities.

Further disclosures must be made under the same conditions each time the 1% threshold is crossed in either direction.

If disclosures are not made under the conditions set forth above, the voting rights attached to shares or voting certificates exceeding the fraction that should have been disclosed are suspended under the conditions provided by law if a request to that effect is made at the Annual Meeting by one or more stockholders holding at least 5% of the share capital or voting rights.

Under the terms of Article 8.2 of its by-laws, the company is authorised to use all legal means regarding the identification of holders of securities conferring an immediate or future right to vote at stockholders' meetings.

4 - EXCEPTIONAL EVENTS OR LITIGATION

To the best of the company's knowledge, there are no exceptional events or litigation likely to materially affect the business, assets, results or financial situation of the Group or company.

5 - PLACES WHERE LEGAL DOCUMENTS MAY BE CONSULTED

Legal documents may be consulted at the company's registered office at 90, avenue des Champs-Elysées, 75008 Paris, and at Challenger, 1 avenue Eugène Freyssinet, 78280 Guyancourt.

1 - DIVIDEND

Appropriation and distribution of the earnings of Bouygues (parent company)

The Annual Meeting, having acquainted itself with the Board of Directors' report on operations and having noted that earnings for 2000 amounted to € 479,109,026.52, including retained earnings of € 1,051,565.58, is asked to approve the following appropriation and distribution:

- Appropriation to the legal reserve ____ € 10,142,593.11

- Distribution of a first net dividend (5% of par) of € 0.05 ____ € 16,634,734.40

- Distribution of an additional net dividend of € 0.31 per share or investment certificate of € 1 par ____ € 103,135,353.28

Subject to approval by the Annual Meeting, the dividend of € 0.36 net per share or per investment certificate plus a tax credit of € 0.18 (assuming a 50% rate) will be paid in cash from 8 June 2001.

- Other reserves ____ € 349,196,345.73

The company is required by law to state the dividends distributed in the last four years and the related tax credits. They were as follows:

	1996	1997	1998	1999
Number of shares (before stock split)	24,198,862	25,666,201	26,229,890	30,340,472
Dividend	FF 17.00	FF 17.00	FF 17.00	FF 17.00
Tax credit	FF 8.50	FF 8.50	FF 8.50	FF 8.50
Total dividend per share	FF 25.50	FF 25.50	FF 25.50	FF 25.50
Total dividend amount	**FF 411,380,654**	**FF 436,325,417**	**FF 445,908,130**	**FF 515,788,024**

2000 dividends paid in cash in 2001 will be available to stockholders from 8 June 2001.

Dividends not claimed within five years are paid to the government.

2 - SUMMARY OF LAST FIVE YEARS' RESULTS

	1996	1997	1998	1999	2000	
					in FF	in €
1. Capital year-end						
a) Share capital	1,209,943,100	1,283,310,050	1,311,494,500	1,517,023,600	2,182,334,095	332,694,688
b) Number of ordinary shares in issue (1)	24,093,676	25,573,108	26,167,178	30,278,392	332,074,968	332,074,968
c) Number of investment certificates (1) (with no voting rights)	105,186	93,093	62,712	62,080	61, 720	619,720
d) Maximum number of shares to be created in the future (1) :						
• by conversion of investment certificates and voting certificates into shares	105,186	93,093	62,712	62,080	619,720	619,720
• by exercise of stock options	1,562,820	1,348,675	959,250	710,266	7,660,890	7,660,890
• by conversion and/or exchange of convertible bonds				1,779,769	16,562,972	16,562,972
2. Results for the year						
a) Sales excluding taxes	8,642,029,755	7,893,263,907	7,908,833,549	609,376,532	421,796,458	64,302,455
b) Earnings before tax, depreciation, amortisation and provisions	392,740,478	685,497,923	(2) 56,261,718	1,954,474,631	2,766,178,924	421,701,258
c) Income tax	(29,429,716)	73,216,517	94,982,685	(55,595,013)	26,166,039	3,988,987
d) Employee profit-sharing	-	-	-	-	-	-
e) Earnings after tax, depreciation, amortisation and provisions	500,351,323	219,450,058	453,475,301	1,216,192,071	3,135,85, 379	478,057,461
f) Distributed earnings	411,380,654	436,325,417	445,908,130	515,788,024	785,640,274	119,770,088
g) Withholding	5,124,203	2,409,293	1,034,4250	0	0	0
3. Earnings per share						
a) Earnings after tax but before depreciation, amortisation and provisions	15.01	29.56	5.77	62.59	8.39	1.28
b) Earnings after tax, depreciation, amortisation and provisions	20.68	8.55	17.29	40.08	9.43	1.44
c) Gross dividend allocated to each share	25.50	25.50	25.50	25.50	3.54	0.54
4. Personnel						
a) Average number of employees during the year	5,835	5,448	5,329	306	249	249
b) Payroll	1,589,994,073	1,598,760,291	1,611,885,468	251,080,696	210,678,790	32,117,774
c) Amounts paid in respect of benefits (social security, company benefits, etc.)	792,605,052	779,267,921	774,487,734	125,592,983	97,327,295	14,837,450

(1) A ten-for-one stock split was carried out in 2000.
(2) Excluding effect of restructuring Building & Civil Works division and sale of GMP: FF 666 million.

Section 3

Accounts

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER

Assets (FF million)

	2000	1999		1998	
	Net	pro forma Net	Net	pro forma Net	Net
Intangible fixed assets	19,263	14,882	14,882	8,410	8,410
Goodwill	2,212	1,669	1,669	1,364	1,364
Tangible fixed assets	27,571	25,719	21,967	20,824	16,817
Long-term investments (a)	5,928	5,096	5,322	4,740	4,950
Non-consolidated subsidiaries and affiliates	*1,283*	*1,146*	*1,146*	*910*	*910*
Equity method subsidiaries and affiliates	*2,749*	*1,604*	*1,604*	*1,597*	*1,597*
Other	*1,896*	*2,346*	*2,572*	*2,233*	*2,443*
FIXED ASSETS	**54,974**	**47,366**	**43,840**	**35,338**	**31,541**
Inventories and work in progress	6,571	6,548	6,548	5,978	5,978
Programmes and broadcasting rights	3,219	3,031	3,031	2,990	2,990
Advances and payments on account	1,592	1,589	1,589	1,304	1,304
Trade receivables (b)	40,163	31,642	31,642	25,173	25,173
Other receivables, prepaid expenses and similar items (b)	17,793	15,240	15,580	10,172	10,497
Short-term investment securities	10,664	3,526	3,526	3,679	3,679
Cash and cash equivalents	3,966	3,422	3,418	3,313	3,309
CURRENT ASSETS	**83,968**	**64,998**	**65,334**	**52,609**	**52,930**
TOTAL ASSETS	**138,942**	**112,364**	**109,174**	**87,947**	**84,471**
(a) of which due in less than one year	57	167	167	149	149
(b) of which due in more than one year	5,041	4,634	4,634	1,610	1,610

Assets (€ million)

	2000	1999		1998	
	Net	pro forma Net	Net	pro forma Net	Net
Intangible fixed assets	2,937	2,269	2,269	1,282	1,282
Goodwill	337	254	254	208	208
Tangible fixed assets	4,203	3,921	3,349	3,175	2,563
Long-term investments (a)	904	778	811	722	755
Non-consolidated subsidiaries and affiliates	*196*	*175*	*174*	*139*	*139*
Equity method subsidiaries and affiliates	*419*	*245*	*245*	*243*	*243*
Other	*289*	*358*	*392*	*340*	*373*
FIXED ASSETS	**8,381**	**7,222**	**6,683**	**5,387**	**4,808**
Inventories and work in progress	1,002	998	998	911	911
Programmes and broadcasting rights	491	462	462	456	456
Advances and payments on account	243	242	242	199	199
Trade receivables (b)	6,123	4,824	4,824	3,838	3,838
Other receivables, prepaid expenses and similar items (b)	2,712	2,323	2,375	1,551	1,600
Short-term investment securities	1,626	538	538	561	561
Cash and cash equivalents	605	522	521	505	504
CURRENT ASSETS	**12,802**	**9,909**	**9,960**	**8,021**	**8,069**
TOTAL ASSETS	**21,183**	**17,131**	**16,643**	**13,408**	**12,877**
(a) of which due in less than one year	9	25	25	23	23
(b) of which due in more than one year	769	706	706	245	245

Pro forma figures for 1998 and 1999 reflect changes in accounting method adopted for 2000.

Liabilities and Stockholders' equity (FF million)

	2000	1999 pro forma	1999	1998 pro forma	1998
Authorised capital	2,182	1,517	1,517	1,311	1,311
Premiums and reserves and consolidated earnings (c)	26,855	11,883	12,546	6,696	7,215
Translation reserve	480	328	328	(77)	(77)
Treasury stock	-	(107)	(107)	-	-
STOCKHOLDERS' EQUITY (attributable to Group)	**29,517**	**13,621**	**14,284**	**7,930**	**8,449**
Minority interests	4,382	5,254	5,629	4,319	4,660
TOTAL STOCKHOLDERS' EQUITY	**33,899**	**18,875**	**19,913**	**12,249**	**13,109**
PROVISIONS FOR LIABILITIES AND CHARGES	**13,129**	**12,175**	**11,214**	**10,829**	**9,971**
FINANCIAL LIABILITIES (d)	**19,864**	**20,587**	**17,324**	**15,354**	**11,880**
PROGRESS PAYMENTS RECEIVED	**2,870**	**2,356**	**2,356**	**3,620**	**3,620**
Trade payables	33,136	26,649	26,649	22,131	22,131
Other non-financial liabilities, accrued income and similar items	34,929	30,918	30,914	22,893	22,889
NON-FINANCIAL LIABILITIES (e)	**68,065**	**57,567**	**57,563**	**45,024**	**45,020**
Short-term bank borrowings	1,115	804	804	871	871
TOTAL LIABILITIES AND EQUITY	**138,942**	**112,364**	**109,174**	**87,947**	**84,471**
(c) of which net earnings for the year (attributable to Group)	2,762	292	405	459	530
(d) of which due in less than one year	1,107	1,230	1,230	1,266	1,266
(e) of which due in more than one year	868	812	812	599	599

Liabilities and Stockholders' equity (€ million)

	2000	1999 pro forma	1999	1998 pro forma	1998
Authorised capital	333	231	231	200	200
Premiums and reserves and consolidated earnings (c)	4,094	1,812	1,913	1,021	1,100
Translation reserve	73	50	50	(12)	(12)
Treasury stock	-	(16)	(16)	-	-
STOCKHOLDERS' EQUITY (attributable to Group)	**4,500**	**2,077**	**2,178**	**1,209**	**1,288**
Minority interests	668	801	858	658	710
TOTAL STOCKHOLDERS' EQUITY	**5,168**	**2,878**	**3,036**	**1,867**	**1,998**
PROVISIONS FOR LIABILITIES AND CHARGES	**2,002**	**1,856**	**1,709**	**1,651**	**1,520**
FINANCIAL LIABILITIES (d)	**3,028**	**3,138**	**2,641**	**2,341**	**1,811**
PROGRESS PAYMENTS RECEIVED	**438**	**360**	**359**	**552**	**552**
Trade payables	5,052	4,063	4,063	3,374	3,374
Other non-financial liabilities, accrued income and similar items	5,325	4,713	4,712	3,490	3,489
NON-FINANCIAL LIABILITIES (e)	**10,377**	**8,776**	**8,775**	**6,864**	**6,863**
Short-term bank borrowings	170	123	123	133	133
TOTAL LIABILITIES AND EQUITY	**21,183**	**17,131**	**16,643**	**13,408**	**12,877**
(c) of which net earnings for the year (attributable to Group)	421	45	62	70	81
(d) of which due in less than one year	169	188	188	193	193
(e) of which due in more than one year	132	124	124	91	91

CONSOLIDATED INCOME STATEMENT (FF million)

	2000	1999 pro forma	1999	1998 pro forma	1998
SALES (1)	**125,028**	**104,014**	**104,014**	**97,006**	**97,006**
Other operating revenue	10,130	6,189	6,189	3,932	3,932
Purchases and changes in inventories	(27,619)	(22,123)	(22,123)	(21,240)	(21,240)
Taxes other than income tax	(2,478)	(2,254)	(2,254)	(2,151)	(2,151)
Personnel costs	(27,016)	(23,779)	(23,779)	(22,802)	(22,802)
External charges and other operating expenses	(66,413)	(53,687)	(54,059)	(48,348)	(48,695)
Net depreciation, amortisation and provisions	(6,687)	(5,509)	(5,201)	(3,834)	(3,556)
Share in earnings of unincorporated joint ventures	380	324	324	288	288
OPERATING INCOME (2) (3)	**5,325**	**3,175**	**3,111**	**2,851**	**2,782**
Net financial items	(98)	(930)	(741)	(514)	(343)
EARNINGS BEFORE TAX AND EXCEPTIONAL ITEMS	**5,227**	**2,245**	**2,370**	**2,337**	**2,439**
Net exceptional items	99	(184)	(174)	375	387
Income tax	(994)	(307)	(299)	(1 145)	(1 164)
NET EARNINGS OF CONSOLIDATED COMPANIES	**4,332**	**1,754**	**1,897**	**1,567**	**1,662**
Share in earnings of companies accounted for by the equity method	41	(19)	(19)	(45)	(45)
NET EARNINGS BEFORE MINORITY INTERESTS AND AMORTISATION OF GOODWILL	**4,373**	**1,735**	**1,878**	**1,522**	**1,617**
Amortisation of goodwill	(263)	(276)	(276)	(221)	(221)
NET EARNINGS BEFORE MINORITY INTERESTS	**4,110**	**1,459**	**1,602**	**1,301**	**1,396**
Share of earnings acquired from minority interests in Colas	(160)	-	-	-	-
Minority interests	(1,188)	(1,167)	(1,197)	(842)	(866)
NET EARNINGS (attributable to Group)	**2,762**	**292**	**405**	**459**	**530**
EARNINGS PER SHARE (FF)	**8.60**	**1.06**	**1.48**	**1.76**	**2.03**
DILUTED EARNINGS PER SHARE (FF)	**8.10**	**0.99**	**1.37**	**1.71**	**1.97**
(1) of which sales generated outside France	46,322	37,944	37,944	34,923	34,923
(2) of which income relating to prior years	-	8	8	10	10
(3) of which expenses relating to prior years	(1)	(13)	(13)	-	-

Pro forma figures for 1998 and 1999 reflect changes in accounting method adopted for 2000.

CONSOLIDATED INCOME STATEMENT (€ million)

	2000	1999 pro forma	1999	1998 pro forma	1998
SALES (1)	**19,060**	**15,857**	**15,857**	**14,788**	**14,789**
Other operating revenue	1,544	944	944	599	599
Purchases and changes in inventories	(4,210)	(3,373)	(3,373)	(3,238)	(3,238)
Taxes other than income tax	(377)	(344)	(344)	(328)	(328)
Personnel costs	(4,119)	(3,625)	(3,625)	(3,476)	(3,477)
External charges and other operating expenses	(10,125)	(8,184)	(8,241)	(7,370)	(7,424)
Net depreciation, amortisation and provisions	(1,019)	(840)	(793)	(584)	(542)
Share in earnings of unincorporated joint ventures	58	49	49	44	44
OPERATING INCOME (2) (3)	**812**	**484**	**474**	**435**	**423**
Net financial items	(15)	(142)	(113)	(79)	(52)
EARNINGS BEFORE TAX AND EXCEPTIONAL ITEMS	**797**	**342**	**361**	**356**	**371**
Net exceptional items	15	(28)	(26)	57	59
Income tax	(152)	(47)	(46)	(174)	(177)
NET EARNINGS OF CONSOLIDATED COMPANIES	**660**	**267**	**289**	**239**	**253**
Share in earnings of companies accounted for by the equity method	7	(3)	(3)	(7)	(6)
NET EARNINGS BEFORE MINORITY INTERESTS AND AMORTISATION OF GOODWILL	**667**	**264**	**286**	**232**	**247**
Amortisation of goodwill	(40)	(42)	(42)	(34)	(34)
NET EARNINGS BEFORE MINORITY INTERESTS	**627**	**222**	**244**	**198**	**213**
Share of earnings acquired from minority interests in Colas	(25)	-	-	-	-
Minority interests	(181)	(177)	(182)	(128)	(132)
NET EARNINGS (attributable to Group)	**421**	**45**	**62**	**70**	**81**
EARNINGS PER SHARE (€)	**1.31**	**0.16**	**0.23**	**0.27**	**0.31**
DILUTED EARNINGS PER SHARE (€)	**1.23**	**0.15**	**0.21**	**0.26**	**0.30**
(1) of which sales generated outside France	7,062	5,785	5,785	5,324	5,324
(2) of which income relating to prior years	-	1	1	2	2
(3) of which expenses relating to prior years	-	(2)	(2)	-	-

Consolidated accounts

CONSOLIDATED CASH FLOW STATEMENT (FF million)

	2000	1999		1998	
		pro forma		pro forma	
A - OPERATING ACTIVITIES					
Cash flow from operations	**7,959**	**4,433**	**4,250**	**4,250**	**4,074**
Net earnings of consolidated companies (1)	4,050	1,342	1,485	1,225	1,320
Depreciation and amortisation	6,487	5,011	4,801	3,841	3,640
Net change in long-term provisions	(358)	(216)	(322)	226	168
Expenses to be amortised over several periods	(1,763)	(1,822)	(1,822)	(776)	(776)
Net gains (losses) on disposals of assets and other items	(457)	118	108	(266)	(278)
Change in working capital requirement	**1,107**	**350**	**367**	**2,418**	**2,071**
Current assets, prepaid expenses, deferred charges, accrued income and similar items	(8,069)	(6,455)	(6,438)	(900)	(1,252)
Net progress payments received, non-financial liabilities and other items	9,176	6,805	6,805	3,318	3,323
NET CASH FROM OPERATING ACTIVITIES	**9,066**	**4,783**	**4,617**	**6,668**	**6,145**
B - INVESTING ACTIVITIES					
Increase in fixed assets	**(17,383)**	**(13,863)**	**(13,896)**	**(9,896)**	**(8,742)**
Acquisitions of intangible and tangible fixed assets	(8,911)	(6,014)	(6,047)	(6,348)	(5,194)
Acquisitions of participating interests	(8,472)	(7,849)	(7,849)	(3,548)	(3,548)
Decrease in fixed assets	**3,783**	**755**	**755**	**3,230**	**3,230**
Disposals of intangible and tangible fixed assets	3,042	513	513	620	620
Disposals of participating interests	741	242	242	2,610	2,610
Net investment	**(13,600)**	**(13,108)**	**(13,141)**	**(6,666)**	**(5,512)**
Net change in other long-term investments	550	126	111	(603)	(814)
Net change in liabilities relating to fixed assets	242	278	278	(131)	(131)
Impact of changes in Group structure on cash position	143	618	618	(42)	(42)
NET CASH USED FOR INVESTING ACTIVITIES	**(12,665)**	**(12,086)**	**(12,134)**	**(7,442)**	**(6,499)**
C - FINANCING ACTIVITIES					
Increase in stockholders' equity	13,622	5,396	5,396	896	896
Dividends paid during the year	(1,681)	(948)	(948)	(835)	(835)
Net change in financial liabilities	(941)	2,798	3,012	(820)	(1,236)
NET CASH FROM (USED FOR) FINANCING ACTIVITIES	**11,000**	**7,246**	**7,460**	**(759)**	**(1,175)**
D - NET IMPACT OF EXCHANGE RATE MOVEMENTS	**(4)**	**200**	**200**	**(100)**	**(100)**
CHANGE IN CASH AND EQUIVALENTS (A + B + C + D)	**7,397**	**143**	**143**	**(1,633)**	**(1,629)**
Cash and equivalents at 1 January (2)	6,140	6,121	6,117	7,760	7,752
Net flows during the year	7,397	143	143	(1,633)	(1,629)
Other non-cash movements (3)	(22)	(120)	(120)	(6)	(6)
CASH AND EQUIVALENTS AT 31 DECEMBER (2)	**13,515**	**6,144**	**6,140**	**6,121**	**6,117**

(1) Net earnings of consolidated companies after amortisation of goodwill, including dividends received from companies accounted for by the equity method.

(2) Cash plus marketable securities less short-term bank borrowings.

(3) Transfers between line items.

Pro forma figures for 1998 and 1999 reflect changes in accounting method adopted for 2000.

CONSOLIDATED CASH FLOW STATEMENT (€ million)

	2000	1999 pro forma	1999	1998 pro forma	1998
A - OPERATING ACTIVITIES					
Cash flow from operations	**1,213**	**676**	**648**	**648**	**621**
Net earnings of consolidated companies (1)	617	205	226	187	201
Depreciation and amortisation	989	764	732	586	555
Net change in long-term provisions	(54)	(33)	(49)	34	25
Expenses to be amortised over several periods	(269)	(278)	(278)	(118)	(118)
Net gains (losses) on disposals of assets and other items	(70)	18	17	(41)	(42)
Change in working capital requirement	**169**	**53**	**56**	**369**	**316**
Current assets, prepaid expenses, deferred charges, accrued income and similar items	(1,230)	(984)	(981)	(137)	(191)
Net progress payments received, non-financial liabilities and other items	1,399	1,037	1,037	506	507
NET CASH FROM OPERATING ACTIVITIES	**1,382**	**729**	**704**	**1 017**	**937**
B - INVESTING ACTIVITIES					
Increase in fixed assets	**(2,650)**	**(2,114)**	**(2,119)**	**(1,509)**	**(1,333)**
Acquisitions of intangible and tangible fixed assets	(1,358)	(917)	(922)	(968)	(792)
Acquisitions of participating interests	(1,292)	(1,197)	(1,197)	(541)	(541)
Decrease in fixed assets	**577**	**115**	**115**	**492**	**492**
Disposals of intangible and tangible fixed assets	464	78	78	94	94
Disposals of participating interests	113	37	37	398	398
Net investment	**(2,073)**	**(1,999)**	**(2,004)**	**(1,017)**	**(841)**
Net change in other long-term investments	84	19	17	(92)	(124)
Net change in liabilities relating to fixed assets	37	43	43	(20)	(20)
Impact of changes in Group structure on cash position	22	94	94	(6)	(6)
NET CASH USED FOR INVESTING ACTIVITIES	**(1,930)**	**(1,843)**	**(1,850)**	**(1,135)**	**(991)**
C - FINANCING ACTIVITIES					
Increase in stockholders' equity	2,076	823	823	136	136
Dividends paid during the year	(256)	(145)	(145)	(127)	(127)
Net change in financial liabilities	(143)	427	459	(125)	(188)
NET CASH FROM (USED FOR) FINANCING ACTIVITIES	**1,677**	**1,105**	**1,137**	**(116)**	**(179)**
D - NET IMPACT OF EXCHANGE RATE MOVEMENTS	**(1)**	**31**	**31**	**(15)**	**(15)**
CHANGE IN CASH AND EQUIVALENTS (A + B + C + D)	**1,128**	**22**	**22**	**(249)**	**(248)**
Cash and equivalents at 1 January (2)	936	933	933	1,183	1,182
Net flows during the year	1,128	22	22	(249)	(248)
Other non-cash movements (3)	(3)	(19)	(19)	(1)	(1)
CASH AND EQUIVALENTS AT 31 DECEMBER (2)	**2,060**	**937**	**936**	**933**	**933**

(1) Net earnings of consolidated companies after amortisation of goodwill, including dividends received from companies accounted for by the equity method.

(2) Cash plus marketable securities less short-term bank borrowings.

(3) Transfers between line items.

Notes
to the Consolidated Financial Statements

CONTENTS

Amounts are expressed in millions of French francs (FF).

The equivalent value in millions of euros (€) is shown for the most important items.

Note 1
SIGNIFICANT EVENTS IN 2000

1.1 1.5 billion capital increase

In March 2000, in furtherance of its development strategy in telecommunications, Bouygues SA carried out a capital increase in the amount of € 1.5 billion (FF 9.8 billion) by means of a capital increase with preferential subscription rights.

- Issue price: € 745 (before 10-for-1 stock split in July 2000)
- Number of securities issued: 2,022,061 shares and 4,125 investment certificates (with right to dividends from 1 January 2000),
- Subscription parity: 1 new for each 15 old.

1.2 Exchange offer for Colas stock

In early July 2000, Bouygues launched a simplified exchange offer for Colas stock, offering one Bouygues share for each Colas share tendered, to be paid from own shares held by the Group and by capital increase. When the exchange offer closed, Bouygues held 96.5% of Colas. At 31 December 2000, Bouygues held 95.9%.

This transaction gave rise to a difference on consolidation (using the 'partial revaluation' method) of FF 4.3 billion, which was allocated as follows (in billion francs):

• Intangible assets (market shares)	3.3
• Tangible assets	0.2
• Equity-method affiliates	0.8
• Long-term investments	0.1
• Deferred tax liabilities	(0.1)
	4.3

Supplementary analyses currently in progress are unlikely to change this allocation substantially.

Upon completion of this transaction, the authorised share capital was increased by € 7 million (FF 45.9 million) and the share premium account was increased by € 483.7 million (FF 3,173 million).

Bouygues shares

The share repurchase programme authorised by the Annual General Meeting of Bouygues SA stockholders was implemented during the first half of 2000 to take advantage of a market opportunity. Some own shares held by the Group were sold during the half, generating a net gain on disposal of FF 101 million booked as financial income.

When the exchange offer for Colas shares was launched, there remained 5.1 million own shares held by the Bouygues Group (4.1 million held in treasury by Bouygues SA and 1 million held by subsidiaries), for a value of FF 1,472 million. Of this amount,

- FF 106 million was carried as a deduction from consolidated stockholders' equity, and
- FF 1,366 million was carried in short-term investment securities.

The Bouygues shares held by the Group were exchanged for part of the Colas shares tendered under the Offer. This exchange generated an aggregate pre-tax gain of FF 868 million, of which FF 762 million was taken to the income statement (in net financial items) and FF 106 million was booked to consolidated stockholders' equity ; since Colas is to be included in the Bouygues tax consolidation group (see 1.5, below), the overall impact of this exchange is as follows:

Aggregate pre-tax gain	**868**	
Gain credited to consolidated stockholders'equity (participating interests)	(106)	
Gain recognised on income statement	**762**	
Nex tax impact (deferred taxes at Bouygues SA)	588	
Total gain (income statement)	**1,350**	**206 € m**

1.3 Bouygues Immobilier

Bouygues Immobilier disposed of its office buildings, carried on its balance sheet at FF 2 billion, and reduced its debt accordingly.

1.4 Telecommunications

The number of customers of Bouygues Telecom reached 5.2 million at the end of December 2000. To finance its development, Bouygues Telecom in September 2000 carried out a capital increase in the amount of FF 7 billion, of which the Bouygues Group's proportionate share was FF 3.8 billion.

The 2000 consolidated financial statements of Bouygues Telecom have been drawn up on the same assumptions as in 1999, notably as regards the likelihood of being able to utilise deferred tax assets as determined from earnings forecasts made by the Board of Directors of Bouygues Telecom.

1.5 Inclusion of Colas in the Bouygues SA tax consolidation group

With Bouygues SA holding more than 95% of the share capital of Colas at the end of 2000, Colas will be included in the Bouygues SA tax consolidation group with effect from 1 January 2001.

Forecasts of the taxable earnings of the group thus constituted indicate a likelihood of recovery within appropriate time frames of the consolidated tax loss of Bouygues SA at 31 December 2000. A deferred tax income item of FF 756 million has consequently been recognised on the income statement.

1.6 Acquisition of 13% of Saur

In March 2000, Bouygues acquired 13% of the share capital of Saur for FF 1,039 million. These securities are not intended to be held long-term and are therefore carried at cost as short-term investment securities. As a consequence, the equity swap agreement concluded with a group of banks at the time of the Group's partial disposal of Saur shares in 1998 has become null and void, at no gain or loss for the Group.

1.7 Disposal of Bouygues Offshore shares

In 2000 Bouygues sold shares representing 8.8% of the equity of Bouygues Offshore on the stock market, thereby lowering its interest in this subsidiary to 51.2% at 31 December 2000. This disposal generated a consolidated net gain of FF 435 million, included on the income statement in net financial items and exceptional items.

1.8 Changes in Group structure

The scope of consolidation of the Bouygues Group underwent no significant modification in 2000. The exchange offer for Colas stock has not resulted in a change in method of accounting for this group, which continues to be fully consolidated.

1.9 Subsequent events

In January 2001, Bouygues acquired the 14.2% equity interest in Saur held by EDF International for FF 1.2 billion. These shares, like those acquired in March 2000, are being held for resale. They are therefore being carried at cost as short-term investment securities.

On 30 January 2001 the Board of Directors of Bouygues Telecom decided not to seek a UMTS licence on the conditions then being imposed by France's telecommunications regulatory body, the ART.

Comparability of financial statements

The main impacts attributable to changes in accounting methods are presented in Note 2, section 3, below. To provide comparability with 1998 and 1999, pro-forma financial statements for those years have been drawn up using the new accounting methods adopted in 2000.

Note 2
ACCOUNTING POLICIES

2.1 Application of the new methodology of consolidated accounting

Beginning 1 January 2000, the consolidated financial statements of the Bouygues Group are presented in accordance with the new methodology for consolidated accounts set forth in Regulation 99-02 of France's accounting regulatory body (Comité de la Réglementation Comptable). Henceforth, the Group applies all the methods deemed preferable, as follows.

- Methods previously adopted for the 1999 financial statements:
  - The percentage of completion method of accounting for long-term contracts.
  - Recognition on the income statement of translation gains and losses on monetary assets and liabilities denominated in foreign currencies.
  - Amortisation of issuance expenses and redemption premiums over the life of debt securities
- Methods newly adopted for the 2000 financial statements:
  - Recognition on the balance sheet of costs of retirement benefits (projected benefit obligation determined by the retrospective method, based on forecast retirement date and final salary). At 31 December 1999, pension obligations appeared among off-balance sheet commitments, as did finance lease obligations.
  - For finance leases, recognition of a tangible asset and a corresponding financial liability on the balance sheet and recognition of imputed depreciation and financial charges on the income statement.
  - For deferred taxes, application of the so-called 'extended concept' so that all timing differences are taken into account, regardless of nature or due date (except as expressly provided otherwise by law).

Apart from the changes noted above, the accounting and computational methods used in the consolidated financial statements for the year ended 31 December 2000 are the same as those used for the year ended 31 December 1999. Pro-forma statements using comparable methods are presented for previous years.

2.1.1. Criteria and scope of consolidation

Companies over which Bouygues exercises sole control, directly or indirectly, de jure or de facto, are fully consolidated.

Companies controlled jointly by several stockholders are proportionally consolidated, based on Bouygues' percentage of control.

Companies over which Bouygues has only a significant influence (i.e., it holds an interest between 20% and 50% but does not exercise sole control) are accounted for by the equity method. Similarly, companies in which Bouygues holds an interest between 20% and 50% and whose business is accessory to a construction contract are accounted for by the equity method if Bouygues expects to divest its interest in them in the short term.
All Group companies with own-account sales of FF 10 million or more are included in the scope of consolidation. Companies that hold equity interests in other companies are included regardless of the amount of their sales.

Changes in Group structure

	12/00	12/99
Full consolidation	791	740
Proportional method	224	204
Equity method	45	61
	1,060	**1,005**

The main consolidated companies are listed in note 17.

2.1.2. Financial year and inclusion in the consolidation

The financial year for consolidated companies generally ends on 31 December. Companies with a financial year ending on a different date are included on the basis of audited interim accounts, unless their accounts were closed less than three months before 31 December. Newly acquired companies are included in the consolidation from the date of acquisition.

2.1.3. Goodwill

When an equity interest is acquired in a company that will be consolidated, any positive difference on first consolidation (i.e. any excess of purchase price over book value of net assets acquired) that is attributable to identifiable assets is allocated to the appropriate items on the consolidated balance sheet, in accordance with the 'fair value' principles set forth in CRC Regulation 99-02.

Any remaining balance is booked to 'Goodwill' if positive or to 'Provisions for liabilities and charges' if negative. In the latter case, the remaining balance is released to income over a period not exceeding five years.

Valuation differences recognised on first consolidation may be allocated to non-amortisable intangible assets such as market share, customers and brands when the value of such assets can be determined with sufficient accuracy and objectivity by a valuation method based on a range of criteria (sales, profitability, and, for TF1, audience share, share of the advertising market, and advertising income). Valuations are reviewed annually using the same criteria, and appropriate provisions are constituted when necessary.

The main allocations of first-consolidation differences do not become definitive until one year from the acquisition date. Goodwill is amortised over a period not exceeding 20 years according to a schedule specific to each acquisition, taking into account the economic sector of the activity and the future prospects and profitability of the business. Exceptional write-downs or impairment provisions may be booked if warranted.

2.1.4. Translation of foreign companies' financial statements

Balance sheet items are translated using the exchange rate at year-end. Translation gains or losses, calculated against net assets at the beginning of the year, are booked to stockholders' equity in the 'Translation reserve' item.

Income statement items are translated using the average exchange rate for the year. As an exception to the foregoing, the financial statements of companies in high-inflation countries (Romania, Russia) are translated

- at the historical exchange rate, for fixed assets and other non-monetary assets, thus maintening the cost of investment valued in Francs at the acquisition date.
- at the year-end exchange rate, for monetary items.
- Earnings for the year, determined in the same way as for companies in other countries, are recalculated at the year-end exchange rate. Translation gains or losses resulting from the different rates used are recognised on the income statement.

2.1.5. Foreign currency translation

Receivables and payables in foreign currencies on the year-end balance sheet are translated at the exchange rate on the balance sheet date. Revenues, expenses and flows are translated at the exchange rate prevailing on the date they were booked. Translation gains or losses on assets and liabilities denominated in foreign currencies are recognised on the income statement.

2.1.6. Deferred taxes

Consolidated deferred tax assets and liabilities are determined according to the accrual method and the so-called 'extended concept'. They result from

- timing differences between book income and tax income (mainly in the form of provisions for non-deductible losses to completion) and timing differences generated by consolidation restatements (provisions on subsidiaries, excess tax depreciation, etc.);
- tax loss carryforwards, when there is a real likelihood of recovery in future years.

For France, the impact of changes in the corporate income tax rate is recognised in accrued earnings for the year, at the standard rate or the reduced rate for long-term capital gains, depending the estimated due date.

Provisions have been recorded for estimated non-recoverable tax on dividends payable by French or foreign subsidiaries in 2001. After deduction of deferred tax liabilities of the corresponding companies, the residual net amount of deferred taxes is recorded as an asset on the balance sheet under 'Prepaid expenses and similar items', to the extent that there is reasonable assurance of recovery in future years.

2.2 Accounting policies

2.2.1. Assets

A) Fixed assets

Fixed assets are valued at historical cost.

Intangible fixed assets

- Preliminary expenses and research and development costs: Expensed in full in the year in which they are incurred.
- 'Commercial goodwill' (fonds commerciaux) and leasehold rights: Commercial goodwill that is recorded in individual company accounts is not amortised if it does not enjoy legal protection, but it is written down if its market value falls below book value.
- Concessions, patents and similar rights: for Bouygues Telecom, this items includes
  - the cost of taking part in operations to free up radio frequencies, amortised over 12 years;
  - costs of software, especially network operating software, amortised over 3 to 8 depending on the type of software.

Other intangible assets

Other intangible assets include:

- Valuation differences on first consolidation of acquired entities relating to recognised intangibles such as customer base, business value, market share, etc. Commercial goodwill of acquired subsidiaries is estimated using objective indicators and a consistent methodology based on criteria of profitability, volume of business and market value. If need be, impairment provisions are booked.
- Films and audiovisual rights capitalised by TF1 as part of its film production business (co-productions, music rights, audiovisual distribution and trading rights). Depending on the activity, films and audiovisual rights are amortised either straight-line over 3 to 5 years or against actual revenue. Music rights are amortised over two years (75% in the first year). A provision is recorded when forecast future revenues do not cover net book value.
- Sums paid by Saur to local authorities for operating rights, which are amortised over the remaining term of the contract.

Tangible fixed assets

Tangible fixed assets are valued at acquisition cost.

Saur Group

Saur and its water distribution subsidiaries operate public utility systems under contract and are responsible for managing facilities that belong to the government or local authorities. Such facilities do not appear as assets on Saur's balance sheet, but expenditures to maintain and renew them are booked as charges. However, facilities managed under concession contracts, if financed by the group, are recorded on the balance sheet as tangible fixed assets and depreciated over the term of the contract. In the UK, the water companies own the facilities, which are carried on the balance sheet at cost and are not considered depreciable assets. Maintenance costs are booked as charges for the year, in accordance with UK accounting rules.

Finance leases

If significant, properties obtained under finance leases are recorded on the balance sheet as fixed assets, and the corresponding financial obligations are recorded as liabilities.

Depreciation and provisions for impairment

Industry-specific depreciation methods used in individual company accounts are not restated on consolidation. Depreciation is charged on a straight-line basis.

Excess tax depreciation appearing as a liability on the balance sheets of individual companies (mainly road companies, TF1 and Bouygues Telecom) is restated, in accordance with accepted principles for preparing consolidated financial statements.

First-consolidation differences allocated to non-depreciable tangible assets are written down when economic circumstances so warrant. First-consolidation differences allocated to depreciable tangible assets are depreciated over the remaining useful life of the asset.

Useful lives for depreciation purpose

	Telecom	Media	Public Utilities Management	Construction
Buildings not used in operations	-	20 years	20 years	20 to 30 years
Industrial buildings	20 years	-	10 to 20 years	10 to 20 years
Industrial plant and equipment	8 to 10 years	3 to 5 years	4 to 8 years	5 to 8 years (1)
Other tangible fixed assets (vehicles, office equipment)	2 to 10 years	2 to 10 years	4 to 10 years	3 to 10 years (1)

(1) depending on the type of equipment.

Long-term investments

Other non-consolidated participating interests

Other non-consolidated participating interests are carried at acquisition cost, less any impairment provisions deemed necessary to reflect their value in use to the Group.

Subsidiaries and affiliates accounted for by the equity method

Subsidiaries and affiliates accounted for by the equity method are carried on the balance sheet at a value equal to the share of net assets attributable to the Group, including the fraction of earnings for the year. If that value is negative, it is charged first as a provision for impairment of current accounts receivable, with any remaining balance booked to provisions for liabilities.

B) Current assets

Inventories and work in progress (property development)

Inventories are valued at cost or at market value, whichever is lower. Work in progress includes the book value of property development projects that will involve single-unit sales, revenue from which is recognised when the unit is delivered. When the realisable value of inventories or work in progress is less than cost, provisions for impairment or provisions for losses to completion are booked, as appropriate.

Programmes and broadcast rights (TF1)

This item includes programmes produced in-house by TF1 and not yet broadcast, acquired broadcast rights to programmes produced by third parties, and co-productions. Programmes and broadcast rights are valued at total cost of production (including a portion of indirect costs) or at acquisition cost for co-productions. The amortisation method depends on the nature of the programme and the likely number of broadcasts. Most are written off in full after the first broadcast or whenever it becomes apparent that a given programme will not be broadcast.

Trade receivables

Trade receivables are carried on the balance sheet at face value, less any impairment provisions deemed necessary to reflect the likelihood of recovery. Under the percentage of completion method of accounting for long-term contracts, this line item includes:

- amounts receivable on situation reports issued in respect of work in progress and accepted by the client,
- amounts receivable on invoices to be issued, corresponding to work that has been completed but, because of timing differences, has not yet been billed to or accepted by the client.

Other receivables – Deferred charges and similar

Other receivables are carried on the balance sheet at face value, less any impairment provisions deemed necessary to reflect the likelihood of recovery.

Deferred charges and similar items concern mainly Bouygues Telecom. They include:

- Pre-operating costs incurred before the beginning of commercial activity on 29 May 1996. These costs have been booked as deferred charges and are being amortised over a period of five years from that date.
- Direct costs incurred in acquiring new customers, consisting primarily of the sign-up bonus and commissions paid to distributors. These costs are booked

as deferred charges and amortised over a four-year period determined on the basis of the projected cancellation rate. Each cancellation generates an amortisation charge equal to the amount of the corresponding deferred charge. An exceptional impairment provision would be constituted if the cancellation rate were to rise significantly.

- Syndication costs in connection with the credit facility agreement dated 23 October 1997. These costs have been booked as deferred charges and are being amortised over the ten-year term of the loan.
- Sign-up bonuses on handsets not yet activated.
- Recoverable deferred tax assets.

Short-term investment securities

Short-term investment securities are stated at acquisition cost. Provisions are booked for unrealised capital losses at year-end.

2.2.2. Liability and Equity

A) Stockholders' equity

The translation reserve consists mainly of the cumulative impact of changes in exchange rates on the net worth of foreign subsidiaries whose accounts are kept in foreign currencies. For loss-making subsidiaries whose net worth is negative and whose minority stockholders' liability is limited to their equity investment, the entirety of the losses is assumed by the Group.

Treasury stock held by TF1 and Bouygues Offshore is offset against stockholders' equity (Group share or minority interests).

Stock options do not give rise to an accounting entry in this line item when granted. When stock options are exercised, however, the shares issued are recorded as a capital increase on the basis of the payments received from the beneficiaries.

B) Provisions for liabilities and charges

These provisions are intended to cover liabilities and charges likely to arise as a result of events that have occurred or are ongoing. They include:

- Provisions to cover the uninsured portion of two-year and ten-year construction warranties. These provisions are booked as revenue is recorded, based on statistical data derived from long experience.
- Provisions for losses to completion on contracts. These provisions concern contracts in progress and take into account claims accepted by customers. They are evaluated project by project and are not offset against each other.
- Provisions for renewal of public utility facilities (Saur), booked when the group, under the terms of its management contracts, is required to renew water distribution and treatment facilities in order to keep them in good working order. These provisions are based on the estimated replacement cost at year-end and theoretical useful life of the facilities. They are booked item by item whenever the probable useful life of the facilities is shorter than the remaining term of the contract, in accordance with current provisions of tax law.
- Provisions for deferred taxes.
- Provisions for notified additional tax assessments.
- Provisions to cover litigation, claims and other foreseeable risks of the Group's activities, especially outside France, such as cancellation of contracts, major repairs and sundry liabilities and charges.
- Provisions for post-employment benefits payable to employees at retirement and not covered by insurance policies. These provisions appear on the balance sheet for the first time this year. The projected benefit obligation at the retirement date is determined by the retrospective method, based on final salary and plan benefits. The valuation is based on the pension plan for each occupation and takes into account:
  - rank, age and length of service by staff category;
  - turnover rate, calculated from average departures by occupation, age range and staff category;
  - average pay and benefits, increased by a coefficient reflecting the current rate of employer social insurance contributions;
  - final salary adjustment ratio (by occupation);
  - annual discount rate;
  - life expectancy, as determined from actuarial tables.

C) Advances and payments on account

This item includes advances and progress payments from customers.

2.2.3. Income statement

Definition of consolidated sales

Consolidated sales is equal to aggregate revenue from work performed, products and properties sold and services rendered. This item comprises the sales of fully consolidated companies and the Group's proportionate share of the sales of companies consolidated by the proportional method, whether managed by the Group or not, after elimination of intra-group transactions.

Accounting for long-term contracts

Construction activities

All activities relating to long-term contracts are accounted for using the percentage of completion method, based on the ratio of actual spending to date to projected total spending on the contract.

Property development

The following rules are applied.

- Single-unit transactions: revenue and earnings are recognised upon delivery of the property.
- Long-term block transactions: in order to give a fair picture of activity during the year, sales and profit are recognised on a percentage of completion basis once a final building permit has been issued, a binding sales agreement has been executed, a contract has been signed with the builder, and the order to proceed with the work has been given.

  Provisions for the cost of completing property development programmes on this type of contract are made based on the stage of completion. Interest charges on ongoing and completed property developments are expensed in full in the year in which they are incurred.

Share in earnings of unincorporated joint ventures

This item corresponds to the Group's share in earnings of non-consolidated companies engaged in the manufacture of asphalt mixes and similar materials. As such, these earnings are included in operating income.

Transition to the euro

Costs relating to the switch-over to the euro are booked as expenses in the year incurred. They are recorded in the line item appropriate to the nature of the expense and are not identified or tracked separately.

Exceptional items

Exceptional income and expense items result from events or transactions that are clearly distinct from the ordinary activities of the business and not expected to recur on a frequent or regular basis.

2.2.4. Hedging instruments

Certain Group companies use hedging instruments in order to limit the income statement impact of movements in exchange rates and interest rates. Group policy for using hedging instruments is as described below.

Nature of the Group's risk exposure

Exchange rate risk

Broadly speaking, the Group has little exposure to exchange rate risk in its ordinary business operations. As far as possible, the Group seeks to ensure that when contracts are invoiced in foreign currencies, the corresponding outlays are made in the same currency. This is the case for most contracts outside France, where the proportion of expenditure on sub-contractors and suppliers in local currency is much greater than the proportion of expenditure in French francs. The Group is also especially attentive to the risks associated with assets in non-convertible currencies and, more generally, to 'country risk'.

Interest rate risk

The Group's financial result is relatively insensitive to interest rate movements. Most of the Group's debt is effectively fixed-rate, in the form of fixed-rate bonds and a portfolio of hedging instruments that transform floating-rate debt into fixed-rate debt. On average over the year, variable-rate bank debt on the balance sheet is less than cash and equivalents invested in variable-rate instruments. The Group's income statement would not be greatly affected by a change in French interest rates or by a divergence between French interest rates and interest rates in leading foreign currencies.

Groupwide policies regarding hedging instruments

The instruments used by the Group are limited to the following: for exchange rate hedges, forward purchases and sales, currency swaps and currency options; for interest rate hedges, interest rate swaps, forward rate agreements (FRAs), caps and floors

- are used only for hedging purposes,

• are contracted only with leading French and foreign banks,

• present no risk of illiquidity in the event of a downturn.

The management and supervisory bodies of the companies that engage in hedging are especially vigilant about the utilisation of these instruments and the choice of counterparties.

Hedging rules

Exchange rate risk

The principle applied within the Group is to systematically cover any residual exchange rate risk arising from commercial transactions. When cash flows are certain, exchange rate risk is covered by forward purchases and sales or by currency swaps. For some major contracts, a hedge using currency options may be put in place before the deal is definitively concluded. Foreign companies' participating interests are generally covered by debt of a comparable amount in the same currency issued by the companies holding the interests in question.

For purposes of rationalisation, the foreign exchange positions of some Group entities may be managed centrally so that symmetrical positions can be offset against each other.

Interest rate risk

The principle is to hedge all or part of the financial assets and liabilities that are foreseeable and recurring. In practice, the entities that hedge interest rate risk are those whose business is by nature capital-intensive (property development, public utilities management and concessions, telecommunications). These entities secure their future financial position by fixing the cost of their debt with swaps and FRAs or by limiting it with caps for a period of time linked to the maturity of the financial liabilities being hedged.
As with exchange rate risk, and likewise for purposes of rationalisation, the interest rate positions of some Group entities may be managed centrally and partially offset against each other.

Accounting method

Gains and losses realised during the year on transactions of this kind, together with provisions for unrealised losses at 31 December 2000, are included on the income statement in 'Net financial items'.

2.2.5. CASH FLOW STATEMENT

The Group's net cash position, the changes in which are given in the cash flow statement, is the net balance of the following balance sheet items:

• net cash and short-term investment securities,

• short-term bank borrowings.

Cash flow from operations excludes net changes in provisions for current assets and changes in deferred tax assets and liabilities. It includes the net earnings of fully consolidated companies, dividends received from companies accounted for by the equity method, and gross changes during the year in expenses to be amortised over several periods. Realised dilution gains or losses are treated as capital gains or losses on disposal of equity securities.

2.3 Other information: comparability of financial statements

The main impacts of changes in accounting method due to application of CRC Regulation 99-02 are presented below. To provide comparability, pro-forma statements are presented for previous years.

Impact of changes in accounting method at 31 December 2000

A) Balance sheet at 31 December 2000

	Retirement benefits	Finance leases	Deferred taxes	Net impact of changes at 31/12/00	
				FF m	€ m
ASSETS					
Tangible and intangible assets	177	1,567	(11)	1,733	264
Long-term investments		(650)		(650)	(99)
Current assets	11	(412)	(95)	(496)	(76)
Cash and equivalents		5		5	1
TOTAL ASSETS	**188**	**510**	**(106)**	**592**	**90**
LIABILITIES AND EQUITY					
Stockholders' equity	(874)	25	(72)	(921)	(141)
Group share	(722)	130	(68)	(660)	(101)
Minority interests	(152)	(105)	(4)	(261)	(40)
Provisions for liabilities and charges	1,062		(34)	1,028	157
Financial liabilities		480		480	73
Non-financial liabilities		5		5	1
TOTAL LIABILITIES AND EQUITY	**188**	**510**	**(106)**	**592**	**90**
of which impact on 2000 earnings attributable to the Group	(90)	55	27	(8)	(1)

B) Income statement (for financial year 2000)

	Retirement benefits	Finance leases	Deferred taxes	Net impact of changes at 31/12/00	
				FF m	€ m
Operating expenses	(123)	143	41	61	9
Net financial items		(170)		(170)	(26)
EARNINGS BEFORE TAX AND EXCEPTIONAL ITEMS	**(123)**	**(27)**	**41**	**(109)**	**(17)**
Net exceptional items		68		68	10
Income tax		(1)		(1)	/
NET EARNINGS BEFORE MINORITY INTERESTS	**(123)**	**40**	**41**	**(42)**	**(7)**
Net earnings attributable to the Group	(90)	55	27	(8)	(1)

Note 3
FIXED ASSETS

54,974
€ 8,381

1 . Consolidated capital expenditure

		2000	1999
Intangible fixed assets		907	774
Plant and equipment		8,004	5,273
Long-term investments Consolidated subsidiaries and affiliates and other long-term securities		(1) 8,472	7,849
CONSOLIDATED CAPITAL EXPENDITURE 2000		**17,383**	**13,896**
	€	2,650	2,118
DISPOSALS OF FIXED ASSETS		**(3,783)**	**(755)**
	€	(577)	(115)
NET CAPITAL EXPENDITURE **(cf. cash flow statement)**		**13,600**	**13,141**
	€	2,073	2,003

(1) Of which FF 5,567 million for acquisition of an additional 40.7% interest in Colas (exchange offer of July-August 2000).

2 . Movements 2000

19,263
€ 2,937

A) Intangible fixed assets

		1 January 2000	Changes in Group structure and translation adjustments	Additions and other increases	Disposals and other reductions	Net depreciation amortisation and provisions	Transfers and other movements	31 December 2000	€
Gross		18,904	3,792	907	(80)	-	394	23,917	3,646
Depreciation, amortisation and provisions		(4,022)	76	-	34	(751)	9	(4,654)	(709)
NET		**14,882**	**3,868**	**907**	**(46)**	**(751)**	**403**	**19,263**	**-**
	€	2,269	590	138	(7)	(114)	61	-	2,937

Main items

- Net valuation differences allocated to intangible elements of participating interests

		€
Bouygues Telecom	6,079	927
TF1 and subsidiaries	2,684	409
Saur and subsidiaries	3,609	550
Colas and subsidiaries	(1) 4,054	618
• TF1 audiovisual rights (net)	541	83
• Other intangible fixed assets and sundry valuation differences	2,296	350
	19,263	2,937

(1) Of which FF 3,322 million for acquisition of an additional 40.7% interest in Colas (exchange offer).

B) Goodwill

2,212
€ 337

	1 January 2000	Changes in Group structure and translation adjustments	Additions and other increases	Disposals and other reductions	Net depreciation amortisation and provisions	Transfers and other movements	31 December 2000	€
Gross	4,141	976	-	(32)	-	17	5,102	778
Depreciation, amortisation and provisions	(2,472)	(26)	-	-	(372)	(20)	(2,890)	(441)
NET	**1,669**	**950**	**-**	**(32)**	**(372)**	**(3)**	(1) **2,212**	**-**
€	254	145	-	(5)	(57)	-	-	337

(1) Of which acquisition goodwill on Colas and subsidiaries, FF 801 million; Saur subsidiaries, FF 818 million; TF1 and subsidiaries, FF 336 million.

C) Tangible fixed assets

27,571
€ 4,203

	1 January 2000	Changes in Group structure and translation adjustments	Additions and other increases	Disposals and other reductions	Net depreciation amortisation and provisions	Transfers and other movements	31 December 2000	€
Land (1)	2,617	1,313	248	(779)	-	(1)	3,398	518
Buildings (1)	4,637	3,389	242	(1,954)	-	184	6,498	991
Industrial plant and equipment	23,335	1,402	4,503	(1,409)	-	(113)	27,718	4,226
Other tangible fixed assets	6,962	453	1,196	(735)	-	555	8,431	1,285
Tangible fixed assets under construction, advances and payments on account	1,500	39	1,816	(18)	-	(632)	2,705	412
Gross	**39,051**	**6,596**	**8,005**	**(4,895)**	**-**	**(7)**	**48,750**	**7,432**
Depreciation, amortisation and provisions	(17,084)	(1,748)	-	2,035	(3,863)	(519)	(21,179)	(3,229)
NET	**21,967**	**4,848**	(3) **8,005**	**(2,860)**	**(3,863)**	**(526)**	(2) **27,571**	**-**
€	3,349	739	1,220	(436)	(589)	(80)	-	4,203

	2000		1999	
	Gross	Net	Gross	Net
(1) Of which buildings (excluding head offices) intended to be kept in the portfolio of the Bouygues Immobilier sub-group	743	671	772	700

(2) Of which assets financed by finance leases (mainly lands and buildings): 1,580

(3) Of which Bouygues Telecom : FF 3,398 million
Colas : FF 2,070 million
Bouygues Construction : FF 1,352 million

A breakdown of net intangible and tangible fixed assets by sector and by geographical area is given in note 13.

D) Long-term investments

FF 5,928
€ 904

	1 january 2000	Changes in Group structure and translation adjustments	Additions and other increases	Disposals and other reductions	Net depreciation amortisation and provisions	Transfers and other movements	31 December 2000	€
Non-consolidated subs. and affil.	2,023	645	324	(279)		(4)	2,709	413
Equity method subs. and affil.	1 604	836	242	(132)		199	2,749	419
Other long-term investments	2,674	(35)	335	(867)		(119)	1,988	303
Gross	**6,301**	**1,446**	**901**	**(1,278)**	**-**	**76**	**7,446**	**1,135**
Depreciation, amortisation and provisions	(979)	(512)	-	-	(25)	(2)	(1,518)	(231)
NET	**5,322**	**934**	**901**	**(1,278)**	**(25)**	**74**	**5,928**	**-**
€	811	143	138	(195)	(4)	11	-	904

• Non-consolidated subsidiaries and affiliates (Net)

FF 1,283
€ 196

	12/00					12/99
Main participating interests	**Gross**	**Provisions**	**Net**	**€**	**% interest**	**Net**
French companies						
Fiduciné and subsidiaries (1)	510	(420)	90	14	99.9	-
9 Telecom	170	(150)	20	3	6.0	170
Mageos	-	-	-	-	-	24
Secorail (Colas)	151	-	151	23	100.0	-
CATC	154	(94)	60	9	99.7	60
Périphérique Lyon	62	(52)	10	2	39.0	7
World Online France (1)	22	(22)	-	-	24.8	-
EMGP	34	-	34	5	1.7	34
Financière d'Ivry	16	-	16	2	14.2	16
Colas asphalt and paving subsidiaries	289	(7)	282	43	N/A	162
Other French subsidiaries and affiliates	636	(237)	399	61	N/A	334
Sub-total	**2,044**	**(982)**	**1,062**	**-**	**-**	**807**
€	312	(150)	-	162	-	123
Foreign companies						
Socoprim (Côte d'Ivoire)	92	-	92	14	66.0	92
Harbin JV (China)	52	(7)	45	7	50.0	45
Bouygues Management UK Ltd	48	(46)	2	-	100.0	3
C.C.I.B. (Romania)	39	(39)	-	-	22.0	-
Other foreign subsidiaries and affiliates	434	(352)	82	13	N/A	199
Sub-total	**665**	**(444)**	**221**	**-**	**-**	**339**
€	101	(67)	-	34	-	51
TOTAL	**2,709**	**(1,426)**	**1,283**	**-**	**-**	**1,146**
€	413	(217)	-	196	-	174

(1) Company deconsolidated in 2000.

• Equity method subsidiaries and affiliates

FF 1,949
€ 297

Main equity method companies / Movement during the year

Equity method companies		at 01/01/00	Net movements 2000 (1)	at 31/12/00	€	Group share in 2000 earnings (2)
SERVICES						
Obras Sanit Mendoza (Argentina)		150	26	176	27	13
Aguas de Valencia		113	6	119	18	15
BRLE		76		76	12	2
Other subsidiaries and affiliates		25	19	44	7	-
CONSTRUCTION						
Cofiroute		750	895	1,645	251	207
Tipco Asphalt (Thailand)		-	49	49	7	(9)
AKA RT (Hungary)		220	30	250	38	-
Other subsidiaries holding concessions		151	34	185	29	9
Other subsidiaries and affiliates		119	86	205	31	-
TOTAL		**1,604**	**1,145**	**2,749**	**-**	**-**
	€	245	175	419	-	-

(1) Including share in the year's earnings, acquisitions, changes in Group structure, currency translation adjustments, dividends distributed and capital increases.
(2) The FF (212m) share in negative 2000 earnings of TPS (TF1) is booked in provisions for other receivables and provisions for liabilities and charges on the balance sheet.

• Other long-term investments (Net)

1,896
€ 289

		€
Advances to subsidiaries and affiliates	320	49
Capitalised loans and advances	360	55
Other long-term investments	1,216	185
Detail of other long-term investments:		
Security deposits:	132	
Other long-term investment securities:	860	
Other financial investments:	224	
	1,216	
Principal holdings in Other long-term investment securities (860) :		
Edenor (Saur)	307	
EASA (Saur)	145	
Sodem & Electricité Du Mali (Saur)	119	
Tanagra & Bymages	110	
Sofinova & Financière d'Ivry	46	

The FF 133 million remaining balance includes no line item greater than FF 15 million.

The only significant long-term securities holdings are those of the Saur group noted above. In each case, the percentage of interest is well below the consolidation threshold established by Regulation 99-02.

Note 4

CURRENT ASSETS, PREPAID EXPENSES AND SIMILAR ITEMS

Inventories and work in progress	12/00 Gross	provisions	Net	€	12/99 Net
Work in progress (1)	4,349	(282)	4,067	620	4,130
Inventories of raw materials, supplies and finished goods	2,768	(264)	2,504	382	2,418
TOTAL INVENTORIES AND WORK IN PROGRESS	**7,117**	**(546)**	**6,571**	**-**	**6,548**
€	1,085	(83)	-	1,002	998

(1) Mainly relating to property developments sold by the unit.

Other receivables	12/00 Gross	provisions	Net	€	12/99 Net
Other operating receivables (government, local authorities, employees, social security and other)	6,936	(132)	6,804	1,037	5 ,873
Sundry receivables (tax credits, amounts due on fixed asset disposals, stockholders' advances and other receivables)	4,682	(609)	4,073	621	4,409
Prepaid expenses and similar items	6,916	-	6,916	1,054	5,298
TOTAL OTHER RECEIVABLES, PREPAID EXPENSES AND SIMILAR	**18,534**	**(741)**	**17,793**	**-**	**15,580**
€	2,826	(113)	-	2,713	2,375

• **Securitisation of receivables by Saur**

As part of its cash management operations, Saur has continued to sell trade receivables to a credit institution on a non-recourse basis. In 2000, the consolidated amount of such disposals was FF 642 million (€ 98 million), of which FF 379 million was accounted for by Saur SA. As a consequence of this operation, Saur's trade receivables at 31 December 2000 were reduced by FF 450 million and its debt at the same date was reduced by FF 379 million. A subordinated deposit of FF 71 million as security for this operation has been booked to sundry receivables.

PREPAID EXPENSES AND SIMILAR ITEMS

					2000	€	1999	€
Prepaid expenses					**1,366**	208	**1,018**	155
Net expenses to be amortised over several periods					**2,854**	435	**2,570**	392
of which Bouygues Telecom	2000		1999					
deferred charges (in MF)	Gross	Net	Gross	Net				
- Customer acquisition costs	3,644	2,370	3,507	2,190				
- Other	396	134	263	125				
	4,040	**2,504**	**3,770**	**2,315**				
€	616	382	575	353				
Deferred tax asset					(1) **2,669**	407	**1,657**	253
Other					**27**	4	**53**	8
TOTAL					**6,916**	1,054	**5,298**	808

(1) of which Bouygues Telecom : FF 1,768 million, deemed recoverable based on the latest business plans provided to the Board of Directors;
Bouygues SA : FF 756 million, arising from the inclusion of Colas in the tax consolidation group.

• **Short-term investment securities**

The realisable value of short-term investment securities at 31 December 2000 was approximately FF 10,862 million (€ 1,655 million) for a book value of FF 10,664 million (€ 1,625 million).

• **Counterparties**

The Group's short term cash investments are placed with first-rank French and foreign banks.

Note 5
STOCKHOLDERS' EQUITY

• Movements during the year

Group share		Authorised share capital	Premiums and reserves	Impact of changes in accounting (at 01/01/00)	Net earnings 2000	Total Group share FF m	Total Group share € m
31 December 1999		1,517	12,362		405	14,284	2,178
Movements in 2000							
• Capital increases		665	12,598			(1) 13,263	2,022
• Translation reserve			152			152	23
• Appropriation of prior-year earnings			(104)		(405)	(509)	(78)
• **Net earnings 2000**					**2,762**	**2,762**	**421**
• Other movements			(3) 217	(652)		(435)	(66)
31 December 2000	**FF m**	**2,182**	(2) **25,225**	**(652)**	**2,762**	**29,517**	
	€ m	333	3,845	(99)	421		4,500

Minority interests		Share of equity		Share of earnings	Total minority interests FF m	Total minority interests € m
31 December 1999		4,432		1,197	5,629	858
Movements in 2000						
• Translation reserve		(4) (1,180)			(1,180)	(180)
• Changes in Group structure		144			144	22
• Appropriation of prior-year earnings		25		(1,197)	(1,172)	(179)
• **Net earnings 2000**				**1,188**	**1,188**	**181**
• Other movements			(227)		(227)	(34)
31 December 2000	**FF m**	**3,421**	**(227)**	**1,188**	**4,382**	
	€ m	521	(34)	181		668

(1) The change in capital is due mainly to the capital increases in April and September 2000.
(2) Of which translation reserve of FF 480 million.
(3) Impact of disposal of Bouygues shares held by subsidiaries.
(4) Of which FF (1.4) billion in reduction of minority interests in Colas following the exchange offer for 40.7% of the shares.

• Bouygues SA share capital: FF 2,182,334,095
€ 332,694,688

The authorized share capital of Bouygues at 31 December 2000 comprised 332,074,968 shares and 619,720 investment certificates, making a total of 332,694,688 equity securities of par value € 1 each. The main movements relating to capital increases are mentioned in Note 1.

• Translation reserve: FF 480 m
€ 73 m

Unrealised foreign exchange gains and losses at 31 December 2000 for foreign companies whose financial statements are expressed in:

- Pound sterling = 257
- US dollar = 288
- Euros (lira/peseta) = (48) amount frozen at 31/12/98

• Consolidated net earnings per share (undiluted and diluted):

Undiluted earnings per share:

They are calculated as net earnings attributable to Group shareholders divided by the average number of shares outstanding in 2000, which was determined to be 319,844,446 shares.

Diluted earnings per share:

They are calculated by adding the number of shares that would result from conversion of convertible bonds (Océane) and exercise of subscription warrants to the denominator, raising it to 340,037,792.

These earnings per share figures are presented at the bottom of the consolidated income statement. Earnings per share figures for previous years should be divided by 10 to make them comparable to those for 2000.

• **Convertible securities and stock options**

Instrument	Number outstanding at 31/12/00	Conversion ratio	Potential number of new shares	Capital increase per share €	Issue premium per share €	Expiry and remarks
Convertible bonds (1)	1,691,920	10.18	17,223,746	10.18	252.22	01/01/06 unless called by issuer for early redemption on or after 01/01/03
Options						
1995 plan	146,230	1	146,230	1	6.41	24/01/02 exercisable at any time
1997 plan	2,823,370	1	2,823,370	1	6.44	28/01/04 exercisable at any time
99/1 plan	2,174,044	1	2,174,044	1	20.60	20/04/06 exercisable on or after 20/04/04
99/2 plan	972,690	1	972,690	1	23.70	06/07/06 exercisable on or after 06/07/04
99/3 plan	304,760	1	304,760	1	28.60	04/11/06 exercisable on or after 04/11/04
2000 plan	1,239,800	1	1,239,800	1	68.10	05/07/07 exercisable on or after 05/07/05
TOTAL			**24,884,640**			

(1) exchangeable for new or existing shares (Océane)

Note 6

PROVISIONS FOR LIABILITIES AND CHARGES

• **Detailed provision by type**

	1 January 2000	Changes in accounting methods and translation adjustments (1)	Transfers between line items	Charges for the year	Written back in the year	31 December 2000	€
LIABILITIES							
• Customer warranties (after-sales service)	1,065	3	60	481	(416)	1,193	182
• Litigation, disputes and contract claims	1,823	8	(30)	581	(601)	1,781	272
• Completed contracts	1,014	(97)	(7)	429	(369)	970	148
• Risks on long-term investments	556	189	157	110	(288)	724	110
• Sundry penalties and other risks (3)	2,091	43	146	1,362	(748)	2,894	441
Sub-total liabilities	**6,549**	**146**	**326**	**2,963**	**(2,422)**	**7,562**	
€	999	22	49	452	(369)	-	1,153
CHARGES							
• Renewal of plant and equipment (Saur)	1,547	-	(4)	14	(317)	1,240	189
• Major repairs	297	6	18	142	(118)	345	53
• Deferred tax liability	517	177	(154)	61	(72)	529	81
• Final contract settlement/ site clean-up costs	1,047	54	(175)	562	(410)	1,078	165
• Losses to completion on contracts	578	27	(10)	264	(436)	423	64
• Post-employment benefits	-	950	48	133	(10)	1,121	171
• Other charges	679	48	84	524	(504)	831	126
Sub-total charges	**4,665**	**1,262**	**(193)**	**1,700**	**(1,867)**	**5,567**	-
€	711	193	(29)	259	(285)	-	849
TOTAL	**11,214**	**1,408**	**133**	**4,663**	**(4,289)**	(2) **13,129**	-
€	1,710	215	20	711	(654)	-	2,002

(1) Includes change on 1 January 2000 in method of accounting for post-employment benefits and finance leases: FF 961 m (charges).
(2) A breakdown of provisions for liabilities and charges by business segment is provided in Note 13.
(3) Provisions for sundry penalities and other liabilities comprise mainly the following:

	FF billion
- Risks of non-payment by certain customers, notably international customers (net change in 2000: +FF 0.3 billion)	1.1
- Risks associated with various administrative audits (+FF 0.2 billion in 2000)	0.8
- Technical risks on work sites and reinsurance (+ FF 0.1 billion in 2000)	0.4
- Various other risks (+ FF 0.3 billion in 2000)	0.6
	2.9

Note 7
FINANCIAL LIABILITIES

• Financial liabilities by maturity

		Less than one year	1 to 4 years	5 years and more	Total 12/00	€
Bond issues		4	674	7,778	8,456	1,289
Bank loans		582	8,467	1,820	10,869	1,657
Other financial liabilities		127	225	187	539	82
TOTAL		**713**	**9,366**	**9,785**	(1)(2)(3) **19,864**	**-**
	€	108	1,428	1,492		3,028
Situation at 31/12/1999 :		1,230	7,462	8,632	17,324	-
Total financial liabilities	€	187	1,138	1,316	-	2,641

(1) A breakdown of financial liabilities by business segment is given in Note 13.
(2) Includes FF 16,985 million of financial liabilities denominated in French francs.
(3) Includes FF 480 million relating to capitalised lease obligations.

• Financial liabilities by type of interest rate

Breakdown of financial liabilities including all outstanding interest rate hedges at year-end.

	12/00	12/99
• Fixed rate (1)	79 %	93 %
• Floating rate	21 %	7 %

(1) Fixed rate debt due in more than one year.

• Security interests granted as collateral for financial liabilities

	12/00	€	12/99	€
• Mortgages of land and buildings, pledges of equipment	437	67	437	67
• Pledges of securities (1)	12,969	1,977	9,211	1,404
• Assignments of claims and other security interests	1,590	242	1,898	289
TOTAL SECURITY INTERESTS (1)	**14,996**	2,286	**11,546**	1,760

(1) Mainly relating to the pledge of Bouygues Telecom stock and participating loans held by Bouygues SA and BDT under the terms of the Bouygues Telecom credit facility agreement.

Note 8
OTHER NON-FINANCIAL LIABILITIES AND ACCRUED INCOME

	12/00	€	12/99	€
• **Tax and employee-related liabilities**	**11,024**	1,680	**9,578**	1,460
• **Sundry liabilities** Income tax payable, amounts payable to suppliers of fixed assets, advances from subsidiaries, non-consolidated affiliates and other partners	**13,926**	2,124	**12,766**	1,946
• **Prepaid income and similar** including FF 9,935m of prepaid income (FF 8,503m in 1999)	**9,979**	1,521	**8,570**	1,307
TOTAL	**34,929**	5,325	**30,914**	4,713

Note 9

NET FINANCIAL ITEMS

	2000	€	1999	€
• Income from non-consolidated subsidiaries and affiliates	104	16	79	12
• Net interest and similar expenses (mainly relating to property development and services activities)	(906)	(138)	(869)	(133)
• Net foreign exchange gains or losses	(88)	(13)	(68)	(10)
• Net charge to or write-back of provisions against financial items	(2) (329)	(50)	60	9
• Transfers of financial income on long-term contracts (treated as operating income) and transfers of financial charges	(18)	(3)	(7)	(1)
• Net gain or loss on disposals of short-term investment securities and income from other marketable securities and long-term loans	(1) 1,167	178	162	25
• Write-off of stockholder advances to non-consolidated subsidiaries, equity affiliates and others	(28)	(4)	(98)	(15)
NET FINANCIAL ITEMS	**(98)**	(14)	**(741)**	(113)

(1) Includes +FF 863 million of gains on disposal of Bouygues shares (Colas exchange offer and other disposals).
(2) Includes -FF 150 million of provisions on 9 Telecom shares.

Note 10

HEDGING INSTRUMENTS

For information, the following tables show notional amounts outstanding at 31 December 2000 for each type of instrument used, broken down by residual maturity for interest rate hedges and by currency for exchange rate hedges.

Consolidated companies

• Interest rate hedges (Amount outstanding at 31 December 2000)

	Total					Total	
Maturity	**2001**	**2002 to 2005**	**Beyond**	**Total**	**€**	**12/99**	**€**
Interest rate swaps							
- on financial assets	367	-	-	367	56	65	10
- on financial liabilities	1,738	9,859	150	11,747	1,791	11,286	1,721
Forward Rate Agreements							
- on financial assets							
- on financial liabilities	322	-	-	322	49	2,897	442
Caps / Floors							
- on financial assets							
- on financial liabilities	1,560	2,576	16	4,152	633	5,665	864

For renewable interest rate hedges, the amounts are shown in the column corresponding to the farthest maturity.

• Exchange rate hedges (Amount outstanding at 31 December 2000)

	equivalent in FF million								Total at 12/99	
Currency	**CHF**	**GBP**	**USD**	**HKD**	**MYR**	**Other**	**Total**	**€**	**FF**	**€**
Forward purchases and sales										
- Forward purchases	6	51	533	31	-	14	635	97	1,183	180
- Forward sales	12	1,414	2,815	(1) 386	90	101	4,818	734	4,084	623
Currency swaps	715	151	710	244	-	56	1,876	286	2,151	328

(1) of which FF 196 million HKD against USD.

The given amounts relate to the underlying assets.

At 31 December 2000, the market value of the portfolio of hedging instruments was FF 11 million. Market values of the instruments in the portfolio were calculated by the group or obtained from the bank counterparties to the contracts.

• Transactions in options

Bouygues has written "down and in" barrier put options on TF1 shares. At 31 December 2000, 550,000 such puts were outstanding at strike prices between € 51.26 and € 66.95. To the extent that these puts are exercised, Bouygues would acquire TF1 shares, thereby increasing its equity interest in TF1 on terms that it deems favourable.

Note 11
EXCEPTIONAL ITEMS

	Charges 2000	Charges 1999	Recoveries 2000	Recoveries 1999	2000	€	1999	€
• Net gains on disposals of long-term investments Sundry disposals net of recoveries					(1) **412**	63	**71**	11
• Net charges to exceptional provisions					**(326)**	(50)	**(235)**	(36)
- Additional provisions on goodwill	(43)	(9)						
- Other exceptional provisions and sundry items	(694)	(570)	411	344				
	(737)	**(579)**	**411**	**344**				
• Net exceptional income or expense on management operations								
- Exceptional income from recovery of bad debts, insurance claims paid and sundry					275	42	176	27
- Exceptional charges for litigation, taxes and duties, uninsured losses, fines, bad debts and restructuring					(288)	(44)	(230)	(35)
• Sundry exceptional items					**26**	4	**44**	7
NET EXCEPTIONAL ITEMS					**99**	15	**(174)**	(26)

(1) Including a net gain of FF 429 million on disposal of 8.80% of the shares of Bouygues Offshore.

Note 12
INCOME TAX

• Breakdown of net tax charge

	2000				1999	
	France	Other countries	Total	€	Total	€
• Tax payable	(1,528)	(428)	(1) (1,956)	(298)	(1,432)	(218)
• Net deferred tax liability	74	(15)	59	9	12	2
• Net deferred tax asset	(2) 1,021	(24)	(2) 997	152	1,172	179
• Tax on proposed 2000 dividend distribution	(75)	(19)	(94)	(14)	(51)	(8)
TOTAL	**(508)**	**(486)**	**(994)**	(151)	**(299)**	(45)

(1) Of which TF1 (1,025) and Colas (511)
(2) Of which deferred tax assets arising during the period: Bouygues SA : +756
Bouygues Telecom : +287

• Reconciliation of theoretical tax charge with total tax charge on the income statement

The difference between the current statutory tax rate in France and the effective tax rate computed from the income statement for the period can be broken down as follows:

Statutory tax rate in France	37.76 %
A) Increases	
• Tax on distributions	1.82 %
• Effect of temporary differences not booked	5.70 %
B) Decreases	
• Permanent differences	1.82 %
• Differences in tax rates, France vs. other countries	2.69 %
• Taxation at reduced or flat rates	7.39 %
• Utilisation/creation of loss carryforwards	13.91 %
Effective tax rate	**19.47 %**

• Deferred tax assets not booked (recovery uncertain)

Deferred tax assets not booked because recovery was deemed unlikely amount to FF 726 million. Of this amount, FF 698 million is attributable to the Construction and Property divisions (on tax losses and temporary consolidation differences).

• Breakdown of deferred tax assets and liabilities by category

	Asset	Liability	Net
• Arising from tax losses carried forward	2,094	-	2,094
• Arising from temporary differences	574	(529)	45
Net	**2,668**	**(529)**	**2,139**

• Earnings impact of change in tax rates on deferred tax assets and liabilities

Application of accrual method from 1 January 2000 (122)
(essentially Bouygues Telecom deferred taxes)

Note 13

INFORMATION BY BUSINESS SEGMENT

A) BREAKDOWN OF CONSOLIDATED SALES BY SEGMENT AND GEOGRAPHICAL AREA

Sales from production of fully consolidated companies includes book revenue from contracts and sales of goods and services.

		2000				1999	
		France	International	Total	%	Total	%
TELECOM - MEDIA		20,354	1,302	21,656	17	15,637	15
	€	-	-	3,301	-	2,384	-
• Bouygues Telecom		7,153	-	7,153	-	3,793	-
• TF1		13,201	1,302	14,503	-	11,844	-
UTILITIES							
• Saur		10,091	5,574	15,665	13	14,914	14
	€	-	-	2,388	-	2,273	-
CONSTRUCTION		48,177	39,363	87,540	70	73,280	71
	€	-	-	13,346	-	11,172	-
• Bouygues Construction		17,698	21,318	39,016	-	33,432	-
• Colas		24,864	17,607	42,471	-	34,444	-
• Property development		5,615	438	6,053	-	5,404	-
OTHER (1)		84	83	167	-	183	-
	€	-	-	25	-	28	-
CONSOLIDATED SALES		**78,706**	**46,322**	**125,028**	**100**	(2) **104,014**	**100**
	€	11,998	7,062	19,060	-	15,857	-
		63.0 %	37.0 %				

(1) Bouygues parent company + other subsidiaries (Infomobile...)
(2) Of which 1999 international sales: FF 37,944 million (€ 5,785 million)

• Geographical area

France		78,706	63.0	66,070	63.5
Western Europe		12,529	10.0	11,097	10.7
Eastern Europe		6,665	5.3	3,580	3.4
Africa		9,660	7.7	9,914	9.5
Middle East		602	0.5	919	0.9
USA and Canada		9,768	7.8	7,199	6.9
Central and South America		346	0.3	239	0.3
Asia-Pacific		6,752	5.4	4,996	4.8
TOTAL		**125,028**	**100.0**	**104,014**	**100.0**
	€	19,060		15,857	

• Percentage breakdown of consolidated sales, by type of contract, France vs. International

	2000			1999		
	France	International	Combined	France	International	Combined
Public sector (1)	33	35	34	35.1	50.5	40.9
Private sector	67	65	66	64.9	49.5	59.1

(1) Sales invoiced directly to government agencies and local authorities (mainly works and maintenance contracts) in France and elsewhere.

B) BREAKDOWN OF NET INTANGIBLE AND TANGIBLE FIXED ASSETS BY SEGMENT AND GEOGRAPHICAL AREA

(FF million)

		Bouygues Telecom	TF1	Sub-total Telecoms Media	Utilities Saur	Bouygues Construction	Colas
France and overseas departments		15,012	4,356	19,368	5,616	1,297	7,083
Europe		-	4	4	4,267	715	1,267
Africa		-	-	-	1,418	710	128
Asia-Pacific		-	-	-	-	697	53
Americas		-	-	-	2	14	2,609
TOTAL		**15,012**	**4,360**	**19,372**	**11,303**	**3,433**	**11,140**
	€	2,289	665	2,954	1,723	523	1,698
% of total		**32.0**	**9.3**	**41.3**	**24.1**	**7.4**	**23.8**

C - OTHER INFORMATION BY SEGMENT

(FF million)

		Bouygues Telecom	TF1	Sub-total Telecoms Media	Utilities Saur	Bouygues Construction	Colas
Balance sheet:							
Fixed assets (net)		15,032	4,800	19,832	13,717	4,581	14,656
	€	2,291	732	3,023	2,091	699	2,234
Provisions for liabilities and charges		531	876	1,407	2,706	4,439	3,107
	€	81	134	215	412	677	473
Financial liabilities		7,589	34	7,623	1,863	692	1,533
	€	1,157	5	1,162	284	105	234
Income statement:							
Operating income (2)		(689)	2,770	2,081	763	764	1,454
	€	(105)	423	318	116	116	222
Depreciation and amortisation (3)		1,116	722	1,838	690	743	1,231
	€	170	110	280	105	113	188
Provisions		543	156	699	414	1,946	800
	€	83	24	107	63	297	122
Earnings before tax and exceptional items		(1,248)	2,888	1,640	495	860	1,343
	€	(190)	440	250	75	131	205
Share in earnings of equity affiliates		-	(217)	(217)	30	30	198
	€	-	(33)	(33)	5	5	30
Income tax (5)		296	(1,016)	(720)	(164)	(342)	(526)
	€	45	(155)	(110)	(25)	(52)	(80)
Cash flow statement:							
Operating cash flow		19	2,632	2,651	891	1,385	2,164
	€	3	401	404	136	211	330
Operating investment (gross) (4)		3,777	637	4,414	910	1,389	2,134
	€	576	97	673	139	212	325
Financial investment (gross) (4)		2	766	768	504	21	1,481
	€	-	117	117	77	3	226

(1) Other activities: various subsidiaries of Bouygues SA.
(2) An itemised breakdown of operating results is given in section D below.
(3) Excluding amortisation of expenses to be amortised over several periods.
(4) By segment of origin of investments made.
(5) Net current and deferred tax expense.

Property Development	Sub-total Construction	Bouygues SA	Other	Total 12/00	€	Total 12/99	€
800	9,180	59	559	34,782	5,303	26,360	4,019
-	1,982	-	168	6,421	979	5,977	911
-	838	-	-	2,256	344	2,310	352
-	750	-	-	750	114	272	42
-	2,623	-	-	2,625	400	1,930	294
800	**15,373**	**59**	**727**	**46,834**	-	**36,849**	-
122	2,343	9	111	-	7,140	-	5,618
1.7	**32.9**	**0.1**	**1.6**	**100.0**	-	-	-

Property Development	Sub-total Construction	Bouygues SA	Other (1)	Total 12/00	Total 12/99
898	20,135	453	837	54,974	43,840
137	3,070	69	128	8,381	6,683
467	8,013	660	343	13,129	11,214
71	1,221	101	53	2,002	1,709
282	2,507	7,871	-	19,864	17,324
43	382	1,200	-	3,028	2,641
384	2,602	(69)	(52)	5,325	3,247
59	397	(11)	(8)	812	495
78	2,052	11	66	4,657	3,747
12	313	2	10	710	571
124	2,870	-	32	4,015	4,334
19	438	-	4	612	661
210	2,413	801	(122)	5,227	2,506
32	368	122	(18)	797	382
-	228	-	-	41	(19)
-	35	-	-	7	(3)
(16)	(884)	772	2	(994)	(299)
(3)	(135)	118	-	(152)	(46)
290	3,839	601	(23)	7,959	4,250
44	585	91	(3)	1,213	648
50	3,573	5	9	8,911	6,047
8	545	-	1	1,358	922
22	1,524	5,554	122	8,472	7,849
3	232	847	19	1,292	1,197

D) INCOME STATEMENT ITEMS BY DESTINATION SEGMENT

As a supplement to the consolidated income statement by type, a breakdown showing intermediate balances by segment is given below.

	Bouygues Telecom	TF1	Sub-total Telecoms Media	Utilities Saur	Bouygues Construction	Colas
Consolidated sales	**7,153**	**14,503**	**21,656**	**15,666**	**39,016**	**42,471**
Cost of goods sold	(6,322)	(10,028)	(16,350)	(12,656)	(34,123)	(36,611)
Gross profit	**831**	**4,475**	**5,306**	**3,010**	**4,893**	**5,860**
Gross margin (%)						
€	127	682	809	459	746	893
Research and development costs	(332)	(12)	(344)	(29)	(136)	(209)
Sales expenses	(454)	(579)	(1,033)	(178)	(1,652)	-
Administrative expenses	(734)	(1,114)	(1,848)	(2,040)	(2,341)	(4,197)
Operating income	**(689)**	**2,770**	**2,081**	**763**	**764**	**1,454**
EBIT margin (%)						
Net financial items	**(559)**	**118**	**(441)**	**(268)**	**96**	**(111)**
Earnings before tax and exceptional items	**(1,248)**	**2,888**	**1,640**	**495**	**860**	**1,343**

REMARKS :

- Cost of research and development
  This item comprises mainly the cost of laboratories, research departments and the science division (excluding contract pricing costs).

- Sales expenses
  This item includes the cost of the sales and marketing divisions and contract pricing costs. In the road works segment, contract pricing costs are included in cost of sales or in administrative expenses and are not separately identified.

Note 14

BOUYGUES TELECOM: CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

A) CONSOLIDATED BALANCE SHEET (100%)

ASSETS (net)	2000	1999	**12/00**	**12/99**
Intangible fixed assets			*1,915*	*446*
Tangible fixed assets			*14,741*	*11,448*
Long-term investments			*22*	*24*
Fixed assets			**16,678**	**11,918**
Current assets, prepaid expenses and similar items			**18,639**	**11,882**
Deferred tax asset	*3,292*	*2,837*		
Expenses to be amortised over several periods (4,646) and other	*5,138*	*4,394*		
Total Assets			**35,317**	**23,800**

LIABILITIES AND EQUITY	**12/00**	**12/99**
Capital and reserves	*8,939*	*2,844*
Earnings for the year	*(1,817)*	*(807)*
Participating loans	*4,674*	*3,448*
Stockholders' equity and other equity	**11,796**	**5,485**
Provisions for liabilities and charges	**988**	**506**
Financial liabilities	**14,118**	**10,627**
Non-financial liabilities, accrued income and similar items	**8,415**	**7,182**
Total Liabilities and Equity	**35,317**	**23,800**

Property Development	Sub-total Construction	Bouygues SA	Other	Total 2000	€	Total 12/99	€
6,053	**87,540**	**25**	**141**	**125,028**	19,060	**104,014**	15,857
(5,171)	(75,905)	27	(119)	(105,003)	(16,007)	(87,871)	(13,396)
882	**11,635**	**52**	**22**	**20,025**	3,053	**16,143**	2,461
				16.0 %		15.5 %	
135	1,774	8	3	3,053		2,461	-
(46)	(391)	(3)	(3)	(770)	(117)	(694)	(106)
(304)	(1,956)	-	(14)	(3,181)	(485)	(2,772)	(423)
(148)	(6,686)	(118)	(57)	(10,749)	(1,639)	(9,566)	(1,458)
384	**2,602**	**(69)**	**(52)**	**5,325**	812	**3,111**	474
				4.3 %		3.0 %	
(174)	**(189)**	**870**	**(70)**	**(98)**	(15)	**(741)**	(113)
210	**2,413**	**801**	**(122)**	**5,227**	797	(1) **2,370**	361

(1) After reclassification of employee profit-sharing as an operating expense.

B) CONSOLIDATED INCOME STATEMENT

	100 %		Bouygues Group share (53.7 %) (1)			
	2000	**1999**	**2000**	**€**	**1999**	**€**
Sales	13,362	8,368	7,178	1,094	3,792	578
Other operating income	10,740	6,572	5,770	880	2,923	446
Operating expenses	(25,384)	(17,825)	(13,636)	(2,079)	(8,074)	(1,231)
Operating income (loss)	**(1,282)**	**(2,885)**	(688)	(105)	(1,359)	(207)
Net financial expense	(994)	(779)	(534)	(81)	(345)	(53)
Earnings before tax and exceptional items	**(2,276)**	**(3,664)**	(1,222)	(186)	(1,704)	(260)
Net exceptional items	(75)	18	(40)	(6)	10	2
Income tax	(2) 534	2,837	287	44	1,150	175
Amortisation of goodwill	(2)	-	(1)	-	-	-
Other	2	2	1	-	(10)	(2)
Consolidated net earnings (attributable to Bouygues Telecom shareholders)	**(1,817)**	**(807)**	**(975)**	(148)	**(554)**	(85)

(1) Before elimination of intra-group transactions at Bouygues SA level.
(2) Deferred tax asset.

Consolidated accounts

Note 15

OFF-BALANCE SHEET

A) COMMITMENTS GIVEN

	2000	€	1999	€
Commitments given by consolidated companies				
• Programmes and broadcasting rights, including television rights for sporting events (TF1)	5,806		6,368	
• Commitments given to credit institutions by equity method construction undertakings	158		182	
• Other guarantees (1) (2)	2,750		3 837	
TOTAL COMMITMENTS GIVEN	**8,714**	1,328	(3) **10,387**	1,583
NB: secured debt (see Note 7)	14,996	2,286	11,546	1,760

B) COMMITMENTS RECEIVED

	2000	€	1999	€
• Guarantees and other commitments received by consolidated companies	578		861	
• Commitments received by equity method construction undertakings	158		182	
• Other commitments received	-		900	
TOTAL COMMITMENTS RECEIVED	**736**	112	**1,943**	296

(1) Includes FF 86 million of commitments given in favour of non-consolidated affiliated companies (mainly in road works activities).

(2) In the normal course of business, the group gives ten-year warranties and performance guarantees. No quantitative value is estimated for these obligations unless it appears that they might give rise to payments by the group, in which case a liability provision is booked.

(3) 1999 amount at comparable scope and reflecting changes in method of accounting for retirement benefits and finance leases. At 31 December 1999, commitments associated with these items amounted to FF 4,648 million. Retirement benefit and finance lease obligations are now shown on the balance sheet, and movements in them are taken to the consolidated income statement.

Retirement benefits and finance lease obligations are now shown on the balance sheet, and movements in them are taken to the consolidated income statement.

Note 16

STAFFING AND REMUNERATION OF SENIOR EXECUTIVES AND DIRECTORS

- **Average number of employees during the year**

	2000	1999
France:		
Managerial	14,668	12,910
Supervisory, technical and clerical	22,082	20,106
Site workers	25,919	24,588
Sub-total	**62,669**	**57,604**
Expatriates and local labour	55,976	51,984
TOTAL	**118,645**	**109,588**

- **Remuneration of senior executives and directors**
  (Group general management and support divisions, representing a total of 14 employees)

Group directors and senior executives received a total of FF 53.7 million in direct and indirect emoluments of all kinds from French and foreign companies, including FF 35.5 million in base pay and FF 18.2 million in bonuses, paid at the beginning of 2000 on the basis of performance in 1999. These figures do not include the provision for retirement benefits payable to these 14 employees, which at 31 December 2000 amounted to FF 13.9 million.

Attendance fees paid to voting and non-voting directors amounted to FF 4.1 million.

Note 17

LIST OF PRINCIPAL GROUP COMPANIES AT 31 DECEMBER 2000

Company	Location	Country	% interest	% direct and indirect control (1)
A - TELECOMS - MEDIA				
1 . TELECOMMUNICATIONS				
Proportional consolidation				
BDT SA	St-Quentin-en-Yvelines	France	59.47	
Bouygues Telecom SA and subsidiaries	Vélizy-Villacoublay	France	53.71	
2 . MEDIA				
TF1 Group				
Full consolidation				
Télévision Française 1 SA	Paris	France	39.85	39.84
Ciby Droits Audiovisuels SA	Paris	France	39.85	100.00
La Chaîne Info (LCI) SCS	Paris	France	39.85	100.00
Les Films Ariane SA	Boulogne-Billancourt	France	39.85	100.00
Protécrea SA	Boulogne-Billancourt	France	39.85	100.00
Teleshopping SA	Boulogne-Billancourt	France	39.85	100.00
TF1 International SA	Boulogne-Billancourt	France	39.85	100.00
TF1 Publicité SA	Boulogne-Billancourt	France	39.85	100.00
TF1 Vidéo SA	Boulogne-Billancourt	France	39.85	100.00
Une Musique SA	Boulogne-Billancourt	France	39.85	100.00
e-TF1	Boulogne-Billancourt	France	39.85	100.00
Proportional consolidation				
Eurosport Sales Organisation (ESO) SCS and subsidiaries	Issy-les-Moulineaux	France	20.12	50.50
Film par Film SA	Paris	France	19.93	50.00
Equity method				
Télévision Par Satellite (TPS) SNC	Issy-les-Moulineaux	France	9.91	25.00
B - SERVICES				
UTILITIES MANAGEMENT				
Groupe Saur				
Full consolidation				
Saur SA	St-Quentin-en-Yvelines	France	73.00	
Saur International SA	St-Quentin-en-Yvelines	France	72.99	99.99
Saur France SA (Ex. Cise SNC)	St-Quentin-en-Yvelines	France	73.00	99.99
Cise Réunion SA	St-Denis-de-la-Réunion	France	72.94	99.93
Coved SA	Guyancourt	France	72.99	99.99
Stéreau SA	Louveciennes	France	72.99	99.99
FOREIGN				
Compagnie Ivoirienne d'Electricité	Abidjan	Côte d'Ivoire	51.44	71.51
Gestagua	Madrid	Spain	72.99	99.99
Saur UK LTD et ses filiales	Camberley	UK	72.99	100.00
Sénégalaise Des Eaux	Dakar	Senegal	45.86	62.83
Saur Neptun Gdansk	Gdansk	Poland	37.23	50.99
Sodeci	Abidjan	Côte d'Ivoire	35.35	50.13
Crea	Rome	Italy	51.82	100.00
Equity method				
Obras Sanit Mendoza	Mendoza	Argentina	23.42	32.08

(1) If % control is not equal to % interest.

Company	Location	Country	% interest	% direct and indirect control (1)
C - CONSTRUCTION				
1 . Bouygues Construction				
Full consolidation				
Bouygues Construction SA	St-Quentin-en-Yvelines	France	99.97	
Bouygues Bâtiment				
Bouygues Bâtiment SA	St-Quentin-en-Yvelines	France	99.97	
Bâtiment France subsidiaries				
Brézillon SA	Noyon	France	98.94	
Olin-Lanctuit SA	Courbevoie	France	99.95	
SB Ballestrero SA	Dammarie Les Lys	France	99.96	
Entreprises France Europe subsidiaries				
DV Construction SA	Bordeaux	France	99.96	
GTB Bouyer Duchemin SA	Nantes	France	99.96	
GFC SA	Bron	France	99.96	
Norpac SA	Villeneuve-d'Ascq	France	99.96	
Pertuy GTFC SA	Maxeville	France	99.96	
Quille SA	Rouen	France	99.96	
FOREIGN				
Bouygues UK LTD and subsidiaries	London	UK	99.96	
Bouygues Deutschland GMBH	Frankfurt	Germany	99.96	
Losinger Construction SA	Berne	Switzerland	99.96	
Bâtiment International subsidiaries				
Rinaldi Structal SA and subsidiaries	Colmar	France	99.96	
FOREIGN				
Bouygues Hungaria	Budapest	Hungary	99.96	
Bymaro	Casablanca	Morocco	99.94	
Bouygues TP				
Bouygues TP SA	St-Quentin-en-Yvelines	France	99.96	
FOREIGN				
Losinger Sion	Berne	Switzerland	99.63	
Prader AG	Zurich	Switzerland	99.84	
Other Bouygues Construction subsidiaries				
DTP Terrassement SNC	St-Quentin-en-Yvelines	France	99.96	
Intrafor SA	Montigny-le-Bretonneux	France	99.96	
FOREIGN				
Acieroïd Espanola and subsidiaries	L'Hospitalet De Llobregat	Spain	99.96	
Basil Read and subsidiaries	Johannesburg	South Africa	69.96	
Bouygues Polska	Warsaw	Poland	99.96	
DTP Hong-Kong	Hong Kong	China	99,96	
DTP Singapore	Singapore	Singapore	99.96	
IP Foundations Hong-Kong	Hong Kong	China	99.96	
VSL International and subsidiaries	Lyssach	Switzerland	99.76	
DMB Malaysia	Kuala Lumpur	Malaysia	49.65	
Car parks				
Parcofrance SA and subsidiaries	St-Quentin-en-Yvelines	France	99.96	
Bouygues Offshore group				
Bouygues Offshore SA	Montigny-le-Bretonneux	France	51.20	
Camom SNC			51.20	99.99
Sofresid SA and subsidiaries	La Défense	France	51.18	99.96
FOREIGN				
BOS Congo	Pointe Noire	Congo	51.19	99.98
Delong Hersent	Urbanizacion Campo Allegre	Panama	51.19	100.00
Nissco	Lagos	Nigeria	30.72	60.00
Petromar UEM	Luanda	Angola	46.08	90.00
UIE Scotland LTD	London	UK	51.20	100.00

(1) If % control is not equal to % interest.

Company	Location	Country	% interest	% direct and indirect control (1)
ETDE group				
ETDE SA and regional subsidiaries	Montigny-le-Bretonneux	France	99.96	
Transel SAS	Viroflay	France	99.96	
FOREIGN				
Sté Gabonnaise d'Electrification et de Canalisation (SOGEC)	Libreville	Gabon	84.38	
Proportional consolidation				
Bouygues Offshore group				
SaïBos CML	Madeira	Portugal	25.60	50.00
Equity method				
Bouygues Bâtiment				
Consortium Stade de France SA	La Plaine-Saint-Denis	France	33.32	
Bouygues TP				
FOREIGN				
Aka RT	Budapest	Hungary	40.97	41.49
Bina Fincom	Zagreb	Croatia	50.98	
Trans African Concessions (TRAC)	Kyalami	South Africa	11.99	

2 . Roads

Company	Location	Country	% interest	% direct and indirect control (1)
Colas group				
Full consolidation				
Colas SA and regional subsidiaries	Boulogne-Billancourt	France	95.88	
Grands Travaux Océan Indien (GTOI) SA	Le Port (La Réunion)	France	95.87	99.99
Sacer SA and subsidiaries	Boulogne-Billancourt	France	95.88	99.99
Screg SA and regional subsidiaries	Boulogne-Billancourt	France	95.88	99.99
Spac SA and subsidiaries	Clichy	France	95.88	99.99
Sté de Matériel Routier (Somaro) SA	Chatou	France	95.88	99.99
Colas Guadeloupe	Baie Mahault	France	95.87	99.98
Colas Martinique SA	Le Lamentin	France	95.87	99.98
Smac Aciéroïd SA and subsidiaries	Vitry-sur-Seine	France	95.88	99.99
Axter SA	Précy sur Oise	France	81.49	85.00
Perier SA	Saint-Priest	France	95.88	99.90
FOREIGN				
Alterra and subsidiaries	Budapest	Hungary	95.76	99.87
Colas Danmark	Virum	Denmark	95.88	100.00
Colas Genève and subsidiaries	Lausanne	Switzerland	95.13	99.21
Colas Inc. and subsidiaries	Short Hills	USA	95.88	100.00
Colas Maroc and subsidiaries	Casablanca	Morocco	95.81	99.93
Colas UK Ltd and subsidiaries	Rowfant Crakley	UK	95.88	100.00
Strada	Sroda Wielkopolsko	Poland	48.81	50.91
Sté Routière Colas Gabon	Libreville	Gabon	86.19	89.89
Screg Belgium and subsidiaries	Brussels	Belgium	95.88	100.00
Proportional consolidation				
Carrières Roy SA	St-Varent	France	47.92	49.98
Equity method				
Cofiroute SA	Sèvres	France	15.98	16.66

3 . Property

Company	Location	Country	% interest	% direct and indirect control (1)
Full consolidation				
Société Financière et Immobilière de Boulogne SA (SFIB)	Boulogne-Billancourt	France	100.00	
Bouygues Immobilier and subsidiaries	Boulogne-Billancourt	France	100.00	

D - OTHER SUBSIDIARIES

Company	Location	Country	% interest	% direct and indirect control (1)
Full consolidation				
Infomobile SA	Guyancourt	France	99.99	
Bouygues Relais SNC	St-Quentin-en-Yvelines	France	94.99	
Challenger SNC	St-Quentin-en-Yvelines	France	99.99	
Société Française de Participation & Gestion (SFPG) SA	Paris	France	99.76	
Sofic SA	Boulogne-Billancourt	France	100.00	
FOREIGN				
Challenger Réassurance	Luxembourg	Luxembourg	99.98	
Uniservice	Genève	Switzerland	99.99	

(1) If % control is not equal to % interest.

BALANCE SHEET AT 31 DECEMBER

Assets (FF million)

	2000 Gross	2000 Amortisation	2000 Net	1999 Net	1998 Net
Intangible fixed assets	12	4	8	3	8
Tangible fixed assets	62	8	54	66	287
Long-term investments	33,761	1,900	31,861	22,105	15,330
Subsidiaries and affiliates	*30,628*	*1,853*	*28,775*	*19,178*	*13,653*
Advances to subsidiaries and affiliates	*2,799*	*11*	*2,788*	*2,146*	*1,243*
Other	*334*	*36*	*298*	*781*	*434*
FIXED ASSETS	**33,835**	**1,912**	**31,923**	**22,174**	**15,625**
Inventories and work in progress	-	-	-	-	14
Advances and payments on account	-	-	-	1	120
Trade receivables	207	-	207	207	2,765
Other receivables	3,987	-	3,987	2,504	2,212
Short-term investment securities	4,772	-	4,772	496	991
Cash and equivalents	36	-	36	68	279
CURRENT ASSETS	**9,002**	**-**	**9,002**	**3,276**	**6,381**
Other assets	94		94	103	93
TOTAL ASSETS	**42,931**	**1,912**	**41,019**	**25,553**	**22,099**

Assets (€ million)

	2000 Gross	2000 Amortisation	2000 Net	1999 Net	1998 Net
Intangible fixed assets	2	1	1	-	1
Tangible fixed assets	9	1	8	10	44
Long-term investments	5,147	290	4,857	3,370	2,337
Subsidiaries and affiliates	*4,669*	*282*	*4,387*	*2,924*	*2,081*
Advances to subsidiaries and affiliates	*427*	*2*	*425*	*327*	*189*
Other	*51*	*6*	*45*	*119*	*67*
FIXED ASSETS	**5,158**	**292**	**4,866**	**3,380**	**2,382**
Inventories and work in progress	-	-	-	-	2
Advances and payments on account	-	-	-	-	18
Trade receivables	32	-	32	32	422
Other receivables	608	-	608	381	337
Short-term investment securities	727	-	727	76	151
Cash and equivalents	5	-	5	10	43
CURRENT ASSETS	**1,372**	**-**	**1,372**	**499**	**973**
Other assets	15	-	15	16	14
TOTAL ASSETS	**6,545**	**292**	**6,253**	**3,895**	**3,369**

Liabilities and Stockholders' equity (FF million)

	2000	1999	1998
Authorised capital	2,182	1,517	1,311
Premiums and reserves	25,785	12,482	7,051
Retained earnings	7	5	0
Net earnings for the year	3,136	1,216	453
Regulated provisions	-	-	15
STOCKHOLDERS' EQUITY	**31,110**	**15,220**	**8,830**
Provisions for liabilities and charges	1,719	1,358	1,922
Financial liabilities	7,871	8,410	5,099
Progress payments received	-	-	695
Trade payables	123	189	2,819
Other payables	196	360	1,781
LIABILITIES	**9,909**	**10,317**	**12,316**
SHORT-TERM BANK BORROWINGS	**0**	**1**	**16**
Other liabilities	0	15	937
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**41,019**	**25,553**	**22,099**

ff

Liabilities and Stockholders' equity (€ million)

	2000	1999	1998
Authorised capital	333	231	200
Premiums and reserves	3,930	1,903	1,075
Retained earnings	1	1	0
Net earnings for the year	478	185	69
Regulated provisions	0	0	2
STOCKHOLDERS' EQUITY	**4,742**	**2,320**	**1,346**
Provisions for liabilities and charges	262	207	293
Financial liabilities	1,200	1,282	777
Progress payments received	0	0	106
Trade payables	19	29	430
Other payables	30	55	272
LIABILITIES	**1,511**	**1,573**	**1,878**
SHORT-TERM BANK BORROWINGS	0	0	2
Other liabilities	0	2	143
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**6,253**	**3,895**	**3,369**

€

INCOME STATEMENT (FF million)

	2000	1999	1998
SALES	**422**	**609**	**7,909**
Other operating income	103	138	197
Purchases and changes in inventories	(0)	(4)	(692)
Taxes other than income tax	(3)	(35)	(153)
Personnel costs	(308)	(377)	(2,386)
Other operating expenses	(322)	(451)	(4,685)
Net depreciation, amortisation and provisions	(14)	(16)	12
Share in earnings of unincorporated joint ventures	(0)	0	34
EARNINGS FROM OPERATIONS	**(122)**	**(136)**	**236**
Net financial income	2,902	283	68
EARNINGS BEFORE TAX AND EXCEPTIONAL ITEMS	**2,780**	**147**	**304**
Exceptional items	330	1,125	54
Income tax	26	(56)	95
NET EARNINGS	**3,136**	**1,216**	**453**

CASH FLOW STATEMENT (FF million)

	2000	1999
A - OPERATING ACTIVITIES		
Operating cash flow	**2,231**	**45**
Net earnings for the year	3,136	1,216
Depreciation and amortisation	20	26
Net change in long-term provisions	(364)	692
Expense transfers	4	(106)
Net gain (loss) on asset disposals	(565)	(1,783)
Change in working capital requirement	**(1,757)**	**(1,783)**
Current assets	(1,494)	(1,213)
Current liabilities	(263)	(570)
NET CASH FROM OPERATING ACTIVITIES (A)	**474**	**(1,738)**
B - INVESTING ACTIVITIES		
Increase in fixed assets		
Acquisitions of intangible and tangible assets	(6)	(67)
Acquisitions of participating interests	(9,161)	(6,193)
	(9,167)	**(6,260)**
Disposals of fixed assets	765	3,297
Net investment	**(8,402)**	**(2,963)**
Net other long-term investments	(61)	(2,214)
Liabilities relating to fixed assets	18	(6)
NET CASH USED FOR INVESTING ACTIVITIES (B)	**(8,445)**	**(5,183)**
C - FINANCING ACTIVITIES		
Increase in stockholders' equity	13,263	5,640
Dividends paid during the year	(509)	(447)
Net decrease in financial liabilities	(540)	3,309
NET CASH FROM FINANCING ACTIVITIES (C)	**12,214**	**8,502**
CHANGE IN CASH AND EQUIVALENTS (A+B+C)	**4,243**	**1,581**
Cash and equivalents at 1 January	564	1,255
Effect of partial contribution of assets		(2,272)
Net flows during the year	4,243	1,581
CASH AND EQUIVALENTS AT 31 DECEMBER	**4,807**	**564**

INCOME STATEMENT (€ million)

	2000	1999	1998
SALES	**64**	**93**	**1,206**
Other operating income	15	21	30
Purchases and changes in inventories	(0)	(1)	(105)
Taxes other than income tax	(0)	(5)	(23)
Personnel costs	(47)	(58)	(364)
Other operating expenses	(49)	(69)	(714)
Net depreciation, amortisation and provisions	(2)	(2)	2
Share in earnings of unincorporated joint ventures	(0)	(0)	5
EARNINGS FROM OPERATIONS	**(19)**	**(21)**	**37**
Net financial income	443	43	10
EARNINGS BEFORE TAX AND EXCEPTIONAL ITEMS	**424**	**22**	**47**
Exceptional items	50	171	8
Income tax	4	(8)	14
NET EARNINGS	**478**	**185**	**69**

CASH FLOW STATEMENT (€ million)

	2000	1999
A - OPERATING ACTIVITIES		
Operating cash flow	**340**	**7**
Net earnings for the year	478	185
Depreciation and amortisation	3	4
Net change in long-term provisions	(56)	106
Expense transfers	1	(16)
Net gain (loss) on asset disposals	(86)	(272)
Change in working capital requirement	**(268)**	**(272)**
Current assets	(228)	(185)
Current liabilities	(40)	(87)
NET CASH FROM OPERATING ACTIVITIES (A)	**72**	**(265)**
B - INVESTING ACTIVITIES		
Increase in fixed assets		
Acquisitions of intangible and tangible assets	(1)	(10)
Acquisitions of participating interests	(1,397)	(944)
	(1,398)	**(954)**
Disposals of fixed assets	117	502
Net investment	**(1,281)**	**(452)**
Net other long-term investments	(9)	(337)
Liabilities relating to fixed assets	3	(1)
NET CASH USED FOR INVESTING ACTIVITIES (B)	**(1,287)**	**(790)**
C - FINANCING ACTIVITIES		
Increase in stockholders' equity	2,022	860
Dividends paid during the year	(78)	(68)
Net decrease in financial liabilities	(82)	504
NET CASH FROM FINANCING ACTIVITIES (C)	**1,862**	**1,296**
CHANGE IN CASH AND EQUIVALENTS (A+B+C)	**647**	**241**
Cash and equivalents at 1 January	86	191
Effect of partial contribution of assets		(346)
Net flows during the year	647	241
CASH AND EQUIVALENTS AT 31 DECEMBER	**733**	**86**

Notes
to the parent company financial statements

CONTENTS

Amounts are expressed in millions of French francs (FF) unless otherwise noted.

The equivalent value in millions of euros (€) is shown for the most important items.

Note 1
SIGNIFICANT EVENTS OF 2000

1.1 1.5 billion capital increase

In March 2000, in furtherance of its development strategy in telecommunications, Bouygues SA carried out a capital increase in the amount of € 1.5 billion (FF 9.8 billion) by means of a capital increase with preferential subscription rights.

- Issue price: € 745 (before 10-for-1 stock split in July 2000)
- Number of securities issued: 2,022,061 shares and 4,125 investment certificates (with right to dividends from 1 January 2000),
- Subscription parity: 1 new for each 15 old.

1.2 Exchange offer for Colas stock

In early July 2000, Bouygues launched a simplified exchange offer for Colas stock, offering one Bouygues share for each Colas share tendered, to be paid from own shares held by the Group and by capital increase, for an amount of FF 5,088.3 million. As part of this operation, Bouygues also acquired the Colas shares held by Bouygues subsidiaries for FF 503.3 million, making a total net investment of FF 5,591.6 million for 39% of the share capital of Colas. Following this operation, Bouygues holds 95.1% of Colas. As a consequence, Bouygues's authorised capital has increased by € 6.9 million (FF 45.8 million) and the share premium account has increased by 483.7 million (FF 3,172.8 million).

Prior to the exchange, Colas paid a special dividend of € 5 per share. Bouygues's share of this distribution was FF 550 million.

1.3 Share repurchase programme

The share repurchase programme authorised by the Annual Meeting of Bouygues SA stockholders was activated during the first half of 2000 in order to take advantage of a market opportunity. Some of these shares were sold during the half, generating a net gain on disposal of FF 101 million booked as financial income.

When the exchange offer for Colas shares was launched, there remained 4.1 million own shares held in treasury by Bouygues SA for a value of FF 939 million. These shares were exchanged for Colas shares tendered under the Offer, generating a net after-tax gain of FF 744 million.

1.4 Inclusion of Colas in the Bouygues SA tax consolidation group

Following the July exchange offer, Bouygues holds more than 95% of the share capital of Colas. Colas will be included in the Bouygues SA tax consolidation group with effect from 1 January 2001.

1.5 Telecommunications

To provide development resources for Bouygues Telecom, Bouygues SA subscribed to capital increases by BDT and Bouygues Telecom in proportion to its percentage of ownership, as follows:

BDT	FF 1,965 million
Bouygues Telecom	FF 1,471 million.

Following these rights issues, Bouygues SA's percentage of (direct) ownership is unchanged at 51% of BDT and 21% of Bouygues Telecom.

1.6 Disposal of Bouygues Offshore shares

In 2000 Bouygues SA sold on the stock market virtually all of the 9% interest in Bouygues Offshore that it held directly. This disposal generated a net gain of FF 519 million.

1.7 Conversion of the share capital into euros

The authorised share capital of Bouygues was converted into euros by setting the par value of each share and investment certificate at one euro.

1.8 Net financial income

Net financial items in 2000 amounted to income of FF 2,902.5 million, as follows:

• Dividends received and earnings of partnerships	+FF 1,320.5 m
• Net interest income	+FF 123.0 m
• Change in provisions on subsidiaries (of which write-back of provisions on SFIB, parent company of the property development business, due to improvement in the property sector)	+FF 631.0 m
• Proceeds of disposals of investment securities (of which gain on disposal and exchange of Bouygues shares)	+FF 972.3 m
• Losses of affiliated companies	-FF 125.0 m
• Other	-FF 19.3 m

1.9 Subsequent events

In January 2001, Bouygues acquired the 4.2% equity interest in Saur held by EDF International for FF 355 million. These shares are being held for resale as short-term investment securities.

Parent Company accounts

Note 2

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with current provisions of French law.

2.1 Intangible assets

Preliminary expenses and research and development costs are expensed in full in the year in which they are incurred. As a rule, software acquired from third parties is booked to intangible fixed assets and depreciated straight-line over a maximum of five years.

2.2 Tangible fixed assets

Tangible fixed assets are valued at acquisition cost less deductible taxes. Non-intrinsic incidental expenses are charged directly to income during the year. Production for own use is valued at production cost plus a percentage of overhead costs. Depreciation expenses are calculated on a straight-line basis according to the type and expected useful life of the asset concerned. Additional charges for excess tax depreciation are booked in respect of assets eligible for accelerated depreciation.

Useful lives – Depreciation method

Buildings	40 years	Straight-line
Fixtures and fittings	10 years	Straight-line
Computer hardware	3 years	Straight-line
Office furniture	10 years	Straight-line

Disposals of fixed assets other than land and buildings that are regarded as occurring annually are booked as operating items in "Other operating income".

2.3 Long-term investments

Participating interests and other long-term investment securities

Participating interests and other long-term investment securities are stated at acquisition cost. Non-intrinsic acquisition costs are not included and are booked as expense.
Long-term investment securities are evaluated at their retention value to the Group, determined on the basis of objective criteria (quoted share price for listed companies, book value, profitability), forecast data (economic outlook, earnings prospects) or other data indicative of actual value. If retention value is less than stated value, an impairment provision is constituted for the difference.

Advances to subsidiaries and other loans

Advances and loans due in more than one year are stated on the balance sheet at nominal value. An impairment provision is constituted if realisable value taking into account the likelihood of recovery is less than stated value.

2.4 Receivables and payables in foreign currencies

Receivables and payables in foreign currencies are translated at the exchange rate on the balance sheet date. Unrealised gains and losses are booked to suspense accounts on the balance sheet. Provisions are constituted for unrealised foreign exchange losses. Receivables and payables in euro zone currencies are valued at the official conversion rate.

2.5 Short-term investment securities

The value of the securities portfolio is estimated in accordance with French accounting standards. Thus:

- The balance sheet value of bonds is determined by the average price in December 2000.
- The balance sheet value of shares, money-market funds, certificates of deposit and short-term notes is determined by the latest quoted price on 31 December 2000.

2.6 Prepayments, deferred charges and accrued income

Expenses to be amortised over several periods comprise mainly the portion of issuance costs relating to the bond issues of January 1997, February 1999 and July 1999 not covered by the issue premium. In the case of convertible bonds, the portion of unamortised costs relating to bonds converted to shares is charged against the issue premium for the new shares.

The amortisable bond discount concerns the July 1999 bond issue, for which the issue price was 99.854% of par.

2.7 Provisions for liabilities

This item comprises mainly:

- provisions for income tax, intended to cover the amount of tax payable on capital gains on which tax has been deferred;
- provisions for additional liabilities arising from losses at subsidiaries. These provisions are constituted for subsidiaries whose negative net worth cannot be covered in full by provisions for impairment on investments and on other debts owed by the subsidiary to the parent.

2.8 Hedging instruments

The company uses hedging instruments in order to limit the impact of exchange rate and interest rate movements on the income statement.
The instruments used are limited to the following: for exchange rate hedges, forward purchases and sales, currency swaps and currency options; for interest rate hedges, interest rate swaps, forward rate agreements (FRAs), caps and tunnels.

In addition, these instruments

- are used only for hedging purposes,
- are contracted only with leading French and foreign banks,
- present no risk of illiquidity in the event of a downturn.

Gains and losses during the year and provisions for unrealised losses at 31 December 2000 are included in the year's net financial items.

2.9 Off-balance sheet commitments

Company's commitments in respect of retirement benefits, calculated using the following methods and assumptions:

- Retrospective method based on projected final salary.
- Benefits as payable under collective agreements and company benefit plans, brought into compliance with the provisions of the Act of 20 July 1987 and the 1988 Finances Act.
- Vested benefits as of 31 December 2000.
- Classification of employees into homogeneous groups by rank, age and length of service.
- Average monthly pay of each group as of 31 December 2000 is increased by a coefficient reflecting the current rate of employer social insurance contributions.
- Annual rate of increase in base pay: 1.50%.
- Present value adjustment: 5%.
- Average staff turnover rate in 2000 is calculated as the average of departures in 1998 and 1999.
- Life expectancy is determined from actuarial tables for 1988 and 1990.

2.10 Euro

Costs relating to the switch to the euro are booked as expenses of the year in which incurred. They are not separately identified.

Note 3
FIXED ASSETS

(FF million)

		Gross value at 1 January	Increase	Decrease	Amounts at 31 December
Intangible fixed assets					
Software		5	5	-	10
Other		2	0	-	2
Gross value		**7**	**5**	**-**	**12**
Amortisation		(4)	(1)	-	(5)
Net value		**3**	**4**	**-**	**7**
	€	-	1	-	1
Tangible fixed assets					
Land and buildings		70	0	21	49
Other		14	0	1	13
Gross value		**84**	**0**	**22**	**62**
Depreciation		(18)	(3)	(13)	(8)
Net value		**66**	**(3)**	**9**	**54**
	€	10	-	2	8
Long-term investments					
Subsidiaries and affiliates		21,592	9,121	84	30,629
Advances to subsidiaries and affiliates		2,336	665	202	2,799
Other		801	42	509	334
Gross value		**24,729**	**9,828**	**795**	**33,762**
Provisions		(2,624)	(239)	(963)	(1,900)
Net value		**22,105**	**9,589**	**(168)**	**31,862**
	€	3,370	1,462	(25)	4,857
TOTAL NET VALUE		**22,174**	**9,590**	**(159)**	**31,923**
	€	3,380	1,463	(23)	4,866

Of which due within more than one year:	Gross
Advances to subsidiaries and affiliates	2,799
Loans	2
Other	5
Total FF	**2,806**
Total €	428

Note 4
MATURITY OF RECEIVABLES RELATING TO CURRENT ASSETS

(FF million)

		Gross	Less than 1 year	More than 1 year
Advances and payments on account		-	-	-
Trade receivables		273	222	51
Sundry receivables		3,921	3,651	270
TOTAL		**4,194**	**3,873**	**321**
	€	639	590	49

Note 5
PREPAYMENTS, DEFERRED CHARGES AND ACCRUED INCOME

(FF million)

	At 1 January	Transfers	Increase	Amortisation	At 31 December	of which due within 1 year
Expenses of issuing bonds	63	(4)	-	10	49	10
Expenses of acquiring long-term investments	32	-	-	6	26	6
Total expenses to be amortised over several periods	**95**	**(4)**	**-**	**16**	**75**	**16**
Bond discounts	4	-	-	1	3	1
Other	4	-	15	4	15	15
TOTAL	**103**	**(4)**	**15**	**21**	**93**	**32**
€	16	(1)	2	3	14	5

Note 6
CHANGE IN STOCKHOLDERS' EQUITY

	FF m	€ m
Stockholders' equity at 31/12/99 (before appropriation of earnings)	**14,004**	**2,135**
Earnings allocated to equity	1,216	185
Dividends paid out	(509)	(77)
Stockholders' equity at 01/01/00 (after allocating earnings)	**14,711**	**2,243**
Increase in capital and reserves	13,263	2,022
Net earnings	3,136	478
Stockholders' equity at 31/12/00	**31,110**	**4,743**

Note 7
COMPOSITION OF AUTHORISED CAPITAL

	Number of votes	Number of shares	Number of investment certificates	Total
At 1 January	32,888,249	30278,392	62,080	30,340,472
Change during the year	334,633,407	(1) 301,796,576	557,640	302,354,216
At 31 December	367,521,656	332,074,968	619,720	332,694,688
Par value				**1 €**

(1) includes:
- Capital increase in April 2000 by issuance of 2,022,061 new shares and 4,125 investment certificates,
- 10-for-1 stock split in July 2000 reducing par value of shares and investment certificates to € 1,
- Issuance in September 2000 of 6,984,632 new shares in connection with the exchange offer for Colas stock.

Note 8

PROVISIONS FOR LIABILITIES AND CHARGES

(FF million)

	At 1 January	Charges for the year	Written back during the year	At 31 December
Provisions for subsidiaries and affiliates	6	31	1	36
Provisions for taxes	1,153	305	-	1,458
Other provisions	198	32	6	224
Provisions for liabilities	**1,357**	**368**	**7**	**1,718**
Provisions for charges	**1**			**1**
TOTAL	**1,358**	**368**	**7**	**1,719**
€	207	56	1	262
Operating provisions		0	0	
Financial provisions		43	1	
Exceptional provisions		325	6	
		368	**7**	

Note 9

LIABILITIES BY MATURITY AT 31 DECEMBER 2000

(FF million)

Liabilities	Gross	less 1 year	1–5 years	more 5 years
Total financial liabilities	**7,871**	**282**	**1,509**	**6,080**
Convertible bonds (1)	2,848	48	-	2,800
Other bond issues	4,944	164	1,500	3,280
January 1997 bond issue (2)	*1,585*	*85*	*1,500*	-
July 1999 bond issue (3)	*3,359*	*79*	-	*3,280*
Bank loans	79	70	9	-
Trade payables	**123**	**123**	**-**	**-**
Sundry liabilities	**195**	**195**	**-**	**-**
Short-term bank borrowing	**-**	**-**	**-**	**-**
TOTAL	**8,189**	**600**	**1,509**	**6,080**
€	1,248	91	230	927

(1) February 1999 issue of convertible bonds in the amount of FF 3.28 billion (€ 500 million) bearing interest at 1.7%, redeemable at par on 1 January 2006. During 2000, 129,917 bonds were converted into 462,932 shares.
(2) January 1997 issue of bonds in the amount of FF 1.5 billion (€ 228.7 million) bearing interest at 5.75%, redeemable in full at par on 6 January 2004.
(3) July 1999 issue of bonds in the amount of FF 3.28 billion (€ 500 million) bearing interest at 4.875%, redeemable in full at par on 3 July 2006.

Note 10

DETAILS OF ACCOUNTS CONCERNING AFFILIATES

(FF million)

		Amount
ASSETS		
Long-term investments		33,428
Trade receivables		197
Other receivables		3,559
TOTAL		**37,184**
	€	5,669
EXPENSE		
Operating expenses		66
Interest charges		135
TOTAL		**201**
	€	31

		Amount
LIABILITIES		
Financial liabilities		-
Trade payables		14
Other payables		141
TOTAL		**155**
	€	24
INCOME		
Operating income		416
Interest income		1,587
TOTAL		**2,003**
	€	305

Note 11

HEDGING AND OTHER FINANCIAL INSTRUMENTS

1) Interest rates hedges (FF million)

Amounts outstanding at 31/12/00 by maturity	2001	2002 to 2005	Beyond	Total FF	Total €
Interest rate swaps					
On financial assets	-	-	-	-	-
On financial liabilities	400	1,600	50	2,050	313

2) Exchange rate hedges (equivalent in FF million)

Amounts outstanding at 31/12/00 by currency	CHF	GBP	Other	Total FF	Total €
Forward purchases and sales					
Forward purchases	-	-	-	-	-
Forward sales	-	919	31	950	145
Currency swaps	258	-	-	258	39

Transactions in options

Bouygues has written "down and in" barrier put options on TF1 shares. At 31 December 2000, 550,000 such puts were outstanding at strike prices between € 51.26 and € 66.95. To the extent that these puts are exercised, Bouygues would acquire TF1 shares, thereby increasing its equity interest in TF1 on terms that it deems favourable.

Note 12

OFF-BALANCE SHEET COMMITMENTS

(FF million)

		Total amount of guarantees	Of which affiliates
COMMITMENTS GIVEN (LIABILITIES)			
Guarantees		**8,323**	**-**
Non-bank guarantees			
Pledges relating to loan agreements			
• Bouygues Telecom shares		8,141	-
• SAS Tanagra shares		182	-
Post-employment benefits		**37**	**-**
Secured debt (mortgage - pledge)			
Other commitments given		**13**	**-**
TOTAL		**8,373**	**-**
	€	1,276	-
COMMITMENTS RECEIVED (ASSETS)			
Other commitments received		**-**	**-**
TOTAL		**-**	**-**
	€	-	-

Note 13

SALES

Bouygues SA' s sales consist essentially of services rebilled to subsidiaries and affiliates.

Note 14

TAX CONSOLIDATION AND INCOME TAX

Since 1997, Bouygues SA has opted for tax consolidation under Articles 223 A to U of France's General Tax Code.

In addition to Bouygues SA, 47 companies were included in the consolidated tax group in 2000.

Each subsidiary books its tax charge as though there were no consolidation. The tax saving accrues to the parent company.

At year-end, Bouygues SA booked a negative income tax charge as follows (in millions):

	FF m	€ m
Net tax charge	(28)	(4)
Tax consolidation	54	8
TOTAL	**26**	**4**

Note 15

DEFERRED TAXES

(FF million)

		At 1 January		Change during year		At 31 December	
		Asset	Liability	Asset	Liability	Asset	Liability
Temporarily non-deductible expenses:							
Tax provision		1,153	-	305	-	1,458	-
Other provisions		302	-	44	101	245	-
TOTAL		**1,455**	**-**	**349**	**101**	**1,703**	**-**
	€	222	-	53	15	260	-
Tax-deductible expenses and taxable income not booked:							
Unrealised foreign exchange losses		-	-	-	12	-	12
Unrealised foreign exchange gains		13	-	-	13	-	
Net currency translation adjustment		**13**	**-**	**-**	**25**	**-**	**12**
Expenses to be amortised over several periods		-	91	16	-	-	75
Zero-coupon bond		39	-	(9)	-	30	-
Premiums on put options written		-	-	31	-	31	-
Other income and expense		**39**	**91**	**38**	**-**	**61**	**75**
TOTAL		**52**	**91**	**38**	**25**	**61**	**87**
	€	8	14	6	4	9	13

Note 16
AVERAGE NUMBER OF EMPLOYEES IN 2000

	2000	1999
Managerial	185	191
Clerical, technical and supervisory	62	94
Manual	2	21
Total	**249**	**306**

Note 17
ADVANCES AND LOANS TO CORPORATE BODIES, REMUNERATION OF SENIOR EXECUTIVES AND DIRECTORS

- Advances and loans to corporate bodies: None
- Remuneration of senior executives and directors (14 persons):

  Group directors and senior executives received a total of FF 53.7 million (€ 8.2 million) in direct and indirect emoluments of all kinds from French and foreign companies, including FF 35.5 million in base pay and FF 18.2 million in bonuses, paid at the beginning of 2000 on the basis of performance in 1999.

  Attendance fees paid to voting and non-voting directors amounted to FF 4.1 million (€ 0.6 million).

Note 18
SECURITIES PORTFOLIO at 31 December 2000

Participating interests		Number of securities	%	Balance sheet (million) (1)	
TF1		84,154,560	39.849	31,741	(a)
Bouygues Telecom		7,725,898	21.000	8,141	
Colas		28,903,800	95.074	10,342	(a)
Saur		9,185,260	73.000	2,814	(b)
BDT		9,850,541	51.000	3,458	(b)
SFIB		2,499,994	100.000	1,400	
Bouygues Construction		1,705,038	99.930	675	(b)
Other equity				947	
Total participating interests				**59,518**	
	€			9,073	
Other securities				4,725	(a)
Short-term notes				79	(a)
TOTAL investments securities				**4,804**	
	€			732	
TOTAL transferable securities				**64,322**	
	€			9,806	

(1) The balance sheet value is generally the acquisition cost. If greater, the following is used instead:
(a) stock-market value (closing price for equities, average price during the previous month for bonds),
(b) proportionate share of net assets.

Note 19

SUBSIDIARIES AND PARTICIPATING INTERESTS INFORMATION

(FF million)

Company	Share capital (1)	Other stockholder's equity (1)	%	Book value of security (2) gross	Book value of security (2) net	Loans & advances (2)	Guarantees (2)	Sales (2)	Earnings (2)	Dividends received (2)	Rem.
A -Detailed information											
1. Subsidiaries (% > 50)											
FRANCE											
BDT	1,931	4,878	51.00	2,741	2,741	1,745			(30)	13	
Bouygues Construction	171	230	99.93	386	386	0		40,815	275	165	(5)
Bouygues Relais	0	0	94.50	0	0	0		0	40	0	
C2S	1	0	99.94	1	1	0		56	1	0	
Colas	299	3,354	95.07	9,416	9,416	0		42,751	1,007	735	(5)
Fiducine	250	0	100.00	510	90	0		0	0	0	(5)
GIE GIC	1	0	99.84	1	1	0		0	0	0	
Infomobile	56	6	100.00	491	16	27		59	(47)	0	
Saur	1,258	2,385	73.00	2,970	2,970	0		15,736	211	65	(5)
SFIB	250	366	100.00	1,593	1,400	0		6,071	140	0	(5)
SFPG	0	0	99.76	0	0	0		0	(32)	3	(6)
SNC Challenger	1	0	99.99	98	98	0		89	14	0	
Sofic	2	(91)	99.97	394	0	33		0	88	0	
Sotegi	0	1	99.76	1	1	0		0	0	0	(6)
TOTAL				**18,602**	**17,120**	**1,805**		**105,577**	**1,667**	**981**	
€				2,836	2,610	275		16,095	254	150	
FOREIGN											
Uniservice	50	4	99.99	203	203				6	21	(1)
TOTAL				**203**	**203**				**6**	**21**	
€				31	31				1	3	
2. Participating interests (10 <% < 50)											
FRANCE											
Bouygues Telecom	3,679	5,261	21.00	8,141	8,141	982		13,362	(1,817)		
SPEIG	11	5	49.82	8	8				(5)		
TF1	42,237	392,371	38.85	3,203	3,203			14,564	1,642	254	(5)
TOTAL				**11,352**	**11,352**	**982**		**27,926**	**(180)**	**254**	
€				1,731	1,731	150		4,257	(27)	39	
TOTAL FOREIGN				**0**	**0**						
€				0	0						
B - Other information											
1. Other subsidiaries											
TOTAL FRANCE				**156**	**61**						(3)
€				24	9						
TOTAL FOREIGN				**73**	**3**						
€				11	0						
2. Other participating interests											
TOTAL FRANCE				**203**	**37**	**11**				**10**	(4)
€				31	6	2				2	
TOTAL FOREIGN				**40**							
€				6							
GRAND TOTAL				**30,629**	**28,776**	**2,798**		**133,503**	**1,493**	**1,266**	
€				4,670	4,387	427		20,352	228	193	

(1) In local operating currency.
(2) In French francs.
(3) Revaluation surplus.
(4) Provisions for loans and advances.
(5) Sub-group parent companies: consolidated reserves, sales and earnings (excl. third-party shares) of sub-group.
(6) Year-end at 30/11.
(7) Guarantees given to the company or its subsidiaries.

Section 4

Annual Meeting 31 May 2001

Agenda

1 - ORDINARY PART

- Board of Directors' annual report and Auditors' report for 2000. Approval of the accounts submitted by the Board.
- Appropriation of earnings for 2000.
- Auditors' special report on agreements referred to at Article L.225-38 of the Commercial Code and approval of the agreements mentioned in the report.
- Presentation of consolidated accounts.
- Renewal of the terms of office of three directors.
- Appointment of two directors who are members of the Supervisory Boards of the employee mutual funds.
- Substitution of a statutory auditor.
- Authorisation for the Board of Directors to enable the company to buy its own stock.

2 - EXTRAORDINARY PART

- Board of Directors' and Auditors' reports.
- Authorisation for the Board of Directors to reduce the company's capital by retiring treasury stock.
- Authorisation for the Board of Directors to use the powers to increase the capital in the event of a tender offer for the company's stock.
- Power for the Board of Directors to increase the capital in favour of employees of the company or of Group companies, including if use is made of authorisations to increase the capital.
- Harmonisation of the by-laws with the new Commercial Code.
- Powers to carry out formalities.

Board of Directors' report and report on the resolutions

Ladies and Gentlemen,

We have called you to this Annual Meeting to submit the following resolutions to you for approval.

Resolutions within the competence of the ordinary part of the meeting

We submit the following eleven resolutions for your approval.

A - Annual accounts – Appropriation of earnings – Regulated agreements – Consolidated financial statements

The **first resolution** concerns approval of the accounts as at 31 December 2000, which show net earnings of € 478,057,460.94, and discharge of the directors.

The **second resolution** concerns appropriation of earnings and the proposed net dividend, payable in cash. The proposed dividend is € 0.36 per share or investment certificate, with a tax credit of € 0.18 (assuming a 50% rate).

The **third resolution** concerns approval of agreements referred to at Article L.225-38 of the Commercial Code mentioned in the Auditors' special report.

The **fourth resolution** acknowledges the Board's presentation of the consolidated accounts and its report on the management of the Group, included in the report on operations.

B - Appointment of directors

The **fifth resolution** concerns renewal of the directorship of SCDM, represented by Mr. Olivier Bouygues, for a six-year term, ie, until the annual meeting called to approve the accounts for 2006.

The **sixth resolution** concerns renewal of Mr. Lucien Douroux's directorship for a six-year term, ie, until the annual meeting called to approve the accounts for 2006.

The **seventh resolution** concerns renewal of Mr. Jean Peyrelevade's directorship for a six-year term, ie, until the annual meeting called to approve the accounts for 2006.

The **eighth resolution** concerns the appointment as a director of Mr. Daniel Devillebichot, member of the Supervisory Board of the mutual fund representing the Corporate Savings Plan, for a two-year term, ie, until the annual meeting called to approve the accounts for 2002.

The **ninth resolution** concerns the appointment as a director of Mrs Carmélina Formond, member of the Supervisory Board of the employee stockholders mutual fund, for a two-year term, ie, until the annual meeting called to approve the accounts for 2002.

C - Substitution of a statutory auditor

The **tenth resolution** concerns the substitution as statutory auditor, following a merger, of Salustro Fournet & Associés for SFA & Associés – SFEAC, Fournet, Audial & Associés, for the remainder of the latter's term of office, ie, until the annual meeting called to approve the accounts for 2002.

D - Company's buy-back of its own stock

The purpose of the eleventh resolution is to authorise the Board, for a period of 18 months, to carry out transactions involving the company's securities pursuant to Article L.225-209 of the Commercial Code, enabling it to purchase the company's shares or investment certificates up to a limit of 10% of the capital while respecting at all times the maximum threshold set forth at Article L.225-210 of the Commercial Code.

The aims of the buy-back programme would be, in order of priority:

- to stabilise the share price by purchasing stock on the market if necessary,
- to buy and sell stock according to the market situation,
- to allocate such repurchased stock to company or Group employees or officers as part of the policy to encourage employee stock ownership,
- to use such repurchased stock for exchange purposes, in particular in the context of acquisitions with a view to limiting the cost thereof, or more generally to improve the conditions of a transaction, or on issue of securities giving access to the capital,
- to keep or, where relevant, dispose of or transfer such repurchased stock by all means in the context of active management of stockholders' equity, having regard to financing requirements,
- to retire such repurchased stock as appropriate in order to optimise earnings per share and the return on equity, subject to specific authorisation from the extraordinary stockholders' meeting.

Investment certificates may be purchased with a view to keeping them or, where relevant, disposing of them or transferring them by all means. When the company holds investment certificates, it seeks to buy voting certificates in order to retire the shares thus reconstituted.

The company has submitted the notice concerning the buy-back programme to the Commission des Opérations de Bourse for certification.

If granted, this authorisation replaces as of this day the authorisation granted in the fourteenth resolution adopted by the stockholders at the Annual Meeting on 25 May 2000.

Resolutions within the competence of the extraordinary part of the meeting

Five resolutions will be put to you in the extraordinary part of the meeting, concerning authorisation to reduce the capital, authorisation to increase the capital during a tender offer for the company's stock, authorisation to increase the capital in favour of employees, and adaptation of the by-laws to the new Commercial Code.

A - Delegation of powers to the Board with a view to retiring repurchased stock

In the **twelfth resolution**, we ask you to authorise the Board, for a period of 18 months, pursuant to Article L.225-209 of the Commercial Code, to reduce the capital by retiring all or some of the stock that the company may hold as a result of using the various authorisations to buy back stock given by the stockholders' meeting to the Board, up to a limit of 10% of the capital per 24-month period.

B - Delegation of powers to the Board with a view to increasing the capital during a tender offer

In the **thirteenth resolution**, we ask you to empower the Board, with the option of delegating such powers to the Chairman, for a period from the date of this meeting to the date of the meeting called to approve the accounts for 2001, to use the powers conferred on it in the nineteenth and twentieth resolutions adopted by the stockholders at the Annual Meeting on 25 May 2000, during a cash or exchange offer for the company's stock to increase the capital, by all means, by up to a maximum nominal amount of € 150,000,000.

C - Delegation of powers to the Board with a view to increasing the capital in favour of employees, including on the occasion of a capital increase

In the **fourteenth resolution**, we ask you to renew, for a period from the date of this meeting to the date of the meeting called to approve the accounts for 2001, the powers conferred on the Board, with the option of delegating them to the Chairman, to increase the capital in favour of employees of the company or of Group companies.

Early renewal of such authorisation, in the context of the new measures introduced by the law of 19 February 2001 on employee savings schemes, would enable employees to constitute long-term savings through a voluntary partnership employee savings scheme.

In addition, in the event of a capital increase carried out pursuant to the powers conferred on the Board by the nineteenth and twentieth resolutions adopted by the stockholders at the Annual Meeting on 25 May 2000, the resolution asks the Board to decide, should it deem fit, to carry out a capital increase reserved for employees pursuant to Article L.443-5 of the Labour Code, up to a maximum limit of 10% of the main capital increase.

Using the powers granted by the stockholders at the Annual Meeting on 10 June 1998, in late 1999 the Board carried out a capital increase for € 229 million (nominal + issue premium) reserved for employees. Over 20,000 employees contributed to a leveraged mutual fund called "Bouygues Confiance" which subscribed the capital increase.

D - Harmonisation of the by-laws with the new Commercial Code

In the fifteenth resolution, we ask you to amend the references in the by-laws to the provisions of Act 66-537 of 24 July 1966, which was codified in the new Commercial Code pursuant to Order 2000-912 of 18 September 2000.

Pursuant to the provisions of Article 155-2 of the Decree of 23 March 1967, the Board will draw up a supplementary report on implementation of resolutions whereby the stockholders' meeting has authorised the issuance of securities without preferential subscription rights.

Such report will describe the final terms and conditions of the transaction and will describe:

- the effect of the proposed issue on the situation of stockholders and holders of investment certificates, especially as regards their portion of stockholders' equity at the last accounts closing, given that if such date precedes the envisaged transaction by more than six months, such effect shall be assessed with regard to an interim financial statement prepared using the same methods and in the same form as the most recent annual balance sheet;
- the theoretical effect on the market price of the stock as it results from the average price in the 20 trading sessions preceding the transaction.

Such information shall be provided taking into account all securities in issue that may give access to the capital.

Information about the company's business, which we have a statutory obligation to provide, is contained in the report on operations that has been communicated to you.

We ask you to vote on the resolutions put to you.

The Board of Directors

1 - AUDITORS' GENERAL REPORT ON THE ANNUAL ACCOUNTS

Year ended 31 December 2000

Ladies and Gentlemen,

In accordance with the terms of our appointment at your Annual Meeting, we hereby submit our report on the annual accounts of Bouygues for the year ended 31 December 2000, drawn up in French francs, as attached to this report, and on the specific verifications and information required by law.

The annual accounts are the responsibility of the Board of Directors. Our responsibility is to express an opinion on them based on our audit.

Opinion on the annual accounts

We conducted our audit in accordance with professional standards. Those standards require that we plan and perform our audit to obtain reasonable assurance that the annual accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts in the accounts. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements, and evaluating their overall presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the annual accounts give a true and fair view of the results of operations for the year ended 31 December 2000 and of the financial situation and assets of the company at that date.

Specific verifications and information

We have also carried out the specific verifications required by law in accordance with professional standards.
We are satisfied that the information given in the Board of Directors' Management Report and in the documents provided to stockholders concerning the financial situation and annual accounts is fairly stated and agrees with the annual accounts.

As required by law, we have ensured that information relating to acquisitions of equity and controlling interests and the identity of stockholders and holders of voting rights has been provided to you in the Management Report.

Done at Neuilly-sur-Seine and Paris La Défense on 10 April 2001
The Auditors

Salustro Fournet & Associés:
François Fournet

Mazars & Guérard:
Jacques Villary Michel Rosse

2 - AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2000

Ladies and Gentlemen,

In accordance with the terms of our appointment at your Annual Meeting, we have audited the consolidated financial statements of Bouygues for the year ended 31 December 2000, drawn up in French francs, as attached to this report.

The consolidated financial statements are the responsibility of the Board of Directors. Our responsibility is to express an opinion on them based on our audit.

We conducted our audit in accordance with professional standards. Those standards require that we plan and perform our audit to obtain reasonable assurance that the annual accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts in the accounts. An audit also includes assessing the accounting principles used and significant estimates made in the preparation of the financial statements, and evaluating their overall presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets, financial situation and results of the group formed by the companies within the scope of consolidation.

Without calling into question the opinion expressed above, we draw your attention to Notes 2.1 and 2.3 in the notes to the consolidated financial statements concerning changes in accounting methods resulting from application of the new consolidation rules set forth in Regulation 99-02 of the Comité de Réglementation Comptable.

We have also examined the information relating to the group contained in the Board of Directors' Management Report. We are satisfied that the information is fairly stated and agrees with the consolidated financial statements.

Done at Neuilly-sur-Seine and Paris La Défense on 16 May 2001
The Auditors

Salustro Fournet & Associés:
François Fournet

Mazars & Guérard:
Jacques Villary Michel Rosse

3 - AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

Year ended 31 December 2000

Ladies and Gentlemen,

In our capacity as Auditors of your company, we hereby submit our report on regulated agreements.

Pursuant to Article L.225-40 of the Commercial Code, we were informed of agreements that had been previously authorised by your Board of Directors.

Our assignment is not to find out whether there may be other agreements but to inform you, on the basis of the information provided to us, of the principal features and terms of the agreements notified to us. We are not asked to give an opinion on whether they are useful or necessary. Under the terms of Article 92 of the decree of 23 March 1967, it is for you to assess the appropriateness of these agreements with a view to approving them.

We have performed our assignment in accordance with professional standards, which require us to verify that the information given to us is consistent with the documents from which it derives.

Subordinated loan agreement

A subordinated loan agreement was concluded between Bouygues Telecom and Bouygues. It concerns the financing of Bouygues Telecom in a total amount of FF 8 billion, the portion attributable to Bouygues being FF 1,679 million, in the form of subordinated loans backed by immediately callable bank guarantees.

The agreement was without effect in 2000.

Persons concerned: Olivier Bouygues, Philippe Montagner, Olivier Poupart-Lafarge and Patrick Leleu.

Loan agreement and novation agreement

A loan agreement was concluded between BDT and each of its shareholders, of which Bouygues is one, including a commitment to provide funds under conditions enabling BDT to answer calls for funds from Bouygues Telecom.

Novation arrangements were concluded under which BDT instructed its shareholders, who are Bouygues Telecom's debtors under the terms of the loan agreements, to perform its obligation to provide funds and BDT's shareholders gave undertakings to do so, each one in respect of the portion attributable to it.

The loan agreement was without effect in 2000.

Persons concerned: Olivier Bouygues, Philippe Montagner, Olivier Poupart-Lafarge and Patrick Leleu.

Cost-sharing agreement

A cost-sharing agreement was concluded between Saur International and Bouygues, setting out the resources used and the allocation between the two companies of costs in connection with strengthening their presence in China.

Bouygues has billed FF 2,589,391 excl. VAT under the terms of the agreement.

Persons concerned: Olivier Bouygues and Olivier Poupart-Lafarge.

Acquisition of Bouygues Immobilier trade marks

Bouygues has bought the "Bouygues Immobilier" trade marks registered in France and certain foreign countries from Bouygues Immobilier for FF 45,044 incl. VAT.

Persons concerned: Jean-Pierre Combot, Michel Derbesse and Olivier Poupart-Lafarge

Trade mark licence agreements

Bouygues has concluded trade mark licence agreements with Bouygues Construction, Bouygues Bâtiment, Bouygues Travaux Publics, Bouygues Immobilier and Bouygues Offshore, in particular so as to give them:

- the right to use respectively the Bouygues Construction, Bouygues Bâtiment, Bouygues Travaux Publics, Bouygues Immobilier and Bouygues Offshore trade marks, company names and trade names;
- the right for companies in the Construction branch to use the Minorange ellipse.

The amounts billed by Bouygues in respect of 2000 and the persons concerned are as follows (amounts are given exclusive of VAT):

- Bouygues Construction : FF 240,000

Persons concerned: Jean-Pierre Combot, Michel Derbesse, Olivier Poupart-Lafarge and Ivan Replumaz.

- Bouygues Travaux Publics : FF 102,000

Persons concerned: Jean-Pierre Combot and Olivier Poupart-Lafarge.

• Bouygues Bâtiment : FF 146,000

Persons concerned: Jean-Pierre Combot, Olivier Poupart-Lafarge and Ivan Replumaz.

• Bouygues Immobilier : FF 108,000

Persons concerned: Jean-Pierre Combot, Michel Derbesse and Olivier Poupart-Lafarge.

• Bouygues Offshore : FF 170,000

Persons concerned: Olivier Bouygues, Jean-Pierre Combot, Michel Derbesse, Olivier Poupart-Lafarge and Ivan Replumaz.

• Supplement to the Bouygues Telecom trade mark licence agreement

A supplement to the trade mark licence agreement of 9 July 1996 was concluded, relating to an extension of the foreign territories in which the Bouygues Telecom trade mark is protected. The financial terms of the agreement remained unchanged.

No amounts were billed under the terms of the supplementary agreement in 2000.

Persons concerned: Olivier Bouygues, Philippe Montagner, Olivier Poupart-Lafarge and Patrick Leleu.

• Supplement to the common service agreement

Following Bouygues' transfer of 51% of the capital of Bouygues Offshore and 100% of the capital of ETDE to Bouygues Construction at end-December 1999, a second supplement amending the financial terms of the common service agreement was concluded in order to take account of the new scope of the Bouygues Construction sub-group.

Under the terms of the supplementary agreement, Bouygues billed Bouygues Construction FF 83,069,226 excl. VAT in 2000.

Persons concerned: Jean-Pierre Combot, Michel Derbesse, Alain Dupont, Olivier Poupart-Lafarge and Ivan Replumaz.

• Waiver of claim

In order to improve Infomobile's financial situation, Bouygues waived repayment of FF 5,000,000 of its stockholder advance.

In view of Infomobile's financing requirements in 2001, stockholder advances of FF 25,000,000 will be made, bearing interest at Eonia + 0.3%.

Persons concerned: Philippe Montagner and Alain Pouyat.

• Guarantee

In the context of a financial transaction carried out in 2000 (capital increase), Bouygues concluded a placement guarantee agreement with BNP Paribas, Crédit Agricole Indosuez and Crédit Lyonnais. The fees paid in respect of the transaction amounted to FF 75,277,281 excl. VAT.

Persons concerned: Georges Chodron de Courcel, Lucien Douroux and Jean Peyrelevade.

In accordance with the decree of 23 March 1967, we were informed that the following agreements, approved in previous years, continued to be effective in 2000.

• Reciprocal advances between Bouygues and its subsidiaries generating interest charges

Advances by Bouygues to its subsidiaries generated interest charges of FF 135,368,131 at rates lower than the tax-deductible maximum (6.03%) for advances in French francs.

Subordinated loans amounting to FF 18,500,000 granted to CATC were repaid in full in 2000.

• Loan agreement with Infomobile

Stockholder advances from Bouygues to Infomobile in 2000 amounted to FF 25,000,000. The interest on stockholder advances amounted to FF 5,053,345.

• Guarantees

■ Continuation of guarantees given by Bouygues to Crédit Lyonnais

• The agreement concerning guarantees given by Bouygues on behalf of CCIB, a Romanian limited liability company, concerns CCIB's reimbursement of the following loans:
  - FF 8,000,000 in respect of the long-term credit agreement;
  - FF 2,430,000 plus interest, expenses and fees in respect of the long-term supplementary loan.

- The immediately callable loan guarantee given by Bouygues to Crédit Lyonnais in respect of the loan contracted by Bouygues Participation Africa expired on 31 October 2000.

Continuation of guarantees given by Bouygues to Crédit Lyonnais and Crédit Agricole Indosuez

In the context of the acquisition of a 10% equity interest in Tanagra, representing 50 million shares, under the terms of financing agreements concluded between Tanagra and its banks, Bouygues pledged a financial instruments account and gave two undertakings to banks, including Crédit Agricole Indosuez and Crédit Lyonnais, limiting its right to dispose of the shares.

Continuation of guarantees given by Bouygues to TF1 International

In the context of the disposal of Ciby Droits Audiovisuels, Bouygues gave a counter-guarantee for commitments assumed by Fiducine with regard to TF1 International.

Continuation of guarantees given by Bouygues to Bouygues Bâtiment

In January 1998, Bouygues concluded a concession agreement relating to an equestrian club project in Jeddah (Saudi Arabia). Following the spin-offs in June 1999, one result of which was to substitute Bouygues Bâtiment for Bouygues, the two companies concluded an agreement in order to amend the clauses relating to joint and several liability.

• Common service agreements

Bouygues invoiced the following amounts in respect of common service agreements in 2000:

	Amount in FF excl. VAT
Colas	90,835,865
Bouygues Immobilier	12,135,624
Infomobile	174,000
Saur	43,854,901
TF1	29,640,205

The common service agreements concluded with Colas, Bouygues Construction, Bouygues Immobilier, Infomobile, Saur and TF1 were renewed for one year with effect from 1 January 2001.

• BDT support agreements

Bouygues provides BDT with strategic, financial, legal, accounting and labour relations support, particularly in the form of specific consulting services and participation in the work carried out by Bouygues Telecom committees.

FF 9,961,569 excl. VAT was invoiced in respect of such services.

• Other agreements

With Bouygues Construction

Bouygues concluded a 3, 6, 9-year sub-lease agreement with Bouygues Construction as of 1 January 2000, relating to approx. 5,000 sq. m. of the Challenger site for an annual rent, including charges, of FF 21,227,516 excl. VAT.

With Bouygues Telecom

- Bouygues invoiced Bouygues Telecom for FF 184,000 excl. VAT in 2000 in respect of the restricted right of service providers, distributors and operators to use the Bouygues Telecom trade mark under the terms of roaming agreements.
- Bouygues Telecom was charged a flat fee of FF 100,000 excl. VAT in respect of an exclusive licence to use the Bouygtel trade mark for all mobile telecommunication products and services

With Saur

An agreement was concluded in 1998 between Bouygues, Saur and EDF in order to organise cooperation in France and elsewhere in the water, water treatment and power sectors.

No amounts were billed under the terms of this agreement in 2000.

With Crédit Lyonnais, Banque Nationale de Paris and Crédit Agricole Indosuez

The equity swap agreement concluded in 1998 with each of the abovementioned banks under an AFB master agreement when Saur's stock ownership structure was reorganised expired on 31 March 2000.

Done at Neuilly-sur-Seine and Paris La Défense on 10 April 2001
The Auditors

Salustro Fournet & Associés:
François Fournet

Mazars & Guérard:
Jacques Villary Michel Rosse

4 - AUDITORS' REPORT ON REDUCTION OF THE CAPITAL IN THE EVENT OF RETIREMENT OF STOCK

Ladies and Gentlemen,

In our capacity as the Auditors of Bouygues, and carrying out the duties set forth at Article L.225-209, paragraph 4 of the Commercial Code in the event of a reduction of capital by retirement of repurchased stock, we hereby submit our report on the proposed transaction.

We have examined the capital reduction as we deemed fit in accordance with the standards of the profession.

The transaction is planned in the context of your company's repurchase of its own stock, up to 10% of the capital, under the conditions set forth at Article L.225-209 of the Commercial Code according to:

- authorisations to buy back stock previously given by the Annual Meeting to the Board,
- the authorisation to buy back stock, subject to your approval at the Annual Meeting, which would be given for 18 months.

Your Board asks you to give it all powers, for an 18-month period, to retire stock bought under the terms of the various authorisations allowing your company to buy back its own stock, up to a limit of 10% of the capital per 24-month period.

We have no comment to make on the reasons for and conditions of the envisaged capital reduction, bearing in mind that the capital cannot be reduced, as regards any stock that might be acquired pursuant to the authorisation set forth in the eleventh resolution, unless you have previously approved that resolution.

Done at Neuilly-sur-Seine and Paris La Défense on 10 April 2001
The Auditors

Salustro Fournet & Associés:
François Fournet

Mazars & Guérard:
Jacques Villary Michel Rosse

5 - AUDITORS' REPORT ON AUTHORISATIONS TO INCREASE THE CAPITAL IN THE EVENT OF A TENDER OFFER FOR THE COMPANY'S SECURITIES

Ladies and Gentlemen,

In our capacity as the Auditors of Bouygues, and carrying out the duties set forth at Article L.225-135 of the Commercial Code, we hereby submit our report on the renewal of authorisations given to your Board, with the option of delegating such powers to the Chairman, at the Annual Meeting (extraordinary part) on 25 May 2000, enabling it to use, for a period from the date of this Meeting until the meeting called to approve the accounts for 2001, during a tender offer for the company's securities, the powers granted to it to increase the authorised capital, by all lawful means, within a maximum nominal amount of one hundred and fifty million (150,000,000) euros.

We have examined these operations as we deemed fit in accordance with the standards of the profession.

The main characteristics of these powers are as follows.

- If the preferential subscription right is maintained, the Board of Directors will be responsible for deciding the terms and conditions of the transactions, including in particular the price and conditions of issue.

- If the preferential subscription right is cancelled, the Board may, for all or some of an issue, grant stockholders (holders of shares or investment certificates) a priority subscription option for a period and under the conditions that it shall decide. Such priority option shall not result in the creation of negotiable rights but may be exercised on an irreducible or reducible basis should the Board deem fit.

Pursuant to the provisions of Article L.225-136, paragraph 2 of the Commercial Code, the issue price of the stock issued in this way, taking into consideration the issue price of stand-alone share warrants, if any, shall be at least equal to the average of the opening market price of the company's stock on ten consecutive trading days chosen from the twenty trading days preceding the issue of the transferable securities concerned, after adjustment of such average for any difference in the dates at which the securities bear dividends.

Your Board of Directors has asked the holders of investment certificates, previously called to a Special Meeting, to waive their preferential subscription right.

Your Board of Directors has asked the holders of bonds convertible for new stock or exchangeable for existing stock issued in the context of the Bouygues 1.70% 1999/2006 bond issue to give their prior approval to the cancellation of preferential subscription rights.

As in our previous report, we express no opinion on the final conditions under which the issues will be carried out, and consequently on the proposed cancellation of the preferential subscription right, though the principle of such cancellation is in keeping with the rationale of the transactions.

In accordance with Article 155-2 of the decree of 23 March 1967, we shall draw up a supplementary report when the Board of Directors carries out these transactions.

Done at Neuilly-sur-Seine and Paris La Défense on 10 April 2001
The Auditors

Salustro Fournet & Associés:
François Fournet

Mazars & Guérard:
Jacques Villary — Michel Rosse

6 - AUDITORS' REPORT ON THE SUBSCRIPTION OF STOCK RESERVED FOR EMPLOYEES

Ladies and Gentlemen,

In our capacity as the Auditors of Bouygues and pursuant to the provisions of Articles L.225-138 and L.225-129-VII of the Commercial Code, we hereby submit our report on the authorisations requested by your Board of Directors enabling it to carry out one or more capital increases by issuing stock reserved for employees of Bouygues and of its French or foreign affiliates who are members of a corporate savings plan.

These transactions would be carried out under the following conditions:

- the capital increase would be carried out, on one or more occasions, within a maximum limit of 10% of the company's capital at the time of each capital increase, by issuing new shares payable in cash and, where appropriate, by granting bonus shares or other securities giving access to the capital under the conditions set forth by law;
- the subscription price of the new shares at each issue may not be more than 20% lower, or 30% in the case of a voluntary partnership employee savings scheme, than the average opening price of the stock listed on the first market of the Paris Bourse on the twenty trading days preceding the day of the Board's decision setting the opening date for subscription;
- in the event of a capital increase carried out pursuant to the delegations and powers given to the Board by the stockholders in the nineteenth and twentieth resolutions adopted by the Annual Meeting on 25 May 2000 to increase the authorised capital within the limit of a maximum nominal amount of one hundred and fifty million (150,000,000) euros, the Board must consider whether or not it is appropriate to carry out a capital increase under the conditions set forth at Article L.443-5 of the Labour Code. It may, with the option of delegating its powers to the Chairman, carry out within the framework of the provisions of the above-mentioned Article L.443-5 of the Labour Code capital increases reserved for Bouygues employees and for employees of French or foreign companies affiliated to it within the meaning of the laws in force who belong to a corporate savings plan or to a voluntary partnership employee savings scheme, within a maximum limit of 10% of the capital increase carried out.

Your Board asks you to grant it powers, with the option of delegating them to the Chairman, that will enable it, within a period expiring at the latest on the date of the meeting called to approve the accounts for 2001, to carry out one or more capital increases under the restrictive conditions set forth above.

Your Board of Directors has asked the holders of investment certificates, previously called to a Special Meeting, to waive their preferential subscription right.

Your Board of Directors has asked the holders of bonds convertible for new stock or exchangeable for existing stock issued in the context of the Bouygues 1.70% 1999/2006 bond issue to give their prior approval to the cancellation of preferential subscription rights.

Adoption of this resolution entails a waiver by the stockholders of their preferential subscription right in favour of the employees for whom the capital increase is reserved.

We have examined these planned issues as we deemed fit in accordance with the standards of the profession.

Without prejudice to subsequent review of the conditions for the proposed capital increases, we have no comment to make on the method for determining the issue price set forth in the Board of Directors' report.

As the issue prices for the stock have not been fixed, we express no opinion on the final conditions under which the transactions will be carried out.

In accordance with Article 155-2 of the decree of 23 March 1967, we shall draw up a supplementary report when the Board of Directors carries out these transactions.

Done at Neuilly-sur-Seine and Paris La Défense on 10 April 2001
The Auditors

Salustro Fournet & Associés:
François Fournet

Mazars & Guérard:
Jacques Villary — Michel Rosse

Draft Resolution

1 - ORDINARY PART

FIRST RESOLUTION
(Approval of the accounts for 2000)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, having acquainted itself with the Board of Directors' and Auditors' reports, approves the annual accounts as at 31 December 2000 as presented, showing net earnings of € 478,057,460.94 and the transactions recorded in the accounts and summarised in the reports.

The Annual Meeting gives the directors full discharge.

SECOND RESOLUTION
(Appropriation of earnings, amount of dividend)

The Annual Meeting, having acquainted itself with the Board of Directors' report and noting that distributable earnings for 2000 amount to € 479,109,026.52, including net earnings for 2000 of € 478,057,460.94 and € 1,051,565.58 carried over from the previous year, approves the following appropriation and distribution:

- appropriation to the legal reserve: € 10,142,593.11
- distribution of a first net dividend (5% on par) of € 0.05: € 16,634,734.40
- distribution of an additional net dividend of € 0.31 per share or per investment certificate of € 1 par: € 103,135,353.28

  The dividend (€ 0.36 net per share and per investment certificate, plus a tax credit of € 0.18 on the basis of a 50% rate) will be paid in cash from 8 June 2001.
- appropriation of the balance to other reserves: € 349,196,345.73

Should the company hold some of its own stock when the dividend is distributed, the sum corresponding to the amount of dividend not paid because of the nature of such stock shall be carried over.

The Annual Meeting notes that the Board of Directors has fulfilled its statutory obligation to recapitulate the dividends distributed in the last three years and the related tax credits:

Year	1997	1998	1999
Number of shares (1)	25,666,201	26,229,890	30,340,472
Dividend	FF 17.00	FF 17.00	FF 17.00
Tax credit (2)	FF 8.50	FF 8.50	FF 8.50
Total dividend per share	FF 25.50	FF 25.50	FF 25.50
Total dividend amount	FF 436,325,417.00	FF 445,908,130.00	FF 515,788,024.00

(1) before ten-for-one stock split
(2) on the basis of a 50% rate

THIRD RESOLUTION
(Agreements referred to at Article L.225-38 of the Commercial Code)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings and pursuant to the provisions of Article L.225-40 of the Commercial Code, having acquainted itself with the Auditors' special report on agreements referred to at Article L.225-38 of the Commercial Code, approves the agreements mentioned therein.

FOURTH RESOLUTION
(Consolidated accounts for 2000)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, acknowledges that the consolidated accounts as at 31 December 2000 have been presented and notes that the report on the Group's operations is included in the Board of Directors' report.

FIFTH RESOLUTION
(Renewal of a director's term of office)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, renews for six years the directorship of SCDM, having its registered office at 112, Boulevard Haussmann - 75008 Paris, which expires on conclusion of this meeting.

Its term of office will expire on conclusion of the annual meeting called to approve the accounts for 2006.

SIXTH RESOLUTION
(Renewal of a director's term of office)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, renews for six years the directorship of Mr. Lucien Douroux, residing at 8, rue Magellan - 75008 Paris, which expires on conclusion of this meeting.

His term of office will expire on conclusion of the annual meeting called to approve the accounts for 2006.

SEVENTH RESOLUTION
(Renewal of a director's term of office)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, renews for six years the directorship of Mr. Jean Peyrelevade, residing at 61, avenue Charles de Gaulle - 92200 Neuilly sur Seine, which expires on conclusion of this meeting.

His term of office will expire on conclusion of the annual meeting called to approve the accounts for 2006.

EIGHTH RESOLUTION
(Appointment of a director who is a member of the Supervisory Board of a mutual fund representing employees)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, appoints Mr. Daniel Devillebichot, residing at 12, rue Victor Bart - 78000 Versailles, for a two-year term of office as director appointed from the members of the Supervisory Board of the mutual fund representing the Corporate Savings Plan.

His term of office will expire on conclusion of the annual meeting called to approve the accounts for 2002.

NINTH RESOLUTION
(Appointment of a director who is a member of the Supervisory Board of a mutual fund representing employees)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, appoints Mrs Carmélina Formond, residing at 10, rue de la Croix Blanche – 78870 Bailly, for a two-year term of office as director appointed from the members of the Supervisory Board of the employee stockholders mutual fund.

Her term of office will expire on conclusion of the annual meeting called to approve the accounts for 2002.

TENTH RESOLUTION
(Substitution of a statutory auditor)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, notes the merger transactions under the terms of which Salustro Fournet & Associés, having its registered office at 3, rue Boutard – 92200 Neuilly sur Seine, replaces SFA & Associés – SFEAC, Fournet, Audial & Associés as statutory auditor for the latter's remaining term of office, i.e., until the annual meeting called to approve the accounts for 2002

ELEVENTH RESOLUTION
(Authorisation given to the Board with a view to enabling the company to buy back its own stock or investment certificates)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for ordinary stockholders' meetings, having acquainted itself with the Board of Directors' report and the information contained in the notice certified by the Commission des Opérations de Bourse, and pursuant to the provisions of Article L.225-209 et seq. of the Commercial Code, authorises the Board to buy the company's own shares or investment certificates up to a limit of 10% of the authorised capital, while respecting at all times the maximum threshold defined at Article L.225-210 of the Commercial Code.

Stock may be bought on a decision of the Board with a view to:

- stabilising the price of the company's stock on the market by systematically buying against the trend;
- selling such repurchased stock according to the market situation;
- allocating such repurchased stock to company or Group employees or officers under the terms and conditions laid down by law, in particular in the framework of profit-sharing schemes, stock option schemes, corporate savings plans, inter-company savings schemes and voluntary partnership employee savings schemes;
- using such repurchased stock for exchange purposes, in particular in the context of acquisitions or on the issuance of securities giving access to the capital;
- keeping or, where relevant, disposing of or transferring such repurchased stock by all means;
- retiring such repurchased stock, subject to specific authorisation from the extraordinary stockholders' meeting.

Investment certificates may be purchased on a decision of the Board with a view to keeping them or, where relevant, disposing of them or transferring them by all means.

Shares or investment certificates may be acquired by all means, in particular on the market or by private contract, including by way of derivatives except for purchases of call options (including in particular the sale of put options) at any time, in compliance with the regulations in force.

The maximum amount of funds earmarked for the programme to buy back stock and investment certificates shall be € 600,000,000.

This authorisation is given for a period of 18 months from the date of this meeting. It replaces as of this day the authorisation granted in the fourteenth resolution adopted by the stockholders at the Annual Meeting on 25 May 2000.

With a view to carrying out the present authorisation, the Board of Directors is granted all powers, especially to assess whether it is appropriate to begin a buy-back programme and to decide the terms and conditions thereof, and in particular to set the maximum purchase price and minimum sale price of securities. The Board may delegate such powers to place all stock market orders, conclude all agreements, in particular with a view to keeping registers of purchases and sales of stock, make all declarations to the Commission des Opérations de Bourse or any other body, carry out all other formalities and in general do all that is necessary.

2 - EXTRAORDINARY PART

TWELFTH RESOLUTION
(Authorisation given to the Board to reduce the authorised capital by retiring stock)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for extraordinary stockholders' meetings, having acquainted itself with the Board of Directors' report and the Auditors' report, authorises the Board, pursuant to the provisions of Article L.225-209 of the Commercial Code, to retire, by its own decision, on one or more occasions, all or some of the company stock acquired by exercise of the Board's authorisation to buy back stock, up to a limit of 10% of the authorised capital per 24-month period.

The Annual Meeting confers all powers on the Board to note any reduction(s) of the capital following the retirement of stock as authorised by this resolution, cause the corresponding accounting entries to be made, amend the by-laws accordingly and in general carry out all the necessary formalities.

This authorisation is given for a period of 18 months.

THIRTEENTH RESOLUTION
(Option of using authorisations to increase the authorised capital in the event of a tender or exchange offer for the company's securities)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for extraordinary shareholders' meetings, having acquainted itself with the Board of Directors' report and the Auditors' special report and pursuant to the provisions of Article L.225-129-IV of the Commercial Code, expressly authorises the Board, with the option of delegating such powers to its Chairman, for a period between the date of this meeting and the date of the annual meeting called to approve the accounts for 2001, to use the powers granted to the Board by the stockholders in the nineteenth and twentieth resolutions adopted at the Annual Meeting on 25 May 2000, during a tender or exchange offer for the company's securities, to increase the authorised capital by all means permitted by law up to a maximum nominal amount of € 150,000,000 (one hundred and fifty million euros) or the equivalent thereof in the authorised currencies.

The Annual Meeting notes that investment certificate holders, at a special meeting held on this date, have expressly waived their preferential subscription right.

This resolution has been approved by the holders of bonds convertible into new shares or exchangeable for existing shares issued in the context of the Bouygues 1.70% - 1996/2006 bond issue, meeting on 18 May 2001.

FOURTEENTH RESOLUTION
(Delegation of powers to the Board to increase the capital in favour of employees of the company or of Group companies, including if it makes use of authorisations to increase the capital)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for extraordinary shareholders' meetings, having acquainted itself with the Board of Directors' report and the Auditors' special report, and pursuant to the provisions of the Commercial Code, in particular Articles L.225-138 and L.225-129-VII thereof as amended by Act 2001-152 of 19 February 2001, and of Articles L.443-1 et seq. of the Labour Code:

- delegates to the Board the necessary powers, with the option of delegating such powers to its Chairman, to increase the authorised capital, on one or more occasions, within a maximum limit of 10% of the company's capital at the time of each capital increase, by issuing new shares payable in cash and, where appropriate, by granting bonus shares or other securities giving access to the capital under the conditions set forth by law;

- reserves subscription of all the shares to be issued to Bouygues employees and to employees of French or foreign companies affiliated to it within the meaning of the laws in force who belong to a corporate savings plan or to a voluntary partnership employee savings scheme;

- decides that the subscription price of the new shares at each issue may not be more than 20% lower, or 30% in the case of a voluntary partnership employee savings scheme, than the average opening price of the stock listed on the first market of the Paris Bourse on the twenty trading days preceding the day of the Board's decision setting the opening date for subscription;

- in the event of a capital increase carried out pursuant to the delegations and powers given to the Board by the stockholders in the nineteenth and twentieth resolutions adopted by the Annual Meeting on 25 May 2000 to increase the authorised capital within the limit of a maximum nominal amount of € 150,000,000 (one hundred and fifty million euros), decides that the Board shall be required to consider whether or not it is appropriate to carry out a capital increase under the conditions set forth at Article L.443-5 of the Labour Code, and authorises the Board, with the option of delegating its powers to the Chairman, to carry out, within the framework of the provisions of the above-mentioned Article L.443-5 of the Labour Code, capital increases reserved for Bouygues employees and for employees of French or foreign companies affiliated to it within the meaning of the laws in force who belong to a corporate savings plan or to a voluntary partnership employee savings scheme, within a maximum limit of 10% of the capital increase carried out pursuant to the powers conferred by the nineteenth and twentieth resolutions aforesaid;

- notes that these decisions entail a waiver by stockholders and holders of investment certificates of their preferential subscription rights in favour of the employees for whom the capital increase is reserved;

- delegates all powers to the Board for the purposes of:

  - deciding the date and terms of issues carried out pursuant to this authorisation; in particular, deciding whether the shares are subscribed directly or through a mutual fund or another entity in accordance with the laws in force; deciding and setting the terms and conditions for allocating bonus shares or other securities giving access to the capital, pursuant to the authorisation given above; deciding the issue price of the new shares to be issued in compliance with the rules set forth above, the opening and closing date for subscriptions, the date from which the shares bear dividend, time limits for payment (which may not be more than three years), and where relevant the maximum number of shares that may be subscribed per employee and per issue;
  - noting capital increases in the amount of the shares actually subscribed;
  - carrying out all transactions and formalities, directly or by proxy;
  - amending the by-laws in accordance with capital increases;
  - charging expenses incurred in connection with capital increases to the amount of the premium relating to each increase and deducting from such amount the necessary sums to raise the legal reserve to one tenth of the new capital after each increase;
  - and in general doing whatever is necessary.

This authorisation is given for a period running from the date of this meeting to the date of the meeting called to approve the accounts for 2001. It cancels and replaces, for the unused amounts and the time remaining, the authorisation given to the Board by the stockholders in the second resolution adopted by the Annual Meeting on 10 June 1998.

The Annual Meeting notes that investment certificate holders, at a special meeting held on this date, have expressly waived their preferential subscription right.

This resolution has been approved by the holders of bonds convertible into new shares or exchangeable for existing shares issued in the context of the Bouygues 1.70% - 1996/2006 bond issue, meeting on 18 May 2001.

FIFTEENTH RESOLUTION
(Harmonisation of the by-laws with the new Commercial Code)

The Annual Meeting, taking its decision under the quorum and majority voting conditions for extraordinary shareholders' meetings, having acquainted itself with the Board of Directors' report and noting the codification of the law governing commercial companies, consequently decides to amend Article 8.3, fifth paragraph of the by-laws as follows:

The words "356-4 of the law of 24 July 1966" are replaced by the words "L.233-14 of the Commercial Code".

SIXTEENTH RESOLUTION
(Powers to carry out formalities)

The Annual Meeting grants all powers to the bearer of an original, copy or extract of the minutes of this Meeting to carry out all legal or administrative formalities and to make all filings and notifications required by the laws and regulations in force.

N o t e s

Financial review Bouygues 2001.

Coordination: Bouygues Internal Communications Department. Produced by Phénomène. Graphics advice: Séquoïa.
Translated by Bouygues Translation Department, Translations and A. Shaw.
Photography: Bouygues Group's photo libraries, Allsport, E. Avenel, Y. Chanoit, C. Chevalin, A. Cheyzière, P. Cornier, A. Da Silva, P. Guignard, G. Maucuit-Lecomte, D. Mc Allan, E. Megret, MPA Corporate, V. Paul, M. Pelletier, Young & Rubicam, L. Zylberman.

"Société anonyme" with share capital of 332,694,688 euros
RCS Paris B 572 015 246 - I.E. FR 29 572 015 246

Head office: 90, avenue des Champs-Élysées - 75008 Paris - France
Postal address: Challenger - 1, avenue Eugène Freyssinet
78061 St-Quentin-en-Yvelines Cedex - France
Telephone : (33) 1 30 60 23 11

www.bouygues.com