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BRIEF

BOUYGUES CONSTRUCTION

BOUYGUES IMMOBILIER

COLAS

TF1

BOUYGUES TELECOM



BUILDING THE FUTURE IS OUR GREATEST ADVENTURE

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The Group's Registration Document (French version) will be available from 20 March 2014 at [www.bouygues.com](http://www.bouygues.com).



**Cover:** Stade Vélodrome in Marseille (Bouygues Construction); Ginko eco-neighbourhood in Bordeaux (Bouygues Immobilier); a viaduct in Saint-Denis on Reunion Island (Colas); the weekend TV news bulletin presented by Anne-Claire Coudray (TF1); a Club Bouygues Telecom store. **Photo credits:** C. Abad (cover, pp. 34-35), Alstom (p. 36), Alstom Transport/Toma - C. Sasso (p. 37), Balloïde Photo 64 (p. 8), J. Cauvin (p. 29), C. Chevalin (p. 28), F. Brunet d'Aubiac (cover), A. Da Silva/Graphix-Images (p. 4), H. Douris (cover, p. 15), DR (p. 8), Eurosport (p. 29), H. Fabre (pp. 6, 20), E. Fradin (p. 7), B. Girette/Shine France/Bureau233 (p. 24), P. Guignard/Air-Images (pp. 2, 12), Impact Communication & Zoko Productions - P. Perrin, M. Delafolte (p. 17), J. L. Fel/Presse Sports (p. 26), J. F. Mariotti (p. 20), É. Matheron Balayé (p. 32), J. C. Marmara/Le Figaro (p. 1), NILSHD/TF1 (cover), V. Paul (cover), B. Pomeczi (p. 20), L. Samain (p. 20), L. Zabolon (p. 8), L. Zylberman/Graphix-Images (pp. 5, 8, 20). **Architects:** Kengo Kuma - Cyrille Thomas (p. 19), Architecture Studio (p. 8), Atelier 234 - Nicolas Michelin - Wilmatte & Associés (p. 20), Didier Rogeon Architecte (cover), Foster and Partners/Wong Tung and Partners/Simon Kwan & Associates/Benoy Architects (p. 8), Germak Architecture (p. 20), Projets Urbains Devillers Associés, Cabinet Brochet Lojus Pueyo (cover), Scau (cover), Shigeru Ban Architects Europe - Jean de Gastines Architectes - Perspective Atelier Lansac (p. 18), SRA Architectes (p. 2).

# MESSAGE FROM MARTIN BOUYGUES

CHAIRMAN AND CEO



In 2013, the Group once again confirmed its competitiveness and innovation capacity to the benefit of customers in its three sectors of activity.

The Bouygues group's operating performances in 2013 were in line with objectives. Sales were stable like-for-like and at constant exchange rates and current operating profit rose by 5% on 2012. Bouygues recognised an accounting write-down of €1,404 million against its investment in Alstom due to the persistent weakness of demand for new thermal power plants, which is weighing on Alstom's outlook for free cash flow and operating margin. **This write-down has no impact on the Group's cash position or operating performance.** Net profit before the write-down of Alstom rose 2%.

The construction businesses – **Bouygues Construction, Bouygues Immobilier** and **Colas** – achieved an excellent commercial performance. Their order book amounted to €27.5 billion, 3% higher than at the end of 2012, driven by their recognised know-how in value-added projects and a strong international presence. **Bouygues Telecom** accomplished its objectives thanks to its transformation

plan and continued to reposition its offering. The launch of 4G in October 2013 was a success and the service has already been taken up by nearly 10% of customers. **TF1** strengthened its leadership position and, having renewed its programming, became France's leading television group, proving its capacity to adapt in an advertising market under strong pricing pressure.

The Group has a sound financial structure: cash flow was virtually stable versus 2012 at €2.7 billion. Free cash flow improved and net debt is under tight control.

Although the upheaval in the telecommunications market had a negative impact on results in 2013, the Group's fundamentals remain intact. The Bouygues group operates on long-term markets which meet essential needs for housing, mobility, information and communication. Thanks to a diversified range of business activities, its cash generation proved to be highly resilient. The Group can also draw on a strong corporate culture as well as on the expertise, initiative and fighting spirit of its employees. I am confident in the Group's mid-term prospects and in its ability to meet the challenges of today.

I should like to thank all our employees for their commitment and their mindset, and our shareholders for their confidence.

26 February 2014

## 2013 KEY FIGURES

EMPLOYEES

128,067

SALES

€33,345m (-1%)

NET PROFIT ATT.  
TO THE GROUP

BEFORE THE WRITE-DOWN OF ALSTOM<sup>(a)</sup>:

€647m (+2%)

AFTER THE WRITE-DOWN OF ALSTOM<sup>(a)</sup>:

-€757m

*(a) Write-down of Alstom  
for €1,404 million*

FREE CASH FLOW<sup>(b)</sup>

€821m (+13%)

*(b) Before change in working capital  
requirement and exceptional items*

NET DEBT

€4,427m (+€255m)

DIVIDEND PER SHARE

€1.60<sup>(c)</sup>

*(c) To be proposed to the AGM  
on 24 April 2014*

## PROFILE

# BOUYGUES TODAY

**Founded in 1952, the Bouygues group now has operations in over 80 countries. With a strong and distinctive corporate culture, it has firm foundations on which to pursue growth.**

**128,067**

EMPLOYEES  
in over 80 countries.

**3**

### SECTORS OF ACTIVITY

construction (Bouygues Construction, Bouygues Immobilier, Colas), media (TF1) and telecoms (Bouygues Telecom). Bouygues is also the leading shareholder in Alstom.

**43**

### YEARS LISTED

on the Paris Stock Exchange (CAC 40 index, Euronext Paris Compartment A). Market capitalisation: €8.8 billion at 31 December 2013.

### Strategy

Bouygues is a diversified industrial group that targets markets with long-term growth potential, enabling its subsidiaries to generate cash flows on a regular basis. In each of its business areas, Bouygues aims to add value to all its products and services through constant innovation while remaining competitive. One of the priorities for the construction businesses is to expand on international markets, especially in Asia and the Middle East. Bouygues Construction generates 46% of its sales on international markets, and Colas 43% (see also pages 12 to 23).

### Our strengths

#### A stable shareholder structure

A stable shareholder structure means that Bouygues can take a long-term approach to strategy. Its two largest shareholders are the Group's employees and SCDM, a holding company controlled by Martin and Olivier Bouygues.

- SCDM owned 20.8% of the capital and held 28.4% of the voting rights at 31 December 2013.
- Over 60,000 employees hold shares in the company, confirming Bouygues as the CAC 40 company with the highest level of employee share ownership. Employees owned 24.8% of the capital and held 30.2% of the voting rights at 31 December 2013.

#### A strong and distinctive corporate culture

The Group's corporate culture, shared by all five of its subsidiaries, is distinguished by project management expertise and human resources management based on the principles of its Human Resources Charter: respect, trust and fairness.

#### A focus on markets sustained by robust demand

In construction, very substantial infrastructure and housing needs exist in both developed and emerging countries.



Challenger, Bouygues Construction's headquarters and a showcase for its expertise

There is growing demand for sustainable construction, especially low-energy and positive-energy buildings and eco-neighbourhoods.

Bouygues has developed innovative know-how on these markets that give it an acknowledged competitive edge. French telecoms and media markets will continue to expand, with future growth being driven by rapid technological advances and changing usage.

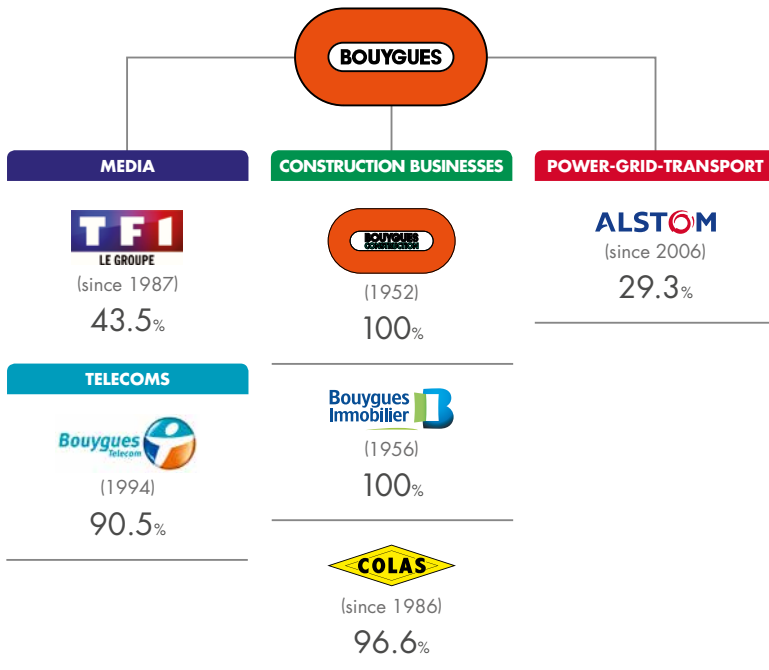
#### A very sound financial structure

Bouygues has a sound financial profile. Keeping capital expenditure under control while generating cash flows on a regular basis, the Group carries little debt and has a very substantial cash surplus.

Drawing on these strengths, for many years Bouygues has been able to pay its shareholders a regular dividend. The average dividend yield in 2013 was 6.9%.

# ORGANISATION AND GOVERNANCE

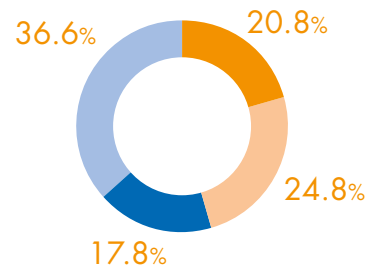
at 25 February 2014



# MAIN SHAREHOLDERS

at 31 December 2013

Share ownership



319,264,996 shares

- SCDM\*
- Employees
- Other French shareholders
- Foreign shareholders

(\* ) SCDM is a company controlled by Martin and Olivier Bouygues.

## Senior management

### PARENT COMPANY

- Martin Bouygues**  
Chairman and CEO
- Olivier Bouygues**  
Deputy CEO
- Jean-François Guillemain**  
Corporate Secretary
- Philippe Marien**  
Chief Financial Officer
- Alain Pouyat**  
Executive Vice-President,  
Information Systems  
and New Technologies
- Jean-Claude Tostivin**  
Senior Vice-President,  
Human Resources  
and Administration

### HEADS OF THE FIVE SUBSIDIARIES

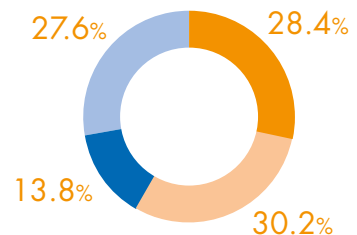
- Yves Gabriel**  
Chairman and CEO,  
Bouygues Construction
- François Bertière**  
Chairman and CEO,  
Bouygues Immobilier

- Hervé Le Bouc**  
Chairman and CEO, Colas
- Nonce Paolini**  
Chairman and CEO, TF1
- Olivier Roussat**  
Chairman and CEO,  
Bouygues Telecom

### Board of Directors

- Martin Bouygues**  
Chairman and CEO
- Olivier Bouygues**  
Deputy CEO and standing  
representative of SCDM
- François Bertière**  
Chairman and CEO,  
Bouygues Immobilier
- Mrs Francis Bouygues**
- Jean-Paul Chifflet**  
CEO, Crédit Agricole SA
- Georges Chadron de Courcel**  
Chief Operating Officer,  
BNP Paribas
- Yves Gabriel**  
Chairman and CEO,  
Bouygues Construction
- Anne-Marie Idrac\***  
Former Chair, SNCF
- Patrick Kron**  
Chairman and CEO, Alstom
- Hervé Le Bouc**  
Chairman and CEO, Colas
- Helman le Pas de Sécheval\***  
General Counsel,  
Veolia Environnement
- Colette Lewiner\***  
Adviser to the Chairman,  
Capgemini
- Sandra Nombret**  
Director representing  
employee shareholders
- Nonce Paolini**  
Chairman and CEO, TF1
- Jean Peyrelefade\***  
Managing partner,  
Aforge Degroof Finance
- François-Henri Pinault\***  
Chairman and CEO, Kering
- Rose-Marie Van Lerberghe\***  
Chairwoman of the Board  
of Directors, Institut Pasteur
- Michèle Vilain**  
Director representing  
employee shareholders

## Voting rights



459,117,988 voting rights

- SCDM\*
- Employees
- Other French shareholders
- Foreign shareholders

(\* ) SCDM is a company controlled by Martin and Olivier Bouygues.

(\* ) Independent director

## Working in the Group Mindset

Respect, trust and fairness are the three fundamental principles of the Group's Human Resources Charter. The commitment of our employees, their support for those three values and their mindset are the hallmarks of the Bouygues group's corporate culture.



In Bouygues Immobilier's offices

## IN FRANCE

**74,395**

EMPLOYEES  
(58% OF THE WORKFORCE)

## IN THE WORLD

**25,453**

PEOPLE HIRED WORLDWIDE  
IN 2013  
incl. 4,792 in France

## Trust and empowerment

Responsibility is delegated as far as possible to people on the ground because they are most familiar with their working environment. Employees are given responsibilities soon after they are hired, proof that trust is a key value at Bouygues.

Training is provided both at Group level and in individual companies in order to help employees enhance their management skills and expertise. The Bouygues group's training budget in France exceeds its statutory obligations, representing the equivalent of 4.2% of the total payroll.

Internal job mobility is encouraged because it is a contributing factor to career development and a response to fluctuations in activity within the Group. The five subsidiaries have staff responsible for facilitating internal job mobility and the Group's own Mobility department is available to human resources departments and employees for transfers between its five subsidiaries. All vacancies are posted on the Group intranet.

## Promotion and pay

Promotion from within the firm is encouraged because it fosters loyalty and self-fulfilment. Whatever the economic circumstances, pay remains a key way of recognising, attracting and motivating employees by rewarding their potential, performance and professionalism. Pay is accompanied by many other benefits, including profit sharing, supplementary health insurance, retirement savings plans, a thirteenth month's pay, employer contributions to corporate saving schemes, and social and cultural activities.

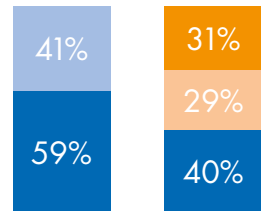
In France, incentive employee savings schemes such as corporate and retirement savings plans are regularly enhanced with new operations. That was the case in 2012-2013 with Bouygues Confiance 6, an employee-only capital increase subscribed to by 17,500 staff members.

## HEADCOUNT

at 31 December 2013

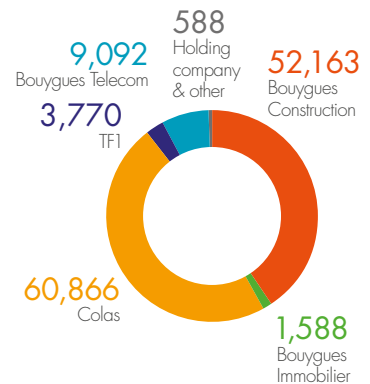
### Job category

### International (excl. France) France

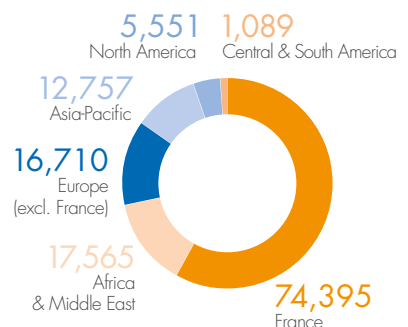


- Managerial & technical
- Site workers
- Managerial
- Clerical, technical & supervisory

### Headcount by subsidiary



### Headcount by region





Increasing the number of women managers: a challenge for the construction businesses

### Health and safety

Health and safety are an absolute priority for all Bouygues group subsidiaries. The construction subsidiaries implement robust workplace risk prevention policies on worksites, with active support from all levels of management. Their safety record is better than the industry average and has steadily improved over the last six years.

As the purpose of prevention is to eliminate accidents altogether, the Bouygues group also focuses on preserving health by reducing arduous work and fighting addiction. All Group subsidiaries have taken measures to raise awareness of road accident risk and psychosocial problems.

### Equal opportunity

Employees have a right to equal treatment and fair reward for their efforts and their success, whatever their profile or background. All Group subsidiaries implement a diversity policy focusing on disability, age, origin and gender equality. Bouygues Telecom and TF1 have both been awarded the Afnor Diversity label.

To promote gender equality, and given that they operate in what is still a predominantly male industry, Bouygues Construction and Colas are carrying out communication campaigns in schools and universities to make themselves more attractive to female job applicants. In addition, all Group companies are taking steps to increase the proportion of women in managerial positions.

### Labour relations

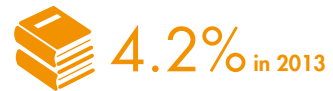
Labour relations within the Group have traditionally been respectful and constructive, paving the way for real progress for the benefit of staff. In addition to representative bodies in the subsidiaries, the Group Works Council in France and the European Works Council are privileged forums for meetings between union representatives from across the whole spectrum and Bouygues group executives.

In France, the interest of Group employees in the quality of the dialogue between workers and management is reflected in the turnout for workplace elections (81% in 2013). Much higher than the nationwide average, it gives employee representatives a high degree of legitimacy. In France, welfare schemes in all the subsidiaries are managed jointly with the unions.

## TRAINING

Scope: France

Percentage of payroll (permanent Group employees) spent on training

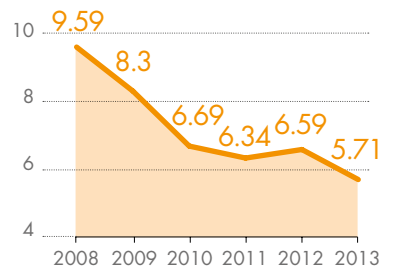


The management modules and other training courses offered by corporate universities within the Group's subsidiaries and the Bouygues Management Institute (IMB) give employees the means to increase their knowledge and enhance their workplace skills.

## SAFETY

Scope: global

Frequency rate\* of workplace accidents among Group employees



■ Frequency rate

Safety is a crucial issue. The steadily falling workplace accident frequency rate reflects the proactive safety policy implemented by Bouygues Construction and Colas on worksites and on the road.

(\*): Number of accidents involving time off work x 1,000,000/number of hours worked

## COLAS

### Giving employees first-aid training

Total number of employees given first-aid training. Scope: global



A total of 18,632 employees had received first-aid training by the end of 2013. The aim is to increase the percentage to 35% of the workforce by 2015.



A section of the road between Embrun and Chorges in the French Alps resurfaced by Colas entirely with reclaimed asphalt pavement

### Protecting the environment Energy consumption

One of the highlights of 2013 in France was the national debate on energy transition, to which the Bouygues group contributed proposals and expertise relating to passive and active energy efficiency in buildings and the operation of buildings under a performance guarantee.

Bouygues aims to consolidate cutting-edge skills in positive-energy buildings, eco-neighbourhoods and smart grids and offers customers innovative solutions. It applies the best available technologies in this sphere to its own buildings and structures.

The Group has implemented a strategy of optimising all its energy consumption based on a set of measures which include conducting a preliminary audit and diagnosis, implementing an energy management system, identifying the potential for renewable energies and developing energy management software.

### Waste management

As large-scale producers and users of materials, the Group's construction businesses are developing innovative strategies for going beyond their obligations to reclaim and recycle waste generated by their activities. For example, Bouygues Construction is using new software tools to optimise the use of construction materials, Colas implements processes that reuse asphalt mix and materials from reclaimed pavement, and Bouygues Telecom has set up a recycling system for pre-owned handsets. The Group as a whole recycles its electronic waste.

### Biodiversity

The building and civil works subsidiaries have a policy of preserving biodiversity around their projects as well as in their quarries and gravel pits. Biositiv, created in 2012, is a group-wide internal advisory structure which supports them in their flora and fauna conservation strategy.

### GREENHOUSE GAS EMISSIONS

Scope: global



**18,028**  
kilotonnes of CO<sub>2</sub> equivalent  
in 2013

The Bouygues group joined the Carbon Disclosure Project's CDLI France index (Climate Disclosure Leadership Index) in 2013. The index evaluates companies' performance in relation to the challenges of climate change.

The index, which is global in scope, lists the companies deemed to have the most transparent greenhouse gas reporting.



In order to increase the consideration given to biodiversity by property developers, Cibi, an organisation co-founded by Bouygues Construction, introduced the BiodiverCity™ label in December 2013. The new Beaugrenelle shopping centre in Paris, featuring a 7,500-m<sup>2</sup> green roof (currently the largest in Paris), beehives and shared gardens, is a prime example of this commitment to promoting biodiversity in urban environments.

### Ethics and purchasing

The Bouygues group makes every effort to comply with strict principles in the conduct of its business. This requirement is reflected, for example, in a ban on and prevention of anticompetitive practices and bribery and in the attention paid to respect for human rights. The Group has also adopted a responsible purchasing policy, the main aim of which is to involve suppliers, subcontractors and service providers in implementing exemplary CSR practices.

### Taking part in community life Integration

Integration clauses are often included in public procurement contracts in France.

Bouygues Construction and Colas enter into partnerships with specialised bodies in order to apply these clauses as effectively as possible and ensure a lasting return to employment.

### Sponsorship

The sponsorship policy is implemented at Group level, within its major subsidiaries and at local level through a large number of community initiatives. The Group participates in local community life wherever it operates. At parent company level, Bouygues' sponsorship policy focuses on three main areas: social issues, education and culture.

The Francis Bouygues Foundation, created in 2005, helps deserving school leavers facing financial difficulties in higher education. Each grant holder is assigned a mentor from within the Bouygues group. A total of 486 students from nine intakes currently receive or have benefited from a Foundation grant.

TF1



### SUPPLIER RELATIONS

In a first for the audiovisual sector, on 27 January 2014

the TF1 group was awarded the Responsible Supplier Relations label, distinguishing French companies which have demonstrated well-balanced long-term relations with their suppliers.

The TF1 group's purchasing department has implemented a responsible purchasing policy since it was created in 2008. In 2013, it extended CSR assessments of suppliers to all groups of purchases, including purchases of rights and purchases of Téléshopping products.

Awarded by France's inter-company mediation body (Médiation Nationale Interentreprises) and the French purchasing managers association (Compagnie des Dirigeants et Acheteurs de France), the label recognises TF1's overall policy towards its suppliers.

For more information  
[www.bouygues.com](http://www.bouygues.com)  
@GroupeBouygues



The ninth intake of the Francis Bouygues Foundation on 30 October 2013



# 2013 IN PICTURES AND NUMBERS



1

1. The Kai Tak Cruise Terminal building in Hong Kong (Bouygues Construction), designed to allow two giant cruise ships to berth at the same time
2. The A63 motorway in south-western France, completed by Colas seven months ahead of schedule
3. The Fort d'Issy eco-neighbourhood handed over at Issy-les-Moulineaux (Bouygues Immobilier)
4. *Danse avec les Stars* – Season 4, the best season since the show started (TF1)
5. Launch of France's biggest 4G network in October 2013 (Bouygues Telecom)



2



3



4



5

## THE YEAR IN NUMBERS

**€1.15 billion**

FOR THE TUEN MUN-CHEK LAP KOK SUBSEA TUNNEL which Bouygues Construction is to build in Hong Kong. It is the largest design-build contract ever awarded there.

The tunnel, which will be dug by two tunnel-boring machines 50 metres under the sea, will link the Tuen Mun district to Lantau Island, where the international airport is located.

**1 million**

4G CUSTOMERS at Bouygues Telecom have a 4G plan and a 4G-compatible handset, enabling them to enjoy France's biggest 4G network, covering 63% of the population.

**3**

NEW CONTRACTS on international markets (Tunisia, Morocco and Chile), each worth over €70 million: Colas' rail business continues to thrive.

**99 of the 100**

BEST TV AUDIENCES OF THE YEAR scored by TF1 in 2013 (source: Médiamat by Médiamétrie).

**24.8%**

OF BOUYGUES' CAPITAL owned by Group employees. Bouygues is the CAC 40 company with the highest level of employee share ownership.

# GROUP KEY FIGURES IN 2013

## CONDENSED BALANCE SHEET at 31 December (€ million)

ASSETS	2012	2013	LIABILITIES AND SHAREHOLDERS' EQUITY	2012	2013
Property, plant and equipment and intangible assets	8,337	8,197	Shareholders' equity (att. to the Group)	8,578	7,154 <sup>(d)</sup>
Goodwill <sup>(a)</sup>	5,648	5,280	Non-controlling interests	1,500	1,530
Non-current financial assets <sup>(b)</sup>	5,913	3,956 <sup>(d)</sup>	<b>SHAREHOLDERS' EQUITY</b>	<b>10,078</b>	<b>8,684</b>
Other non-current assets	272	251	Non-current debt	7,502	6,612
<b>NON-CURRENT ASSETS</b>	<b>20,170</b>	<b>17,684</b>	Non-current provisions	2,173	2,176
Current assets	12,073	11,886	Other non-current liabilities	170	171
Cash and cash equivalents	4,487	3,570	<b>NON-CURRENT LIABILITIES</b>	<b>9,845</b>	<b>8,959</b>
Financial instruments <sup>(c)</sup>	24	13	Current debt	951	1,009
<b>CURRENT ASSETS</b>	<b>16,584</b>	<b>15,469</b>	Current liabilities	15,650	15,097
Held-for-sale assets and operations <sup>(e)</sup>		1,151	Bank overdrafts and current accounts	189	363
<b>TOTAL ASSETS</b>	<b>36,754</b>	<b>34,304</b>	Financial instruments <sup>(c)</sup>	41	26
			<b>CURRENT LIABILITIES</b>	<b>16,831</b>	<b>16,495</b>
			Liabilities related to held-for-sale operations <sup>(e)</sup>		166
			<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>36,754</b>	<b>34,304</b>
			Net debt	4,172	4,427

## CONSOLIDATED INCOME STATEMENT

(€ million)	2012	2013
<b>Sales</b>	<b>33,547</b>	<b>33,345</b>
<b>Current operating profit</b>	<b>1,286</b>	<b>1,344</b>
Other operating income and expenses	(166)	(91)
<b>Operating profit</b>	<b>1,120</b>	<b>1,253</b>
Cost of net debt	(290)	(309)
Other financial income and expenses	11	(26)
Income tax expense	(330)	(367)
Associates		
Share of profits and dilution	217	205 <sup>(f)</sup>
<b>Net profit from continuing operations</b>	<b>728</b>	<b>756</b>
Net profit/(loss) attributable to non-controlling interests	(95)	(109)
<b>Net profit (att. to the Group) before write-down of Alstom</b>	<b>633</b>	<b>647<sup>(f)</sup></b>
Write-down of Alstom		(1,404)
<b>NET PROFIT/(LOSS) (attributable to the Group)</b>	<b>633</b>	<b>(757)</b>

(a) Goodwill of fully consolidated entities

(b) o/w entities accounted for by the equity method (including goodwill on such entities)

(c) Hedging of financial liabilities at fair value

(d) Including impact of the write-down of Alstom

(e) Relating to Eurosport International (TF1) and Cofiroute (Colas)

(f) Before the write-down of Alstom for €1,404 million

(g) o/w exceptional items related to Bouygues Telecom: acquisition cost and capitalised interest related to 4G frequencies for €726 million and asset disposals for €207 million

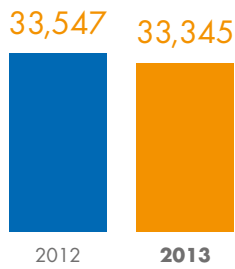
(h) o/w capitalised interest related to 4G frequencies for €33 million

## CONSOLIDATED CASH FLOW STATEMENT

(€ million)	2012	2013
<b>Net cash generated by operating activities</b>		
Cash flow	2,777	2,742
Income taxes paid during the period	(378)	(303)
Change in WCR related to operating activities	42	(187)
<b>A. Net cash generated by operating activities</b>	<b>2,441</b>	<b>2,252</b>
<b>Net cash used in investing activities</b>		
Net capital expenditure	(1,952) <sup>(g)</sup>	(1,278) <sup>(h)</sup>
Other cash flows related to investing activities	(201)	(160)
<b>B. Net cash used in investing activities</b>	<b>(2,153)</b>	<b>(1,438)</b>
<b>Net cash generated by/(used in) financing activities</b>		
Dividends paid during the period	(608)	(591)
Other cash flows related to financing activities	1,436	(1,185)
<b>C. Net cash generated by/(used in) financing activities</b>	<b>828</b>	<b>(1,776)</b>
<b>D. Effect of foreign exchange fluctuations</b>	<b>6</b>	<b>(60)</b>
<b>CHANGE IN NET CASH POSITION (A + B + C + D)</b>	<b>1,122</b>	<b>(1,022)</b>
Elimination of Eurosport International cash flows		(69)
<b>CASH POSITION AT 1 JANUARY</b>	<b>3,176</b>	<b>4,298</b>
<b>CASH POSITION AT 31 DECEMBER</b>	<b>4,298</b>	<b>3,207</b>

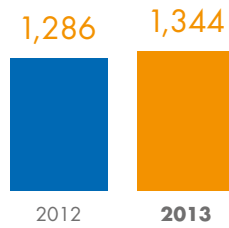
## SALES

€ million



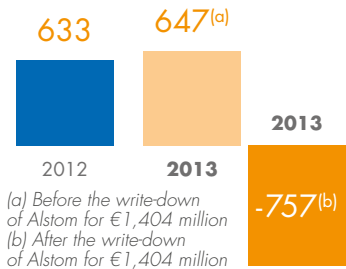
## CURRENT OPERATING PROFIT

€ million



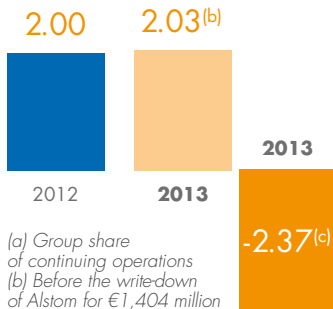
## NET PROFIT ATT. TO THE GROUP

€ million



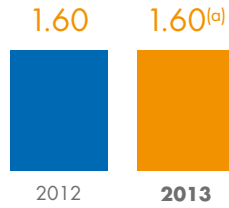
## EARNINGS<sup>(a)</sup> PER SHARE

€



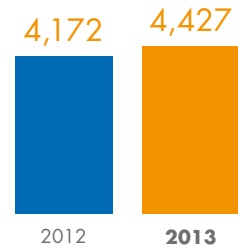
## DIVIDEND PER SHARE

€



## NET DEBT

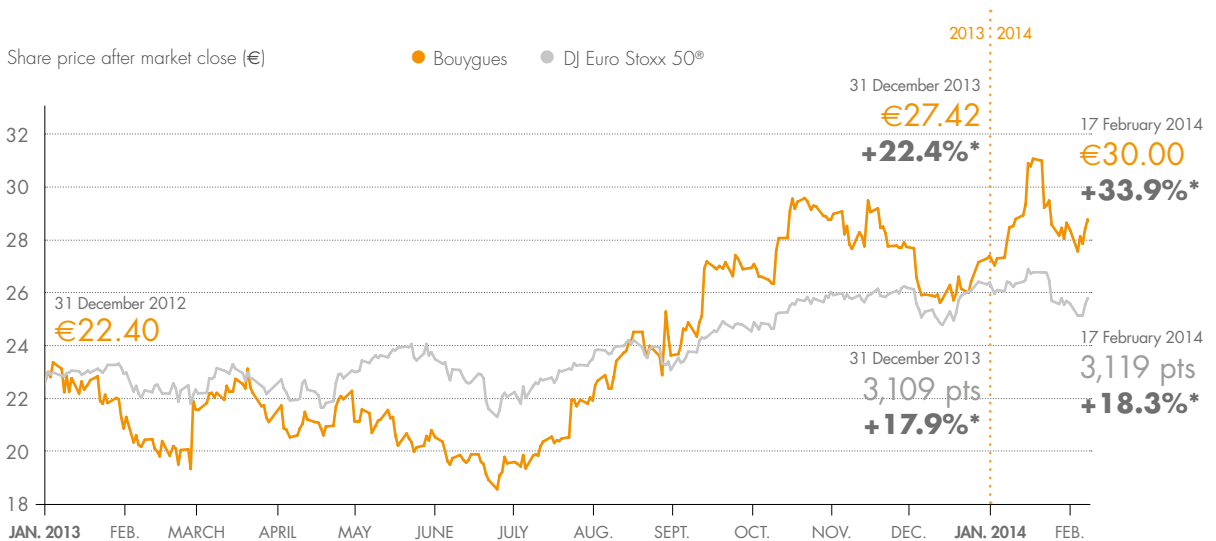
€ million, at end-December



## STOCK MARKET PERFORMANCE SINCE END-2012

Share price after market close (€)

● Bouygues ● DJ Euro Stoxx 50®



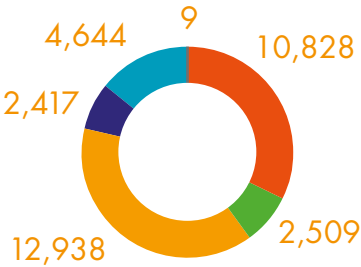
(\* Versus 31 December 2012)

## CONTRIBUTION BY BUSINESS AREA

Alstom is consolidated by the equity method: contribution to net profit only.  
(€ million)

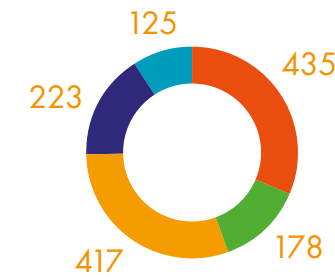
### SALES

€33,345m



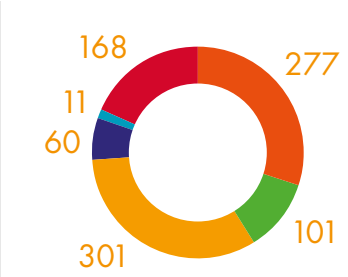
### CURRENT OPERATING PROFIT<sup>(a)</sup>

€1,344m



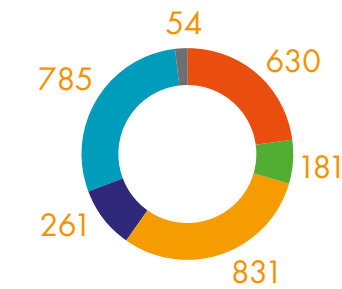
### NET PROFIT ATT. TO THE GROUP<sup>(b)</sup>

€647m<sup>(c)</sup>



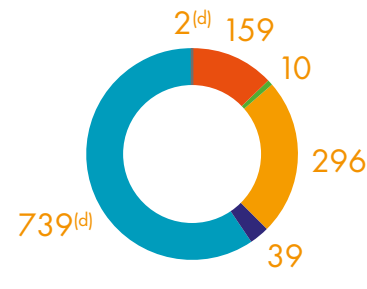
### CASH FLOW

€2,742m



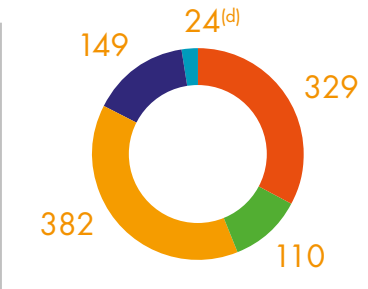
### NET CAPITAL EXPENDITURE

€1,245m<sup>(d)</sup>



### FREE CASH FLOW<sup>(e)</sup>

€821m<sup>(d)</sup>

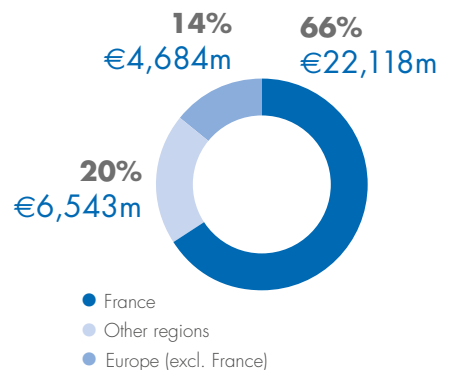


- Bouygues Construction
- Bouygues Immobilier
- Colas
- TF1
- Bouygues Telecom
- Holding company and other
- Alstom

(a) Holding company and other reported a current operating loss of €34 million  
 (b) Holding company and other reported a net loss of €271 million before the write-down of Alstom for €1,404 million  
 (c) Before the write-down of Alstom for €1,404 million  
 (d) Excluding capitalised interest related to 4G frequencies for €33 million at Group level (o/w €13 million at Bouygues Telecom level and €20 million at the holding company level)  
 (e) Free cash flow = cash flow minus cost of net debt minus income tax expense minus net capital expenditure. It is calculated before the change in working capital requirement. Holding company and other reported negative free cash flow of €173 million before capitalised interest related to 4G frequencies for €20 million

## SALES BY REGION

Bouygues Immobilier, TF1 and Bouygues Telecom conduct most of their business in France. Bouygues Construction and Colas have operations in over 80 countries and generated 44% of their sales outside France in 2013. The main regions where they operate are Europe, followed by North America and the Asia-Pacific region.



**CONSTRUCTION BUSINESSES**

# PRODUCTS AND SERVICES FOR A BETTER LIVING ENVIRONMENT

**Bouygues Construction, Bouygues Immobilier and Colas are the Bouygues group's construction businesses, making it a leader in the sector. The consideration given to the environmental dimension of each project is a major plus factor for customers.**

2013 CONSOLIDATED KEY FIGURES

**114,617**

EMPLOYEES

**€26bn** (+2%)

SALES

**€679m** (+2%)

NET PROFIT

**46%**

OF THE ORDER BOOK  
ON INTERNATIONAL MARKETS



The Sports Hub complex in the centre of Singapore (Bouygues Construction)

## CONSTRUCTION BUSINESSES

**Bouygues has a wide range of activities to meet the major challenges of urban planning and mobility, spanning building and civil works, energy and services and concessions (Bouygues Construction), property development (Bouygues Immobilier) and transport infrastructure (Colas).**

### Strategy

The Bouygues group's strategy is to give priority to profitable growth driven by innovation and sustainable construction for the benefit of customers, both in France and on international markets.

Through its three subsidiaries, the Group operates in 80 countries worldwide and is one of the global leaders in the sector. It targets markets with long-term growth potential underpinned by rising infrastructure needs.

### Strengths and assets

#### Human capital

Human capital is the Bouygues group's greatest resource and preserving it is a key challenge in the construction businesses (see also pages 4-5 and 7). Drawing on the expertise, motivation and passion of its people, the Group can better adapt and meet the needs of both its private- and public-sector customers.

#### Innovative products and services with high value added

- A comprehensive range of products and services spanning the entire value chain from design and construction to maintenance and financing. For example, Colas and Bouygues Construction will build the L2, the new Marseille bypass, under a public-private partnership contract, while Bouygues Construction and TFI have teamed up on the City of Music project on Seguin Island at Boulogne-Billancourt, near Paris.

- **Acknowledged technical expertise.** Customers appreciate the Group for its high-level technical expertise in the management of complex projects. The MahaNakhon Tower in Thailand and the Tuen Mun-Chek Lap Kok twin-tube subsea tunnel in Hong Kong are recent flagship projects.
- **Specialised activities.** The Group is also moving into new markets in response to demand from customers. Colas, for example, is benefiting from growth in the railways market and building metro and tramway projects in various cities in France as well as in Cairo, Casablanca, Geneva and Kuala Lumpur.

- **A competitive edge on the growing sustainable construction market (see also pages 18-19).** The Group is constantly innovating with the aim of reducing the energy bills of end-users, whether households or businesses. It has developed genuine expertise in positive-energy buildings and sustainable neighbourhoods like Ginko in Bordeaux, inaugurated in 2013.

#### Strong and diversified international operations

As well as offering comprehensive nationwide coverage in France, the Bouygues group's construction businesses have operations all over the world. They combine the strength of well-established local subsidiaries with the capacity to mobilise teams on a one-off basis on targeted major projects.

#### The capacity to adapt quickly to changing markets

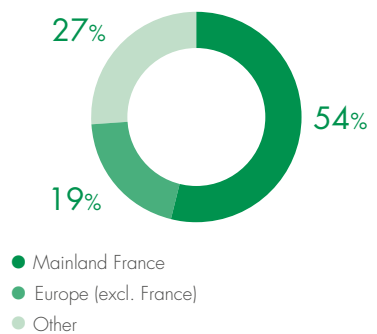
Bouygues Immobilier, for example, offers a wide range of affordably priced housing to meet the needs of first-time buyers, who account for two-thirds of demand.

#### A sound financial structure

Thanks to their control of operating and financial risks, the construction businesses generate cash flows on a regular basis and have a robust financial structure which customers consider an advantage.

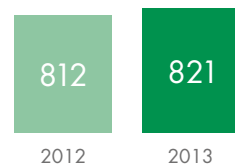
## ORDER BOOK

by region



## FREE CASH FLOW OF THE CONSTRUCTION BUSINESSES

(€ million)



Free cash flow is defined as the construction businesses' capacity to generate a cash surplus after financing the cost of debt, tax charges and net capital expenditure. It is calculated before the change in working capital requirement.

### 2013 highlights

#### MAJOR CONTRACTS CONCLUDED

##### Bouygues Construction

- Tuen Mun-Chek Lap Kok Tunnel in Hong Kong (China).
- L2 Marseille bypass with Colas.
- Zagreb Airport (Croatia).
- Crédit Agricole's Eole office complex in Montrouge, near Paris.

##### Bouygues Immobilier

- Headquarters of AG2R La Mondiale (Peri XV) in Paris (under the Rehagreen® initiative).

##### Colas

- Iqaluit International Airport in Canada's Arctic North with Bouygues Construction.
- Sections of the M85 motorway in Hungary and R2 motorway in Slovakia.
- Rail works on the Tangier-Kenitra high-speed link in Morocco and lines 3 and 6 of the Santiago metro in Chile.





Colas upgraded and extended the runways at Roland-Garros Airport on Reunion Island



### A global player in construction and services

With operations in 80 countries, Bouygues Construction designs, builds and operates structures which improve people's daily living and working environments. Leading the way in sustainable construction, it develops long-term relationships with customers in order to help them shape a better life.



### France's leading property developer

A player committed to urban sustainability with 35 branches in France and five international subsidiaries, Bouygues Immobilier develops residential, commercial, retail and sustainable neighbourhood projects.



### A world leader in transport infrastructure

Colas operates in transport infrastructure construction and maintenance in 50 countries worldwide and spans the full range of production activities in most of its lines of business. Colas meets the challenges of mobility, urban development and the environment.

Controlling the materials it needs for its activities (aggregates, emulsions, asphalt mixes, ready-mix concrete, bitumen, etc.) is a strategic priority for Colas, which is continuing to integrate production activities upstream of roadbuilding. The aims are to increase the quality of its supplies and secure its sources while improving competitiveness and operating performance. The world's leading producer of emulsions and asphalt mixes, Colas can count on authorised reserves of 2.6 billion tonnes of aggregates (29 years' output), plus additional potential reserves of 1.9 billion tonnes. Colas extensively recycles materials in order to reduce the extraction of aggregates (and hence the opening of quarries) and the amount of materials sent to landfill. As a result, Colas can save customers money for identical performance, consume less energy (thus reducing greenhouse gas emissions) and use fewer resources.

## Business activity in 2013

The Bouygues group's construction businesses performed well in 2013, in a tough and fiercely competitive economic environment.

## Vigorous commercial activity

Drawing on their expertise, especially in complex projects, and strong international operations, the Bouygues group's construction businesses once again confirmed their competitiveness.

The construction order book reached a new high of €27.5 billion at end-December 2013, up 3% over the year. 46% of orders are on international markets.

After an exceptional year in 2012, order intake at Bouygues Construction was virtually stable at €11.8 billion, a very high level. Order intake was driven by strong growth on international markets, where contracts included the Tuen Mun-Chek Lap Kok tunnel in Hong Kong and the Brickell City Centre project in Miami (US). As a result, Bouygues Construction's order book at end-December 2013 stood at €17.8 billion, 4% higher than a year earlier.

In a crisis-hit housing market in France, Bouygues Immobilier gained market share, recording a 9% rise in residential property reservations over the year to €1.8 billion. Commercial property reservations amounted to €236 million, due to the postponement of some major contracts until 2014. Green property expertise continued to give the company an edge in winning projects in a sluggish commercial property market. The total order book at end-December 2013 stood at €2.6 billion, down 12% on the previous year.

Colas also ended the year with a solid order book worth €7.1 billion, 6% higher than at end-December 2012. This reflected the conclusion of major contracts such as the L2 bypass in Marseille and Iqaluit International Airport in Canada's Arctic North, as well as a strong performance in the railways business, including Morocco's first high-speed rail link, between Tangier and Kenitra.

## 2013 highlights (cont.)

### ONGOING PROJECTS

#### Bouygues Construction

- Sports Hub complex in Singapore.
- French Ministry of Defence in Paris.

#### Bouygues Immobilier

- Rehabilitation of the Campus Sanofi Val de Bièvre (50,000 m<sup>2</sup>) at Gentilly, near Paris.
- Sainte-Croix project in Paris: a 10,835-m<sup>2</sup> office building and a 150-room hotel.

#### Colas

- Nîmes-Montpellier railway bypass with Bouygues Construction.
- Upgrading and maintenance of roads in central London (UK).

### COMPLETED PROJECTS

#### Bouygues Construction

- Kai Tak Cruise Terminal building in Hong Kong (China).
- Beaugrenelle shopping centre in Paris.

#### Bouygues Immobilier

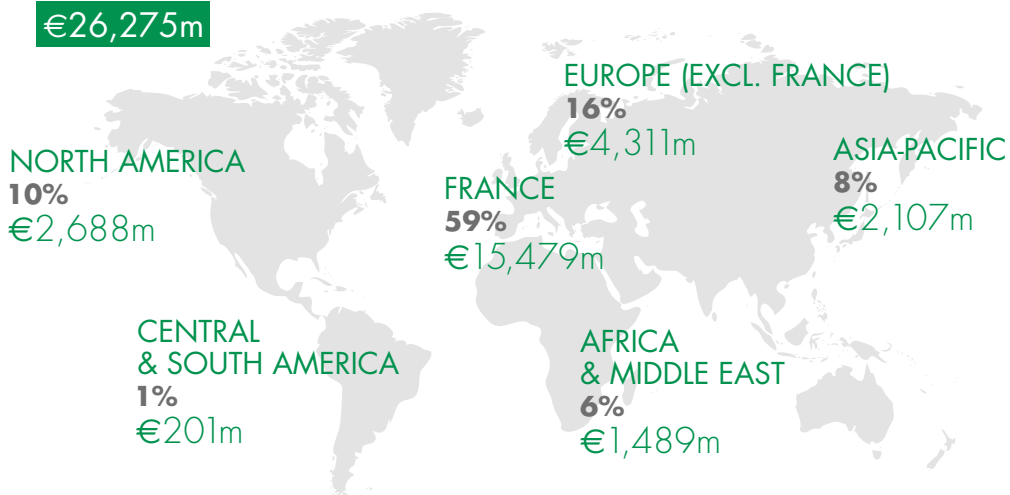
- L'Avance, a positive-energy residential building at Montreuil, east of Paris.
- Inauguration of Fort d'Issy at Issy-les-Moulineaux, near Paris, and of the first tranche of Ginko, the Bordeaux Lake eco-neighbourhood.
- Orange Polska headquarters in Poland.

#### Colas

- A63 motorway in south-western France, seven months ahead of schedule.

## CONSTRUCTION BUSINESSES: SALES BY REGION

€26,275m





Managed by Bouygues Immobilier, IssyGrid® is France's first operational district smart grid, at Issy-les-Moulineaux, near Paris

## Robust financial results

The construction businesses reported combined sales of €26.3 billion in 2013, up 2% on the previous year.

Current operating profit for the construction businesses amounted to €1,030 million in 2013, €81 million more than in 2012, generating a slightly higher operating margin of 3.9%.

Bouygues Construction's current operating margin rose sharply in 2013 as a result of the very good execution of ongoing projects and the completion of major large-scale contracts. At Bouygues Immobilier, the adjustment measures

taken as early as 2012 limited the impact of lower residential property prices on profitability. At Colas, the current operating margin rose slightly due to the good profitability of the roads activity in France, which benefited from the positive impact of its reorganisation.

Free cash flow generated by the construction businesses in 2013 rose to a record €821 million.

## BOUYGUES IMMOBILIER

**Promoting green property, the driver of growth in the commercial property segment**

Green Office® office space under construction or handed over during the year

 **47,600 m<sup>2</sup>**  
in total since 2011  
(35,000 m<sup>2</sup> in 2012)

Bouygues Immobilier is developing Green Office® positive-energy office buildings, in line with its target of 20% of total output in the commercial property segment in 2015.



The rotating sail-like structure of the future City of Music on Seguin Island (Bouygues Construction) clad with photovoltaic solar panels

### Sustainable construction: a major challenge

Sustainable construction is one of the responses to the environmental challenges of the 21<sup>st</sup> century. All over the world, pressure on eco-systems is increasing in order to find the necessary mineral resources for building. The production of construction materials and the energy used to operate buildings are responsible for a quarter of the world's CO<sub>2</sub> emissions. In Europe, 190 million homes need thermal renovation in order to meet the energy-saving targets set by the European Union.

In order to meet these challenges, the Bouygues group's construction businesses provide practical answers at the level of both individual buildings and entire neighbourhoods.

### Improving building performance

Bouygues has acquired expertise in low-energy new-build projects both in France and on international markets, acknowledged by the award of environmental certification.

In France, Bouygues goes further than statutory requirements by building positive-energy buildings which produce more energy from renewable sources than they consume over a year.

### Positive energy

Bouygues Immobilier's Green Office® positive-energy office buildings show that it is possible to combine high-level energy performance guaranteed by contract with an optimal perception of comfort. The Green Office® business model, based on slightly higher rents offset by significantly lower charges, favours investors and users alike. It has enabled Bouygues Immobilier to expand on a deeply troubled commercial property market.

### Thermal renovation

Thermal renovation is a market with high growth potential. In France, 4 million homes out of 33 million have poor energy efficiency and 55% of existing housing was built before thermal regulations existed. Bouygues has therefore developed a comprehensive energy-efficiency rehabilitation service for all types of building.

In order to demonstrate its commitment, Bouygues Construction embarked on the renovation of Challenger, its headquarters, while the building continued to be in use. Before the end of 2014, the 65,000-m<sup>2</sup> complex will be positive-energy, equipped with cutting-edge technology for renewable energy production (geothermal, solar photovoltaic and thermal), water treatment and biodiversity preservation. In 2013, Challenger had already been

## BOUYGUES CONSTRUCTION

### Eco-designing high-performance projects

Percentage of building order intake with a commitment to environmental certification

Scope: global building activities

 **58%** in 2013,  
2.5 times more than in 2007

The proportion of building order intake with environmental certification rose from 23% in 2007 to 58% in 2013, including several large-scale projects.

## BOUYGUES IMMOBILIER

### Environmental certification for all projects

Percentage of sales with a commitment to environmental certification

 **96%** in 2013,  
5 points higher than in 2012

The aim is to continue to seek environmental certification for residential properties (H&E, BBC-effinergie®) and commercial properties (HQE®)

awarded the highest levels of US, UK and French certification (LEED®, BREEAM® and HQE®) for the work already completed, a first anywhere in the world.

### Maintenance

In sustainable construction, performance is assessed over a building's entire lifecycle, from design and construction to operation. Bouygues Energies & Services, a Bouygues Construction entity, has developed building maintenance support services which guarantee long-term control over building maintenance and operating costs. Bouygues Telecom has launched B.Domo, a home automation application incorporated into its Bbox home gateway which controls functions related to comfort of use (power, heating, water) in people's homes.

### Eco-neighbourhood development

The Bouygues group is one of France's leading specialists in the development of eco-neighbourhoods, which are designed to combine lower consumption of resources with an improved living environment for residents. Several eco-neighbourhoods have been built or are being developed, including Ginko in Bordeaux, Hikari in Lyon and GreenCity in Zurich.

### Energy management

Smart energy management helps to reduce the cost to residents and users of office, retail and leisure space. It is now a requirement for all eco-neighbourhood projects. Embix, a joint subsidiary of Bouygues and Alstom, is developing smart grid services to meet

this need. In order to demonstrate the possibilities, a full-scale trial is under way at Issy-les-Moulineaux with the IssyGrid® neighbourhood smart grid managed by Bouygues Immobilier. Smart grids also help to smooth out energy consumption peaks and to ensure overall balance on the grid while reducing CO<sub>2</sub> emissions.

With Citybox®, Bouygues Energies & Services helps municipalities to improve the management of their street lighting networks through centralised control of lighting columns associated with new urban features such as loudspeakers and CCTV. The Citybox® is already in operation in the towns of Sèvres, Thiais, Longjumeau, Niort and Tulle.

### Soft mobility

Better transportation is another major challenge in the management of the towns and cities of the future. Alstom, Bouygues Travaux Publics, Colas' roads subsidiaries and Colas Rail are major players in the development of public transport (tramways and metros) and have teamed up to participate jointly in developing the necessary infrastructure for the widespread use of electric vehicles.

These innovations are the result of synergies and a cooperative approach on the part of Bouygues subsidiaries, backed up by targeted industrial partnerships.

For more information  
[www.bouygues.com](http://www.bouygues.com)  
[@GroupeBouygues](https://twitter.com/GroupeBouygues)



## BOUYGUES CONSTRUCTION

### Building projects that respect the environment

Percentage of sales covered by an ISO 14001 environmental management system

Scope: global



Extensive certification helps to control the environmental impacts of worksites. The proportion of sales covered by ISO 14001 certification has increased steadily (it was 61% in 2007).

## COLAS

### Encouraging the recycling of bituminous asphalt mixes

Percentage of asphalt pavement recycled in order to reclaim the bitumen

Scope: Colas materials production activities worldwide

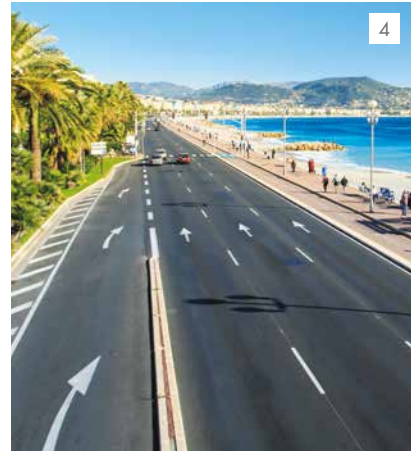


A significant rise (8% year-on-year), in line with the target of 15% in 2015. Recycling enables Colas to cut energy consumption (and hence greenhouse gas emissions), extract fewer of the aggregates it needs for its activities and reduce the amount of materials sent to landfill, while ensuring equivalent performance for end-users.

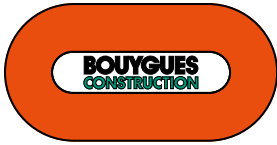
The Hikari eco-neighbourhood project in Lyon (Bouygues Immobilier), whose foundation stone was laid in 2013



# 2013 IN PICTURES



1. Project to modernise Iqaluit International Airport in Canada (Bouygues Construction - Colas)
2. L'Avance, the first positive-energy apartment building in the Paris region (Bouygues Immobilier)
3. Future French Ministry of Defence in Paris (15<sup>th</sup> arrondissement) (Bouygues Construction)
4. 3E<sup>®</sup> noise-reducing warm asphalt mix on the Promenade des Anglais in Nice (Colas)
5. Caisson of the Tanger Med II container port in Morocco (Bouygues Construction)
6. M0 motorway near Budapest in Hungary (Colas)



# BOUYGUES CONSTRUCTION

## A GLOBAL PLAYER IN CONSTRUCTION AND SERVICES

**With operations in 80 countries, Bouygues Construction** is a global player.

It has acknowledged expertise at all stages of a project, from financing to maintenance. Leading the way in sustainable construction, it offers customers a responsible and holistic approach, spanning social, technical and environmental challenges.

• **Public and private buildings:** housing, schools and universities, hospitals, hotels, office buildings, stadiums, airports, etc.

- **Civil works:** roads and motorways, railway and port infrastructure, tramways, metros, etc.
- **Energies and services:** energy network infrastructure, street lighting, digital networks, electrical, mechanical and HVAC engineering, facilities management, etc.
- **Concessions:** management and operation of transport infrastructure, sporting and leisure amenities, port areas, etc.



**52,163**

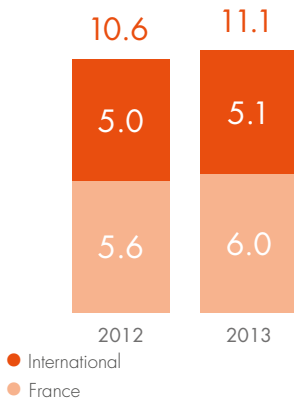
EMPLOYEES

at 31 December 2013

For more information  
[www.bouygues-construction.com](http://www.bouygues-construction.com)  
 @Bouygues\_C

### SALES

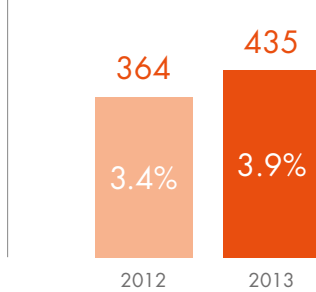
€ billion



### CURRENT OPERATING PROFIT

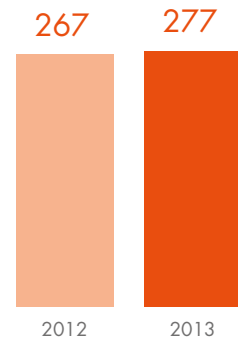
€ million

Current operating margin as %



### NET PROFIT\*

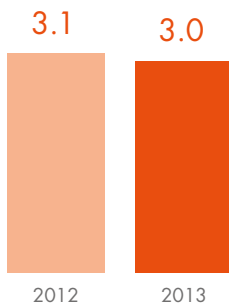
€ million



(\*): Attributable to the Group

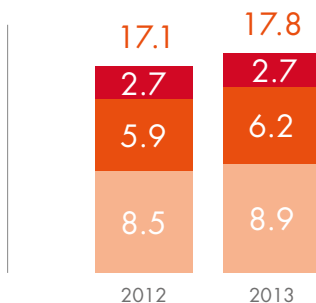
### NET CASH

€ billion, at end-December



### ORDER BOOK

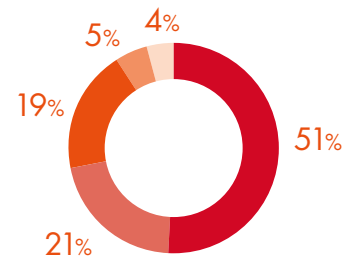
€ billion, at end-December



- More than 5 years
- 2 to 5 years
- Less than one year

### ORDER BOOK

by region



- France
- Europe (excl. France)
- Asia & Middle East
- Americas
- Africa

### Drawing on its expertise in green property, Bouygues Immobilier

is consolidating its position as a developer and urban operator for local authorities. Committed to rolling out a pioneering sustainable development strategy, it aims to remain a step ahead through innovation, customer satisfaction and the technical and architectural quality of its projects.

- **Residential property:** a diversified range of products (apartments, detached houses, etc.), a mainly

entry- to mid-level positioning, a strategy focusing on first-time buyers.

- **Commercial property:** turnkey buildings, green rehabilitation (Rehagreen®), the Green Office® positive-energy concept.
- **Sustainable neighbourhoods (UrbanEra®):** supporting local authorities in the development of major projects (Ginko in Bordeaux, Hikari in Lyon, etc.).
- **International:** subsidiaries in Poland, Belgium and Morocco.



# 1,588

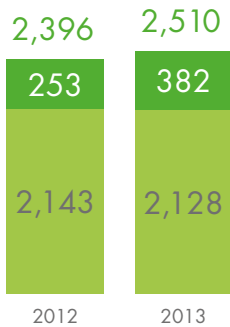
## EMPLOYEES

at 31 December 2013

For more information  
[www.bouygues-immobilier.com](http://www.bouygues-immobilier.com)  
 @Bouygues\_Immo

### SALES

€ million

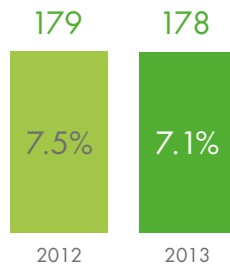


- Commercial (office and retail)
- Residential

### CURRENT OPERATING PROFIT

€ million

Current operating margin as %



### NET PROFIT\*

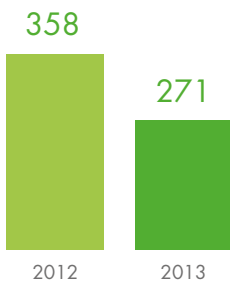
€ million



(\*): Attributable to the Group

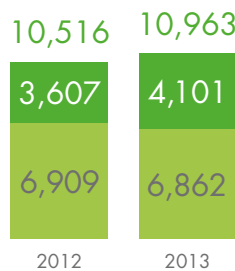
### NET CASH

€ million, at end-December



### RESIDENTIAL

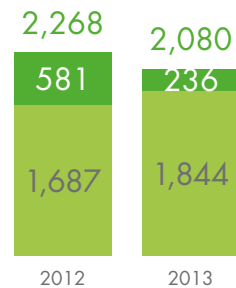
Number of reservations



- Block reservations
- Unit reservations

### RESERVATIONS

€ million



- Commercial (office and retail)
- Residential





# COLAS

## A WORLDWIDE LEADER IN TRANSPORT INFRASTRUCTURE

### Colas operates in transport infrastructure construction and maintenance.

Roadbuilding is its core business. Operating in 50 countries around the world, Colas completes nearly 110,000 projects a year to meet the challenges of mobility, urban development and the environment. Upstream of roadbuilding, Colas also integrates the production and recycling of materials.

- **Roads:** construction and maintenance of roads, motorways, airport runways, port and logistics hubs, urban and leisure amenities, tramways and bus lanes, civil engineering structures, buildings. Production and sale of construction materials: aggregates, emulsions and binders, asphalt mixes, ready-mix concrete and bitumen.
- **Specialised activities:** waterproofing, railways, sale of refined oil products, road safety and signalling, pipelines.



60,866

EMPLOYEES

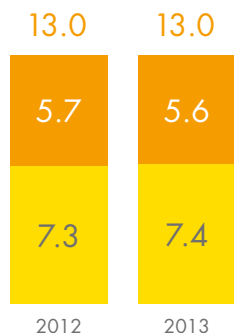
at 31 December 2013

For more information  
[www.colas.com](http://www.colas.com)  
@GroupeColas



### SALES

€ billion

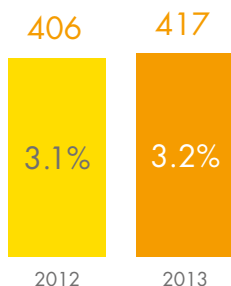


● International  
● France

### CURRENT OPERATING PROFIT

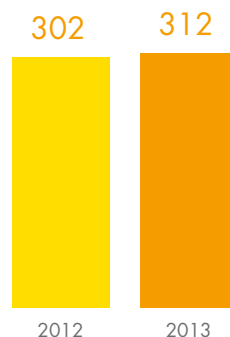
€ million

Current operating margin as %



### NET PROFIT\*

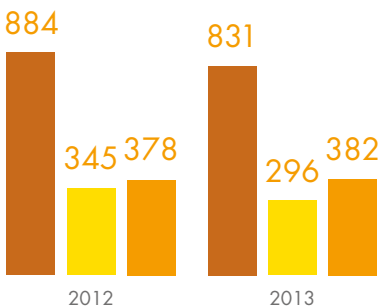
€ million



(\*): Attributable to the Group

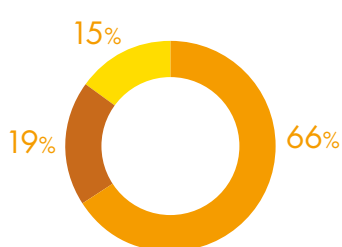
### CASH FLOW

€ million



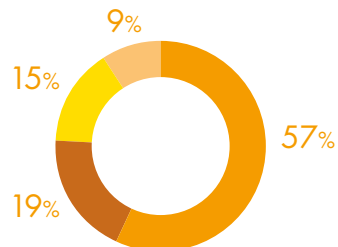
● Cash flow  
● Free cash flow (before change in working capital requirement)  
● Net capital expenditure

### SALES BY ACTIVITY



● Roads  
● Specialised activities  
● Sale of construction materials

### SALES BY REGION



● France  
● North America  
● Europe (excl. France)  
● Rest of the World

**MEDIA**

# TF1, THE LEADING TELEVISION GROUP IN FRANCE

**TF1 is an integrated media group whose mission is to inform and entertain. Operating France's leading mainstream television channel and the leader in freeview TV, the TF1 group uses digital technology to enhance its viewers' experience.**



2013 KEY FIGURES

**3,770**  
EMPLOYEES

**€2,470m** (-6%)  
SALES

**€223m** (-14%)  
CURRENT OPERATING PROFIT



VEUX  
AFOX

VEVOUS VI

*The Voice*, aired on TF1, attracted a top audience of 9.6 million viewers in 2013. The show welcomes a new coach, Mika, in 2014.

## MEDIA



**In a fiercely competitive environment, TF1 increased its audience shares. This achievement endorsed its strategy of innovation in programming and digital technology, which brings the public and the TF1 group's brands closer together.**

As well as four freeview TV channels (TF1, TMC, NT1 and HD1), the TF1 group has a dozen pay-TV channels (Eurosport, LCI, TV Breizh, TF6 and Série Club, jointly owned with M6; and the channels of the Discovery division).

The group's businesses now span the entire value chain from audiovisual and film production to the sale of advertising slots and the distribution of DVDs and CDs.

As well as leading the market with its digital services, the TF1 group has created a wide range of channel-based merchandising, including home shopping, catch-up TV, video on demand and licences.



The TF1 group combines the efficiency of mass media with the strengths of personal digital media, offering high-quality content while developing opportunities to reach a wide audience through fixed and mobile digital technologies.



13.6 million viewers watched the football match between France and Ukraine in November 2013

### Strategy

In a fast-moving market, the TF1 group is transforming its business model and asserting its status as the leader in freeview television, driven by strong brands (TF1, TMC, NT1 and HD1) and an innovation strategy applied to both content (20 new programmes in 2013) and technology (Connect).

In order to expand its presence effectively on all media (DTT, internet, smartphones, tablets, etc.), the TF1 group aims to:

- make maximum use of content (programmes, series, etc.) on all fixed and mobile media;
- consolidate its leading position in freeview television with an unrivalled choice of channels;
- step up growth in its other activities, enhancing the provision and delivery of content;
- free up resources for future growth by continuing to adapt its business model through a cost optimisation plan;
- ensure, both in corporate governance and in its activities, that ethical and responsible principles are applied in relations with stakeholders, since the TF1 group is mindful of the social responsibility that comes with its position as France's leading media group.

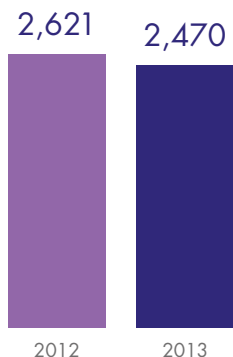
### Strengths and assets

Its positioning and offering give the TF1 group solid strengths:

- **A unique position in the French audiovisual sector.** In 2013, amid heightened competition, the TF1 TV channel increased its audience share and once again scored unrivalled ratings, especially in prime time.
- **Numerous synergies between television and digital,** the development of which is extending the reach of the brands featured on TF1 group channels.
- **The ability to adapt and innovate,** enabling the group to deal with structural and cyclical change in the market and to create the conditions most conducive to new developments.
- **International exposure,** based on a robust business model which, with the Eurosport group, complements the freeview service. Eurosport has teamed up with Discovery Communications, a top-level partner that secures its long-term development.
- **A robust financial structure** which gives the TF1 group the means to finance its ambitions for growth and profitability.

## SALES

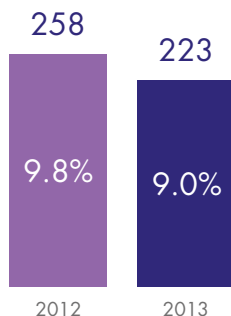
€ million



## CURRENT OPERATING PROFIT

€ million

Current operating margin as %



## 2013 highlights

**KEY FIGURE.** 99 of the top 100 TV audiences\* were scored by the TF1 TV channel in 2013 (all channels).

**AUDIENCE.** HD1 is the leader of the six new DTT channels launched in France in December 2012.

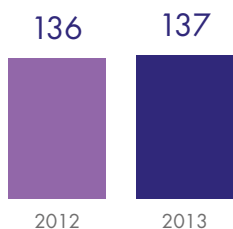
**EUROSPORT.** New improvement in profitability and ramp-up of the partnership with Discovery Communications.

**INTEGRATION.** 13 candidates selected for the sixth intake of the TF1 Corporate Foundation.

(\* Source: Médiamat by Médiamétrie)

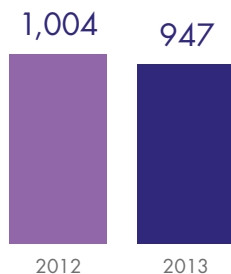
## NET PROFIT\*

€ million



## PROGRAMMING COSTS OF THE 4 FREEVIEW CHANNELS

€ million



## Promoting community ties

Total value of charitable initiatives (value of airtime on TF1 group channels, foundations, cash donations)

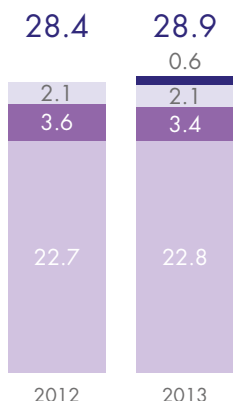
 **€38.2m**  
in 2013

TF1 group channels mobilised extensively in 2013 to support prime-time campaigns for charities such as *Les Restos du Cœur*, *Pièces Jaunes* and *Sidaction*.

(\* Attributable to the Group)

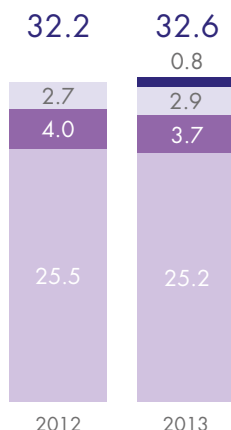
## GROUP AUDIENCE SHARE\*

Individuals aged 4 and over



## GROUP AUDIENCE SHARE\*

Women under 50 who are purchasing decision-makers



● TF1 ● TMC ● NT1 ● HD1

(\* Source: Médiamétrie. HD1 was launched in December 2012)

## Dialogue with the public

Number of fans and followers on social media

 **20 million**  
in 2013

The public can use social media such as Facebook, Twitter and Google+ to interact with news, entertainment and other programmes and with their anchors and hosts.

## Business activity in 2013

The TF1 group became France's leading television group<sup>(1)</sup> in 2013 in a context of heightened competition on the freeview television market.

## A leading television group

The aggregate audience share of the TF1 group's four freeview channels rose by 2% on the 2012 figure to 28.9% of individuals aged 4 and over and by 1% to 32.6% of women under 50 who are purchasing decision-makers.

The core TF1 TV channel confirmed its leading position, increasing its audience share among individuals aged 4 years and over to 22.8% (0.1 point up on 2012). TMC confirmed its status as the fifth most popular nationwide channel while audiences for NT1 continued to grow. HD1, the TF1 group's fourth freeview channel, is the leader of the six new HD channels launched on DTT in France in December 2012.

The TF1 group also reaped the benefits of its digital strategy through a benchmark multi-screen offering (internet, mobile, tablet and connected TV) and had 26 of the 30 programmes that attracted the most comment on social media (source: NPA Conseil).

Consumer services faced a slack consumer market in 2013 as well as an unfavourable comparative base, especially in video.



The partnership with Discovery Communications in pay-TV took form, especially at Eurosport. In January 2014, TF1 and Discovery Communications concluded an agreement under which Discovery should shortly become the majority shareholder of Eurosport International.

*(1) Médiamat by Médiamétrie – Consolidated audience share at 31 December 2013 – Individuals aged 4 and older*

## Ongoing adaptation of the business model

The TF1 group reported sales of €2,470 million in 2013, 6% lower than in 2012. The decline was mainly due to a 5% drop in sales of advertising on the four freeview channels, attributable in particular to fierce price pressure on a highly competitive market against the background of a sluggish economy.

The TF1 group stepped up its measures to adapt to the situation, accelerating implementation of phase II of its cost optimisation programme. At end-2013, the TF1 group had achieved €56 million of recurrent savings out of a planned €85 million by end-2014. These savings come in addition to the €155 million of recurrent savings already achieved between 2008 and 2011.

Responding to the economic downturn, the TF1 group generated additional one-off savings in 2013. Overall, the group's operating expenses fell by

€115 million as a result of a sharp reduction in the cost of programmes on the four freeview channels, representing a saving of €57 million, and a €58-million fall in other operating expenses.

Operating profit amounted to €223 million. After a tough first quarter, adjustment measures enabled the TF1 group to improve its profitability in the remaining three quarters of 2013. Net profit attributable to the Group amounted to €137 million, the same level as in the previous year. The TF1 group also enjoys a very sound financial situation, with net cash of €188 million at end-December 2013, compared with €237 million a year earlier.

For more information  
[www.groupe-tf1.fr](http://www.groupe-tf1.fr)  
[@TF1Corporate](#)

A white hand cursor icon pointing towards the right, indicating a clickable element.

Sagamore Sévenin in the new series *Falco*



**Innovation in broadcasting.** The TF1 channel introduced more than 20 new programmes in 2013, including the French drama *Falco* (7.3 million viewers on launch), the American series *Unforgettable* (up to 9 million viewers) and the short programme *Pep's* (up to 8.3 million viewers).



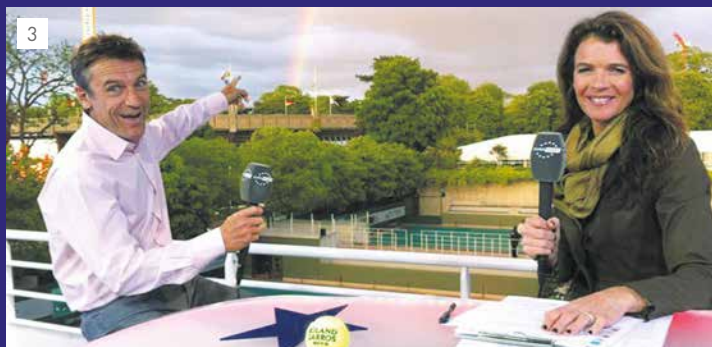
1

2



**Digital.** TF1 launched its Connect digital app in 2013 to enhance viewers' TV experience. The app enables viewers to interact with TF1's flagship shows such as *The Voice* and *Danse avec les Stars* via a second screen and social networks. Viewers can also find out more about certain items shown on the midday and evening news bulletins.

**TF1/Discovery partnership.** In 2013, Discovery Communications and TF1 together launched the first joint initiatives to continue developing Eurosport around the world. A joint venture was created to market pay TV channels and a first agreement was signed to schedule a Eurosport programme on the Discovery channel Velocity in the United States. In January 2014, TF1 and Discovery Communications concluded an agreement under which Discovery should soon become the majority shareholder of Eurosport International.



3



4

1. Cheeky humour with *Pep's*
2. Taking part in the event with Connect
3. Eurosport: Mats Wilander and Annabel Croft at the French Open in 2013
4. The winners of the Purchasing and Diversity prize

**Responsible purchasing.** The TF1 group's purchasing department won the Purchasing and Diversity prize at the 2013 Purchasing Awards ceremony. The prize is awarded to the company which has done most to incorporate diversity into its purchasing policy. The annual event is organised by the French purchasing managers association, the Compagnie des Dirigeants et Acheteurs de France (CDAF).

TELECOMS

# BOUYGUES TELECOM, AT THE HUB OF ITS CUSTOMERS' DIGITAL LIVES

A major player in the French electronic communications market, Bouygues Telecom is committed to making ongoing advances in digital technology available to the largest possible number of people.







2013 KEY FIGURES

**9,092**  
EMPLOYEES

**€4,664m** (-11%)  
SALES

**€125m** (+2%)  
CURRENT OPERATING PROFIT

October 2013:  
Bouygues Telecom  
launches its nationwide  
4G network and organises  
4G demonstration areas,  
as here in the La Défense  
business district near Paris.

## TELECOMS



**In an increasingly fierce competitive environment, Bouygues Telecom has adapted its strategy to new market developments with the aim of widening internet access to as many people as possible, at home and on the move.**

A major player on the French market for over 17 years and inventor of the mobile call plan, Bouygues Telecom constantly innovates in order to make digital life easier for its 13.1 million customers.

### Strategy

#### Creating value by developing mobile internet use

The launch of a nationwide 4G network covering 40 million people on 1 October 2013 gave Bouygues Telecom a great opportunity to regain the initiative on the mobile segment for the benefit of customers. Bouygues Telecom has opted to make 4G accessible to as many people as possible in order to boost the use of data services.

#### Increasing its share of the fixed broadband market

On the fixed broadband market, Bouygues Telecom launched B&YOU's "la Box Internet", an innovative and affordably-priced double-play<sup>(1)</sup> offer. It is complementary to the Bbox Sensation triple-play offer, a package which gives access to enhanced services.

In addition, Bouygues Telecom's partnership with Numericable already provides very-high-speed coverage of



Bouygues Telecom widens access to internet at home and on the move

7 to 8 million households. Bouygues Telecom is continuing to extend its network under agreements with Orange and SFR.

#### Continuing to grow in the SIM-only/Web-only market

In 2013, B&YOU (b-and-you.fr) made a substantial contribution to growth of the SIM-only/Web-only (or "SoWo") segment by progressively enhancing its offers.



#### Developing Business service

Bouygues Telecom has real potential for growth on the B2B services market.

Over 200 major business customers and many SMEs already use the comprehensive solutions offered by Bouygues Telecom Entreprises.

The operator also offers solutions for smart devices and cloud computing<sup>(2)</sup> services, two markets where strong growth may be expected in the years to come.

#### Sharing networks to offer the best coverage

Bouygues Telecom and SFR have concluded a strategic agreement to share part of their mobile networks in lower population density areas of mainland France.

As well as improving its competitiveness, the agreement will enable Bouygues Telecom to offer its customers better service quality.

#### Strengths and assets

- 11.1 million mobile customers and 2 million fixed broadband customers have placed their trust in Bouygues Telecom.
- Access to a wide frequency spectrum with 28% of the spectrum in France.
- Powerful mobile and fixed networks with 15,000 base stations ensuring proprietary mobile coverage of 99% of the French population in 2G, 96% in 3G+ and 63% in 4G.
- Innovative mobile and fixed services (4G, B&YOU's "la Box Internet" double-play offer, etc.).
- High-quality customer support from Club Bouygues Telecom stores, call centres and the website.

(1) Internet and fixed telephony

(2) Data and IT resources hosted on remote servers that can be accessed via a network such as the internet

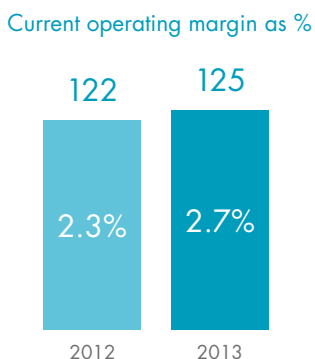
## SALES

€ million



## CURRENT OPERATING PROFIT

€ million



### 2013 highlights

**JULY:** start of negotiations with SFR to share part of the mobile network.

**AUGUST:** long-term instalments offer customers a new way of financing their handsets.

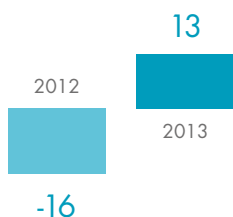
**OCTOBER:** launch of France's biggest 4G network.

**NOVEMBER:** B&YOU launches its "la Box Internet" double-play offer.

**DECEMBER:** inclusion of 4G in B&YOU plans priced at €19.99 or €24.99 per month.

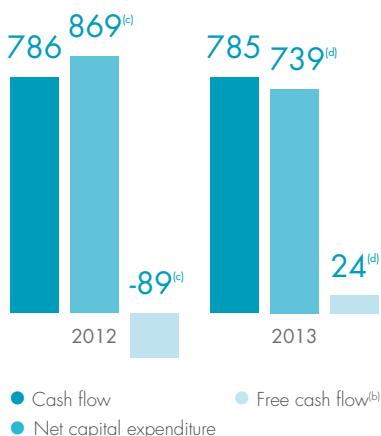
## NET PROFIT<sup>(a)</sup>

€ million



## CASH FLOW

€ million



### Reducing the environmental footprint

Energy consumption (offices, base stations, data centres).  
1 October 2012 to 30 September 2013



**-18%**  
in one year

This represents a total of 92 GWh. The reduction is mainly due to the replacement of 2G telecom equipment with more energy-efficient equipment using several different technologies.

(a) Attributable to the Group (b) Before change in working capital requirement (c) Excluding acquisition cost and capitalised interest related to 4G frequencies for €696 million and exceptional asset disposals for €207 million (d) Excluding capitalised interest related to 4G frequencies for €13 million

### Collecting pre-owned handsets

Number of pre-owned handsets collected for recycling from retail and business customers.  
1 October 2012 to 30 September 2013



**172,810**

Bouygues Telecom offered a bonus on the take-back price of a pre-owned handset for the purchase of a new one. In November 2013, Bouygues Telecom Entreprises introduced an offer to buy back fleets of mobile handsets from business customers.

## FIXED BROADBAND CUSTOMERS

'000, at end-December



## MOBILE CUSTOMERS

'000, at end-December



## Business activity in 2013

Bouygues Telecom continued to pursue its two priority objectives in 2013:

- **repositioning its offering** in order to boost differentiation and return to growth;
- **continuing the transformation plan** begun in early 2012.

### Repositioning its offering to the benefit of customers

Bouygues Telecom had 11.1 million mobile customers at end-2013. Although the number of prepaid customers continued to fall (by 590,000), 482,000 new customers signed up to call plans during the year. The increase was mainly driven by B&YOU plans, which attracted 726,000 new customers in 2013.

For the nationwide launch of 4G, Bouygues Telecom pulled out all the stops to make the service accessible to as many people as possible, offering:

- **France's biggest 4G network** covering over 40 million people;
- **new terms for financing handsets** which enable customers to pay for their phone in 24 monthly instalments;
- **an extensive choice of 4G-compatible handsets;**
- **a range of minimum term and no minimum term plans** including up to 16GB of data.

Bouygues Telecom passed the milestone of one million active 4G customers<sup>(1)</sup>, representing nearly 10% of its mobile customer base at end-2013.

At the same time, B&YOU strengthened its presence on the SIM-only/Web-only (SoWo) market. With plans ranging from €2.99 per month for light users to €24.99 per month including 4G for heavy data users, B&YOU had 1.75 million customers at end-2013.

(1) Customers with a 4G plan and a 4G-compatible handset

On the fixed broadband market, Bouygues Telecom widened fixed internet access with the introduction in November of B&YOU's "la Box Internet" offer. With this double-play offer (internet and fixed telephony), B&YOU is targeting a market complementary to that of its Bbox triple-play offer. The strategy took the number of Bouygues Telecom's fixed broadband customers over the 2 million mark at end-2013, representing an additional 167,000 customers over the year.

### Stepping up transformation

In a context of a further increase in competitive pressure and in the proportion of plans sold without a subsidised handset, Bouygues Telecom generated sales of €4,664 million in 2013, 11% down on 2012.

The measures contained in the transformation plan introduced in early 2012 paid off, achieving better-than-expected results and generating savings of €599 million in the mobile activity since the end of 2011. As a result of the measures taken, EBITDA was almost stable in relation to 2012 despite lower sales.

After a non-current charge of €80 million, operating profit amounted to €45 million and net profit attributable to the Group to €13 million.

### Network sharing agreement with SFR

On 31 January 2014, Bouygues Telecom and SFR concluded an agreement to share part of their mobile access networks. The agreement will give customers better coverage outside and inside buildings as well as better service quality. It will also enable Bouygues Telecom to improve its competitiveness and to benefit from opportunities to share costs.

For more information  
[www.bouyguestelecom.fr](http://www.bouyguestelecom.fr)  
[@bouyguestelecom](https://twitter.com/bouyguestelecom)



4G, a turning point for Bouygues Telecom





### 4G available to everyone.

Bouygues Telecom is rolling out its strategy of widening 4G access and encouraging mobile internet use, through:

- extended coverage: 4G is available to 40 million people in France;
- a choice of more than 50 4G-compatible handsets;
- a choice of 4G plans with up to 16GB of data;
- inclusion of 4G at no extra cost in all regular plans and in B&YOU plans priced at €19.99 and €24.99 per month.

**Home gateway.** B&YOU returned to the forefront in November 2013 with a fixed broadband double-play package (internet and fixed telephony), with no hidden costs and affordably priced at €15.99 per month with no minimum term. It is particularly well-suited to customers who mainly use the internet for digital entertainment and are not eligible for the TV service or who are looking for a low-price fixed broadband solution.



**Energy.** Bouygues Telecom is taking part in the IssyGrid® project in Issy-les-Moulineaux, near Paris, providing the equipment used to manage households' energy consumption. At one of its sites, the company is also testing its capacity to temporarily reduce its power consumption from the national grid (see also pages 17 and 19).

**Handsets.** Bouygues Telecom introduced a range of own-brand handsets in April 2013 to give customers the opportunity to buy a quality handset at the most competitive price on the market. To accompany the launch of 4G, Bouygues Telecom launched Ultym 4, its first own-brand 4G-compatible smartphone.




1. Advertising campaign for the launch of 4G
2. Double-play home gateway
3. IssyGrid®: tools for managing energy consumption
4. Ultym 4, sold by Bouygues Telecom

**POWER-GRID-TRANSPORT**

# ALSTOM: SHAPING THE FUTURE

**Alstom is a global leader in power generation,  
power transmission and rail transport infrastructure.**



**Haliade™ 150-6MW,  
the largest offshore wind  
turbine (Belwind, Belgium)**

## Profile

### Power generation

Spanning all power generation technologies (coal, gas, oil, nuclear, hydro, wind, tidal, geothermal, biomass, solar), Alstom offers the most comprehensive set of products on the market and leads the world in turnkey power plants, hydropower generation, air quality control systems and electricity generation services. The group is also a pioneer in carbon capture and storage technology. Alstom equipment is used in a quarter of the world's operational power plants.

Alstom's products and services are designed to optimise customers' investments, drawing on the three strands of its clean energy strategy (Clean Power, Clear Solutions™):

- reducing the cost of electricity by ensuring that plant and equipment are competitive;
- reducing the environmental footprint of power plants in order to make them more environment-friendly;
- increasing the flexibility and reliability of the plant and equipment supplied.

Alstom also has extensive experience in retrofitting, upgrading, refurbishing and modernising existing power plants.

### Power transmission

Alstom Grid is a world leader in electrical grid technologies. It supplies integrated and tailored solutions to operators and industrial clients, such as Alternating-Current (AC) and Direct-Current (DC) substations from medium to ultra-high voltages. Alstom Grid solutions help to make electricity grids substantially more efficient through the development of smart grids and play a key role in supergrids, which connect countries and continents over long distances and incorporate electricity from renewable energy sources.

### Rail transport

Alstom is one of the world's leading suppliers of rail transport equipment and services. Alstom Transport spans the entire rail transport market, from very-high-speed trains to light urban transport. Alstom provides infrastructure, signalling equipment, maintenance services and turnkey rail systems. Alstom Transport is the world's leading maker



Citadis tramway, handed over in Dubai in December 2013

of high-speed and very high-speed trains and in urban light railway systems (metros, tramways, etc.).

### Results

Alstom booked orders worth €15.1 billion in the first nine months of FY2013/14 (from 1 April to 31 December 2013), 12% lower than in the same period of the previous financial year.

Commercial activity was particularly vigorous in Renewable Power and Transport but weak in Thermal Power, despite a good performance by services. Grid orders were affected by tough market conditions and the lack of major projects.

Alstom reported sales of €14.5 billion, representing organic growth of 3% in comparison with the first nine months of FY2012/13. Exchange rate fluctuations had a 4% negative impact on sales over the period.

### A global action plan

Slow growth continues to affect the overall economic environment. In order to improve its competitiveness and adjust its cost base, Alstom is stepping up its performance plan, named "d2e" (dedicated to excellence), with the aim of generating annual cost savings that are expected to reach €1.5 billion by April 2016 in comparison with the cost base in FY2012/13.

In order to increase financial flexibility and enhance strategic mobility, both for the group and for its Transport division, Alstom is considering selling a minority interest in Alstom Transport, either

through an IPO or to industrial partners or financial investors. Alstom also intends to dispose of certain non-core assets. Overall, the programme aims to raise between €1 billion and €2 billion by December 2014.

### 2013 highlights

**FEBRUARY 2013:** combined cycle power plant in Thailand (€225 million)  
• 36 light rail vehicles for Ottawa in Canada (€400 million).

**MARCH 2013:** high-voltage direct-current offshore grid connection in Germany (over €1 billion).

**APRIL 2013:** one of the world's largest wind power farms in Brazil (€450 million).

**JULY 2013:** Riyadh metro in Saudi Arabia (€1.2 billion).

**OCTOBER 2013:** series of contracts for the maintenance and renovation of power plants in North America (€900 million) • Alstom selected for a project for 600 commuter trains in South Africa (over €4 billion).

**BOUYGUES**

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The enhanced interactive *In Brief* (slides, videos, documentation) can be viewed on the internet and intranet sites of the Bouygues group, as well as on iOS and Android tablets.