

FIRST-HALF 2022 FINANCIAL REPORT



BOUYGUES

The gravity-base foundations of the Fécamp offshore windfarm under construction

Making progress become reality

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The first-half review of operations and condensed consolidated first-half financial statements were approved by the Board of Directors at its meeting on 1 August 2022.



1. GOVERNANCE AND SHARE OWNERSHIP

1.1. Composition of the Board of Directors and Committees

Composition of the Board of Directors at 30 June 2022

Members of the SCDM¹ group

Martin Bouygues

Chairman

Olivier Bouygues

Director

Directors representing the SCDM group

Charlotte Bouygues

Standing representative of SCDM

William Bouygues

Standing representative of SCDM Participations

Independent directors

Félicie Burelle

Pascaline de Dreuzy

Clara Gaymard

Benoît Maes

Rose-Marie Van Lerberghe

Other director

Alexandre de Rothschild

Directors representing employee shareholders

Raphaëlle Deflesselle

Michèle Vilain

Directors representing employees

Bernard Allain

Béatrice Besombes

¹ SCDM is a company controlled by Martin Bouygues, Olivier Bouygues and their families.

Board Committees

Audit Committee

Benoît Maes (Chairman)

Pascaline de Dreuzy

Clara Gaymard

Michèle Vilain

Selection and Remuneration Committee

Pascaline de Dreuzy (Chairwoman)

Bernard Allain

Benoît Maes

Ethics, CSR and Patronage Committee

Rose-Marie Van Lerberghe (Chairwoman)

Raphaëlle Deflesselle

Clara Gaymard

1.2. Bouygues share ownership at 30 June 2022

1.2.1. Share capital

The share capital of Bouygues at 30 June 2022 was €382,522,675, composed of 382,522,675 shares with a par value of €1 each.

At the same date, the number of voting rights stood at 517,088,541 (including shares stripped of voting rights, in accordance with the calculation methods set out in Article 223-11 of the AMF General Regulation).

1.2.2. Main shareholders and voting rights

Share ownership structure at 30 June 2022

	Number of shares	% of capital	% of voting rights
SCDM ^a	93,702,318	24.5	29.3
Employees	83,757,822	21.9	30.2
Other shareholders	199,023,977	52.0	39.3
Treasury shares	6,038,558	1.6	1.2
Total	382,522,675	100	100

(a) SCDM is a company controlled by Martin Bouygues, Olivier Bouygues and their families. This figure includes shares owned directly by Martin Bouygues and Olivier Bouygues.

Reminder of share ownership structure at 31 December 2021:

	Number of shares	% of capital	% of voting rights
SCDM ^a	93,487,318	24.4	29.5
Employees	78,879,530	20.6	28.9
Other shareholders	207,355,005	54.3	41.1
Treasury shares	2,782,942	0.7	0.5
Total	382,504,795	100	100

(a) SCDM is a company controlled by Martin Bouygues, Olivier Bouygues and their families. This figure includes shares owned directly by Martin Bouygues and Olivier Bouygues.

The percentage of voting rights above is calculated on the basis of theoretical voting rights attached to shares, including those stripped of voting rights.

2. FIRST-HALF REVIEW OF OPERATIONS

2.1. The Group

2.1.1. Key messages

- Strong first-half results against a complex backdrop
- Group sales up 6% and Group current operating profit up €21 million
- Group outlook for 2022 confirmed
- Bouygues Telecom replaces its 2022 sales from services growth target of around 5% with a sales billed to customers growth target of above 5%
- Bouygues Telecom revises its target upwards and now expects EBITDA after Leases growth of over 8% (versus “growth of around 7%” previously)

2.1.2. Key figures

(€ million)	H1 2022	H1 2021	Change
Sales	18,531	17,417	+6% ^a
Current operating profit/(loss)	492	471	+21
Current operating margin	2.7%	2.7%	=
Operating profit/(loss)	448 ^b	551 ^c	-103
Net profit/(loss) attributable to the Group	147	408	-261
Net surplus cash (+)/net debt (-)	(3,705)	(2,813)	-892

(a) Up 3% like-for-like and at constant exchange rates.

(b) Including net non-current charges of €44m.

(c) Including net non-current income of €80m.

- **Sales** totalled €18.5 billion, up 6%, or up 3% like-for-like and at constant exchange rates. Sales growth was mainly contributed by Colas.
- **Current operating profit** increased by €21 million versus the first half of 2021 to €492 million. The **current operating margin** was 2.7% in the first half of 2022, stable relative to the first half of 2021. The media and telecoms businesses significantly improved their profitability. Currently impacted by Colas, the profitability of the construction and services businesses was lower.
- **Net profit attributable to the Group** was €147 million. It includes net non-current charges¹ of €44 million, comprising mainly costs relating to the planned Equans acquisition and the proposed TF1-M6 merger, plus capital gains on the sale of data centers by Bouygues Telecom. As a reminder, net profit attributable to the Group in the first half of 2021 included a €219 million contribution from Alstom, mainly related to share sales as well as net non-current income of €80 million, mainly related to the sale of data centers by Bouygues Telecom.

2.1.3. Financial situation

- At €17.9 billion, the Group remained at a very high level of **available cash** (€20.4 billion at end-2021), comprising cash and equivalents (€5 billion) supplemented by undrawn medium- and long-term credit facilities (€12.9 billion, of which €4.7 billion related to the syndicated loan signed in December 2021 for the acquisition of Equans).

¹ Including non-current charges of €13m at Bouygues Construction, of €7m at TF1 and of €34m at Bouygues SA; and non-current income of €10m related to capital gains on the sale of data centers at Bouygues Telecom.

- **Net debt** at end-June 2022 was €3,705 million versus €941 million at end-December 2021 and €2,813 million at end-June 2021. The change between end-December and end-June reflects notably the usual seasonal nature of business, payment of the dividend in May 2022, share buybacks, payment of €130 million to Engie in connection with signature of the Share Purchase Agreement on 12 May (to be deducted from amount payable to Engie on the closing date) and positive fair-value adjustments on interest-rate swaps (see below). Additionally, Colas was impacted by higher inventories connected with increases in material prices, and trade receivables linked to significantly higher sales in the first half of 2022.
- **Net gearing**¹ remained low at 29% (versus 24% at end-June 2021).

Between November 2021 and January 2022, to protect itself against a rise in interest rates, the Group entered into pre-hedging contracts with a view to refinancing the bond issue maturing in 2023 and the syndicated loan signed for the acquisition of Equans.

At 30 June 2022, the fair value of these pre-hedging swaps totalled €765 million versus €38 million at 31 December 2021 and €439 million at 31 March 2022.

The €765 million includes the value of contingent swaps (€245 million) locked in at the time of the below-mentioned bond issues.

On 17 May, the Group passed a first milestone in refinancing the syndicated loan, issuing €2 billion in bonds, in two tranches:

- €1 billion for 7 years, with a coupon of 2.25%. The economic cost for the Group, after factoring in pre-hedging, comes to slightly below 0.95%.
- €1 billion for 15 years, with a coupon of 3.25%. The economic cost for the Group, after factoring in pre-hedging, comes to slightly below 1.90%.

Concerning non-contingent swaps, a €42 million cash adjustment was collected in connection with the bond issues.

In the first half of 2022, Bouygues renewed its medium- and long-term credit facilities as they expired, without financial covenants or rating clauses. As a reminder, the amount outstanding on the syndicated loan signed in December 2021, which similarly has no financial covenants nor rating clauses, was reduced from €6 billion to €4.7 billion as a result of the above-mentioned bond issues.

At end-June, the average maturity of the Group's bonds was 7.8 years and the average coupon on the bonds was 2.32%. The debt maturity schedule is evenly spread.

The long-term credit ratings assigned to the Group by Moody's and Standard & Poor's, unchanged since 10 November 2021, are A3, stable outlook, and A-, CreditWatch Negative, respectively.

2.1.4. Outlook

The Group confirms its outlook for 2022:

This outlook is based on information known to date. It excludes any further deterioration in the situation due to Covid-19 and does not factor in the planned acquisition of Equans or the proposed merger between TF1 and M6.

- In 2022, the Group is expecting a further **increase in sales and current operating profit** versus 2021.
- After the endorsement of Colas' greenhouse gas emission reduction targets in 2021, the other business segments are now looking for the SBTi² to endorse their own decarbonisation targets.

¹ Net debt/shareholders' equity.

² Science Based Targets initiative.

Bouygues remains very vigilant, looking for any changes in the macroeconomic situation and their direct or indirect consequences on the Group's activities and results.

Bouygues Telecom revises its outlook for 2022:

Bouygues Telecom replaces its 2022 sales from services growth target of around 5% with a sales billed to customers growth target of above 5%.

Bouygues Telecom replaces its sales from services growth target with a sales billed to customers growth target, which is more representative of its performance. Unlike sales billed to customers, sales from services (up 3% in first-half 2022) are subject to the structural and cyclical performance of sales from "incoming" traffic, whereas this has no impact on EBITDA after Leases (since sales from "incoming" traffic are offset by symmetric costs related to "outgoing" traffic).

Bouygues Telecom revises its target upwards and now expects EBITDA after Leases growth of over 8%.

Previously, Bouygues Telecom was expecting an EBITDA after Leases growth target of around 7%.

Gross capital expenditure was confirmed at €1.5 billion (excluding 5G frequencies) in order to keep pace with growth in the mobile and fixed customer base, and in usage.

Outlook for **TF1**

The current macroeconomic situation marked by inflation and the Ukraine conflict has not had a significant effect on the TF1 group's first-half 2022 results. In the second half of the year, the TF1 group will continue to adapt its costs in line with market developments

The media arm will benefit from an ambitious programme schedule, marked particularly by the Soccer World Cup at the end of 2022, which will boost its audience figures and allow it to offer premium ad inventories to its advertiser customers. The TF1 group will extend its coverage and help meet rapidly changing customer usage thanks to its efforts to allocate content between linear and non-linear services. The divestment of the Publishers business is expected in the second half of 2022.

Newen Studios will benefit from major programme deliveries in the second half and new orders, notably from the platforms, giving it confidence in its ability to achieve the set targets.

2.1.5. Milestones completed in the acquisition of Equans

On 12 May 2022, Bouygues signed a Share Purchase Agreement to acquire Equans from Engie, after the employee representative bodies of Equans and Engie had given their opinions.

On 19 July 2022, the European Commission cleared the acquisition of Equans by Bouygues on condition that Bouygues complies with its commitment to divest Colas Rail Belgium.

On 19 July 2022, the Competition and Markets Authority (CMA), in the UK, observed that the transaction would only worsen competitive conditions solely as regards the current tender relating to catenary systems for the High Speed 2 (HS2) railway line. On 26 July, Bouygues submitted its proposed remedies on which the CMA should soon give its decision.

As a reminder, closing of this deal is expected in the second half of 2022.

2.1.6. Proposed merger between TF1 and M6

The French Competition Authority's investigation teams have issued their report on the proposed merger between TF1 and M6. In their report, which in no way predicts the final decision of the authority's board, the investigation teams consider that the deal raises a number of significant competition concerns (especially in relation to the advertising market). The nature and extent of the remedies required in the report would mean that the merger plans would no longer be meaningful for the parties involved and they would therefore abandon them.

The parties, who do not intend to make any changes to their original plans, will inform the authority of their response within the next three weeks; hearings will take place before the French competition authority's board on 5 and 6 September.

2.1.7. Non-financial performance

In the first half of 2022, each business segment continued actions to fight climate change and protect biodiversity.

- Bouygues Construction is rolling out its BYSprong offering after trialling it in several developments. The purpose of this innovation, developed by the in-house R&D unit, is to carry out large-scale energy renovations of properties.
- In May, Bouygues Immobilier unveiled Cœur de Vie, its new value proposition for residential property tailored to people's wants and needs in the post-pandemic era. It will be available on all housing projects designed starting this year, and will give the company's products a more sustainable focus, together with increased comfort and more flexibility. The signature garden will be included in all projects designed from this year as part of Cœur de Vie, with the aim of reintroducing nature into urban environments. The signature garden will be included in all projects designed from this year as part of Cœur de Vie, with the aim of reintroducing nature into urban environments. Ecologists and landscapers will be systematically consulted during design phases.
- In June, Colas dedicated its second annual Environment Day to the topic of biodiversity. Other broader actions promoting biodiversity are conducted throughout the year. Back in 2013, Colas set the goal that each of its gravel pits and quarries must be running a biodiversity initiative by 2030.
- On 20 June, TF1 received eight separate awards at the 11th Deauville Green Awards, an international green-themed festival aimed at using film to raise awareness of sustainable development.
- Bouygues Telecom has filed an application to obtain SBTi (Science Based Targets Initiative) endorsement of its climate targets.

2.1.8. Business activity

Backlog in the construction and services businesses

(€ million)	End-June 2022	End-June 2021	Change	
Bouygues Construction	20,482	20,966	-2%	^a
Bouygues Immobilier	1,713	1,954	-12%	^b
Colas	12,936	10,333	+25%	^c
Total	35,131	33,253	+6%	^d

(a) Down 5% at constant exchange rates and excluding principal acquisitions and disposals.

(b) Down 12% at constant exchange rates and excluding principal acquisitions and disposals.

(c) Up 14% at constant exchange rates and excluding principal acquisitions and disposals.

(d) Up 1% at constant exchange rates and excluding principal acquisitions and disposals.

2.1.9. Financial performance

Group condensed consolidated income statement

(€ million)	H1 2022	H1 2021	Change
Sales	18,531	17,417	+6% ^a
Current operating profit/(loss)	492	471	+21
Other operating income and expenses	(44) ^b	80 ^c	-124
Operating profit/(loss)	448	551	-103
Cost of net debt	(73)	(75)	+2
Interest expense on lease obligations	(29)	(26)	-3
Other financial income and expenses	(4)	(19)	+15
Income tax	(103)	(146)	+43
Share of net profits of joint ventures and associates	(8)	201	-209
<i>o/w Alstom</i>	0	219	-219
Net profit from continuing operations	231	486	-255
Net profit attributable to non-controlling interests	(84)	(78)	-6
Net profit/(loss) attributable to the Group	147	408	-261

(a) Up 3% like-for-like and at constant exchange rates.

(b) Including non-current charges of €13m at Bouygues Construction, of €7m at TF1 and of €34m at Bouygues SA; and non-current income of €10m at Bouygues Telecom.

(c) Including non-current charges of €6m at Bouygues Immobilier, of €2m at TF1 and of €3m at Bouygues SA; and non-current income of €91m at Bouygues Telecom.

Calculation of Group EBITDA after Leases

(€ million)	H1 2022	H1 2021	Change
Current operating profit/(loss)	492	471	+21
Interest expense on lease obligations	(29)	(26)	-3
Net charges for depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets	977	989	-12
Charges to provisions and other impairment losses, net of reversals due to utilisation	(59)	127	-186
Reversals of unutilised provisions and impairment losses and other	(149)	(131)	-18
Group EBITDA after Leases ^a	1,232	1,430	-198

(a) See glossary for definitions.

Group sales by sector of activity

(€ million)	H1 2022	H1 2021	Change	Forex effect	Scope effect	Lfl & constant fx ^c
Construction and services businesses ^a	13,717	12,822	+7%	-2%	-2%	+3%
<i>o/w Bouygues Construction</i>	6,413	6,337	+1%	-2%	-0%	-1%
<i>o/w Bouygues Immobilier</i>	869	981	-11%	+0%	+0%	-11%
<i>o/w Colas</i>	6,517	5,591	+17%	-3%	-4%	+9%
TF1	1,187	1,129	+5%	-0%	-2%	+3%
Bouygues Telecom	3,636	3,471	+5%	+0%	+0%	+5%
Bouygues SA and other	99	104	nm	-	-	nm
Intra-Group eliminations ^b	(190)	(196)	nm	-	-	nm
Group sales	18,531	17,417	+6%	-2%	-2%	+3%
<i>o/w France</i>	11,121	10,852	+2%	+0%	-0%	+2%
<i>o/w international</i>	7,410	6,565	+13%	-5%	-4%	+4%

(a) Total of the sales contributions (after eliminations within the construction and services businesses).

(b) Including intra-Group eliminations of the construction and services businesses.

(c) Like-for-like and at constant exchange rates.

Contribution to Group EBITDA after Leases by sector of activity

(€ million)	H1 2022	H1 2021	Change
Construction and services businesses	97	357	-260
<i>o/w Bouygues Construction</i>	142	254	-112
<i>o/w Bouygues Immobilier</i>	22	27	-5
<i>o/w Colas</i>	(67)	76	-143
TF1	326	322	+4
Bouygues Telecom	830	758	+72
Bouygues SA and other	(21)	(7)	-14
Group EBITDA after Leases ^a	1,232	1,430	-198

(a) See glossary for definitions.

Contribution to Group current operating profit by sector of activity

(€ million)	H1 2022	H1 2021	Change
Construction and services businesses	41	83	-42
<i>o/w Bouygues Construction</i>	185	166	+19
<i>o/w Bouygues Immobilier</i>	16	17	-1
<i>o/w Colas</i>	(160)	(100)	-60
TF1	189	169	+20
Bouygues Telecom	295	244	+51
Bouygues SA and other	(33)	(25)	-8
Group current operating profit/(loss)	492	471	+21

Contribution to Group operating profit by sector of activity

(€ million)	H1 2022	H1 2021	Change
Construction and services businesses	28	77	-49
<i>o/w Bouygues Construction</i>	172	166	+6
<i>o/w Bouygues Immobilier</i>	16	11	+5
<i>o/w Colas</i>	(160)	(100)	-60
TF1	182	167	+15
Bouygues Telecom	305	335	-30
Bouygues SA and other	(67)	(28)	-39
Group operating profit	448 ^a	551 ^b	-103

(a) Including non-current charges of €13m at Bouygues Construction, of €7m at TF1 and of €34m at Bouygues SA; and non-current income of €10m at Bouygues Telecom.

(b) Including non-current charges of €6m at Bouygues Immobilier, of €2m at TF1 and of €3m at Bouygues SA; and non-current income of €91m at Bouygues Telecom.

Contribution to net profit attributable to the Group by sector of activity

(€ million)	H1 2022	H1 2021	Change
Construction and services businesses	16	5	+11
<i>o/w Bouygues Construction</i>	135	119	+16
<i>o/w Bouygues Immobilier</i>	9	(6)	+15
<i>o/w Colas</i>	(128)	(108)	-20
TF1	56	47	+9
Bouygues Telecom	174	199	-25
Alstom	0	219	-219
Bouygues SA and other	(99)	(62)	-37
Net profit/(loss) attributable to the Group	147	408	-261

Net surplus cash(+)/net debt (-)

(€ million)	End-June 2022	End-Dec 2021	Change
Bouygues Construction	2,558	3,521	-963
Bouygues Immobilier	(381)	(142)	-239
Colas	(1,434)	(33)	-1,401
TF1	245	198	+47
Bouygues Telecom	(2,503)	(1,734)	-769
Bouygues SA and other	(2,190) ^a	(2,751) ^a	+561
Net surplus cash (+)/net debt (-)	(3,705)^a	(941)^a	-2,764
Current and non-current lease obligations	(2,046)	(1,835)	-211

(a) Includes fair value of swaps of €38m at end-December 2021 and €765m at end-June 2022.

Contribution to Group net capital expenditure by sector of activity

(€ million)	H1 2022	H1 2021	Change
Construction and services businesses	71	86	-15
<i>o/w Bouygues Construction</i>	23	45	-22
<i>o/w Bouygues Immobilier</i>	1	2	-1
<i>o/w Colas</i>	47	39	+8
TF1	139	122	+17
Bouygues Telecom	837	582	+255
Bouygues SA and other	17	0	+17
Group net capital expenditure	1,064	790	+274

Contribution to Group free cash flow by sector of activity

(€ million)	H1 2022	H1 2021	Change
Construction and services businesses	(17)	94	-111
<i>o/w Bouygues Construction</i>	169	136	+33
<i>o/w Bouygues Immobilier</i>	17	12	+5
<i>o/w Colas</i>	(203)	(54)	-149
TF1	137	166	-29
Bouygues Telecom	(82)	93	-175
Bouygues SA and other	(82)	(21)	-61
Group free cash flow^a	(44)	332	-376

(a) See glossary for definitions.

2.2. Bouygues Construction

2.2.1. Business activity and highlights

Commercial activity in the core business (contracts under €100 million) maintained good momentum in the first six months of 2022, with order intake rising by 7% to €5,352 million relative to the same period in 2021.

Order intake

(€ million)	H1 2022	H1 2021	Change
France	2,223	2,016	+10%
International	3,129	2,995	+4%
Total	5,352	5,010	+7%

- In France, order intake increased by 10% to €2,223 million relative to the same period in 2021. In the Building segment, this included the Noeux-les-Mines logistics hub and the Belliard property development project in Paris. Bouygues Construction was also awarded the contract to renovate office space along Rue de Courcelles in Paris. In the Energies & Services arm, order intake included phase one of signalling and power-supply systems for the Marseille tram network.
- Internationally, order intake increased by 4% to €3,129 million relative to the same period in 2021. Bouygues Construction was awarded several projects – most notably in Asia, where it was commissioned to build a sports complex in Hong Kong, and in the US, where it signed contracts for the Pier 66 development and a prestige hotel in Miami. The Energies & Services arm's order intake included maintenance work at a refinery in Canada plus construction of a high-voltage power line (Germany).

Backlog

(€ million)	End-June 2022	End-June 2021	Change
France	7,780	7,942	-2% ^a
International	12,702	13,024	-2% ^b
Total	20,482	20,966	-2% ^c

(a) Down 2% at constant exchange rates and excluding principal acquisitions and disposals.

(b) Down 7% at constant exchange rates and excluding principal acquisitions and disposals.

(c) Down 5% at constant exchange rates and excluding principal acquisitions and disposals.

The backlog at 30 June 2022 stood at €20.5 billion and provides good visibility on future business. The 5% decline in the backlog at Building and Civil works (lower level of major contracts gained in the past year) was only partly offset by a rise in order intake at the Energies & Services arm (up 3% year-on-year).

International business, accounting for 62% of the backlog, was stable year on year. The contributions from the Americas and Asia Pacific grew to represent 15% and 24% of the international backlog, respectively. By contrast, the contributions from Europe (excl. France) and Africa & Indian Ocean decreased to represent 57% and 3%, respectively. The Middle East represented less than 1% of the international backlog.

CSR strategy

- Bouygues Construction, a responsible and committed leader in sustainable construction, received the “Top Employer France” label from the Top Employers Institute (an independent global organisation) for the sixth year running and the “Top Employer Europe” label for the fourth year, with certification also for its entities in the UK, Switzerland, Poland and the Czech Republic. This recognises the initiatives run by Bouygues Construction for several years internally to offer its employees the best working conditions possible through innovative HR practices. Bouygues Construction is the only construction group ranked in this survey.
- Bouygues Construction is rolling out its BYSprong offering after trialling it in several developments. The purpose of this innovation, developed by the in-house R&D unit, is to carry out large-scale energy renovations of properties.

- In February 2022, Bouygues Construction began the process for SBTi (Science Based Target Initiative) certification as a means of ensuring that its climate targets are aligned with the Paris Agreement. Its greenhouse gas reduction targets were submitted in early July to the SBTi committee so that they could be certified, by the end of the year, compatible with the goal of keeping the global temperature increase to 1.5°C.
- One of the actions in its climate strategy, launched in January 2021, is a proprietary training module on climate-related challenges. Bouygues Construction firmly believes that all its staff must be fully trained and engaged if it is to meet its targets relating to this transformation. Through this training, each person is given an understanding of the main avenues pursued by Bouygues Construction's climate strategy. Staff members play the role of a site supervisor in order to deal with issues such as carbon footprints, the environmental impacts of construction activities and the mitigating actions available to operational staff on worksites. As of 1 July 2022, over 6,500 employees had undergone this training, representing 23% of clerical, technical & supervisory/senior staff at Bouygues Construction. The deadline for all employees in these categories to have followed this course is end-2023. It has therefore been made mandatory this year.

2.2.2. Key figures

(€ million)	H1 2022	H1 2021	Change
Sales	6,413	6,337	+1% ^a
<i>o/w France</i>	2,744	2,702	+2%
<i>o/w international</i>	3,669	3,635	+1%
Current operating profit/(loss)	185	166	+19
<i>Current operating margin</i>	2.9%	2.6%	+0.3 pts
Operating profit/(loss)	172	166	+6
Net profit/(loss) attributable to the Group	135	119	+16

(a) Down 1% like-for-like and at constant exchange rates.

Sales increased to €6,413 million in first-half 2022, up 1% year-on-year.

Sales are segmented between Building and Civil works (€4,540 million, 71% of total sales) and Energies & Services (€1,873 million, 29% of the total).

Bouygues Construction's sales dipped by 1% relative to the first half of 2021, like-for-like and at constant exchange rates.

Current operating profit was €185 million in H1 2022, up €19 million versus the first half of 2021. Correspondingly, current operating margin improved by 0.3 points to 2.9%, spurred on by the Energies & Services arm, which recorded a margin of 3.2% in the first half of 2022 (versus 2.3% in H1 2021). In contrast, current operating margin for Building and Civil works was 2.8%.

Non-current charges amounting to €13 million were recognised in the first half of 2022, mainly to pay for constituting Bouygues Energies & Services as a standalone entity in preparation for the planned Equans acquisition.

Net profit attributable to the Group was €135 million, up €16 million versus the first half of 2021.

Net surplus cash remained high at €2,558 million at end-June 2022, which was €138 million lower year-on-year.

Building and Civil works

Sales at Building and Civil works in the first half of 2022 totalled €4,540 million, up 2% relative to the same period in 2021.

In France: €2,101 million (+5%)

In the Building segment, several major projects were commenced, such as the Massues Nord residential development in Lyon, the Lille Civil Administration Complex and the Jacques Chirac International School Complex. Work continued on the Crédit Agricole Centre-Est head office in Champagne-au-Mont-d'Or and on the Couvent des Minimes hotel in Mane, south-east France. The Morland property complex in Paris was handed over in June 2022.

The Civil Works segment benefited from the following:

- Grand Paris Express rapid transport link projects, notably metro line 15 and the extension of RER line E from Paris Saint-Lazare to La Défense;
- Continuation of construction work on the Fécamp offshore wind farm in Normandy.

Europe (excl. France): €1,205 million (+5%)

In Europe (excl. France), sales rose 5% relative to the first half of 2021. Highlights are as follows:

- In the United Kingdom, where several projects are under way:
 - High Speed 2 (HS2), specifically section C1 of this high-speed rail link,
 - Hinkley Point C, a nuclear power plant equipped with two EPRs, capable of supplying electricity to 5 million homes,
 - Luton Street (urban regeneration project),
 - Cardiff University's Innovation Campus,
 - New student halls of residence at the University of Essex,
 - Hallsville Quarter (a neighbourhood regeneration project in London),
- In the Czech Republic, construction of the Drnovsk Apartments and Lucistniku Apartments houses continued,
- In Croatia, business was supported by the dualling of a section of the Istrian motorway, in addition to the design/build of the second tube of the Učka tunnel,
- In Switzerland, work continued on complex property developments such as the Pergamin office building in the Greencity district of Zurich, a sustainable neighbourhood in Morges, and the Coté Parc development in Le Petit-Saconnex, Geneva.

International (excl. Europe): €1,234 million (-5%)

In Asia Pacific, Bouygues Construction's business activities continued in Hong Kong, Australia and South-East Asia:

- In Hong Kong, development of a four-storey sports complex began, while work continued on the Central Kowloon and Trunk Road T2 underground projects.
- In Australia, work continued on the West Connex motorway tunnel in Sydney, the Melbourne metro and the new Crows Nest underground station in Sydney (infrastructure work).
- In South-East Asia, work continued on a shopping centre and three office tower blocks in the centre of Manila, in the Philippines.

In the United States, Bouygues Bâtiment International continued work in Miami on Pier 66, an upscale district spanning 90,000 m², construction of which began in May 2022, as well as on a logistics hub for Prologis. In Civil Works, construction continued on the Pawtucket water management tunnel, south of Boston.

In Morocco, Bouygues Bâtiment International's business was also supported by work on the new Science and Technology Faculty at the Mohammed VI Polytechnic University.

Energies & Services

The Energies & Services arm contributed sales of €1,873 million to Bouygues Construction's sales. This was very close to the level of the first half of 2021.

In France: €643 million (-7%)

Business highlights in the first six months were as follows:

- Core business, especially working with ENEDIS, regional energy-management utilities and SNCF Réseau,
- Facility management, such as for the Paris District Court and the French Ministry of Defence,
- Handover of the Paris Saclay life-sciences centre of excellence in April 2022,
- The Megalis project, in partnership with Axione, for the installation of one million fibre-optic connections throughout Brittany.

International: €1,230 million (+3%)

Facility management is provided by Bouygues Energies & Services in the United Kingdom (Home Office), Switzerland (Siemens), Italy (Alstom) and Canada (RCMP).

Bouygues Energies & Services also continued developing data centers, especially in and around London and Frankfurt.

2.2.3. Outlook

Bouygues Construction has solid fundamentals in today's tough operating business environment, specifically:

- a backlog as at 30 June 2022 amounting to €5.9 billion for the rest of 2022 and a medium-term backlog (from 1 January 2023) of €14.6 billion;
- sustained international activity across a variety of markets with strong structural and economic fundamentals (Switzerland, United Kingdom, Australia, Canada, Hong Kong, etc.) and continued development of exceptional projects, on a case-by-case basis, with local partners;
- a sound financial structure, backed up with a high net surplus cash of €2.6 billion at 30 June 2022.

2.3. Bouygues Immobilier

2.3.1. Business activity and highlights

Performances in the initial part of 2022 were mixed across markets after the property sector predictably recovered in 2021

The French property market

In residential property, following a sharp slowdown in business in the 2018-2020 period due to the pre-electoral period and Covid lockdowns, building permits in France continued to catch up, with permits advancing by 25% at end-March 2022¹ relative to end-March 2021. However, the growing shortage of supply over the same period continued to restrict commercial activity, with the level of stocks at their lowest levels since 2012 and fewer new housing units marketed (-9% in Q1 2022 relative to Q1 2021²), resulting in lower reservations (-9% in Q1 2022 relative to Q1 2021²).

¹ Source: Sit@del.

² Source: New housing survey (ECLN). As at 2 August 2022, the latest available data correspond to end-March.

Take-up in the commercial property sector continued recovering in the first half of 2022, with improved activity seen in the Paris region (1,008,400 m², +24% relative to H1 2021¹), reverting to its ten-year average.

At this stage, neither geopolitical nor financial conditions have significantly impacted the property investment market in the Paris region, with investment still recovering sharply in the first six months of 2022 (+28% relative to the same period in 2021³) to place the market slightly above its ten-year average.

Commercial activity

Several major residential property developments were handed over in the first half of 2022, such as:

- In Toulouse, Novadiem, a 110-unit complex with a shared rooftop space,
- In Meudon in the Paris region, Miroir d'O, a 170-unit residential development comprising five buildings situated around a large ornamental water feature.

Commercial launches took place and work started on several developments during the period:

- In Corneilles-en-Parisis, ground was broken at the Seine Parisii port project following demolition and decontamination work on derelict land formerly occupied by a cement works;
- In Schiltigheim, north-east France, building work also began on the brownfield site formerly occupied by the Imprimerie Strasbourgeoise printworks. Demolition of the unused industrial facilities was undertaken in mid-February following the asbestos-removal phase, beginning in November 2021.

In commercial property, Bouygues Immobilier was in April granted the building permit for the Vivaldi development, located on Seguin island in Boulogne Billancourt, near Paris. However, at the time of publication, it was still possible to make objections to this permit. Additionally, the foundation stone was laid in June for the HAMØ office complex in Saint-Denis (Paris region).

Climate and biodiversity strategy

- Bouygues Immobilier's AL-FA apartment complex, situated at the heart of Les Fabriques eco-neighbourhood in Marseille, will be built entirely from low-carbon concrete. Use of recycled materials means the carbon footprint of this low-carbon concrete is 30-70% lower than with the conventional variety. The first white-concrete wall, made from this material, was erected on the worksite in January.
- In May, Bouygues Immobilier signed a partnership agreement with Hoffmann Green Cement Technologies to use its zero-clinker low-carbon cements in its property developments. Use of this concrete, which emits nearly five times less CO₂ than conventional concrete during production, will be one of the drivers to significantly reduce the company's carbon footprint.
- In May, Bouygues Immobilier unveiled Cœur de Vie, its new value proposition for residential property tailored to people's wants and needs in the post-pandemic era. It will be available on all housing projects designed starting this year, and will give the company's products a more sustainable focus, together with increased comfort and more flexibility.
- In June, Bouygues Immobilier showcased its garden concept ("Jardin pour la Vie") at the "Jardins Jardin" trade fair. Such a garden will be included in all projects designed from this year as part of Cœur de Vie, with the aim of reintroducing nature into urban environments. Ecologists and landscapers will be systematically consulted during design phases.

Reservations

(€ million)	H1 2022	H1 2021	Change
Residential property	868	972	-11%
Commercial property	25	61	-59%
Total	893	1,033	-14%

NB: Residential property reservations include buildable land and reservations taken via co-promotion companies; they are reported net of cancellations. Commercial property reservations are firm orders which cannot be cancelled (notarised deeds of sale).

¹ Source: Immostat.

Residential property reservations fell by 11%, due mainly to the 39% drop in block reservations over the period. This resulted from the differences in phasing relative to 2021.

Commercial property reservations fell by 59%.

Backlog

(€ million)	End-June 2022	End-June 2021	Change
Residential property	1,684	1,878	-10%
Commercial property	29	75	-61%
Total	1,713	1,954	-12%

At end-June 2022, Bouygues Immobilier reported a backlog of €1,713 million, representing 10 months of business and corresponding to a 12% year-on-year decline.

2.3.2. Key figures

(€ million)	H1 2022	H1 2021	Change
Sales	869	981	-11% ^a
<i>o/w residential property</i>	842	893	-6%
<i>o/w commercial property</i>	27	88	-69%
Current operating profit/(loss)	16	17	-1
<i>Current operating margin</i>	1.8%	1.7%	+0.1 pts
Operating profit/(loss)	16	11 ^b	+5
Net profit/(loss) attributable to the Group	9	(6)	+15

(a) Down 11% like-for-like and at constant exchange rates.

(b) Including non-current charges of €6m related to adaptation measures.

Bouygues Immobilier reported sales of €869 million in the first half of 2022, representing an 11% decrease relative to the same period in 2021, which reflected weak business trends in commercial property.

Current operating profit stood at €16 million, almost unchanged relative to the first half of 2021. Through a tight control on costs amid lower business activity, Bouygues Immobilier was able to generate a current operating profit in the second quarter of 2022, which was up sharply versus the first quarter. Correspondingly, current operating margin was 1.8% in the first half of 2022 (up 0.1 points versus H1 2021).

Net profit attributable to the Group amounted to €9 million in the first half of 2022, up €15 million versus the same period in 2021.

2.3.3. Outlook

The French property market – already enduring disruption from the effects of the worldwide pandemic – is today impacted by the conflict in Ukraine. Fundamentals in the residential market have been upset, as demand has been weakened by higher mortgage rates and lower purchasing power. In commercial property, the spread of new working methods, plans by companies to move back into more central locations, and energy upgrade requirements are still driving the market.

Bouygues Immobilier will continue drawing on its expertise and strengths, adapting its services to the market's new configuration – namely low-carbon buildings, industrial or commercial brownfield site rehabilitations, housing units specially designed for teleworking and commercial property solutions offering flexibility and safe environments through a combination of office and coworking spaces.

2.4. Colas

2.4.1. Business activity and highlights

Main orders taken

- €159 million contract to build phase one of Cairo metro Line 4 in Egypt, in January
- €62 million contract to upgrade part of the Seward Highway in Alaska (US), in January
- €110 million contract for civil engineering work on Highway 401 in Ontario (Canada), in March
- €63 million contract for railway engineering work, as part of the South Rail Systems Alliance (UK), in May
- In June, the five-year extension of the alliance contract with Network Rail to renew and modernise railway infrastructure in the Western/Wales and East Anglia regions, for €540 million

CSR strategy

In January, Colas signed a partnership agreement with Saipol to use Oleo100, a fuel made from pure French rapeseed oil, in order to reduce the carbon intensity of its truck fleet in France. This bio-based fuel lowers greenhouse-gas emissions by 60% relative to diesel and cuts particulate emissions by up to 80%. Once fully rolled out, this initiative will prevent the emission of nearly 46,000 tonnes of CO₂ per year.

On 24 and 25 May, almost 700 Colas managers met in Montreux (Switzerland) for a corporate social responsibility (CSR) event, under the umbrella of the Act and Commit Together (ACT) group-wide project, launched in early 2021:

- a panel of experts from Colas discussed the impact of CSR on the group's business model and the organisational overhaul;
- outside speakers gave plenary lectures and masterclasses on four different topics: reconciling climate action and business activity, the circular economy, inclusive leadership, and renewable energies;
- sustainability actions and initiatives by Colas were presented in detail;
- 600 managers learnt more about climate issues by attending the "La Fresque du Climat" climate awareness-raising workshop.

On 9 June, Colas dedicated its second annual Environment Day to the topic of biodiversity. Other broader actions promoting biodiversity are conducted throughout the year. Back in 2013, Colas set the goal that each of its gravel pits and quarries must be running a biodiversity initiative by 2030.

Backlog

(€ million)	End-June 2022	End-June 2021	Change
Mainland France	3,385	3,370	+0%
International and French overseas territories	9,551	6,963	+37%
Total	12,936	10,333	+25%

The backlog at end-June came to a record €12.9 billion, up 25% year-on-year and 14% at constant exchange rates and excluding principal disposals and acquisitions.

The backlog for Mainland France was stable year-on-year, as good momentum at the roads activities offset a drop in the backlog for rail.

The backlog in international and French overseas departments markets rose by a massive 37% year-on-year (up 20% at constant exchange rates and excluding principal disposals and acquisitions). This increase was mainly driven by:

- incorporation of Destia's backlog in late 2021;
- Colas Rail's international backlog, containing the Manilla metro (contract awarded in December 2021), and the five-year extension of the alliance contract with Network Rail to renew and modernise railway infrastructure, in the southern half of the UK, booked in June 2022;
- the solid backlog in North America, including major contracts for road rehabilitation in the US and maintenance contracts in Canada.

International and French overseas departments markets accounted for 74% of the total backlog at Colas, compared with 67% at end-June 2021.

2.4.2. Key figures

Most of Colas' business is subject to strong seasonal fluctuations, resulting in an operating loss being reported for the first half of each year.

(€ million)	H1 2022	H1 2021	Change
Sales	6,517	5,591	+17% ^a
<i>o/w France</i>	2,983	2,836	+5%
<i>o/w international</i>	3,534	2,755	+28%
Current operating profit/(loss)	(160)	(100)	-60
<i>Current operating margin</i>	-2.5%	-1.8%	-0.7 pts
Operating profit/(loss)	(160)	(100)	-60
Net profit/(loss) attributable to the Group	(132)	(112)	-20

(a) Up 9% like-for-like and at constant exchange rates.

Consolidated sales amounted to €6.5 billion, up 17% relative to the first half of 2021 (up +9% like-for-like and at constant exchange rates).

The figure was €3.0 billion in France (+5% year-on-year) and €3.5 billion for international business (+28% or +14% like-for-like and at constant exchange rates).

The current operating loss in the first half of 2022 was €160 million, down €60 million relative to the same period in 2021. The seasonal variation to which Colas is subject was less marked in the first six months of 2021 as a result of milder weather conditions in Canada. The sharp increase in production costs, especially related to energy and bitumen in the first half of 2022, broadly reduced the profitability of new business booked before the sudden hikes. Regarding these contracts, it was not systematically possible to pass the higher costs on to customers, as some contained clauses barring price indexing either fully or in part, while others were signed with indexing clauses that only partly reflect the actual increase in costs.

The share of net profits of joint ventures and associates was €22 million, up €18 million relative to the first half of 2021.

The net loss profit attributable to the Group was €132 million, compared with a loss of €112 million in the first half of 2021.

Sales by sector

(€ million)	H1 2022	H1 2021	Change
Sales	6,517	5,591	+17%
Roads	5,856	4,945	+18%
o/w roads France/Indian Ocean	2,822	2,650	+6%
o/w roads US	798	623	+28%
o/w roads Canada	651	540	+21%
o/w roads Europe, Middle East & Africa	1,379	955	+44%
o/w roads Asia-Pacific	206	177	+16%
Rail and other specialised activities	657	641	+2%
Holding company	4	5	-20%

(In 2022, Latin America was integrated into the EMEA region. 2021 figures have therefore been restated to factor in this reorganisation).

Roads

First-half 2022 sales totalled €5.9 billion, rising by 10% like-for-like and at constant exchange rates. In most countries, Colas subsidiaries passed on as much of the sharp rise in production costs (bitumen, energy, labour, etc.) as possible, in the form of higher unit prices for goods and services. These price hikes contributed significantly to sales growth. For example:

- Sales in the France-Indian Ocean region rose 6% relative to the first half of 2021.
- Sales in the EMEA¹ (Europe, Middle East, Africa) region were up 15% like-for-like and at constant exchange rates. In addition to the price hikes, this region was supported by the ramp-up of major projects in Europe and Africa. Destia's contribution in the first half of the year was around €250 million.
- In the United States, sales were up sharply by 17% like-for-like and at constant exchange rates.
- In Canada, sales rose 12% like-for-like and at constant exchange rates, partly as a result of the higher prices charged for bitumen marketed by McAsphalt.
- Finally, in the Asia-Pacific zone, sales were up 12% like-for-like and at constant exchange rates.

Rail and other activities

Sales for rail and other activities were up 2% year-on-year, driven mainly by strong business momentum at Colas Rail outside France.

2.4.3. Outlook

Colas, which does not do business in Russia or Ukraine, is not directly impacted by the ongoing war. It remains very vigilant, looking for any changes in the macroeconomic situation and their direct or indirect consequences on its activities and results.

Sales for 2022 are set to rise relative to 2021, helped by the high level of orders to be executed in the second half of 2022, the contribution from Destia, higher unit prices charged by the Colas group for goods and services amid high inflation, and by exchange rate variations – specifically the weak euro relative to the dollar.

Colas expects that current operating profit in 2022 will exceed the previous year's figure. Part of the increase in sales has an immediate dilutive impact on current operating margin, especially in the bitumen trading activities. Colas has implemented action plans to offset the higher costs and protect its financial performance.

¹ Following an internal reorganisation, EMEA now includes Latin America.

2.5. TF1

2.5.1. Business activity and highlights

- On 25 January, Newen Studios announced it was strengthening its strategic alliance with Anton, a European producer and financier specialising in the funding, co-production and distribution of broadcast media. Thanks to this agreement, Newen Studios will be able to extend its operations to meet rising demand for high-quality content.
- On 28 February, TF1 announced the signing of a purchase agreement to sell the TFX TV channel (channel 11 on DTT) to Altice Media, to which it has granted an exclusivity clause in its favour. The sale of TFX takes place within the framework of plans to merge the TF1 and M6 groups, announced on 17 May 2021, and is contingent on this deal going through.
- On 24 March, France Télévisions announced that it would divest its interest in Salto if the merger between TF1 and M6 went through, in which case TF1 and M6 have undertaken to acquire this 33.33% interest.
- On 22 June, TF1 group sold Gamned!, the digital marketing agency specialised in programmatic media buying, to HLD, a private equity fund. This transaction paves the way for Gamned! to continue expanding in other growth markets with the backing of HLD's resources and expertise at a time when the industry is consolidating.
- On 28 June, TF1 signed an agreement to divest the Publishers business to the Reworld Media group. TF1 had previously received several expressions of interest but viewed Reworld Media's offer as the best suited for driving the future development of the Publishers business. As a reminder, TF1 is refocusing on content creation, multichannel streaming and production. At the same time, the digital media industry – which is focused on displays and special operations – is facing new upheavals and undergoing consolidation. Completion of the transaction is subject to the customary conditions, in particular the approval of France's Competition authority.

CSR strategy

Contributing to a more inclusive society, TF1 in March presented its second intake of "Expertes à la Une", which brings together women experts from sectors such as health, medical research, justice, police, artificial intelligence and entrepreneurship. Its aim is to increase the proportion of women experts appearing on the TF1 and LCI news broadcasts. In 2021, the proportion of women experts featured on TF1 news broadcasts (1pm, 8pm and week-end) was 44%.

The TF1 Pub media sales unit in early 2022 launched Ecofunding, an advertising programme supported by the TF1 group. Advertising campaigns broadcast on TF1 group channels or MyTF1 that meet the criteria recommended by the French environment and energy management agency (Ademe) – such as environmental certifications, energy labels, reparability and environmental labelling – trigger payment of contribution by TF1 to the Ecofunding fund in proportion to the assigned media budget. This money can then be used to broadcast commercials raising public awareness about the benefits of buying environmentally certified goods and services. **Over 190** ads of this kind were broadcast on TF1 group's linear and non-linear channels between late May and early June.

On 20 June, TF1 received eight separate awards at the 11th Deauville Green Awards, an international green-themed festival aimed at using film to raise awareness of sustainable development.

Ratings¹

With the competitive landscape marked by a steady flow of political and sporting events, TF1 has retained its leadership position and continues to bring together a majority of the French population by virtue of its premium diversified offering – as testified to by the solid audience scores at end-June 2022: 33.5% audience share among FRDA<50² and 30.1% of the 25-49 age group.

TF1 group's on-line content platform recorded healthy scores, most notably due to the solid non-linear audiences on the MyTF1 catch-up TV service. A total of 1.2 billion videos were watched at end-June, down marginally year-on-year, amid tougher competition from social media video sites (e.g. TikTok).

2.5.2. Key figures

The TF1 group posted consolidated sales of €1,187 million in first-half 2022, up €58 million (+5%) versus first-half 2021.

Advertising revenues amounted to €816 million, up 2% year-on-year. The small decline in advertising revenues during the second quarter, due to a high comparison base that included the Euro soccer tournament and a scope effect, was fully offset by the good momentum in the first quarter of 2022.

Sales for other TF1 group activities totalled €371 million, up €45 million (14%) year-on-year, driven by sales growth at Newen in the first half of the year and the solid performance by distribution and entertainment activities.

Current operating profit was €189 million, up €20 million year-on-year.

The operating profit of €182 million included non-current charges of €7 million mainly related to the proposed TF1-M6 merger.

Net profit attributable to the Group was €126 million, up €18 million year-on-year.

(€ million)	H1 2022	H1 2021	Change
Sales	1,187	1,129	+5% ^a
<i>Media</i>	1,029	983	+5%
<i>Newen Studios</i>	158	145	+9%
Current operating profit/(loss)	189	169	+20
<i>Current operating margin</i>	15.9%	15.0%	+0.9 pts
Operating profit/(loss)	182	167	+15
Net profit/(loss) attributable to the Group	126	108	+18

(a) Up 3% like-for-like and at constant exchange rates.

Media

Sales for the Media segment were €1,029 million, up 5% year-on-year.

Advertising revenues came to €816 million in H1 2022, up €13 million year-on-year. The decrease in advertising revenues in the second quarter (down 1.4%) resulted from the tough base for comparison connected with the Euro 2020 soccer tournament, broadcast in June 2021, and scope effects following the sale of non-French websites divested in 2021. Booming sectors such as cosmetics, travel, tourism, banking and insurance offset others such as food and motor vehicles that were not doing so well. The cost of programmes was €441 million, down €26 million year-on-year. In addition to the soft comparatives (as no major sporting events were held in the first six months of 2022), this cost figure reflects the TF1 group's ability to keep spending in check and unlock savings whenever required without sacrificing its top-flight schedule or endangering its leadership position in target-audience share.

¹ Source: Médiametrie-Médiamat.

² Women under 50 who are purchasing decision-makers.

Current operating profit for the Media segment was €171 million, up €24 million year-on-year, yielding a current operating margin of 16.7% (+1.7 points year-on-year). This margin increased sharply in the second quarter to 21.1%.

In June 2022, TF1 divested Gammed!, a digital marketing agency specialised in programmatic media buying. It also announced that an agreement had been signed to divest the Publishers business. Furthermore, TF1 entered into exclusive negotiations on 21 July 2022 to sell its interest in Ykone, a global influencer marketing agency. The closing of this transaction was announced on 27 July 2022.

Newen Studios

Sales by Newen Studios amounted to €158 million in first-half 2022, up 9% year-on-year.

In this period, Newen Studios continued growing internationally, benefiting from the contributions of two new studios, Izen (Spain) and Flare Film (Germany), acquired in 2021.

Newen Studios brought new talent on board and acquired labels in late 2021 and in the first six months of 2022, specifically in the UK (Joy Gharoro-Akpojoto and Joi Production), Denmark (Sigrid Dyekjaer for Real Lava) and Spain (Tomas Ocana and Capa Spain). These talents, who enjoy strong reputations in various formats including documentaries, are helping to strengthen the position of Newen Studios in the booming market for new content.

Major productions to be delivered in the second half of the year include *Liaison* for Apple TV+ and *Marie-Antoinette* for Canal+.

Orders from streaming platforms, rewarding customer knowledge built up over several years, accounted for 35%¹ of the backlog at end-June 2022, thanks to orders confirmed in the Netherlands during May and April for Tuvalu (*Nemesis* and *The Hunt for Jasper S.*).

Current operating profit for Newen Studios was €17 million, a dip of €4 million versus the first half of 2021. Current operating margin was 11.0%. This margin increased sharply in the second quarter to 17.8% (up 3.1 points year-on-year), enabling a return to a normal level of profitability for the first half of the year after a first quarter marked by the usual seasonal fluctuation.

2.5.3. Outlook

The current macroeconomic situation marked by inflation and the Ukraine conflict has not had a significant impact on the TF1 group's H1 2022 results **In the second half of the year, the TF1 group will continue to adapt its costs in line with market developments**

The **Media** segment will benefit from ambitious programming, marked particularly by the **Soccer World Cup** at the end of 2022, which will boost its audience figures and allow it to offer premium ad inventories to its advertiser customers. The TF1 group will extend its coverage and help meet rapidly changing uses thanks to its **efforts to allocate content between linear and non-linear services**. The divestment of the Publishers business is expected to be carried out in the second half of 2022.

Newen Studios will benefit from major programme deliveries in the second half and new orders, notably from the platforms, giving it confidence in its ability to achieve the targets set.

¹ As a percentage of total backlog expressed in euros.

2.6. Bouygues Telecom

2.6.1. Business activity and highlights

In the first half of 2022, Bouygues Telecom continued working hard for all its B2C and B2B customers. Its development strategy continued to be implemented, marked by a desire to win new market share, numerous innovations and efforts to enhance the customer experience:

- On 18 January, Keyyo Connect and Keyyo Visio – fixed telephony solutions for microbusinesses and SMEs – were launched.
- On 24 February¹, collaboration with Vauban Infrastructure Partners was reinforced under a new strategic agreement aimed at ramping up the roll-out of fibre in medium-dense and less-dense areas in France.
- On 10 March, Bouygues Telecom launched *source*, the first socially-responsible phone plan on the market (see below).
- On 28 March, a new handset-financing solution was launched.
- On 5 April, the launch of the new Bbox Fibre Wi-Fi 6E router was announced.
- On 20 April, 5G Open Road, a project for connected and self-driving mobility in Europe, was initiated through a cooperation agreement between 16 businesses. The benefits of 5G for future mobility will be trialled in various use cases.
- On 13 May, an edge-computing offer for businesses was launched in ten French cities, called OnCloud, using nearby data centers to offer cloud services closer to companies' bases of operations. Customers benefit from shorter lag times, the best-possible geo-redundancy and the chance of deploying applications in real time.
- On 16 May, the range of products eligible for the Bbox Smart TV offer was extended, including Samsung's The Freestyle, a new video projector.
- On 17 June, a strategic alliance was signed with Ericsson to develop 5G Stand Alone and private 5G networks for businesses.

Under the effects of the pandemic, existing shifts in the French telecoms market gathered pace as more and more activities were carried out on-line, requiring an even better quality of service. Against this backdrop, Bouygues Telecom continued innovating and investing in fixed and mobile networks to provide seamless, high-quality services to all its customers. In recognition of this, it was awarded first place in the nPerf² survey for its Wi-Fi performance for the second time running in July 2022.

Bouygues Telecom also became the first telecoms operator to offer video sales assistance as part of its client-centric strategy responding to new purchasing habits. Thanks to "Visio Conseiller", new and existing customers can benefit from all the expertise of an in-store advisor directly in their homes and thus receive support and answers to their questions.

Customer base

Mobile customers excluding MtoM totalled 15 million at 30 June 2022, with 193,000 new adds during the first half of the year.

In fixed, the company had 2.6 million FTTH subscribers at end-June 2022, thanks to 315,000 new adds in the first six months. The proportion of fixed customers subscribing to a FTTH plan continued increasing, rising to 58% versus 45% one year earlier. The fixed customer base totalled 4.5 million, with 81,000 new adds in the first six months. Bouygues Telecom had a 16.1%³ share of the national FTTH market at end-March.

¹ See press release published by Bouygues Telecom for more details.

² nPerf Wi-Fi survey for H1 2022.

³ Data from the Arcep Observatory for Q1 2022.

('000)	End-June 2022	End-Dec 2021	Change
Mobile customer base excl. MtoM	15,261	15,067	+194
Mobile plan base excl. MtoM	14,966	14,774	+193
Total mobile customers	22,218	21,847	+371
FTTH customers	2,634	2,318	+315
Total fixed customers	4,521	4,441	+81

CSR strategy

In line with its 2020-2030 Climate Strategy, Bouygues Telecom rolled out several environmentally-responsible initiatives in the first half of 2022.

Since February, a “Rapid Repair” service has been on offer in-store, available to everyone – customers and non-customers alike – to help extend the lifetime of smartphones. Also in February, Bouygues Telecom showcased the latest generation of its TV decoders, the Bbox 4K HDR¹, made 95% from recycled plastic and eco-designed to extend its lifespan and encourage reuse.

In March, Bouygues Telecom launched *source*, the first socially-responsible phone plan on the market, with no minimum term. This unique offer, operated in partnership with Lilo, encourages digital sustainability amongst customers, enabling them to convert unused gigabytes of data into financial support for non-profits.

Bouygues Telecom is also the first operator to trial a power supply system fuelled by green hydrogen on some of its mobile sites. This innovative solution results in a 70% cut in CO₂ emissions and reduces sound levels by a factor of 100².

2.6.2. Key figures

(€ million)	H1 2022	H1 2021	Change
Sales	3,636	3,471	+5% ^a
<i>o/w sales from services</i>	2,824	2,743	+3%
<i>o/w sales billed to customers</i>	2,747	2,593	+6%
<i>o/w other sales</i>	812	728	+12%
EBITDA after Leases	830	758	+72
<i>EBITDA after Leases/sales from services</i>	29.4%	27.6%	+1.8 pts
Current operating profit/(loss)	295	244	+51
Operating profit/(loss)	305 ^b	335 ^b	-30
Net profit/(loss) attributable to the Group	193	220	-27
Gross capital expenditure	(869)	(754)	-115
Divestments	32 ^c	172 ^c	-140

(a) Up 5% like-for-like and at constant exchange rates.

(b) Including €10m non-current income in H1 2022 and €91m of non-current income in H1 2021.

(c) Mostly connected with the sale of data centers.

Reflecting the good commercial momentum in mobile and fixed, sales billed to customers were €2.7 billion, up 6% versus the first half of 2021, benefiting from continued growth in the mobile and fixed customer bases and in ABPU³ (mobile ABPU, restated for the impact of roaming, rose €0.2 year-on-year to €19.8 per customer per month, while fixed ABPU increased by €1.0 year-on-year to €28.7 per customer per month).

¹ The Bbox 4k HDR TV decoder was awarded Product Carbon Footprint certification by TÜV Rheinland.

² Estimated reduction relative to a conventional fossil fuel-driven generator; partnership between Bouygues Energies & Services and PowiDian.

³ ABPU including BTBD.

The decrease in sales from incoming traffic reflected lower voice and text usage and lower regulated per unit tariffs. However, sales from incoming traffic have no impact on EBITDA after Leases as this is compensated by symmetric costs related to outgoing traffic.

As a result, sales from services rose by 3% year-on-year. Other sales rose 12% year-on-year, driven by growth in sales on handsets and network roll-outs. In total, the operator's sales increased by 5% versus the first half of 2021.

Thanks to tight control of costs, EBITDA after Leases rose €72 million (up 9%) versus H1 2021 to €830 million. Therefore the EBITDA after Leases margin continued recovering (up 1.8 points versus end-June 2021), on track with the steady margin improvement target outlined in the Ambition 2026 plan.

Current operating profit was €295 million, up €51 million year-on-year.

Gross capex at end-June 2022 was €869 million, up €115 million year-on-year, in conjunction with Bouygues Telecom's development plans in mobile and fixed. Disposals, mainly related to the sale of data centers, totalled €32 million at end-June 2022 (versus €172 million at end-June 2021).

Net profit attributable to the Group of €193 million was down €27 million versus the first half of 2021.

2.6.3. Outlook

Bouygues Telecom has adjusted its outlook for 2022:

Bouygues Telecom has replaced its 2022 sales from services growth target of around 5% with a sales billed to customers growth target of above 5%.

Bouygues Telecom has replaced its sales from services growth target with a sales billed to customers growth target, which is more representative of its business performance. Unlike sales billed to customers, sales from services (up 3% in H1 2022) are subject to the structural and cyclical performance of sales from "incoming" traffic, whereas this has no impact on EBITDA after Leases (since sales from "incoming" traffic are offset by the symmetric costs related to "outgoing" traffic).

Bouygues Telecom has revised its target upwards and now expects EBITDA after Leases growth of over 8%.

Previously, this growth target was around 7%.

Gross capital expenditure was confirmed at €1.5 billion (excluding 5G frequencies) in order to keep pace with growth in the mobile and fixed customer base, and in usage.

2.7. Bouygues SA

Bouygues SA reported a net profit, according to French accounting standards, of €711 million in the first half of 2022, an increase of €101 million versus first-half 2021. This increase was mainly due to a €247-million rise in dividends received, bearing in mind that dividends received in 2021 were based on 2020 earnings, which had been negatively impacted by the pandemic. This increase was limited by the non-recurrence, in 2022, of the €122-million capital gain related to Alstom and by a €19-million increase in costs for the Equans, Newborn and Alstom transactions.

2.8. Risks and uncertainties

The 'Risks and Risk management' section (Chapter 4) of the 2021 Universal Registration Document contains a description of the risk factors to which the Group is exposed.

There has been no significant change to the risk factors during the first six months of 2022.

The main changes involving claims and litigation concern the following cases:

2.8.1. BOUYGUES CONSTRUCTION

Ireland: Gemini data centre

At the end of 2016, St Stephen's Green Funds ICAV entrusted Bouygues E&S Ireland Limited with a contract to design and build a data centre.

The energy supply to the building site depended on the construction of an electricity sub station. The construction of the substation, which ICAV entrusted to a third party, suffered delays. This impacted the performance of the contract and resulted in ICAV applying penalties, terminating the contract and claiming damages from Bouygues E&S Ireland for an alleged loss.

Three adjudication decisions recognised ICAV's right to, in the final analysis, apply penalties for delay against Bouygues E&S Ireland. Bouygues E&S Ireland brought arbitration proceedings on 4 November 2019 to challenge the enforcement of penalties and to claim damages.

Following a partial award which was handed down on 12 November 2021 which rejected ICAV's claims and ordered it to pay Bouygues E&S Ireland €40.9 million, the Arbitral Tribunal handed down a final award on 30 June 2021 under the terms of which ICAV was also ordered to pay Bouygues E&S Ireland €11 million for the cost of the proceedings, interest and lost profits.

Monaco: offshore extension project

Bouygues Travaux Publics (within the scope of a joint venture) entrusted Jan De Nul on 9 January 2017 with a subcontracting contract for dredging and technical and hydraulic fill services for the Monaco offshore extension project.

Because Jan De Nul failed to deliver materials which conformed with the contractual specifications, Bouygues Travaux Publics replaced Jan De Nul for this task. Jan De Nul disputed this decision and terminated the contract against Bouygues Travaux Publics on 20 December 2019.

This dispute was the subject of an arbitration at the end of which the Arbitral Tribunal, on 22 December 2021 dismissed all of Jan De Nul's claims for damages and ordered it to pay Bouygues Travaux Public the sum of €1.7 million.

Jan De Nul has lodged an appeal to cancel the award.

Hong-Kong: Shenzhen Western Corridor

A joint venture comprising VSL Hong Kong and Gammon Management Services Ltd ('VSL SWC') was the holder of two sub-contracting contracts entrusted by the Gammon – Skanska – MBEC joint venture (the 'Joint Venture') relating to the Shenzhen Western Corridor project, initiated by the Hong Kong Expressways Department (the 'Client').

On 15 February 2019, the Client established that an external prestressed cable had failed. A dispute ensued between the parties concerning the reason for the broken cable and the possible defects which could affect all the other cables.

Three arbitration proceedings were therefore started in this context on 15 May 2020:

- between the Client and the Joint Venture: the claim for damages stands at around €10.2 million,
- between the Joint Venture and VSL SWC,
- between the Client and Arup (consulting engineers): the claim for damages stands at around €12.1 million.

A last arbitration procedure was brought on 20 September 2021 between the Client and VSL. The claim for damages stands at around €12.8 million.

The exchange of statement of cases is now complete, and the hearings are expected during 2023.

Ireland: Belfast biomass plant

On 3 November 2015, Bouygues E&S Contracting UK Limited (BYES) and Full Circle Generation Limited (FCG) entered into a (i) Design-and-Build contract (DBC) and (ii) an Operation-Maintenance contract (OMC) for a biomass plant in Belfast.

The plant was put into service on 26 March 2020. The performance tests performed after this date were not conclusive. The FCG terminated the DBC for fault on 5 July 2021, and the OMC for fault on 6 July 2021.

FCG began arbitration proceedings on 28 March 2022 for damages for the plant failing to achieve the required performances. At this stage, the claim for damages stands at €14.5 million.

France: Bouygues Construction Services Nucléaires

Searches and seizures were performed in the premises of Bouygues Construction Services Nucléaires' offices in Bagnole-sur-Cèze (France) on 12 February 2019. These searches and seizures were authorised by an Order of the Nanterre District Court on 6 February 2019 following an application by the Rapporteur General of the French Competition Authority on 4 February 2019.

The investigation involves practices which are prohibited under article L420-1 of the French Commercial Code in the engineering, maintenance, dismantling, and processing of waste from nuclear plant sector.

The scope of the investigations covers all ten contracts awarded by CEA (the French Alternative Energies and Atomic Energy Commission) for its Marcoule site.

On 23 June 2022, the Competition Authority sent a statement of objections to Bouygues Construction Services Nucléaires, as the originator, as well as to Bouygues Travaux Publics and Bouygues as the parent companies.

2.8.2. BOUYGUES TELECOM

Bandwidth Throttling

In January 2022, Bouygues Telecom lodged an appeal with the French Supreme Court against the judgement of the Paris Court of Appeal dated 24 September 2021 which had dismissed its claims for damages against Free Mobile based on the misleading practices of the targeted throttling of certain Internet uses by Free Mobile on the Orange roaming network.

Subsidy

The case brought in October 2019 by Free Mobile against Bouygues Telecom concerning certain mobile phone offers which combine a phone subscription plan with the purchase of a mobile telephone is continuing before the Paris Commercial Court.

Bouygues Telecom repeated its arguments contesting the admissibility and the merits of the grounds of Free Mobile's action in submissions filed on 15 April 2022 and proposed, in the alternative, that the Court submits a preliminary question to the European Court of Justice on the specific application of the sectoral right of electronic communications to the bundled offers in dispute. Bouygues Telecom also increased its counterclaim for damages for its prejudice resulting from the disparagement of its offers by Free Telecom to €3 million. Free Mobile reassessed its loss and increased it to €812 million, in submissions filed on 15 June 2022.

FTTH

On 29 March 2022, Arcep (the French telecoms regulator) reached a decision on the request to settle the dispute between Bouygues Telecom and Orange on the financial terms for access to the vertical FTTH lines deployed by Orange in buildings. In its decision n°2022-0682-RDPI, Arcep granted Bouygues Telecom's application and ordered Orange to send a draft contract modifying the mechanism for returning contributions to the costs of putting into service associated with the end customer's connection within six months.

Orange has appealed to the Paris Court of Appeal to have this decision overturned.

Patents

A US company that manages a patent portfolio filed claims against Bouygues Telecom in October 2017, and then in January 2018 in the Paris District Court alleging infringement of three patents it claims to own and which are allegedly used in the equipment in DSL and 4G networks.

Two of the patents have been the subject of cancellation decisions at first instance, by the Paris Judicial Court on 23 September 2021, and the European Patent Office on 25 November 2021 respectively, and the Plaintiff company has filed appeals against the decisions with the Paris Court of Appeal and the EPO's Board of Appeal.

2.8.3. TF1

Molotov TV litigation

The TF1 group's channels brought proceedings for infringement against Molotov TV in the Paris Judicial Court on 1 July 2019 arguing that it was continuing to broadcast and use its channels without authorisation, by indirect means and with the complicity of third parties. The TF1 group's channels also applied to the Pre-trial Judge at the Paris Judicial Court on 18 November 2020 within the scope of these proceedings, for an injunction to order Molotov TV to cease using the brands of its unencrypted channels. On 7 January 2022 the Paris Judicial Court ordered Molotov to pay €8.6 million damages to the TF1 group's TV channels for the infringement of its neighbouring rights and its brands.

Molotov TV has appealed this judgement.

2.9. Related-party transactions

No related-party transactions liable to materially affect Bouygues' financial situation or results were concluded in the first half of 2022. Likewise, no change to related-party transactions liable to materially affect Bouygues' financial situation or results occurred during that period. Under the terms of agreements authorised by the Board of Directors and approved by the Annual General Meeting, Bouygues provided services to its sub-groups, mainly in the areas of management, human resources, information systems and finance.

More detailed information about related-party transactions is given in Note 13 of the notes to the condensed consolidated first-half financial statements.

2.10. Events subsequent to 30 June 2022

- On 19 July 2022, the European Commission cleared the acquisition of Equans by Bouygues on condition that Bouygues complies with its commitment to divest Colas Rail Belgium.
- On 19 July 2022, the Competition and Markets Authority (CMA), in the United Kingdom, observed that the transaction would only worsen competitive conditions solely as regards the current tender relating to catenary systems for the High Speed 2 (HS2) railway line. On 26 July, Bouygues submitted its proposed remedies on which the CMA should soon give its decision.
- TF1 entered into exclusive negotiations on 21 July 2022 to sell its interest in Ykone, a global influencer marketing agency. Completion of the transaction was announced on 27 July 2022.
- On 26 July 2022, Bouygues announced that the French competition authority's (ADLC) investigation teams have issued their report on the proposed merger between the TF1 group and the M6 group. In their report, which in no way predicts the final decision of the authority's board, the investigation teams consider that the deal raises a number of significant competition concerns (especially in relation to the advertising market). The nature and extent of the remedies required in the report would mean that the merger plans would no longer be meaningful for the parties involved and they would therefore abandon them. The parties, who do not intend to make any changes to their original plans, will inform the authority of their response within the next three weeks; hearings will take place before the French competition authority's board on 5 and 6 September 2022.

3. GLOSSARY

4G consumption: data consumed on 4G cellular networks, excluding Wi-Fi.

4G users: customers who have used the 4G network during the last three months (Arcep definition).

ABPU (Average Billing Per User):

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

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

BtoB (business to business): when one business makes a commercial transaction with another.

Backlog (Bouygues Construction, Colas): the amount of work still to be done on projects for which a firm order has been taken, i.e. the contract has been signed and has taken effect (after notice to proceed has been issued and suspensory clauses have been lifted).

Backlog (Bouygues Immobilier): sales outstanding from notarized sales plus total sales from signed reservations that have still to be notarized.

Under IFRS 11, Bouygues Immobilier's backlog does not include sales from reservations taken via companies accounted for by the equity method (co-promotion companies where there is joint control).

Construction businesses: Bouygues Construction, Bouygues Immobilier and Colas.

EBITDA after Leases: current operating profit after taking account of the interest expense on lease obligations, before (i) net charges for depreciation, amortization and impairment losses on property, plant and equipment and intangible assets, (ii) net charges to provisions and other impairment losses and (iii) effects of acquisitions of control or losses of control. Those effects relate to the impact of remeasuring previously-held interests or retained interests

EBITDA margin after Leases (Bouygues Telecom): EBITDA after Leases as a proportion of sales from services.

Free cash flow: net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations. It is calculated before changes in working capital requirements (WCR) related to operating activities and excluding 5G frequencies.

Free cash flow after WCR: net cash flow (determined after (i) cost of net debt, (ii) interest expense on lease obligations and (iii) income taxes paid), minus net capital expenditure and repayments of lease obligations, and after changes in working capital requirements (WCR) related to operating activities.

It is calculated after changes in working capital requirements (WCR) related to operating activities and excluding 5G frequencies.

Fixed churn: the total number of cancellations in a given month, divided by the total number of subscribers at the end of the previous month.

FTTH (Fiber to the Home): optical fiber from the central office (where the operator's transmission equipment is installed) all the way to homes or business premises (Arcep definition).

FTTH penetration rate: the FTTH share of the total fixed subscriber base (the number of FTTH customers divided by the total number of fixed customers).

FTTH premises secured: the horizontal deployed, being deployed or ordered up to the concentration point.

FTTH premises marketed: the connectable sockets, i.e. the horizontal and vertical deployed and connected via the concentration point.

Growth in sales like-for-like and at constant exchange rates:

- at constant exchange rates: change after translating foreign-currency sales for the current period at the exchange rates for the comparative period;
- on a like-for-like basis: change in sales for the periods compared, adjusted as follows:
 - for acquisitions, by deducting from the current period those sales of the acquired entity that have no equivalent during the comparative period;
 - for divestments, by deducting from the comparative period those sales of the divested entity that have no equivalent during the current period.

Mobile churn: the total number of cancellations in a given month, divided by the total number of subscribers at the end of the previous month.

MtoM: machine to machine communication. This refers to direct communication between machines or smart devices or between smart devices and people via an information system using mobile communications networks, generally without human intervention.

Net surplus cash/(net debt): the aggregate of cash and cash equivalents, overdrafts and short-term bank borrowings, non-current and current debt, and financial instruments. Net surplus cash/(net debt) does not include non-current and current lease obligations. A positive figure represents net surplus cash and a negative figure represents net debt. The main components of change in net debt are presented in Note 7 to the consolidated financial statements at 30 June 2022.

Order intake (Bouygues Construction, Colas): a project is included under order intake when the contract has been signed and has taken effect (the notice to proceed has been issued and all suspensory clauses have been lifted) and the financing has been arranged. The amount recorded corresponds to the sales the project will generate.

PIN: Public-Initiative Network.

Reservations by value (Bouygues Immobilier): the € amount of the value of properties reserved over a given period.

- Residential properties: the sum of the value of unit and block reservation contracts signed by customers and approved by Bouygues Immobilier, minus registered cancellations.
- Commercial properties: these are registered as reservations on notarized sale.

For co-promotion companies:

- if Bouygues Immobilier has exclusive control over the co-promotion company (full consolidation), 100% of amounts are included in reservations;
- if joint control is exercised (the company is accounted for by the equity method), commercial activity is recorded according to the amount of the equity interest in the co-promotion company.

Sales from services (Bouygues Telecom) comprise:

- Sales billed to customers, which include:
 - In Mobile:
 - o For BtoC customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services.
 - o For BtoB customers: sales from outgoing call charges (voice, texts and data), connection fees, and value-added services, plus sales from business services.
 - o Machine-To-Machine (MtoM) sales.
 - o Visitor roaming sales.
 - o Sales generated with Mobile Virtual Network Operators (MVNOs).
 - In Fixed:
 - o For BtoC customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire.
 - o For BtoB customers: sales from outgoing call charges, fixed broadband services, TV services (including Video on Demand and catch-up TV), and connection fees and equipment hire, plus sales from business services.
 - o Sales from bulk sales to other fixed line operators.
- Sales from incoming Voice and Texts.
- Spreading of handset subsidies over the projected life of the customer account, required to comply with IFRS 15.
- Capitalization of connection fee sales, which is then spread over the projected life of the customer account.

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

It comprises:

- sales from handsets, accessories and other;
- roaming sales;
- non-telecom services (construction of sites or installation of FTTH lines);
- co-financing of advertising.

Very-high-speed: subscriptions with peak downstream speeds higher or equal to 30 Mbit/s. Includes FTTH, FTTLA, 4G box and VDSL2 subscriptions (Arcep definition).

Wholesale: wholesale market for telecoms operators.

4. CONDENSED CONSOLIDATED FIRST-HALF FINANCIAL STATEMENTS

BOUYGUES GROUP CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet (€ million)

ASSETS	Note	30/06/2022 net	31/12/2021 net	30/06/2021 net restated ^a
Property, plant and equipment		8,360	8,048	7,670
Right of use of leased assets		1,955	1,741	1,698
Intangible assets		2,665	2,774	2,783
Goodwill	3.1	7,372	7,446	7,132
Investments in joint ventures and associates	3.2	1,521	878	800
Other non-current financial assets		605	496	510
Deferred tax assets		349	292	338
NON-CURRENT ASSETS		22,827	21,675	20,931
Inventories		3,230	2,810	2,967
Advances and down-payments made on orders		413	347	347
Trade receivables		7,942	6,641	6,893
Customer contract assets		3,514	2,909	3,088
Current tax assets		208	169	228
Other current receivables and prepaid expenses		3,809	3,485	3,678
Cash and cash equivalents	7	4,593	6,501	3,904
Financial instruments - Hedging of debt	7	791	47	15
Other current financial assets		42	24	23
CURRENT ASSETS		24,542	22,933	21,143
Held-for-sale assets and operations		275	34	12
TOTAL ASSETS		47,644	44,642	42,086
LIABILITIES AND SHAREHOLDERS' EQUITY	Note	30/06/2022	31/12/2021	30/06/2021 restated ^a
Share capital	4	383	383	381
Share premium and reserves		10,821	9,632	9,484
Translation reserve		168	92	35
Treasury shares		(188)	(88)	
Net profit/(loss) attributable to the Group	11	147	1,125	408
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP		11,331	11,144	10,308
Non-controlling interests		1,643	1,645	1,471
SHAREHOLDERS' EQUITY		12,974	12,789	11,779
Non-current debt	6.1/7	7,255	5,805	5,206
Non-current lease obligations		1,670	1,473	1,411
Non-current provisions	5.1	1,917	2,093	2,199
Deferred tax liabilities		585	344	315
NON-CURRENT LIABILITIES		11,427	9,715	9,131
Current debt	6.1/7	1,411	1,324	1,199
Current lease obligations		376	362	366
Current tax liabilities		179	196	149
Trade payables		8,623	8,266	7,639
Customer contract liabilities		4,865	4,305	4,212
Current provisions	5.2	1,211	1,330	1,256
Other current liabilities		6,064	5,979	6,020
Overdrafts and short-term bank borrowings	7	419	351	314
Financial instruments - Hedging of debt	7	4	9	13
Other current financial liabilities		17	16	8
CURRENT LIABILITIES		23,169	22,138	21,176
Liabilities related to held-for-sale operations		74		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		47,644	44,642	42,086
NET SURPLUS CASH/(NET DEBT)	7/11	(3,705)	(941)	(2,813)

(a) The consolidated balance sheet as of 30 June 2021 has been restated for the effects of applying the IFRS IC Agenda Decision on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits.

Consolidated income statement (€ million)

	Note	First half		Second quarter		Full year
		2022	2021	2022	2021	2021
SALES ^a	8/11	18,531	17,417	10,327	9,675	37,589
Other revenues from operations		33	27	17	17	55
Purchases used in production		(8,360)	(7,491)	(4,831)	(4,169)	(16,641)
Personnel costs		(4,520)	(4,223)	(2,425)	(2,254)	(8,497)
External charges		(4,349)	(4,113)	(2,176)	(2,205)	(8,614)
Taxes other than income tax		(355)	(348)	(122)	(124)	(597)
Net charges for depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets		(977)	(989)	(499)	(527)	(2,065)
Net charges for depreciation, amortisation and impairment losses on right of use of leased assets		(194)	(168)	(106)	(86)	(353)
Charges to provisions and other impairment losses, net of reversals due to utilisation		59	(127)	51	(120)	(405)
Change in production and property development inventories		90	(37)	59	(28)	(99)
Other income from operations ^b		1,041	924	596	586	2,280
Other expenses on operations		(507)	(401)	(322)	(217)	(960)
CURRENT OPERATING PROFIT/(LOSS)	9/11	492	471	569	548	1,693
Other operating income		17	97	9	35	115
Other operating expenses		(61)	(17)	(37)	(11)	(75)
OPERATING PROFIT/(LOSS)	9/11	448	551	541	572	1,733
Financial income		13	13	6	8	21
Financial expenses		(86)	(88)	(44)	(44)	(176)
INCOME FROM NET SURPLUS CASH/(COST OF NET DEBT)		(73)	(75)	(38)	(36)	(155)
Interest expense on lease obligations	11	(29)	(26)	(14)	(13)	(52)
Other financial income		42	16	16	10	63
Other financial expenses		(46)	(35)	(23)	(21)	(74)
Income tax	10	(103)	(146)	(130)	(162)	(432)
Share of net profits/losses of joint ventures and associates	3.2/11	(8)	201	(5)	96	222
Net profit/(loss) from continuing operations		231	486	347	446	1,305
Net profit/(loss) from discontinued operations						
NET PROFIT/(LOSS)		231	486	347	446	1,305
Net profit/(loss) attributable to the Group	11	147	408	278	387	1,125
Net profit/(loss) attributable to non-controlling interests		84	78	69	59	180
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)		0.38	1.07	0.72	1.01	2.95
DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS ATTRIBUTABLE TO THE GROUP (€)		0.38	1.07	0.72	1.01	2.95
(a) Of which sales generated abroad		7,410	6,565	4,442	3,899	14,994
(b) Of which reversals of unutilised provisions/impairment losses & other items		149	131	94	77	444

Consolidated statement of recognised income and expense (€ million)

	First half		Full year
	2022	2021	2021
NET PROFIT/(LOSS)	231	486	1,305
Items not reclassifiable to profit or loss			
Actuarial gains/losses on post-employment benefits	142		65
Remeasurement of investments in equity instruments	(2)	5	(1)
Net tax effect of items not reclassifiable to profit or loss	(31)	(2)	(9)
Share of non-reclassifiable income and expense of joint ventures and associates	1	(44)	(45)
Items reclassifiable to profit or loss			
Translation adjustments	71	60	116
Remeasurement of hedging assets	794	14	60
Net tax effect of items reclassifiable to profit or loss	(203)	(4)	(16)
Share of reclassifiable income and expense of joint ventures and associates	67	78	83
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	839^a	107^b	253
TOTAL RECOGNISED INCOME AND EXPENSE	1,070	593	1,558
Recognised income and expense attributable to the Group	970	508	1,366
Recognised income and expense attributable to non-controlling interests	100	85	192

(a) Of which income and expense recognised in second-quarter 2022 = 477

(b) Of which income and expense recognised in second-quarter 2021 = 11

Consolidated statement of changes in shareholders' equity (€ million)

	Share capital and share premium	Reserves related to capital and retained earnings	Consolidated reserves and profit/(loss)	Treasury shares	Items recognised directly in equity	TOTAL ATTRIBUTABLE TO THE GROUP	Non-controlling interests	TOTAL
POSITION AT 31 DECEMBER 2020								
RESTATED ^a	2,771	3,256	4,727		(353)	10,401	1,471	11,872
Movements during the first half of 2021								
Net profit/(loss)			408			408	78	486
Income and expense recognised directly in equity					100	100	7	107
Total recognised income and expense ^c			408		100	508	85	593
Capital and reserves transactions, net	6	50	(50)			6		6
Acquisitions and disposals of treasury shares			(17)			(17)		(17)
Acquisitions and disposals with no change of control			(5)			(5)	(6)	(11)
Dividend paid			(647)			(647)	(88)	(735)
Share-based payments			4			4		4
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)			58			58	9	67
POSITION AT 30 JUNE 2021 RESTATED ^a	2,777	3,306	4,478		(253)	10,308	1,471	11,779
Movements during the second half of 2021								
Net profit/(loss)			717			717	102	819
Income and expense recognised directly in equity					141	141	5	146
Total recognised income and expense ^c			717		141	858	107	965
Capital and reserves transactions, net	47	1	(1)			47		47
Acquisitions and disposals of treasury shares			12	(88)		(76)		(76)
Acquisitions and disposals with no change of control			4			4	6	10
Dividend paid							(3)	(3)
Share-based payments			5			5	1	6
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)			(2)			(2)	63	61
POSITION AT 31 DECEMBER 2021	2,824	3,307	5,213	(88)	(112)	11,144	1,645	12,789
Movements during the first half of 2022								
Net profit/(loss)			147			147	84	231
Income and expense recognised directly in equity					823 ^b	823	16 ^b	839
Total recognised income and expense ^c			147		823	970	100	1,070
Capital and reserves transactions, net	1	(130)	130			1		1
Acquisitions and disposals of treasury shares			(4)	(100)		(104)		(104)
Acquisitions and disposals with no change of control			(12)			(12)	(1)	(13)
Dividend paid			(680)			(680)	(95)	(775)
Share-based payments			5			5	1	6
Other transactions (changes in scope of consolidation, other transactions with shareholders, and miscellaneous items)			7			7	(7)	
POSITION AT 30 JUNE 2022	2,825	3,177	4,806	(188)	711	11,331	1,643	12,974

(a) Consolidated shareholders' equity as of 31 December 2020 and 30 June 2021 has been restated for the effects of applying the IFRS IC Agenda Decision on the method for calculating the period of service used when measuring the provision for lump-sum retirement benefits.

(b) Change in translation reserve:

	Attributable to:		Total
	Group	Non-controlling interests	Total
Controlled companies	68	3	71
Investments in joint ventures and associates	9		9
	77	3	80

(c) See statement of recognised income and expense.

Consolidated cash flow statement (€ million)

	Note	First half 2022	2021	Full year 2021
I - CASH FLOW FROM CONTINUING OPERATIONS				
A - NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES				
Net profit/(loss) from continuing operations		231	486	1,305
Adjustments:				
Share of profits/losses of joint ventures and associates, net of dividends received		57	(156)	(154)
Dividends from non-consolidated companies		(6)	(1)	(6)
Net charges to/(reversals of) depreciation, amortisation, impairment of property, plant and equipment and intangible assets, and non-current provisions		926	1,001	1,980
Net charges to amortisation and impairment expense and other adjustments to right of use of leased assets		203	172	353
Gains and losses on asset disposals		(75)	(165)	(314)
Income taxes, including uncertain tax positions		103	146	432
Income taxes paid		(176)	(170)	(397)
Other income and expenses with no cash effect		(37)	(13)	(34)
CASH FLOW AFTER INCOME FROM NET SURPLUS CASH/COST OF NET DEBT, INTEREST EXPENSE ON LEASE OBLIGATIONS AND INCOME TAXES PAID	11	1,226	1,300	3,165
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations		102	101	207
Changes in working capital requirements related to operating activities (including current impairment and provisions) ^a	11	(2,228)	(1,376)	204
NET CASH GENERATED BY/(USED IN) OPERATING ACTIVITIES		(900)	25	3,576
B - NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES				
Purchase price of property, plant and equipment and intangible assets	11	(1,185)	(1,054)	(2,446)
Proceeds from disposals of property, plant and equipment and intangible assets	11	121	264	472
Net liabilities related to property, plant and equipment and intangible assets		(244)	(98)	(90)
Purchase price of non-consolidated companies and other investments		(9)	(7)	(12)
Proceeds from disposals of non-consolidated companies and other investments		13	6	8
Net liabilities related to non-consolidated companies and other investments				
Purchase price of investments in consolidated activities		(26)	(36)	(382)
Proceeds from disposals of investments in consolidated activities		56	1,022	1,046
Net liabilities related to consolidated activities		(56)	11	74
Other effects of changes in scope of consolidation: cash of acquired and divested companies	7	(8)	(1)	23
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies		(118)	54	64
NET CASH GENERATED BY/(USED IN) INVESTING ACTIVITIES		(1,456)	161	(1,243)
C - NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES				
Capital increases/(reductions) paid by shareholders and non-controlling interests and other transactions between shareholders		(149)	(18)	(34)
Dividends paid to shareholders of the parent company		(680)	(647)	(647)
Dividends paid by consolidated companies to non-controlling interests		(95)	(88)	(91)
Change in current and non-current debt	7	1,555	365	1,057
Repayment of lease obligations	11	(206)	(178)	(361)
Income from net surplus cash/cost of net debt and interest expense on lease obligations		(102)	(101)	(207)
Other cash flows related to financing activities		42		(1)
NET CASH GENERATED BY/(USED IN) FINANCING ACTIVITIES		365	(667)	(284)
D - EFFECT OF FOREIGN EXCHANGE FLUCTUATIONS	7	26	34	64
CHANGE IN NET CASH POSITION (A + B + C + D)		(1,965)	(447)	2,113
NET CASH POSITION AT START OF PERIOD	7	6,150	4,037	4,037
Net cash flows	7	(1,965)	(447)	2,113
Non-monetary flows				
Held-for-sale operation		(11)		
NET CASH POSITION AT END OF PERIOD	7	4,174	3,590	6,150
II - CASH FLOWS FROM DISCONTINUED OPERATIONS				
NET CASH POSITION AT START OF PERIOD				
Net cash flows				
NET CASH POSITION AT END OF PERIOD				

(a) Definition of changes in working capital requirements related to operating activities: current assets minus current liabilities, excluding (i) income taxes; (ii) receivables/liabilities related to property, plant and equipment and intangibles assets; (iii) current debt; (iv) current lease obligations; and (v) financial instruments used to hedge debt.

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Note 1 Significant events

1.1 Significant events of the first half of 2022

The principal corporate actions and acquisitions of the first half of 2022 are described below:

- During the second half of 2021, to protect itself against a rise in interest rates, Bouygues SA entered into pre-hedging arrangements with a view to refinancing the bond issue maturing in 2023.

Upon the signature in November 2021 of the agreement to acquire Equans from Engie, Bouygues also entered into pre-hedging arrangements for the future bond issues that would provide long-term refinancing for the syndicated acquisition loan that was contracted on 3 December 2021 and is due to mature two years after the closing of the acquisition. Those arrangements were contracted between November 2021 and January 2022, partly in the form of swaps contingent on completion of the Equans acquisition.

On 17 May 2022, Bouygues carried out two bond issues totalling €2 billion with an effective date of 24 May 2022. The issues comprise a 7-year €1 billion tranche bearing interest at 2.25%, and a 15-year €1 billion tranche bearing interest at 3.25%. The issues mark the first step in the refinancing of the syndicated loan contracted to finance the acquisition of Equans. Consequently, the authorised amount of the syndicated loan had been reduced to €4.7 billion as of 30 June 2022. If the acquisition is not completed, Bouygues has an option to redeem the bond issues at 101% of nominal.

As of 30 June 2022, the fair value of the pre-hedging swaps recognised as an asset in the balance sheet within “Financial instruments – Hedging of debt” was €765 million, before deferred tax liabilities of €198 million. That compares with amounts (before deferred taxes) of €38 million as of 31 December 2021 and €439 million as of 31 March 2022. The change in fair value during the first half of 2022 (see Note 7) was recognised within “Income and expense recognised directly in equity”.

The €765 million fair value of the pre-hedging swaps recognised as an asset in the balance sheet includes €245 million for contingent swaps, the value of which became fixed when the May 2022 bond issues were carried out. In addition, an upfront cash payment of €42 million was received by Bouygues when the issues were made; that amount is presented within “Cash and cash equivalents” in the balance sheet as of 30 June 2022.

Of the tax payable when the swaps are closed out, half will be offset against tax group losses, and half will be paid out during 2022. The tax will be netted off against the tax benefit arising on the interest expense on the bond issue, which will be deductible for tax purposes at the nominal rate of the issue.

- On 23 February 2022, Bouygues Telecom and Cellnex signed an agreement to set up a new company to roll out up to approximately 1,350 new mobile sites in France outside very dense areas. The new company, controlled by Cellnex, will own and manage the sites. Bouygues Telecom will have a call option over Cellnex’s shares exercisable between 1 July and 31 December 2045, 2050 and 2055, which would give Bouygues Telecom control over the new company.
- On 23 February 2022, Bouygues Telecom and Phoenix Tower International (a Blackstone portfolio company based in the United States, specialising in mobile infrastructure construction) and Phoenix France Infrastructures signed an agreement to set up a new company to acquire 2,000 new mobile sites in very dense areas, and to roll out up to 400 additional sites. The new company, a directly owned subsidiary of Phoenix France Infrastructures, will own and manage the sites. Bouygues Telecom will have a call option over the shares of Phoenix France Infrastructures exercisable between 15 January and 15 July 2038 and at two-year intervals to 2051, which would give Bouygues Telecom control over the two companies.
- On 24 February 2022, a military conflict broke out between Russia and Ukraine. Because Bouygues has only very limited operations in those two countries (2021 revenue of €123,000 in Russia and €24,000 in Ukraine), it is not directly impacted by the ongoing conflict. However, the Group is paying very close attention to macro-economic trends and to the direct and indirect repercussions for the Group’s operations and profits.

- On 28 February 2022, TF1 announced that Altice Media had entered into a purchase agreement in respect of the TFX channel (DTT channel 11), and that Altice Media had been granted an exclusivity clause. On 8 April 2022, TF1 announced the finalisation of the agreements with Altice relating to the sale of TFX in the event that the proposed merger with the M6 group (announced in 2021) is approved. Completion of the sale is subject to (i) clearance from the relevant competent authorities (the French competition authority – ADLC, and the French broadcasting authority – Arcom) and (ii) completion of the proposed merger between the TF1 and M6 groups. The TFX channel will hence remain under the full control of the TF1 group throughout 2022. The sale of TFX would be tied into the proposed merger between the TF1 and M6 groups announced on 17 May 2021, and would help the combined group comply with legislation by avoiding its being in the position of owning more than seven national DTT channels.
- On 24 March 2022, the TF1 group and the M6 group signed an agreement relating to the buyout of the 33.33% equity interest held by France Télévisions in Salto (the subscription video on demand service owned in equal shares by France Télévisions, TF1 and M6) in the event that the proposed merger with the M6 group (announced in 2021) is approved. Under the terms of the agreement, the TF1 and M6 groups undertook that if the merger is completed, they will buy out the 33.33% equity interest held by France Télévisions at a definitive value of €45 million. Salto will remain under the joint control of its three shareholders throughout 2022 to facilitate the ongoing development of the platform.
- On 6 April 2022, Bouygues Telecom and Vauban Infrastructures Partners (a BPCE group company) announced the signature of a strategic agreement to ramp up the roll-out of FTTH to property operators in medium dense areas (AMII) and less dense areas (AMEL/PIN), representing around 21 million premises. Bouygues Telecom created a special purpose vehicle called Société de Développement de la Fibre Au Service des Territoires (SDFAST) and Vauban Infrastructure Partners, acting on behalf of its funds, was chosen to be SDFAST’s future majority shareholder. The primary purpose of SDFAST will be to acquire long-term access rights from property operators, helping to co-finance fibre optics alongside the main French telecoms operators. Approximately €2 billion will be invested over the next five years.

When SDFAST was created, Vauban Infrastructure Partners and Bouygues Telecom undertook to subscribe to the capital of the company. Bouygues Telecom also contributed (i) a service contract that includes a commitment to source FTTH connections solely from SDFAST for a period of 35 years at a pre-set tariff and (ii) supply contracts enabling SDFAST to acquire FTTH connections from building operators. SDFAST will also be able to offer the same access services to third-party operators. The transactions valued Bouygues Telecom’s 49% equity interest in SDFAST at €585 million as of 6 April 2022, including €535 million for the contracts contributed (which will be recognised in current operating profit over the life of the contract) and €50 million for the capital increase to be carried out by Bouygues Telecom. As of 30 June 2022, Bouygues Telecom’s equity interest in SDFAST was valued at €611 million.

Bouygues Telecom has an option to take control of SDFAST exercisable between 31 July and 31 December each year from 2031 to 2033, and then every five years from 2036 to 2056.

- On 12 May 2022, Bouygues signed the Equans Share Purchase Agreement with Engie, following the issuance of all the opinions of the relevant employee representative bodies of Equans and Engie. Completion of the acquisition of Equans remains subject to obtaining all the regulatory clearances required from the antitrust and foreign investment control authorities. Completion of the deal is expected in the second half of 2022, as per the initial schedule.

Under the terms of the initial purchase agreement signed on 5 November 2021, Bouygues was required to make a payment of €130 million on signature of the Share Purchase Agreement; that amount will be deducted from the purchase price if there is a successful conclusion to the purchase process. Consequently, Bouygues paid Engie €130 million in May 2022 under the terms of the agreement. In the statements of cash flows, that amount has been classified within “Net cash generated by/used in investing activities”, within the line item “Other cash flows related to investing activities”.

- On 28 June 2022, TF1 signed an agreement with a view to selling its Digital Media arms’s Publishers business – including the aufeminin, Marmiton, Doctissimo, and Les Numériques brands – to the Reworld Media group.

The proposed sale reflects firstly TF1's aim to focus on its content publisher, multi-channel streaming and production interests, and secondly a wave of consolidations driven by profound changes in display and special campaigns within the online ad sector. The Reworld group has agreed to take over all of Publishers employees. The proposed sale has been presented to the employee representative bodies of TF1. Closing of the transaction remains subject to the customary conditions precedent, in particular regulatory clearance from the French competition authority.

On 21 July 2022, TF1 signed an agreement to enter into exclusive negotiations with Future Technology Retail with a view to the sale of the influence marketing operations carried on by the Ykone entities.

Completion of the two deals is expected in the second half of 2022.

Because the Publishers business of the Digital Media arm and the Ykone entities were both held for sale as of 30 June 2022, all the assets and liabilities of those entities have been classified in "Held-for-sale assets and operations" and "Liabilities related to held-for-sale operations", which are separate line items presented at the foot of the balance sheet, in accordance with IFRS 5, at carrying amounts of €198 million and €74 million respectively. Because the estimated fair value of the held-for-sale assets is greater than their carrying amount, no provision for impairment against those assets was recognised in the consolidated financial statements for the six months ended 30 June 2022.

1.2 Significant events of the first half of 2021

The principal corporate actions and acquisitions of the first half of 2021 are described below:

- On 29 January 2021, Alstom announced that it had acquired Bombardier Transportation, via two rights issues reserved for affiliates of Caisse de dépôt et placement du Québec and Bombardier Inc. Bouygues recognised a gain on dilution of €56 million within "Share of net profits/losses of joint ventures and associates" in the consolidated income statement for the first quarter of 2021, based on Alstom's €3.4 billion valuation of the 76,184,296 shares issued on the date of completion of the acquisition. On completion of all those various rights issues, Bouygues held an equity interest of 6.35% in Alstom.

On 10 March and 2 June 2021, Bouygues announced that it had sold respectively 12 million and 11 million Alstom shares, representing 3.23% and 2.96% of Alstom's share capital, for €984 million (net of transaction costs), through an accelerated book building reserved for institutional investors. Bouygues recognised a gain of €152 million (net of transaction costs and taxes) within "Share of net profits/losses of joint ventures and associates" in the consolidated income statement for the first half of 2021. Following those sales, Bouygues holds an equity interest of 0.16% in Alstom. Loss of significant influence over Alstom led to the reclassification of the residual equity interest to "Other non-current financial assets", and to the recognition of a fair value remeasurement of €6 million as of 2 June 2021 in respect of the residual equity interest within "Share of net profits/losses of joint ventures and associates".

The residual equity interest in Alstom, classified within "Other non-current financial assets", amounted to €18 million as of 31 December 2021.

- During the first half of 2021, Bouygues Telecom sold to Towerlink the buildings and passive infrastructure of 11 data centres (MSC – Mobile Switching Centres) for €168 million; a gain of €97 million was recognised within "Other income from operations" in the first half of 2021. During the second half of 2021, two more MSCs were sold for €31 million, taking the overall capital gain recognised within "Other income from operations" to €114 million as of 31 December 2021. Two MSCs were classified within "Held-for-sale assets and operations" in the balance sheet as of 31 December 2021, at a value of €8 million.
- On 27 April 2021, TF1 announced that Newen had taken a majority stake in the iZen group, a major player in audiovisual production in Spain, by acquiring a 65% equity interest for a basic price of €20 million. The iZen group, which employs around 40 people and also has operations in the United Kingdom, generated average sales of €35 million over the last

three financial years. The vendors and the Newen group entered into a shareholder agreement which specifies the terms for (i) the payment of contingent consideration and (ii) the exercise of reciprocal undertakings whereby the vendors have an option to sell, and the TF1 group has an option to acquire, additional equity interests of 15% in 2025 and 10% in 2028. As of the date control was obtained, provisional goodwill of €15 million was recognised pending finalisation of the purchase price allocation; the impact on net debt was €29 million, including €9 million for the put option granted to the non-controlling shareholders. Following completion of the valuation of the reciprocal undertakings and the contingent consideration of €2 million in the second half of 2021, provisional goodwill amounted to €15 million as of 31 December 2021; the impact on net debt was €34 million, including €12 million for the put option granted to the non-controlling shareholders. On completion of the 12-month purchase price allocation period, the provisional goodwill became final, and amounted to €16 million as of 30 June 2022.

- On 17 May 2021, TF1, M6, Bouygues and RTL Group announced that they had signed agreements to enter into exclusive negotiations to merge the activities of TF1 and M6, creating a major French media group. Based on 2020 proforma figures, the merged entity would generate sales of approximately €3.4 billion and current operating profit in the region of €460 million. Bouygues and RTL Group support the transaction, on completion of which they would hold 30% and 16% of the new entity respectively, following the acquisition by Bouygues of an 11% stake from RTL Group for €641 million. Bouygues would exercise control, and would act in concert with RTL Group in a strategic partnership. The proposal has been approved unanimously by the Boards of Directors of TF1, Bouygues and RTL Group, and by the Supervisory Board of M6. On 8 July 2021, the Bouygues group and RTL Group (of the one part) and TF1 and M6 (of the other part) announced the signature of agreements between the parties relating to the merger of the TF1 and M6 groups, following unanimous approval of the proposal by the employee representative bodies of Bouygues, TF1 and M6 on 24 June 2021. Closing of the transaction remains subject to regulatory approvals from the French competition authority (ADLC) and the French broadcasting authority (Arcom), and to approval by shareholder meetings. Closing of the transaction is expected by the end of 2022.
- In June 2021, Bouygues SA repurchased 350,000 of its own shares for €12 million, followed by a further 2,220,000 shares in the second half of 2021 for €76 million; all the shares were repurchased with a view to their cancellation.

1.3 Significant events and changes in scope of consolidation subsequent to 30 June 2022

- On 19 July 2022, the European Commission authorised the acquisition of Equans by Bouygues, subject to compliance with the undertakings made by Bouygues to divest Colas Rail Belgium.

Also on 19 July 2022, the UK Competition and Markets Authority issued an opinion indicating that its concerns around competition were limited to the ongoing tendering process for catenary systems for the High Speed 2 (HS 2) railway line. On 26 July, Bouygues submitted its proposed remedies on which the CMA should soon give its decision.

- On 21 July 2022, TF1 signed an agreement to enter into exclusive negotiations with Future Technology Retail with a view to the sale of the influence marketing operations carried on by the Ykone entities (see Note 1.1). Completion of the sale was announced on 27 July 2022.
- On 22 July 2022, the French competition authority (ADLC) indicated on its website that on 19 July 2022 it had authorised the acquisition of TFX by Altice (see Note 1.1). However, the ADLC has not published its decision in full, and has indicated that it may be subject to appeal.
- On 26 July 2022, Bouygues announced that the French competition authority's (ADLC) investigation teams have issued their report on the proposed merger between the TF1 group and the M6 group. In their report, which in no way predicts the final decision of the authority's board, the investigation teams consider that the deal raises a number of significant competition concerns (especially in relation to the advertising market). The nature and extent of the remedies required in the report would mean that the merger plans would no longer be meaningful for the parties involved and they would

therefore abandon them. The parties, who do not intend to make any changes to their original plans, will inform the authority of their response within the next three weeks; hearings will take place before the French competition authority's board on 5 and 6 September.

Note 2 **Group accounting policies**

2.1 **Declaration of compliance**

The interim condensed consolidated financial statements of Bouygues and its subsidiaries ("the Group") for the six months ended 30 June 2022 were prepared in accordance with IAS 34, "Interim Financial Reporting", a standard issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. Because they are condensed, these financial statements do not include all the information required under the standards issued by the IASB, and should be read in conjunction with the full-year consolidated financial statements of the Bouygues group for the year ended 31 December 2021 as presented in the Universal Registration Document filed with the AMF on 23 March 2022.

The financial statements were prepared in accordance with the standards issued by the IASB as endorsed by the European Union and applicable as of 30 June 2022. Those standards (collectively referred to as "IFRS") comprise International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), and interpretations issued by the IFRS Interpretations Committee – previously the International Financial Reporting Interpretations Committee (IFRIC), itself the successor body to the Standing Interpretations Committee (SIC). The Group has not early adopted as of 30 June 2022 any standard or interpretation not endorsed by the European Union.

Unless otherwise indicated, the financial statements are presented in millions of euros, the currency in which the majority of the Group's transactions are denominated; they comprise the balance sheet, the income statement, the statement of recognised income and expense, the statement of changes in shareholders' equity, the cash flow statement, and the notes to the financial statements.

2.2 **Basis of preparation of the financial statements**

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

They were closed off by the Board of Directors on 1 August 2022.

The interim condensed consolidated financial statements for the six months ended 30 June 2022 were prepared in accordance with IFRS using the historical cost convention, except for certain financial assets and liabilities measured at fair value where this is required under IFRS. They include comparatives with the financial statements for the year ended 31 December 2021 and the six months ended 30 June 2021; the balance sheets and statements of changes in shareholders' equity as of 30 June 2021 have been restated to reflect the final agenda decision of the IFRS Interpretations Committee on IAS 19. That decision led the Group to reassess the methodology for calculating the vesting period used in determining the amount of the provision for lump-sum retirement benefits. Applying the decision led to a €69 million increase in published shareholders' equity as of 30 June 2021. The provision for lump-sum retirement benefits was reduced by €90 million, and deferred tax liabilities increased by €10 million. On the assets side of the balance sheet, deferred tax assets decreased by €12 million, and investments in joint ventures and associates increased by €1 million. No impact was identified on the income statement or on the statement of recognised income and expense for the first half of 2021.

In preparing the interim condensed consolidated financial statements, management used estimates and assumptions as described in Note 2.2 to the consolidated financial statements for the year ended 31 December 2021.

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

- Income taxes of consolidated entities for interim periods are assessed in accordance with IAS 34: the income taxes of each entity for the period are recognised on the basis of the best estimate of the average annual effective income tax rate for the financial year (except in the case of holding companies, which recognise income taxes on the basis of the actual tax position at the end of the period).
- Employee benefit expenses for interim periods are recognised pro rata based on the estimated expense for the full year, calculated using the actuarial assumptions and projections applied as of 31 December 2021. Employee headcount, salaries and actuarial assumptions may be revised where the impact is material.

As of 30 June 2022, certain actuarial assumptions (discount rates, salary inflation rates including the effects of general inflation, and return on plan assets) have been revised, reflecting significant changes during the period. The overall impact was a gain of €142 million (€111 million net of deferred taxes), recognised in the statement of recognised income and expense for the first half of 2022, and comprising:

- Outside France: a €239 million gain due to the effects of higher discount rates and a revision of employee turnover statistics, partly offset by a reduction of €136 million in the fair value of plan assets and €34 million for the effect of the asset ceiling.
- In France: the effects of (i) a revision in discount rate from 1.013% as of 31 December 2021 to 2.945% as of 30 June 2022 and (ii) an increase in the salary inflation rate (determined separately for each business segment), resulting in a total gain of €73 million.

The impact on provisions of an additional increase or decrease in discount rates within and outside France would be as follows:

	Assumption	Increase	Decrease
Lump-sum retirement benefits (France)	50 basis points	(32)	35
Pensions (outside France)	20 basis points	(11)	12

In addition, a rise of 50 basis points in the salary inflation rate used in France would result in an increase of €19 million in the provision.

Those impacts would also be recognised in the statement of recognised income and expense.

2.3 New IFRS standards and interpretations

The Bouygues group applied the same standards, interpretations and accounting policies in the six months ended 30 June 2022 as were applied in its consolidated financial statements for the year ended 31 December 2021, except for changes required to meet new IFRS requirements applicable as of 1 January 2022 (see below).

- Principal amendments effective within the European Union and mandatorily applicable as of 1 January 2022
 - Amendments to IAS 37

On 14 May 2020, the IASB issued amendments to IAS 37, relating to onerous contracts. The amendments clarify what costs an entity considers in determining the cost of fulfilling a contract, in order to assess whether that contract is onerous. The impact on the Group is immaterial.

- Amendments to IAS 16

On 2 July 2021, the IASB issued amendments to IAS 16, relating to how entities account for the net proceeds generated by an item of property, plant and equipment while that item is being brought to the location and condition necessary for it to be operated. The amendments prohibit entities from deducting such proceeds from the cost of the item; rather, the proceeds generated by the sale and the corresponding costs must be recognised in profit or loss. The impact on the Group is immaterial.

- IFRS IC conclusions related to IAS 38

In April 2021, the IASB approved the December 2020 agenda decision of the IFRS IC on accounting for the costs of configuring or customising application software in a Software as a Service (SaaS) arrangement. Depending on their nature, such costs are generally required to be recognised as an expense, either immediately or over the term of the contract. An analysis of those costs within the Group is ongoing and will be finalised in the second half of 2022, given that some of those costs impact entities affected by the changes in the scope of consolidation of the TF1 group described in Note 1.1. At this stage, the impact would appear to be immaterial at Group level. All costs of configuring or customising application software brought into service since 1 January 2022 have been accounted for in accordance with the IFRS IC agenda decision.

2.4 Seasonal fluctuations

Sales and operating profit are subject to strong seasonal fluctuations due to low activity levels during the first half, primarily at Colas due to weather conditions. The extent of those fluctuations varies from year to year. In accordance with IFRS, sales for interim accounting periods are recognised on the same basis as full-year sales.

Note 3 Non-current assets

3.1 Goodwill

3.1.1 Movement in the carrying amount of goodwill in the first half of 2022

	Carrying amount
31/12/2021	7,446
Changes in scope of consolidation	(32)
Impairment losses charged during the period	
Other movements (including translation adjustments)	(42)
30/06/2022	7,372

The decrease during the first half of 2022 relates mainly to the following corporate actions at TF1:

- sale of the Gamed entities, leading to the derecognition of goodwill amounting to €36 million; and
- the signature of (i) an agreement to sell TF1's Publishers business and (ii) an agreement to enter into exclusive negotiations with a view to the sale of the influence marketing operations of Ykone (see Note 1.1), resulting in the reclassification of the goodwill of those entities to "Held-for-sale assets and operations" in accordance with IFRS 5, for an amount of €59 million.

Those effects were partly offset by €17 million of translation adjustments.

The table below shows how goodwill as of 30 June 2022 was determined for significant acquisitions made since 1 January 2021:

CGU	Destia Oy		iZen
	Colas		TF1
Purchase price (I)	252		22
Net assets acquired, excluding goodwill (II)	(40)		(7)
Non-current assets	(71)		(5)
Current assets	(137)		(16)
Non-current liabilities	28		2
Current liabilities	140		12
Purchase price allocation (III)			(3)
Remeasurement of acquired intangible assets			(4)
Remeasurement of acquired property, plant and equipment			
Other remeasurements (including deferred taxes)			1
Unacquired portion (IV)			4
Goodwill (I)+(II)+(III)+(IV)	212		16^a
Translation adjustments			
Goodwill at 30/06/2022	212		16

(a) This goodwill became final during the first half of 2022.

3.1.2 Allocation of goodwill by Cash Generating Unit (CGU)

CGU	30/06/2022		31/12/2021	
	Total	% Bouygues or subsidiaries	Total	% Bouygues or subsidiaries
Bouygues Construction ^a	1,129	100.00	1,129	100.00
Colas ^b	1,568	96.85	1,552	96.85
TF1 ^b	1,278	44.35	1,369	43.68
Bouygues Telecom ^b	3,397	90.53	3,396	90.53
TOTAL	7,372		7,446	

(a) Only includes goodwill on subsidiaries acquired by the CGU.

(b) Includes goodwill on subsidiaries acquired by the CGU and on acquisitions made at parent company (Bouygues SA) level for the CGU.

An increase in euro interest rates, which impacts various components of the discount rates used, was observed during the first half of the year. However, this does not call into question the results of the impairment testing conducted as of 31 December

2021, given that the discount rates as of 30 June 2022 remain below the levels at which the recoverable amount of the assets tested would equal their carrying amount (as reported in Note 3.2.4 to the financial statements as of 31 December 2021).

3.2 Investments in joint ventures and associates

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

	Carrying amount
31/12/2021	878
Share of net profit/(loss) for the period	(8)
Translation adjustments	9
Other income and expense recognised directly in equity	59
Net profit/(loss) and other recognised income and expense	60
Appropriation of prior-year profit, dividends distributed, acquisitions and capital increases, disposals, transfers and other movements	583
30/06/2022	1,521

The carrying amount of investments in joint ventures and associates increased by €643 million in the period, reflecting the first-time consolidation of SDFAST for €585 million (see Note 1.1).

The investment in SDFAST had a carrying amount of €611 million in the Bouygues balance sheet as of 30 June 2022, after taking account of the €10 million share of SDFAST's net loss for the period and €35 million of remeasurements of financial instruments.

The table below shows aggregate amounts for the principal assets, liabilities, and profit and loss items in respect of the Bouygues group's investment in SDFAST:

	SDFAST
	30/06/2022
Amounts shown are for 100% of investee	
Non-current assets	1,632
Current assets	500
TOTAL ASSETS	2,132
Shareholders' equity	1,246
Non-current liabilities	604 ^a
Current liabilities	282
TOTAL LIABILITIES	2,132
SALES	6
NET PROFIT	(20)

(a) Includes €582m of non-current debt.

	30/06/2022
SDFAST: SHAREHOLDERS' EQUITY	1,246
Share attributable to Bouygues (49%)	611
NET ASSETS RECOGNISED IN THE BOUYGUES CONSOLIDATED FINANCIAL STATEMENTS	611

The investment in SDAIF had a carrying amount of €280 million in the Bouygues balance sheet as of 30 June 2022, including the €6 million share of SDAIF's net loss for the period.

Bouygues has an option to buy out some or all of the shares of SDAIF exercisable between 15 March and 15 June each year from 2024 to 2027, and then every five years from 2030 to 2050.

Note 4 Consolidated shareholders' equity

Share capital of Bouygues SA

As of 30 June 2022, the share capital of Bouygues SA consisted of 382,522,675 shares with a par value of €1. That includes 5,705,000 treasury shares, of which 3,135,000 were acquired during the first half of 2022 for €100 million. All of the treasury shares are being held with a view to their cancellation.

	31/12/2021	Movements during 2022		30/06/2022
		Increases	Reductions	
Shares	382,504,795	17,880 ^a		382,522,675
NUMBER OF SHARES	382,504,795	17,880		382,522,675
Par value	€1			€1
SHARE CAPITAL (€)	382,504,795	17,880		382,522,675

(a) The increase in share capital was due to 17,880 new shares being issued on exercise of stock options in the first half of 2022.

Note 5 Non-current and current provisions

5.1 Non-current provisions

	Employee benefits ^a	Litigation and claims ^b	Guarantees given ^c	Other non-current provisions ^d	Total
31/12/2021	809	246	396	642	2,093
Translation adjustments	(1)		(2)	6	3
Changes in scope of consolidation					
Charges to provisions	39	11	29	22	101
Reversals of utilised provisions	(46)	(16)	(24)	(14)	(100)
Reversals of unutilised provisions	(3)	(11)	(6)	(30)	(50)
Actuarial gains and losses	(142)				(142) ^e
Transfers and other movements	(2)	1		13	12
30/06/2022	654	231	393	639	1,917

(a) Employee benefits

Lump-sum retirement benefits
Long-service awards
Pensions

654

453

116

85

Principal segments involved:

Bouygues Construction
Colas
TF1
Bouygues Telecom

244

263

33

80

(b) Litigation and claims

Provisions for customer disputes
Subcontractor claims
Employee-related and other litigation and claims

231

70

41

120

Bouygues Construction
Bouygues Immobilier
Colas
Bouygues Telecom

82

25

66

50

(c) Guarantees given

Provisions for 10-year construction guarantees
Provisions for additional building/civil engineering/civil works guarantees

393

257

136

Bouygues Construction
Bouygues Immobilier
Colas

296

22

75

(d) Other non-current provisions

Provisions for miscellaneous foreign risks
Provisions for risks on non-controlled entities
Dismantling and site rehabilitation
Provisions for social security inspections
Other non-current provisions

639

42

118

308

103

70

Bouygues Construction
Colas
Bouygues Telecom

128

325

123

(e) See Note 2.2 for an analysis of actuarial gains and losses.

5.2 Current provisions

Provisions related to the operating cycle	Provisions for customer warranties	Provisions for project risks and project completion ^a	Provisions for expected losses to completion ^a	Other current provisions ^b	Total
31/12/2021	42	409	552	327	1,330
Translation adjustments		7	12	6	25
Changes in scope of consolidation					
Charges to provisions	1	57	73	39	170
Reversals of utilised provisions	(1)	(72)	(133)	(45)	(251)
Reversals of unutilised provisions	(1)	(18)	(37)	(15)	(71)
Transfers and other movements	1	11	(6)	2	8
30/06/2022	42	394	461	314	1,211

(a) Mainly Bouygues Construction and Colas

Individual project provisions are not disclosed for confidentiality reasons.

(b) Other current provisions:

Reinsurance provisions	44	314	Principal segments involved:	
Restructuring provisions	5		Bouygues Construction	131
Site rehabilitation (current portion)	28		Bouygues Immobilier	22
Miscellaneous current provisions	237		Colas	112
			TF1	22

Note 6 Non-current and current debt

6.1 Breakdown of debt

	Current debt		Non-current debt	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Bond issues	760	884	5,093	3,814
Bank borrowings	565	340	1,750	1,565
Other borrowings	86	100	412	426
TOTAL NON-CURRENT AND CURRENT DEBT	1,411	1,324	7,255	5,805

The €1,450 million increase in non-current debt mainly reflects (i) the two bond issues totalling €2 billion carried out by Bouygues SA in May 2022 and (ii) an increase of €266 million in non-current debt at Colas, partly offset by the reclassification from non-current to current of the €700 million Bouygues SA bond issue maturing in January 2023.

Current debt rose by €87 million. This mainly reflects the redemption of an €800 million Bouygues SA bond issue on maturity in February 2022, which was more than offset by (i) the reclassification of the €700 million Bouygues SA bond issue maturing in January 2023 from non-current to current and (ii) an increase of €218 million in current debt at Colas.

6.2 Covenants and trigger events

All bond issues contain a change of control clause relating to Bouygues SA.

The bank credit facilities contracted by Bouygues SA contain no financial covenants or trigger event clauses. The same applies to facilities used by Bouygues SA subsidiaries.

Note 7 Change in net debt

	31/12/2021	Translation adjustments	Changes in scope of consolidation	Cash flows	Fair value adjustments	Other movements	30/06/2022
Cash and cash equivalents	6,501	13	(7)	(1,903)		(11)	4,593
Overdrafts and short-term bank borrowings	(351)	13	(1)	(80)			(419)
NET CASH POSITION (A) ^a	6,150	26	(8)	(1,983)		(11)	4,174
Non-current debt	5,805	19	7	2,247 ^b	(3)	(820)	7,255
Current debt	1,324	8		(692) ^b		771	1,411
Financial instruments, net	(38)	2		^b	(751)		(787)
TOTAL DEBT (B)	7,091	29	7	1,555	(754) ^d	(49)	7,879
NET DEBT (A) - (B)	(941)	(3)	(15)	(3,538)	754	38 ^c	(3,705)

(a) Decrease of €1,965m in the net cash position in the first half of 2022 as analysed in the consolidated cash flow statement.

(b) Net cash inflow from financing activities of €1,555m in the first half of 2022 as analysed in the consolidated cash flow statement, comprising total inflows of €4,518m and total outflows of €2,963m.

(c) Includes:

- zero impact of the reclassification of the €700m Bouygues SA bond issue maturing January 2023 from non-current to current;
- positive impact of the reclassification of the €58m contingent consideration paid to BTBD, payment of which is included within "Net liabilities related to consolidated activities" in the cash flow statement;
- negative impact of the reclassification of €2m of net debt relating to held-for-sale operations at TF1; and
- negative impact of buyouts of non-controlling interests of subsidiaries of Newen Studios (TF1) under put options granted by TF1.

(d) Includes:

- a €727m fair value adjustment relating to pre-hedging swaps contracted in connection with the financing of the Equans acquisition; and
- €42m for the upfront cash payment received on the closing out of the pre-hedging swap of the two May 2022 bond issues, presented within "Other cash flows related to financing activities" in the cash flow statement.

Note 8 Sales

	1st half of 2022				1st half of 2021			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	2,693	3,668	6,361	34	2,643	3,633	6,276	36
Bouygues Immobilier	820	49	869	5	924	56	980	6
Colas	2,953	3,534	6,487	35	2,814	2,752	5,566	32
TF1	1,026	140	1,166	6	1,007	103	1,110	6
Bouygues Telecom	3,623		3,623	20	3,459		3,459	20
Bouygues SA & other	6	19	25		5	21	26	
CONSOLIDATED SALES	11,121	7,410	18,531	100	10,852	6,565	17,417	100

	2nd quarter of 2022				2nd quarter of 2021			
	France	International	Total	%	France	International	Total	%
Bouygues Construction	1,358	1,947	3,305	32	1,348	1,897	3,245	34
Bouygues Immobilier	446	24	470	4	497	31	528	5
Colas	1,704	2,387	4,091	40	1,656	1,902	3,558	37
TF1	540	75	615	6	551	58	609	6
Bouygues Telecom	1,834		1,834	18	1,721		1,721	18
Bouygues SA & other	3	9	12		3	11	14	
CONSOLIDATED SALES	5,885	4,442	10,327	100	5,776	3,899	9,675	100

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

Note 9 Operating profit/(loss)

	1st half		2nd quarter	
	2022	2021	2022	2021
CURRENT OPERATING PROFIT/(LOSS)	492	471	569	548
Other operating income	17	97	9	35
Other operating expenses	(61)	(17)	(37)	(11)
OPERATING PROFIT/(LOSS)	448	551	541	572

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

1st half of 2022

Net other operating expenses for the first half of 2022 amount to €44 million and relate to Bouygues Telecom, TF1, Bouygues Construction and Bouygues SA. The main items at Group level are €40 million of costs relating to the proposed acquisition of Equans and €9 million of costs relating to the proposed merger of the operations of TF1 and M6, partly offset by €17 million of gains from sales of data centres.

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

- Bouygues Telecom: €17 million of gains from sales of data centres, partly offset by €4 million of network sharing costs and €3 million of other expenses;
- TF1: €7 million of costs relating to the proposed merger of the operations of TF1 and M6;
- Bouygues Construction: €8 million of costs for the Energies & Services arm in connection with the proposed acquisition of Equans by Bouygues SA, and €5 million of other costs; and
- Bouygues SA: €34 million of costs, mainly relating to the proposed acquisition of Equans from Engie and the proposed merger of the operations of TF1 and M6.

1st half of 2021

Net other operating income of €80 million relating to Bouygues Telecom, Bouygues Immobilier, TF1 and Bouygues SA, and comprising:

- Bouygues Telecom: €97 million of gains from sales of data centres (see Note 1.2), partly offset by €6 million of network sharing costs;
- Bouygues Immobilier: €6 million of adaptation costs;
- TF1: €2 million of costs relating to the proposed merger of the operations of TF1 and M6; and
- Bouygues SA: €3 million of costs, mainly relating to the proposed acquisition of Equans from Engie and the proposed merger of the operations of TF1 and M6.

Note 10 Income taxes

Bouygues recognised a net income tax expense of €103 million in the first half of 2022.

	1st half		2nd quarter	
	2022	2021	2022	2021
INCOME TAX GAIN/(EXPENSE)	(103)	(146)	(130)	(162)

The effective tax rate was 30% for the first half of 2022, versus 34% for the first half of 2021. The main impacts on the 2022 first-half effective tax rate were tax losses outside France for which no deferred tax asset was recognised.

Note 11 Segment information

The tables below show the contribution made by each business segment to key items in the income statement, balance sheet and cash flow statement:

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 1st half of 2022							
Advertising				816			816
Sales of services	2,180	27	267	344	2,824	99	5,741
Other sales from construction businesses	4,184	842	4,955				9,981
Other revenues	49		1,295	27	812		2,183
Total sales	6,413	869	6,517	1,187	3,636	99	18,721
Inter-segment sales	(52)		(30)	(21)	(13)	(74)	(190)
THIRD-PARTY SALES	6,361	869	6,487	1,166	3,623	25	18,531
CURRENT OPERATING PROFIT/(LOSS)	185	16	(160)	189	295	(33)	492
OPERATING PROFIT/(LOSS)	172	16	(160)	182	305	(67)	448
Share of net profits/(losses) of joint ventures and associates	4	3	22	(12)	(14)	(11)	(8)
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	135	9	(128)	56	174	(99)	147

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 1st half of 2021							
Advertising				802			802
Sales of services	2,092	35	164	289	2,743	104	5,427
Other sales from construction businesses	4,216	946	4,353				9,515
Other revenues	29		1,074	38	728		1,869
Total sales	6,337	981	5,591	1,129	3,471	104	17,613
Inter-segment sales	(61)	(1)	(25)	(19)	(12)	(78)	(196)
THIRD-PARTY SALES	6,276	980	5,566	1,110	3,459	26	17,417
CURRENT OPERATING PROFIT/(LOSS)	166	17	(100)	169	244	(25)	471
OPERATING PROFIT/(LOSS)	166	11	(100)	167	335	(28)	551
Share of net profits/(losses) of joint ventures and associates	6	(6)	4	(13)	(9)	219	201
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	119	(6)	(108)	47	199	157	408

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 2nd quarter of 2022							
Advertising				439			439
Sales of services	1,119	15	196	174	1,423	51	2,978
Other sales from construction businesses	2,186	455	3,055				5,696
Other revenues	31		860	13	417		1,321
Total sales	3,336	470	4,111	626	1,840	51	10,434
Inter-segment sales	(31)		(20)	(11)	(6)	(39)	(107)
THIRD-PARTY SALES	3,305	470	4,091	615	1,834	12	10,327
CURRENT OPERATING PROFIT/(LOSS)	100	16	133	129	208	(17)	569
OPERATING PROFIT/(LOSS)	92	16	133	125	213	(38)	541
Share of net profits/(losses) of joint ventures and associates	3	2	15	(5)	(10)	(10)	(5)
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	70	10	97	41	120	(60)	278

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
INCOME STATEMENT: 2nd quarter of 2021							
Advertising				444			444
Sales of services	1,126	20	86	155	1,380	53	2,820
Other sales from construction businesses	2,145	509	2,761				5,415
Other revenues	8		724	20	348		1,100
Total sales	3,279	529	3,571	619	1,728	53	9,779
Inter-segment sales	(34)	(1)	(13)	(10)	(7)	(39)	(104)
THIRD-PARTY SALES	3,245	528	3,558	609	1,721	14	9,675
CURRENT OPERATING PROFIT/(LOSS)	85	13	177	112	168	(7)	548
OPERATING PROFIT/(LOSS)	85	11	177	110	199	(10)	572
Share of net profits/(losses) of joint ventures and associates	4	(2)	6	(7)	(5)	100	96
NET PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	62	1	112	32	119	61	387

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	185	16	(160)	189	295	(33)	492
• Interest expense on lease obligations	(4)		(9)	(2)	(14)		(29)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:							
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	88	5	175	162	536	11	977
• Charges to provisions and impairment losses, net of reversals due to utilisation	(77)	9	(3)	(10)	20	2	(59)
Elimination of items included in other income from operations:							
• Reversals of unutilised provisions and impairment and other items	(50)	(8)	(70)	(13)	(7)	(1)	(149)
EBITDA AFTER LEASES: 1st half of 2022	142	22	(67)	326	830	(21)	1,232

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	166	17	(100)	169	244	(25)	471
• Interest expense on lease obligations	(4)	(1)	(7)	(2)	(12)		(26)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:							
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	102	5	176	173	527	6	989
• Charges to provisions and impairment losses, net of reversals due to utilisation	49	20	50	(11)	7	12	127
Elimination of items included in other income from operations:							
• Reversals of unutilised provisions and impairment and other items	(59)	(14)	(43)	(7)	(8)		(131)
EBITDA AFTER LEASES: 1st half of 2021	254	27	76	322	758	(7)	1,430

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	100	16	133	129	208	(17)	569
• Interest expense on lease obligations	(2)		(5)	(1)	(7)	1	(14)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:							
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	42	2	109	69	267	10	499
• Charges to provisions and impairment losses, net of reversals due to utilisation	(54)		2	(8)	11	(2)	(51)
Elimination of items included in other income from operations:							
• Reversals of unutilised provisions and impairment and other items	(28)	(4)	(48)	(10)	(3)	(1)	(94)
EBITDA AFTER LEASES: 2nd quarter of 2022	58	14	191	179	476	(9)	909

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Current operating profit/(loss)	85	13	177	112	168	(7)	548
• Interest expense on lease obligations	(2)	(1)	(3)	(1)	(6)		(13)
Elimination of net depreciation and amortisation expense and of net charges to provisions and impairment losses:							
• Net depreciation and amortisation expense on property, plant and equipment and intangible assets	53	2	110	89	269	4	527
• Charges to provisions and impairment losses, net of reversals due to utilisation	40	20	61	(2)		1	120
Elimination of items included in other income from operations:							
• Reversals of unutilised provisions and impairment and other items	(38)	(8)	(24)	(4)	(3)		(77)
EBITDA AFTER LEASES: 2nd quarter of 2021	138	26	321	194	428	(2)	1,105

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Financial indicators: balance sheet at 30/06/2022							
NET SURPLUS CASH/(NET DEBT)	2,558	(381)	(1,434)	245	(2,503)	(2,190)	(3,705)
Financial indicators: balance sheet at 31/12/2021							
NET SURPLUS CASH/(NET DEBT)	3,521	(142)	(33)	198	(1,734)	(2,751)	(941)

	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 1st half 2022							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	227	21	(86)	287	841	(64)	1,226
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(23)	(1)	(47)	(139)	(837)	(17)	(1,064)
Repayment of lease obligations (III)	(35)	(3)	(70)	(11)	(86)	(1)	(206)
FREE CASH FLOW (I) + (II) + (III)	169	17	(203)	137	(82)	(82)	(44)

CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)	(917)	(251)	(881)	(13)	(147)	(19)	(2,228)
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	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 1st half 2021							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	222	18	37	299	746	(22)	1,300
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(45)	(2)	(39)	(122)	(582)		(790)
Repayment of lease obligations (III)	(41)	(4)	(52)	(11)	(71)	1	(178)
FREE CASH FLOW (I) + (II) + (III)	136	12	(54)	166	93	(21)	332

CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)	(443)	(105)	(481)	(63)	(201)	(83)	(1,376)
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	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 2nd quarter 2022							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	97	19	176	156	464	(18)	894
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(16)	(1)	(34)	(73)	(345)	(17)	(486)
Repayment of lease obligations (III)	(18)	(1)	(37)	(5)	(45)	(1)	(107)
FREE CASH FLOW (I) + (II) + (III)	63	17	105	78	74	(36)	301

CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)	(153)	(96)	(668)	(145)	(120)	(30)	(1,212)
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	Bouygues Construction	Bouygues Immobilier	Colas	TF1	Bouygues Telecom	Bouygues SA & other	Total
Other financial indicators: 2nd quarter 2021							
Cash flow after cost of net debt, interest expense on lease obligations and income taxes paid (I)	93	11	274	182	407	8	975
Acquisitions of property, plant & equipment and intangible assets, net of disposals (II)	(29)	(1)	(28)	(73)	(313)	1	(443)
Repayment of lease obligations (III)	(19)	(2)	(26)	(6)	(35)	1	(87)
FREE CASH FLOW (I) + (II) + (III)	45	8	220	103	59	10	445
CHANGES IN WORKING CAPITAL RELATED TO OPERATING ACTIVITIES (INCLUDING CURRENT IMPAIRMENT AND PROVISIONS)							
	262	(70)	(363)	(67)	(127)	(65)	(430)

Note 12 Off balance sheet commitments

There have been no material changes in off balance sheet commitments since 31 December 2021 other than:

- the first phase in the refinancing of the €6 billion syndicated loan, in the form of two bond issues for a total amount of €2 billion (see Note 1.1). The syndicated loan amounted to €4.7 billion as of 30 June 2022;
- an endorsement of €112 million given in connection with the Metro Manila Subway project in the Philippines (Colas); and
- the extinguishment of the commitment entered into by Newen (TF1) in 2021 in respect of a lease falling within the scope of IFRS 16, as a result of the leased property being made available for occupation in the first quarter of 2022.

Note 13 Related party information

There have been no material changes in the nature of transactions with related parties since 31 December 2021.

5. AUDITORS' REPORT ON FIRST-HALF FINANCIAL INFORMATION

To the shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings and in accordance with the requirements of Article L. 451-1-2 III of the French Monetary and Financial Code (Code Monétaire et Financier), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Bouygues, for the period from 1 January to 30 June 2022;
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements were prepared under the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, the standard issued by the IASB and endorsed by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris-La Défense, 1 August 2022

The Statutory Auditors

MAZARS

ERNST & YOUNG Audit

Jean-Marc Deslandes

Nicolas Pfeuty

6.STATEMENT BY THE PERSON RESPONSIBLE FOR THE FIRST-HALF FINANCIAL REPORT

I certify that to the best of my knowledge the condensed consolidated financial statements for the past half-year have been prepared in accordance with the relevant accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the company and of affiliated undertakings and that the attached first-half review of operations provides an accurate representation of significant events in the first six months of the year and of their impact on the first-half financial statements, of the main related-party transactions and of the main risks and uncertainties for the remaining six months.

Paris, 1 August 2022



Olivier Roussat

Chief Executive Officer



A *Société Anonyme* (public limited company) with a share capital of €382,504,795
Registered office: 32, avenue Hoche, 75008 Paris, France
Registered No. 572 015 246 Paris